| Bill No. | 6-25 | | | |
|---------------|--------------|-------|---------|--------------|
| Concerning: C | Consumer | Pro | tection | |
| Defective | Tenancies | as | Dece | <u>otive</u> |
| Trade Prac | ctices | | | |
| Revised: 1/2 | 8/2025 | _ Dra | aft No. | 2 |
| Introduced: | February 1 | 1, 20 |)25 | |
| Enacted: | April 1, 202 | 25 | | |
| Executive: | April 14, 20 |)25 | | |
| Effective: | July 14, 202 | 25 | | |
| Sunset Date: | - | | | |
| Ch. 9 . Laws | of Mont. Co | | 2025 | |

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Mink

Co-Sponsors: Council President Stewart, Council Vice President Jawando, and Councilmember Luedtke

AN ACT to:

- **(1)** expand the definition of "person" to include a landlord;
- **(2)** clarify consumer goods and services include rental housing;
- remove the exemption for defective tenancies or complaints related to landlord-tenant (3) matters;
- clarify the enforcement and penalties under Chapter 11 and Chapter 29; and **(4)**
- (5) generally amend County law related to consumer protection.

By amending

Montgomery County Code Chapter 11, Consumer Protection Sections 11-1, 11-4, 11-5, 11-10, and 11-11

Chapter 29, Landlord-Tenant Relations

Section 29-8

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

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

| 1 | Sec. 1. Sections 11-1, 11-4, 11-5, 11-10, 11-11, and 29-8 are amended as |
|----|--|
| 2 | follows: |
| 3 | 11-1. Definitions. |
| 4 | In this Chapter, the following words and phrases have the following meanings: |
| 5 | Consumer: A purchaser, lessee, or recipient, or prospective purchaser, lessee or |
| 6 | recipient of consumer goods or services, including a co-obligor or surety. |
| 7 | Consumer goods or services: Real estate, including rental housing; goods[,]; |
| 8 | services[,]; credit[,]; debts[,]; or obligations that are primarily for personal, |
| 9 | household, family, or agricultural purposes. |
| 10 | Merchant: Any person who offers or makes available to consumers, either |
| 11 | directly or indirectly, consumer goods or services. |
| 12 | * * * |
| 13 | Person: An individual, proprietor, landlord, partnership, corporation, firm, |
| 14 | cooperative, association, or any other group of individuals or legal entity, |
| 15 | however organized. |
| 16 | * * * |
| 17 | Real estate: Any leasehold or other tangible interest in residential real property, |
| 18 | dwelling, building, or other structure located on residential real property, |
| 19 | including a condominium unit. |
| 20 | 11-4. Deceptive trade practices. |
| 21 | A merchant must not engage in a deceptive, unfair, or unconscionable trade |
| 22 | practice, whether or not any specific consumer has, in fact, been misled, deceived, or |
| 23 | damaged thereby. Deceptive, unfair, or unconscionable trade practices include: |
| 24 | * * * |
| 25 | (d) a representation that consumer goods or services are of a particular |
| 26 | standard, quality, grade, style, or model, if they are of another; |
| 27 | (e) a misrepresentation as to a material fact that has a tendency to mislead; |

| 28 | (f) | a failure to state a material fact if the failure deceives or tends to deceive; |
|----|------------------|---|
| 29 | | * * * |
| 30 | (y) | taking payment for goods or services without delivering the goods or |
| 31 | | performing the services; or |
| 32 | | * * * |
| 33 | 11-5. Exem | ptions from chapter. |
| 34 | This | chapter does not apply to: |
| 35 | (a) | other than practicing or acting without a license, professional services |
| 36 | | rendered by any certified public accountants, architects, clergymen, |
| 37 | | professional engineers, lawyers, veterinarians, insurance agents and |
| 38 | | brokers licensed by the state, Christian Science practitioners, land |
| 39 | | surveyors and property line surveyors, optometrists, physical therapists, |
| 40 | | podiatrists, psychologists, and medical and dental practitioners, engaging |
| 41 | | in their respective professional activities; |
| 42 | (b) | any television or radio broadcasting station or any publisher or printer of |
| 43 | | a newspaper, magazine, or other form of printed advertising who |
| 44 | | broadcasts, publishes, or prints an advertisement which violates this |
| 45 | | Chapter, except insofar as the station or publisher or printer engages in a |
| 46 | | deceptive or unconscionable practice in the sale or offering for sale of its |
| 47 | | own goods or services or knows that the advertising violates this Chapter; |
| 48 | (c) | public utility companies to the extent that the company's services and |
| 49 | | operations are regulated by the state Public Service Commission; and |
| 50 | [(d) | defective tenancies or other complaints concerning any condition in |
| 51 | | rental housing which arises out of a landlord-tenant relationship and |
| 52 | | constitutes a violation of Chapter 29; and] |
| 53 | [(e)] <u>(d)</u> | the sale of real estate, directly or indirectly, by any owner-occupant of the |
| 54 | | real estate, except as provided in Section 40-14. |

| 55 | 11-10. Adm | inistrative hearing. |
|----|-------------|---|
| 56 | | * * * |
| 57 | (g) | In addition to the requirements of Section 2A-10, if the hearing officer |
| 58 | | finds by a preponderance of the evidence that a person has violated this |
| 59 | | Chapter, the hearing officer may order the violator to: |
| 60 | | * * * |
| 61 | | (5) pay a civil penalty [authorized under Section 11-11] of not more |
| 62 | | than \$1,000 for each violation; or |
| 63 | | * * * |
| 64 | 11-11. Enfo | rcement and penalties. |
| 65 | (a) | [A person who violates this Chapter is subject to a civil penalty under |
| 66 | | Section 11-10 of not more than \$1,000 for each violation or the penalty |
| 67 | | for a Class A violation. If the violation is enforced as a Class A civil |
| 68 | | violation, the] |
| 69 | | Civil citation. A person who violates this Chapter is subject to a Class A |
| 70 | | violation, with a maximum penalty [is \$1,000 rather than the penalty] set |
| 71 | | under Section 1-19. |
| 72 | (b) | Enforcement of department orders. The Director may bring an action in |
| 73 | | any court with jurisdiction to [recover a civil penalty, enjoin any violation |
| 74 | | of this Chapter, or] enforce any order, decision, summons, or subpoena |
| 75 | | issued under this Chapter. |
| 76 | (c) | Civil action. The Director may bring a civil action [In any action the |
| 77 | | Director brings] to enforce this Chapter[, the Director] and may seek |
| 78 | | damages, restitution, the posting of a bond, or any other available legal or |
| 79 | | equitable relief, including declaratory, preliminary, temporary, or |
| 80 | | permanent relief. |

| 81 | <u>(d)</u> | Recovery of attorney's fees. If the County is the prevailing party in any |
|----|-------------|---|
| 82 | | enforcement action under subsection (b) or (c), the County may recover |
| 83 | | costs and reasonable attorney's fees. |
| 84 | 29-8. Enfor | cement procedure. |
| 85 | | * * * |
| 86 | <u>(c)</u> | Recovery of attorney's fees. If the County is the prevailing party in any |
| 87 | | enforcement action, the County may recover costs and reasonable |
| 88 | | attorney's fees. |

| Approved: | |
|---|----------------|
| Late Stewar | April 1, 2025 |
| Kate Stewart, President, County Council | Date |
| Approved: | |
| Marc El | April 14, 2025 |
| Marc Elrich, County Executive | Date |
| This is a correct copy of Council action. | |
| Said | April 14, 2025 |
| Sara R. Tenenbaum, Clerk of the Council | Date |