

Subject: Bill 20-19, Landlord-Tenant Relations – Licensing of Rental Housing – Fee Exemption	
Purpose: Public Hearing -- to receive testimony – no vote expected	
Analyst: Christine M.H. Wellons, Legislative Attorney <i>Wellons</i>	Committee: PHED
Keywords: #AccessoryAptFeeExemption Other search terms: rental housing fee, landlord-tenant relations, accessory apartments, rental housing licensing, license applicant	

EXPECTED ATTENDEES

None.

DESCRIPTION/ISSUE

Bill 20-19 would exempt a license applicant from any fee requirement to operate an accessory apartment as rental housing if the apartment is occupied by an individual with disabilities.

This report contains:

Detailed Staff Report

Bill 20-19

Legislative Request Report

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MEMORANDUM

July 11, 2019

TO: County Council

FROM: Christine M.H. Wellons, Legislative Attorney

SUBJECT: Bill 20-19, Landlord-Tenant Relations – Licensing of Rental Housing – Fee Exemption

PURPOSE: Public Hearing – no Council votes required

Bill 20-19, Landlord-Tenant Relations – Licensing of Rental Housing – Fee Exemption, sponsored by Lead Sponsor Councilmember Friedson and Co-Sponsors, Councilmembers Jawando, Riemer, Albornoz, Council President Navarro, Councilmember Rice, Council Vice President Katz and Councilmember Glass, was introduced on June 25, 2019. A Planning, Housing and Economic Development Committee worksession is tentatively scheduled for September 9, 2019.¹

Background

Bill 20-19 would eliminate any license fee required to operate an accessory apartment as rental housing if the apartment is occupied by an individual with disabilities.

In order to qualify for the fee exemption, the license applicant would be required to certify annually to the Department of Housing and Community Affairs (DHCA) that an occupant of the accessory apartment meets one or more criteria establishing that the occupant is an individual with disabilities. The criteria include that the occupant: (1) receives certain disability benefits under the Social Security Act; (2) receives disability compensation from the U.S. Department of Veterans Affairs; (3) is the beneficiary of an ABLE account; or (4) has a physician's certification of certain severe impairments or blindness. DHCA would be required to protect individuals' health information to the maximum extent permitted by law.

This packet contains:	<u>Circle #</u>
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¹#AccessoryAptFeeExemption

Other search terms: rental housing fee, landlord-tenant relations, accessory apartments, rental housing licensing, license applicant

Bill No. 20-19
Concerning: Landlord-Tenant Relations –
Licensing of Rental Housing – Fee
Exemption
Revised: 06/19/2019 Draft No. 4
Introduced: June 25, 2019
Expires: December 26, 2020
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Friedson
Co-Sponsors: Councilmembers Jawando, Riemer, Albornoz, Council President Navarro,
Councilmember Rice, Council Vice President Katz and Councilmember Glass

AN ACT to:

- (1) exempt a license applicant from any license fee requirement to operate an accessory apartment as rental housing in certain circumstances; and
- (2) generally amend the law related to the licensing of rental housing.

By amending

Montgomery County Code
Chapter 29, Landlord-Tenant Relations
Section 29-20

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 29-20 is amended as follows:**

2 **29-20. Fees.**

3 (a) [The] Except as provided in subparagraph (b), the annual license fee per
 4 dwelling unit is:

5 [(a)] (1) for a Class 1 multi-family rental facility license:

6 [(1)] (A) \$44.00 per dwelling unit in an apartment complex or an
 7 accessory apartment approved by special exception; and

8 [(2)] (B) \$59.00 per dwelling unit for all others;

9 [(b)] (2) for a Class 2 single-family rental facility license, \$101.00 per
 10 dwelling unit;

11 [(c)] (3) for a Class 3 accessory apartment license \$101.00 per unit.

12 (b) Fee exemption.

13 (1) A license applicant is exempt from any fee associated with the
 14 licensure of an accessory apartment occupied by an individual with
 15 disabilities.

16 (2) To establish that an individual with disabilities occupies an
 17 accessory apartment, a license applicant annually must certify, on
 18 a form provided by the Director, that an occupant of the accessory
 19 apartment:

20 (A) receives Social Security Disability benefits based on
 21 blindness or disability under Title II of the Social Security
 22 Act, as amended;

23 (B) receives Supplemental Security Income benefits based on
 24 blindness or disability under Title XVI of the Social
 25 Security Act, as amended;

26 (C) receives disability compensation from the U.S. Department
 27 of Veterans Affairs;

- 28 (D) is the beneficiary of an ABLE account under Section 529A
- 29 of the Internal Revenue Code, as amended; or
- 30 (E) has a written certification, signed by a physician licensed in
- 31 the State of Maryland, that the individual:
- 32 (i) has a severe medically determinable impairment that
- 33 results in marked and severe functional limitations,
- 34 which have lasted, or can be expected to last, for at
- 35 least 12 months or to result in death; or
- 36 (ii) is blind, which means the individual has central
- 37 visual acuity of 20/200 or less in the better eye with
- 38 the use of a correcting lens.
- 39 (3) If the Director requests evidence sufficient to verify the
- 40 information certified under this subsection, the license applicant or
- 41 licensee must provide such evidence.
- 42 (4) The Director must protect the confidentiality of any individual
- 43 health information received under this Section to the maximum
- 44 extent permitted by law.
- 45 (c) [The] By method (3) regulation, the Executive may establish [a higher
- 46 annual fee by method (3) regulation] annual fees that are:
- 47 (1) higher than those specified in subparagraph (a); and
- 48 (2) in [an amount] amounts sufficient to pay the costs of administering
- 49 this Chapter.

50 *Approved:*

51

Nancy Navarro, President, County Council

Date

LEGISLATIVE REQUEST REPORT

Bill 20-19

Landlord-Tenant Relations – Licensing of Rental Housing – Fee Exemption

DESCRIPTION: Bill 20-19 would exempt a license applicant from any fee to operate an accessory apartment as rental housing if the apartment is occupied by an individual with disabilities.

PROBLEM: A license fee is required to rent an accessory apartment occupied by an individual with disabilities.

GOALS AND OBJECTIVES: Eliminate any license fee associated with operating an accessory apartment as rental housing if the apartment is occupied by an individual with disabilities.

COORDINATION: Department of Housing and Community Affairs

FISCAL IMPACT: Office of Management and Budget

ECONOMIC IMPACT: Finance

EVALUATION: To be done.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Christine M.H. Wellons, Legislative Attorney

APPLICATION WITHIN MUNICIPALITIES: N/A

PENALTIES: N/A