COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

SUBJECT: Amendment to the FY23 Work Program of the Office of Legislative Oversight

Background

1. On July 26, 2022, the Council adopted the FY23 Work Program of the Office of Legislative Oversight. This Work Program assigned OLO seventeen projects to be undertaken during the current fiscal year.

2. Since the approval of the FY23 Work Program of the Office of Legislative Oversight, Councilmembers have identified the projects described below as appropriate OLO assignments.

Action

The County Council for Montgomery County, Maryland, approves the addition of Project #18, 19 and 20 to OLO's FY23 Work Program. These projects will not require or result in any delays to those projects currently assigned in the FY23 OLO Work Program.

This is a correct copy of Council action.

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Judy Rupp
Clerk of the Council

OLO Work Program Supplement

Project #18

Rent Regulations

Principal Agency: Montgomery County Government

On May 15, 2022, the County's COVID-19-related rent stabilization law expired (Montgomery County Code § 29-55). The law prohibited landlords from increasing existing tenants' rents above the County Government's annually-set voluntary rent guidelines (0.4% in 2022) through May 15, 2022. After providing a legally required 90 days-notice and as of mid-August 2022, landlords have been allowed to increase rents for existing tenants with no cap on the amount of increase. Since then, the County Government's Department of Housing and Community Affairs (DHCA) has received an increase in existing tenant complaints about high rent increases, including one complaint of a 92% rent increase.

The Council is interested in receiving information on different types of rent regulations used in other jurisdictions, their social and economic impacts, and whether research shows the impacts tied to the business cycle. Additionally, the Council would like an analysis of recent and historical trends in the rental market in the County based on two sources: (1) DHCA's annual rental housing survey, where landlords are legally required to report a variety of data, including building locations, number of bedrooms, vacancy information, and rents charged both pre-vacancy and post-vacancy; and (2) data from any complaints filed with DHCA since expiration of the COVID-19 rent stabilization law on May 15, 2022.

In this report, OLO will:

- Identify different types of rent regulations implemented in other jurisdictions;
- Review the literature on the social and economic impacts of rent regulations; and
- Analyze DHCA data on tenant complaints and indicators captured in the rental housing survey (e.g. changes in rents, fees, and operating costs).

OLO Work Program Supplement

Project #19

Property Tax Credits for Seniors

Principal Agency: Montgomery County Government

Many local jurisdictions, including Montgomery County, offer a real property tax credit for senior homeowners. The programs differ in many ways, including the amount of tax liability reduction, the number of years a homeowner can receive the credit, maximum household income levels, and the maximum assessed value of eligible properties. Montgomery County's senior tax credit is available for any resident who:

- Is 65 years old or above;
- Owns a home with a maximum assessed value of $650,000; and
- Has lived in the home for at least 40 years.

Seniors who qualify for the credit receive a 20% reduction in their property tax liability for seven years.

The Council is interested in understanding the implications of changing certain program conditions to expand the tax credit to additional senior residents. The report will analyze how changing conditions would affect the program's fiscal costs and the socio-economic characteristics of recipients. The report will also look at state enabling legislation for the tax credit to determine whether or how expansion would be permissible.

OLO Work Program Supplement

Project #20

Data Entry

Principal Agency: Montgomery County Government

Montgomery County's government is committed to an open and transparent approach to data. Through its Open Montgomery Data Initiative, thousands of variables related to all aspects of government are released to the public on a regular basis. However, these databases are only as good as the quality of the data they contain.

The data on the County Government's dataMontgomery website come from numerous sources and are collected in a variety of ways. Examples of data collection methods include:

- Use of sensors that record information (e.g., parking garage space availability);
- Collection of data from external data sources (e.g., property tax credit data from the State Department of Assessments and Taxation); and
- Individuals recording information collected as a part of their job (e.g., traffic violations, food inspection violations, housing code violations).

The County Council is interested in better understanding the County Government's practices and procedures related to the third method – individuals who collect and record on behalf of County Government departments. OLO will identify a sample of data sets available on dataMontgomery and work with the departments that collect and own the data to: (1) examine the training provided to County Government employees who collect and record data; (2) identify how employees are training to interpret and record qualitative data; and (3) explore whether data entry practices are consistent among employees who enter the same types of data.