PHP Item #1
October 5, 2026
Worksession

M E M O R A N D U M

September 30, 2026

TO: Planning, Housing, and Parks (PHP) Committee

FROM: Christine Wellons, Chief Legislative Attorney

SUBJECT: Bill 8-26, Landlord-Tenant Relations – Prohibition Against Price Coordination and Rent-Setting Algorithms

PURPOSE: Worksession – Committee recommendation expected

Expected Attendees
Scott Bruton, Director, Department of Housing and Community Affairs (DHCA)

Bill 8-26, Landlord-Tenant Relations – Prohibition Against Price Coordination and Rent-Setting Algorithms, was introduced on February 10, 2026. The Lead Sponsor is Councilmember Jawando. The Co-Sponsors are Councilmembers Evans and Mink. A public hearing occurred on March 10.

Bill 8-26 would:

(1) prohibit the use of algorithmic devices to establish rents or rental terms in the County;
(2) prohibit price coordination regarding rents or rental terms in the County;
(3) provide for the enforcement of the prohibitions; and
(4) generally amend the law regarding landlord-tenant relations.

BACKGROUND

As explained by Councilmember Jawando in a memorandum to colleagues: "This legislation is about promoting free markets in the rental housing market and cracking down on illegal price-fixing and collusion that results in higher rents for our residents. Specifically, the bill would prohibit the use of algorithmic devices to establish rents or rental terms in the County; prohibit price coordination regarding rents or rental terms in the County; provide for the enforcement of the prohibitions; and generally amend the law regarding landlord-tenant relations.

"As you may know, in the past few years, there has been significant litigation regarding this issue at the national and state levels. The United States Department of Justice is settling its landmark litigation against RealPage regarding these issues. In 2025, in Maryland, as you may be aware,

Maryland Attorney General Anthony Brown sued RealPage and residential landlords for illegally raising the rent on thousands of Maryland residents. And, at the state level, Delegates Palakovich Carr and Stewart have introduced similar legislation…." (internal citations omitted).

BILL SPECIFICS

Bill 8-26 would amend Chapter 29 {Landlord-Tenant Relations} to define and prohibit using or subscribing to "algorithmic devices," or engaging in "price coordination," when setting rents, occupancy levels, or other rental terms in the County.

In general, an *algorithmic device* would be a product or service that:

(1) uses one or more algorithms to perform calculations;
(2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:
    (A) 2 or more landlords;
    (B) public databases; or
    (C) a combination of public databases and 2 or more landlords; and
(3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

The general definition of *price coordination* would be:

(1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and
(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

The following activities would be exempt from the bill's prohibition against algorithmic devices and price coordination:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;
(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or
(3) the provision or use of data by a natural person who is a landlord of only one rental unit.

Each instance of violating the terms of the bill, and each day of a violation, would be a separate Class A violation. The bill would be subject to the general enforcement mechanisms under Chapter 29.

SUMMARY OF IMPACT STATEMENTS

Fiscal Impact. According to the Office of Management and Budget (OMB), "Implementation of Bill 8-26 is not expected to require additional County expenditures."

Economic Impact. The Office of Legislative Oversight (OLO) "anticipates that Bill 8-26 would have an indeterminate impact on the economic conditions in the County, as measured by the Council's priority economic indicators." OLO explains that it cannot confidently predict the overall economic impact due to the limited amount of empirical evidence on economic impacts in jurisdictions with similar laws and uncertainty in how effectively the ban can be enforced.

Racial Equity and Social Justice Impact. OLO determined that "the anticipated RESJ impact of Bill 8-26 is indeterminant" as "[s]everal factors related to how the law would be enforced are unknown." While OLO found the RESJ impact indeterminate, they recommended that the Council consider establishing systems for proactive administration and enforcement of the Bill, as well as creating a communication and training plan which would help tenants know their rights and responsibilities.

Climate assessment. OLO "anticipates Bill 8-26 will have no impact on the County's contribution to climate change." Therefore, OLO did not recommend any climate related amendments to the Bill.

SUMMARY OF PUBLIC HEARING

The County Council held a public hearing on Bill 8-26 on March 10, 2026.

Scott Bruton, Director of DHCA, expressed support of Bill 8-26 to help alleviate the effects of price fixing using price coordination algorithms. Additional testimony is available at Public Testimony, which includes the following.

- Amalgamated Transit Union (ATU) Local 689: "Price coordination and rent-setting algorithms are not tools to bring down the cost of housing. In fact, their use results in higher rents and housing costs, hidden fees, and stifles competition - hurting consumers and taking advantage of families."

- Housing Justice Montgomery: "We support this bill to prevent what should already be unlawful price fixing and collusion between landlords that result in higher rents for tenants."

- Apartment and Office Building Association of Metropolitan Washington (AOBA): "AOBA opposes this bill because algorithmic tools are an important revenue management resource that help housing providers respond to rising operating expenses and increasing capital needs. These tools allow housing providers to adjust rents and lease terms more efficiently in

response to changing market conditions. This includes lowering rents when supply increases or demand weakens."

- Leanne Tobias: "As a retired real estate executive and a County resident committed to housing affordability, I strongly support Bill 8-26. This legislation will ensure that rental housing prices in Montgomery Co are not unfairly inflated by leases based on pricing coordination."

- Montgomery County, Maryland Women's Democratic Club: "We urge you to pass Bill 8-26, the Anti-Algorithmic Price Fixing Act, to protect and preserve affordable housing in Montgomery County.... About 40% of Montgomery County residents are renters, and many are already stretched to the breaking point. Price-fixing and collusion, often enabled by algorithmic pricing tools, inflate rents and push more households beyond affordability. Algorithmic rent-setting software significantly contributes to higher rents, particularly in tight markets like Montgomery County. The White House Council of Economic Advisers estimates that such tools increase rents by an average of $70 per month."

- Montgomery County Civic Federation: "In 2023, the DC Attorney General filed a lawsuit against RealPage and 14 landlords for pooling nonpublic, competitively sensitive data from landlords to set rental prices and keep rents artificially high. Instead of competing, landlords all raise their prices together based on RealPage's recommendations, according to the DC Attorney General. Instead of the market determining rents, it's software. Even worse, companies were encouraged to bring other landlords into the system to bolster the dominance of this price fixing algorithm. At least 10 of these large landlords sued in DC are operating in Montgomery County, and perhaps others, likely exposing thousands of renters here to price gouging."

- NAACP, Montgomery County Branch: "As the Montgomery County Planning Board noted in its 2024 Report on the Black Population of Montgomery County, " Black residents are less likely to be homeowners than county residents overall; only 46% of people in Black households reported owning their home, compared with 66% of those in the county overall. As a result, a majority of Black householders rent (54%) compared with only 34% in the county overall." In essence, rental price increases have a disproportionately burdensome effect on Black residents of this County. Therefore, based on these facts and our history of advocacy in this subject areas, we support Bill 8-26, the Anti-Algorithmic Price Fixing Bill."

- Montgomery County Chamber of Commerce (MCCC): "Bill 8-26 is built on the assumption that algorithmic pricing tools artificially raise rents or promote price coordination. In practice, these tools respond to real-time market dynamics and often lower rents when conditions soften…. Additionally, the bill's definitions are overly broad and could unintentionally prohibit commonly used rental market analytics, basic property-management systems, and general market data platforms…. MCCC urges Councilmembers to focus on policies that incentivize the construction of more housing, streamline approvals, and expand opportunities for growth. These steps will do far more to reduce rents and improve affordability than restricting the tools property managers use to understand market conditions. For these reasons, MCCC opposes Bill 8-26, Landlord-Tenant Relations - Prohibition Against Price

Coordination and Rent-Setting Algorithms and respectfully asks the County Council to reject this measure."

ISSUES FOR THE COMMITTEE'S CONSIDERATION

1. **Approaches of Other Jurisdictions; City of Rockville Legislation**

Several jurisdictions around the country – including Rockville, Maryland – have adopted ordinances to prohibit the use of algorithmic devices in setting rental terms. Example ordinances are attached at © 25 and the following chart provides a summary.

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
Definition of "algorithmic device"	Algorithmic device means a product or service that: (1) uses one or more algorithms to perform calculations; (2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from: (A) 2 or more landlords; (B) public databases; or (C) a combination of public databases and 2 or more landlords; and (3) recommends rents, fees, rental terms, or occupancy levels for a rental unit. Algorithmic device does not include: (1) a periodic report, published not more than once a month, that	Algorithmic device means a product or service that: (1) uses one or more algorithms to perform calculations; (2) uses non-public competitor data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from two or more landlords; and (3) recommends rents, fees, rental terms, renewal terms, or occupancy levels for a dwelling unit. Algorithmic device does not include: (1) a periodic report, published not more than once a month, that publishes existing rental data in an aggregated and anonymous manner	Algorithmic device means a device, commonly known as revenue management software**,** that uses one or more algorithms to perform calculations of non-public competitor data concerning local or statewide rents or occupancy levels, for the purpose of advising a landlord on whether to leave a unit vacant or on the amount of rent that the landlord may obtain for that unit. "Algorithmic device" includes a product that incorporates an algorithmic device, but does not include (A) a report that publishes existing rental data in an aggregated manner but does not recommend rents or occupancy levels for future leases;	Algorithmic device shall mean a product or service involving a system, software, or process using computation that: uses one or more algorithms to perform calculations; uses data concerning historical or contemporaneous prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from: (a) two or more real estate lessors; (b) Public databases; (c) A combination of public databases, or two or more real estate lessors; that recommends rental prices, fees, rental terms, or occupancy levels to a landlord. Algorithmic device includes a product that	Algorithmic device: A device that uses one or more algorithms to perform calculations of non-public competitor data concerning local or statewide rents or occupancy levels to advise an owner or operator on whether to leave a unit vacant or on the amount of rent that the owner or operator may obtain for that unit. This includes a product that incorporates an algorithmic device but does not include (a) any report publishing existing rental data in an aggregated manner without recommending rents or occupancv levels for future leases or (b) a product used for the purpose of

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
	publishes existing rental data in an aggregated and anonymous manner without recommending rental prices, fees, rental terms, or occupancy levels for future leases; (2) a product or service used for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or (3) a product or service used by a natural person who is the landlord of only one rental unit in the County.	without recommending rental prices, fees, rental terms, or occupancy levels for future leases; (2) a product or service used for the purpose of establishing rent or income limits in accordance with an affordable housing program of the local, State, or federal government; or (3) a product or service used by a person who is the landlord of only one rental unit in the City.	or (B) a product used for the purpose of establishing rent or income limits in accordance with the a/fordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.	incorporates an algorithmic device, but does not include (A) a report that publishes periodically, but not more frequently than monthly, existing rental data in an aggregated and anonymous manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (B) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.	establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision
Definition of "price coordination"	Price coordination means: (1) collecting from 2 or more landlords or from public databases, with or	Price coordination means: (1) collecting from two or more landlords, with or without the exchange of	N/A	Price coordination shall mean engaging in both of the following acts:	N/A

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
	without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and (2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device. Price coordination does not include: (1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;	money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and (2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device. Price coordination does not include: (1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases; (2) providing or using data for the purpose of		(a) collecting historical or contemporaneous non-public competitor information concerning prices, price changes, supply levels: occupancy rates, or lease or rental contract termination and renewal dates of residential rental units from two or more real estate lessors, whether or not monetary or other valuable consideration is paid to acquire or collect such information, or information concerning such matters from a public database; and (b) recommending or suggesting rental prices, fees, rental terms, or occupancy levels to a real estate lessor based on such information when such recommendation involves the analysis	

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
	(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or (3) the provision or use of data by a natural person who is a landlord of only one rental unit.	establishing rent or income limits in accordance with an affordable housing program of local, State, or Federal government; or (3) the provision or use of data by a person who is a landlord of only one rental unit in the City.		or processing of such information using an algorithmic device. Price coordination does not include (i) providing information for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a governmental entity; or (ii) generation or use of any report, study, or presentation that provides existing rental data in an aggregated manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (iii) providing or using information for the purpose of conducting market research for project financing, for the purpose of conducting an appraisal, or for	

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
				conducting research, testing, and training for software development.	
Nature of the prohibition	A landlord must not: (1) use an algorithmic device regarding the rent, fees, or any other rental term for a rental unit within the County; (2) engage in price coordination regarding the rent, fees, or any other rental term for a rental unit within the County; (3) agree with any other person not to compete with respect to the rent, fees, or any other rental term for a rental unit within the County; or (4) subscribe to or pay for an algorithmic device or price coordination services with respect to the rent, fees, or any other rental term for a rental unit within the County.	A landlord must not: (1) use an algorithmic device regarding the rent, fees, or any other rental term for a dwelling unit within the City; (2) engage in price coordination regarding the rent, fees, or any other rental term for a dwelling unit within the City; (3) agree with any other person not to compete with respect to the rent, fees, or any other rental term for a dwelling unit within the City; or (4) subscribe to or pay for an algorithmic device or price coordination services with respect to the rent, fees, or any other rental term for a dwelling unit within the City.	Prohibition against the sale of algorithmic devices to landlords; and prohibition against the use of an algorithmic device by a landlord to set rents or occupancy levels	(a) No real estate lessor in the city shall engage in price coordination for residential rental units in the city, including through the sale, licensure, or provision of any service or product that involves price coordination of residential units. (b) No real estate lessor in the city shall enter an agreement with any other person to not compete with respect to rental pricing, fees, or any other rental term for residential rental units in the city. (c) No real estate lessor shall use, subscribe to, or contract or pay for, the services of another person if such services involve price	An owner or operator may not use an algorithmic device when setting rents or occupancy levels for dwelling units.

	Council Bill 8-26	Rockville, MD	San Francisco, CA	Providence, RI	Minneapolis, MN
				coordination or otherwise encourage or facilitate an agreement with other persons to not compete with respect to any rental term for residential units in the city. (d) No real estate lessor shall use, subscribe to, contract or pay for, or otherwise provide anything of value for an algorithmic device.	
Enforceability; Penalties	(1) Each violation of subsection (b) is a Class A violation. (2) Each day that a violation of subsection (b) exists or continues constitutes a separate Class A violation. (3) The requirements of this Section are enforceable under Section 29-8 {Enforcement procedure} and Article V {Complaints} of this Chapter.	A violation is a "municipal infraction" – enforceable through citation	Civil actions by the City Attorney or by a tenant	Civil penalty of up to $500 per day	To the extent permitted by law, civil action to recover damages and attorneys' fees

2. Litigation Related to Algorithmic Devices and Price Coordination

State of Maryland. In January 2025, Attorney General Brown filed suit against RealPage, Inc. and a number of landlords in the state under the Maryland Antitrust Act. The case is pending in Maryland Circuit Court.

The Office of the Attorney General provides the following summary of the allegations in the lawsuit:

> RealPage offers a variety of technology-based services to real estate owners and property managers, including "Revenue Management" products that use non-public, competitively sensitive data—for example, the number of potential tenant visits to a property—to estimate supply and demand, and then generate a "price" to charge that maximizes the landlord's revenue. RealPage then tracks and enforces each landlord's compliance with the software's "prices."
>
> ….Specifically, Maryland's lawsuit alleges that RealPage and the defendant landlords worked together to use RealPage's Revenue Management technology to drive rents above competitive rates. RealPage contracts with property managers and owners to provide "soup to nuts" rental software and services. The company's unparalleled access to proprietary data and its significant market share have positioned it as the "Big Tech" company of rental housing and secured it a dominant position in the market.
>
> Attorney General Brown also alleges that the defendant landlords illegally collaborated, shared sensitive company data, and gave rent-setting authority to RealPage in order to raise rents. RealPage policed and enforced adherence to the "prices" generated by its software and participating landlords recruited additional landlords into the scheme, providing written and oral testimonials touting the benefits of using RealPage's technology to inflate rent prices and increase revenues. Through this illegal conduct, RealPage and the defendant landlords turned a competitive marketplace into one in which landlords collaborate for their collective benefit at the expense of Maryland renters.
>
> Finally, our office alleges that the defendants' illegal agreement to share information and collectively set rents led to artificially inflated rental prices and caused Maryland tenants to pay millions of dollars above market rates. RealPage widely touts the impact of its products, publicly advertising revenue increases of 2-7%. Where RealPage's presence in a market increases, price effects tend to extend beyond units managed by users of the price-setting software, potentially impacting all market participants, illustrating the widespread effects of RealPage's algorithmic pricing.
>
> With this lawsuit, Attorney General Brown seeks to:
>
> - Stop RealPage and the defendant landlords from engaging in anticompetitive behaviors that inflate rent prices for Maryland tenants;

- Appoint a corporate monitor to ensure that RealPage and the defendant landlords do not engage in further anticompetitive misconduct; and
- Secure monetary refunds for the State of Maryland and for Maryland residents whose rents were unlawfully raised.

See Attorney General Brown Sues RealPage and Residential Landlords for Illegally Raising Rent for Thousands of Maryland Resident - News - Office of the Attorney General of Maryland.

U.S. Department of Justice. The U.S. District Court for the Middle District of Tennessee has given preliminary approval to a settlement agreement in pending antitrust litigation brought by the Department of Justice in *In Re RealPage, Inc., Rental Software Antitrust Litigation (No. II)*.

Under the proposed settlement agreement, RealPage and the other defendants would fund a $359,925,000 Settlement Fund. In addition, according to the Department of Justice, RealPage would:

- Cease having its software use competitors' nonpublic, competitively sensitive information to determine rental prices in runtime operation;
- Cease using active lease data for purposes of training the models underlying the software, limiting model training to historic or backward-looking nonpublic data that has been aged for at least 12 months;
- Not use models that determine geographic effects narrower than at a state level, which is broader than the markets alleged in the complaint;
- Remove or redesign features that limited price decreases or aligned pricing between competing users of the software;
- Cease conducting market surveys to collect competitively sensitive information;
- Refrain from discussing market analyses or trends based on nonpublic data, or pricing strategies, in RealPage meetings relating to revenue management software;
- Accept a court-appointed monitor to ensure compliance with the terms of the consent judgment; and
- Cooperate in the United States' lawsuit against property management companies that have used its software.

See Office of Public Affairs | Justice Department Requires RealPage to End the Sharing of Competitively Sensitive Information and Alignment of Pricing Among Competitors | United States Department of Justice.

District of Columbia. The Attorney General for the District of Columbia secured a $9.3 million settlement against two landlords in D.C. who allegedly used algorithmic devices for anti-competitive rent setting. Attorney General Schwalb Secures $9.3 Million from Two DC Landlords in RealPage Price-Fixing Scheme.

According to the Attorney General's press release: "OAG alleged that JBG Smith used RealPage's RM software to set rents for multiple properties in the District, and MAA used RealPage's RM software to set rents for one DC property. As a part of RealPage's price-fixing cartel, OAG alleges that JBG Smith, MAA, and 12 other defendant landlords illegally coordinated

to share sensitive, non-public company data, avoiding direct competition and delegating rent-setting authority to RealPage.

"Under the terms of these two recent and separate settlement agreements, JBG Smith and MAA will:

- Pay $9.3 million in civil penalties, money to impacted residents, and legal fees.
    - JBG Smith will pay $8.1 million.
    - MAA will pay $1.2 million.
- Reform rent-setting practices to prohibit the use of revenue management software that relies on any non-public or confidential data from other companies.
- Refrain from encouraging others to use revenue management software and to accept recommended rent prices, and from promoting the use of this type of software to other property owners.
- Stop sharing non-public information with other landlords or property managers that can be used to collude in the way defendants previously did."

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Bill No. 8-26
Concerning: Landlord-Tenant Relations – Prohibition Against Price Coordination and Rent-Setting Algorithms
Revised: 2/10/2026 Draft No. 2
Introduced: February 10, 2026
Expires: December 7, 2026
Enacted:
Executive:
Effective:
Sunset Date: None
Ch. ____, Laws of Mont. Co. ____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Jawando
Co-Sponsors: Councilmembers Evans and Mink

AN ACT to:

(1) prohibit the use of algorithmic devices to establish rents or rental terms in the County;
(2) prohibit price coordination regarding rents or rental terms in the County;
(3) provide for the enforcement of the prohibitions; and
(4) generally amend the law regarding landlord-tenant relations.

By adding
Chapter 29, Landlord-Tenant Relations
Section 29-53A

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:

Sec. 1. Section 29-53A is added as follows:

29-53A. Price coordination and algorithmic devices – prohibited.

(a) *Definitions*. For purposes of this Section, the following terms have the meanings indicated.

Algorithmic device means a product or service that:

(1) uses one or more algorithms to perform calculations;

(2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

(A) 2 or more landlords;

(B) public databases; or

(C) a combination of public databases and 2 or more landlords; and

(3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

Algorithmic device does not include:

(1) a periodic report, published not more than once a month, that publishes existing rental data in an aggregated and anonymous manner without recommending rental prices, fees, rental terms, or occupancy levels for future leases;

(2) a product or service used for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or

(3) a product or service used by a natural person who is the landlord of only one rental unit in the County.

Price coordination means:

(1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and

(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

Price coordination does not include:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;

(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or

(3) the provision or use of data by a natural person who is a landlord of only one rental unit.

(b) *Prohibition*. A landlord must not:

(1) use an algorithmic device regarding the rent, fees, or any other rental term for a rental unit within the County;

(2) engage in price coordination regarding the rent, fees, or any other rental term for a rental unit within the County;

(3) agree with any other person not to compete with respect to the rent, fees, or any other rental term for a rental unit within the County; or

(4) subscribe to or pay for an algorithmic device or price coordination services with respect to the rent, fees, or any other rental term for a rental unit within the County.

(c) *Penalties and enforcement*.

(1) Each violation of subsection (b) is a Class A violation.

(2) Each day that a violation of subsection (b) exists or continues constitutes a separate Class A violation.

(3) The requirements of this Section are enforceable under Section 29-8 {Enforcement procedure} and Article V {Complaints} of this Chapter.

Montgomery County Council

M E M O R A N D U M

February 2, 2026

TO: Montgomery County Councilmembers
FROM: Will Jawando, Councilmember At-Large
SUBJECT: The Anti-Algorithmic Price Fixing Act

I am writing to share with you information regarding The Anti-Algorithmic Price Fixing Act, which I will introduce at next week's Council session (Feb. 10, 2026). I welcome co-sponsors.

This legislation is about promoting free markets in the rental housing market and cracking down on illegal price-fixing and collusion that results in higher rents for our residents. Specifically, the bill would prohibit the use of algorithmic devices to establish rents or rental terms in the County; prohibit price coordination regarding rents or rental terms in the County; provide for the enforcement of the prohibitions; and generally amend the law regarding landlord-tenant relations.

As you may know, in the past few years, there has been significant litigation regarding this issue at the national and state level. The United States Department of Justice is settling its landmark litigation against RealPage regarding these issues.[1] In 2025, in Maryland, as you may be aware, Maryland Attorney General Anthony Brown sued RealPage and residential landlords for illegally raising the rent on thousands of Maryland residents.[2] And, at the state level, Delegates Palakovich Carr and Stewart have introduced similar legislation.[3] In a related vein, Governor Wes Moore has announced legislation to target dynamic pricing for groceries.[4]

While I hope that the state legislature will be successful in passing similar legislation this session, there is no time to waste. Legislatures all over the country are working to address these issues, and I hope Montgomery County (and eventually Maryland) will be part of the solution and help lead the way here in promoting freer markets and protecting our residents from price-fixing. The Office of the County Attorney has reviewed the bill and identified no legal hurdles. Please let Christine and Marisa know if you would like to co-sponsor this important bill.

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[1] https://www.justice.gov/opa/pr/justice-department-requires-realpage-end-sharing-competitively-sensitive-information-and
[2] https://oag.maryland.gov/News/Pages/Attorney-General-Brown-Sues-RealPage-and-Residential-Landlords-for-Illegally-Raising-Rent-for-Thousands-of-Maryland-Residen.aspx
[3] https://mgaleg.maryland.gov/2026rs/bills_noln/hb/fhb0434.pdf
[4] https://governor.maryland.gov/news/press/pages/Governor-Moore-Announces-Legislation-to-Protect-Marylanders%E2%80%99-Pocketbooks,-Data-Privacy-at-the-Grocery-Store.aspx

Climate Assessment

Office of Legislative Oversight

BILL 8-26: LANDLORD–TENANT RELATIONS – PROHIBITION AGAINST PRICE COORDINATION AND RENT-SETTING ALGORITHMS

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 8-26 will have no impact on the County's contribution to climate change. While the affordability of a community's housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks, it is unclear if and how algorithmic devices have impacted affordable housing stock in the County.

BACKGROUND AND PURPOSE OF BILL 8-26

In recent years, federal and state lawsuits have been filed against companies using algorithms[1] to facilitate coordination among landlords to set rent prices and occupancy levels. In 2025, Maryland's Attorney General sued RealPage and six of the largest residential landlords in the state for illegally raising the rent for hundreds of thousands of Maryland tenants.[1] In January 2026, Maryland state delegates introduced legislation to prohibit the use of devices that rely on nonpublic data to set rent, occupancy levels, and lease terms.[2]

According to its lead sponsor, the purpose of Bill 8-26 is to promote free markets in rental housing by "cracking down on illegal price-fixing and collusion that results in higher rents."[3] If enacted, the Bill would:[4]

1) prohibit the use of algorithmic devices to establish rents or rental terms in the County;
2) prohibit price coordination regarding rents or rental terms in the County; and
3) provide for the enforcement of the prohibitions.

Each day a landlord breaks the law under this Bill counts as a separate Class A offense, with fines starting at $500 and increasing to $750 per repeat violation. The County can issue orders requiring landlord action or a court appearance to force compliance.[5]

Figure 1 in the Appendix includes the definitions of an algorithmic device and price coordination under Bill 8-26. Figure 2 lists the rental data collection activities that would still be allowed under the Bill.

The Council introduced Bill 8-26 on February 10, 2026.

[1] "An algorithm is a set of steps for accomplishing a task or solving a problem. Algorithms are a key component of any computer program and are the driving force behind various systems and applications, such as navigation systems, search engines, and music streaming services." What Is an Algorithm? | Definition & Examples, Scribbr.

ANTICIPATED IMPACTS

The affordability of a community's housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks.[6]

Affordable housing can improve community resilience through two ways: increasing housing stability and alleviating cost-burdened households. Housing stability can increase community resilience through enhancing social cohesion by building community ties and enabling residents to stay better connected during emergencies.[7]

Cost-burdened households, which are households that spend over 30% of income on housing, generally have less cash on hand to weather shocks, such as extreme weather events, compared to households that are not cost burdened. Many cost-burdened households are renters and census data released in 2024 show nearly half (49.2%) of renter households in the United States are cost-burdened.[8] In Montgomery County, 47% of renters are cost burdened and the County's median monthly gross rent of $2,097 is 22% higher than Maryland's median ($1,721).[9]

Algorithmic devices, such as RealPage and YieldStar, have been used across the country to set rents using proprietary data from other landlords, which has resulted in inflated rents according to various reports.[10] However, the effects of algorithmic price fixing on rent prices cannot be determined in Montgomery County. According to staff from the Department of Housing and Community Affairs (DHCA), there has not been a complaint or report related to landlords using rent-setting algorithms.[11] It is unclear how algorithmic devices have been used to establish rents in the County and how it would affect affordable housing stock.[12]

As it is unclear if and how algorithmic devices have impacted affordable housing stock in the County and if it has caused more households to be cost-burdened, OLO anticipates Bill 8-26 will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.[13] OLO does not offer recommendations or amendments as Bill 8-26 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptative capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

APPENDIX

Figure 1: Definition of an Algorithmic Device and Price Coordination

In general, an *algorithmic device* would be a product or service that:

(1) uses one or more algorithms to perform calculations;

(2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

(A) 2 or more landlords;

(B) public databases; or

(C) a combination of public databases and 2 or more landlords; and

(3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

The general definition of *price coordination* would be:

(1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and

(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Figure 2: Rental Data Collection Activities Allowed Under Bill 8-26

The following activities would be exempt from the bill's prohibition against algorithmic devices and price coordination:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;

(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or

(3) the provision or use of data by a natural person who is a landlord of only one rental unit.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

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[1] Attorney General Brown Sues RealPage and Residential Landlords for Illegally Raising Rent for Thousands of Maryland Resident, Press Release from the Office of the Attorney General of Maryland.
[2] 2026 Regular Session - House Bill 434, Introduced January 22, 2026.
[3] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
[4] Ibid.
[5] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
Montgomery County Code, Sec. 1-19. Fines and penalties.
[6] Alliance for National and Community Resilience, The Community Resilience Benchmarks, 2019.; National Low Income Housing Coalition, Disaster Housing Recovery, Research and Resilience, Accessed 2/24/2026.

[7] Georgetown Climate Center, Equitable Adaptation Legal and Policy Toolkit, Accessed 2/24/2026.; Alliance for National and Community Resilience, The Community Resilience Benchmarks, 2019.
[8] United States Census Bureau, Nearly Half of Renter Households Are Cost-Burdened, Proportions Differ by Race, September 12, 2024.
[9] Montgomery Planning, Findings from the 2024 American Community Survey: Montgomery County, Maryland, and the United States, September 19, 2025.
[10] American Economic Liberties Project, A New Culprit in the Housing Crisis: Rent-Setting Software Algorithms, March 13, 2024.; Propublica, Rent Going Up? One Company's Algorithm Could Be Why, October 15, 2022.; NPR, New limits for rent algorithm that prosecutors say let landlords drive up prices, November 25, 2025.
[11] DHCA Staff
[12] Ibid.
[13] Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 8-26: LANDLORD-TENANT RELATIONS – PROHIBITION AGAINST PRICE COORDINATION AND RENT-SETTING ALGORITHMS

SUMMARY

The Office of Legislative Oversight (OLO) finds the anticipated RESJ impact of Bill 8-26 is indeterminant. Several factors related to how the law would be enforced are unknown. As such, OLO is unable to determine how the ban on price coordination and rent-setting algorithms will impact racial and social inequities in housing.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.[1] This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.[2]

PURPOSE OF BILL 8-26

In recent years, the U.S. Department of Justice and several states have sued companies using algorithms[i] for price-fixing among landlords. In 2025, Maryland's Attorney General sued RealPage and six major residential landlords for illegally raising rents on hundreds of thousands of tenants.[3] In January 2026, Maryland state delegates introduced a law to ban devices that use nonpublic data to set rent, occupancy levels, and lease terms.[4]

According to its lead sponsor, the purpose of Bill 8-26 is to promote free markets in rental housing by "cracking down on illegal price-fixing and collusion that results in higher rents."[5] If enacted, the Bill would:[6]

1) prohibit the use of algorithmic devices to establish rents or rental terms in the County;
2) prohibit price coordination regarding rents or rental terms in the County; and
3) provide for the enforcement of the prohibitions.

Each day a landlord breaks the law under this Bill would count as a separate Class A offense, with fines starting at $500 and increasing to $750 per repeat violation. The County could issue orders requiring landlord action or a court appearance to force compliance.[7]

Figure 1 in the Appendix includes the definitions of an algorithmic device and price coordination under Bill 8-26. Figure 2 lists the rental data collection activities that would still be allowed under the Bill.

The Council introduced Bill 8-26 on February 10, 2026.

[i] "An algorithm is a set of steps for accomplishing a task or solving a problem. Algorithms are a key component of any computer program and are the driving force behind various systems and applications, such as navigation systems, search engines, and music streaming services." What Is an Algorithm? | Definition & Examples, Scribbr.

This RESJIS builds on the following impact statements authored by OLO:

- RESJIS for Bill 15-23: Landlord-Tenant Relations – Anti-Rent Gouging Protections, published in March 2023; and
- RESJIS for Bill 31-25: Landlord Notice Requirements – Evictions, published in October 2025.

Please refer to these two statements to understand why racial and ethnic differences in housing security and evictions are not natural or random. The statements explain how government actions have played a major role in creating and keeping unfair access to housing by race and ethnicity.

Housing Insecurity, Corporate Ownership, and Racial Equity

Due to various racial inequities in housing and economic security—including housing discrimination, residential and occupational segregation, and the racial wealth divide[8]—Black people across the U.S. are disproportionately impacted by evictions. A 2023 Eviction Lab study found Black renters accounted for over half of eviction filings despite comprising only 19 percent of all renters nationwide.[9]

In the County, evictions are not tracked by race and ethnicity. However, other indicators of eviction risk suggest Black community members are most impacted by housing insecurity and eviction. For instance:

- A 2023 Council Summer Fellows Program analysis found Black community members were overrepresented among renters in areas where evictions occur the most in the County;[10]
- While Black community members account for 18 percent of the County's population, they accounted for 45 percent of renters who applied for COVID-19 emergency rental assistance from 2022 until 2023;[11]
- Latinx and Black households are more likely than White and Asian households to experience a housing cost burden, spending more than 30 percent of their household income on mortgage or rent (Appendix Table A); and
- On the night of the 2025 Annual Point-in-Time (PIT) count of persons experiencing homelessness, 56 percent of individual adults identified as Black, a disproportionately high share compared to the 18 percent of County residents who are Black.[12]

Since the 2008 financial crisis, more corporations have bought single-family homes to rent out. This has led to higher rents for these homes, making it tougher for lower-income and BIPOC families to find affordable housing. A 2024 paper from the Federal Reserve Bank of Philadelphia shows that:

1) corporate investors raise rents 60 percent more than average when they buy single-family homes;
2) a higher share of investors in a neighborhood is associated with more frequent rent increases compared to non-investor landlords; and
3) corporate investors are purchasing homes in areas with more Black residents and fewer college graduates.[13]

Algorithmic pricing software can help otherwise competing landlords work together to raise rents. This has negative effects on housing affordability and eviction rates. A 2024 report from Local Progress and the American Economic Liberties Project showed double-digit rent increases in cities where use of this software is common. One of RealPage's clients noted a 15 percentage point rise in tenant turnover after using the software.[14] A 2022 ProPublica investigation revealed that RealPage's YieldStar sometimes advised landlords to raise rents and keep units vacant to boost profits.[15] Further reporting has found that the use of this algorithmic rent-setting software is most prevalent among large, corporate landlords who benefit from economies of scale.[16]

Several cities are trying to tackle algorithmic pricing with local bans. These include Jersey City, San Francisco, Philadelphia, Minneapolis, and San Diego.[17] For example, the Minneapolis ordinance:

1) requires property owners to self-attest that they do not use algorithmic rent-setting devices every time they renew their rental license;
2) requires a notice be sent to all rental property owners educating them about the new rules; and
3) allows tenants to file a civil action in court to seek compensatory damages, along with reasonable attorney fees and costs, if an owner or operator violates the ordinance.[18]

The stated intent of these regulations is to protect renters, promote fair competition, and address the challenges of housing affordability in Minneapolis.[19]

ANTICIPATED RESJ IMPACTS

If enacted, Bill 8-26 would ban all landlords in the County from using algorithmic pricing software. To consider the anticipated impact of Bill 8-26 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

OLO identified the following groups who would be impacted by Bill 8-26:

- **Tenants** would benefit from stopping rent increases and voluntary vacancies caused by algorithmic pricing software. In the County, Black and Latinx households are more likely to be cost-burdened renters (Appendix Table A). Given racial and ethnic disparities in housing costs, banning the use of algorithmic pricing software could disproportionately benefit BIPOC renters and improve racial disparities in housing.
- **Landlords** may be burdened by bans on certain rent and occupancy setting methods that could help boost their profits. Landlords and real estate groups often oppose these bans, claiming existing laws already prevent price-fixing behaviors.[20] As shown in Table B in the Appendix, White community members are significantly overrepresented among real estate, rental, and leasing business owners in the County. Furthermore, if any of the real estate companies are publicly traded, most of the benefit will likely go to White community members who own stock at higher rates than BIPOC community members.[21] As such, a ban on algorithmic pricing would disproportionately burden White landlords and community members and would not worsen racial disparities in the County.

There remain, however, several unanswered questions in determining whether and how a ban on price coordination and rent-setting algorithms could ultimately impact racial and social inequities in housing. These include, but are not limited to, the following questions:

- Will the Montgomery County Department of Housing and Community Affairs (DHCA) conduct proactive investigations or rely on complaints submitted by tenants? According to staff, DHCA has never received complaints or reports related to the use of rent-setting algorithms.[22]
- If DHCA relies on complaints, how will tenants know whether their landlords are using prohibited rent-setting algorithms?

- Does DHCA have the staff capacity to conduct complaint review and enforcement? According to staff, DHCA has never investigated or enforced these types of matters.[23]

These unanswered questions regarding how Bill 8-26 would be implemented are heightened by a lack of evidence isolating the impacts of algorithmic pricing software on rent and vacancy levels when also considering new construction, macroeconomic demand, and developer behavior.[24]

Taken together, OLO finds the anticipated RESJ impact of Bill 8-26 is indeterminate.

RECOMMENDED AMENDMENTS

The County's RESJ Act requires OLO to consider whether to recommend amendments to bills that could reduce racial and social inequities and advance RESJ.[25] OLO cannot discern the anticipated RESJ impact of Bill 8-26. However, should the Council seek to improve the RESJ impact of this Bill, OLO offers several policy options for Council consideration:

- **Establish systems for proactive administration and enforcement of Bill 8-26.** As explained by researchers at the Urban Institute, decisions about who will govern, administer, and enforce policies related to rent regulation can mitigate or compound existing unequal tenant-landlord power dynamics.[26] BIPOC and undocumented tenants might be afraid to submit a complaint about a landlord using algorithmic pricing software for fear of retaliation. To improve equitable tenant outcomes and avoid putting the responsibility of enforcement onto tenants alone, the Council could, for example:
    1) Require DHCA to coordinate periodic audits of large property management companies to verify compliance through undercover fair housing testers. Audits should be targeted in areas with the highest share of Black and Latinx renters, who may be most negatively impacted by rent-setting algorithms.
    2) Require landlords to self-attest every year that they do not use prohibited algorithmic tools or engage in price coordination. This self-attestation form could be tied to the rental license renewal process, as described above in the example of the City of Minneapolis ordinance.

- **Launch a "Know Your Rights and Responsibilities" communication and training campaign tied to Bill 8-26.** For example, the Council could require DHCA to publish plain-language explainers in multiple languages that describe:
    1) the basics of the law and what is now illegal;
    2) how to recognize and document signs of price coordination and the use of rent-setting algorithms; and
    3) how to file a complaint through MC311.

  County staff should conduct proactive communication to landlords and tenants in areas with the highest concentration of Black and Latinx renters. For example, after the adoption of its rent stabilization policy, the City of Oakland proactively offered rent stabilization workshops for small property owners as well as workshops geared toward teaching tenants their rights under the law.[27] County staff should also be trained to recognize warning signs of algorithmic pricing and how to appropriately respond.

CAVEATS

Two caveats to this RESJIS should be noted. First, predicting the impact of bills on RESJ is challenging due to data limitations, uncertainty, and other factors. Second, this RESJIS is intended to inform the Council's decision-making

process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

APPENDIX

Figure 1: Definition of an Algorithmic Device and Price Coordination

In general, an *algorithmic device* would be a product or service that:

(1) uses one or more algorithms to perform calculations;

(2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

(A) 2 or more landlords;

(B) public databases; or

(C) a combination of public databases and 2 or more landlords; and

(3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

The general definition of *price coordination* would be:

(1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and

(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Figure 2: Rental Data Collection Activities Allowed Under Bill 8-26

The following activities would be exempt from the Bill's prohibition against algorithmic devices and price coordination:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;

(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or

(3) the provision or use of data by a natural person who is a landlord of only one rental unit.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Table A. Homeownership Rate and Cost Burden Rates of Homeowners and Renters. Montgomery County, 2024

Race and Ethnicity[28]	Homeownership Rate	Homeowner Cost Burden Rate	Renter Rate	Renter Cost Burden Rate
Asian	71%	26%	29%	37%
Black	40%	33%	60%	54%
White	76.5%	23%	23.5%	37%
Latinx	54%	27%	46%	56%

Source: Table S0201, 2024 American Community Survey 1-Year Estimates, Census Bureau.

Table B. Real Estate and Rental and Leasing Employer Firms by Race and Ethnicity, Montgomery County, 2022[29]

Race and Ethnicity	Percent of Real Estate and Rental and Leasing Business Owners (NAICS 53)	Percent of All Sectors (NAICS 00)	Percent of Adult Population
Asian	12.4	21.8	15.4
Black	5.1	7.6	18.6
American Indian or Alaska Native	—	1.4	0.6
Pacific Islander	—	0.1	0.0
White	82.3	69.1	42.1
Hispanic or Latinx (of any race)	3.9	10.0	21.0

Source: OLO analysis of 2022 Annual Business Survey (Table AB2200CSA01) and 2024 American Community Survey 5-Year Estimates (Table DP05).

[1] Definition of racial equity and social justice adopted from Marlysa Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition Programs," Bread for the World and Racial Equity Tools.
[2] Ibid.
[3] Attorney General Brown Sues RealPage and Residential Landlords for Illegally Raising Rent for Thousands of Maryland Resident, Press Release from the Office of the Attorney General of Maryland.
[4] 2026 Regular Session - House Bill 434, Introduced January 22, 2026.
[5] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
[6] Ibid.

[7] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
Montgomery County Code, Sec. 1-19. Fines and penalties.
[8] E. Bonner-Tompkins, J. Peña, & E. Tesfaye, OLO Report 2024-11: Racial Equity and Social Justice Policy Handbook: Land Use, Housing, and Economic Development, Office of Legislative Oversight, June 18, 2024.
[9] N. Graetz, et. al, Who is Evicted in America, The Eviction Lab, October 3, 2023.
[10] D. Carrillo, Expanding COVID-19 Eviction Diversion Strategies: Centering Black, Indigenous, and People of Color in Outreach, Montgomery County Council, August 11, 2023, pg. 17.
[11] DHHS Pulse Report: COVID-19 Impact and Recovery, Department of Health and Human Services, May 17, 2023.
[12] Memorandum to Montgomery County Council Health and Human Services Committee, June 23, 2025.
[13] K. Lee & D. Wylie, Institutional Investors, Rents, and Neighborhood Change in the Single Family Residential Market, Federal Reserve Bank of Philadelphia, June 2024.
[14] Local Progress and the American Economic Liberties Project, Policy Memo: Rent-Setting Software Algorithms, March 2024.
[15] H. Vogell, How a Secret Rent Algorithm Pushes Rents Higher, ProPublica, October 15, 2022.
[16] ProPublica report and M. Reynolds, Report eyes profits of Atlanta landlords using RealPage, The Atlanta Journal Constitution, June 18th, 2024.
[17] J. Brey, Several Cities Block AI-Powered Rent Gouging, *Governing*, June 10, 2025.
[18] City of Minneapolis, Use of Algorithms in Rental Rates: Staff Presentation, March 20, 2025. The ordinance is set to take effect on March 1, 2026.
[19] Ibid.
[20] J. Brey, Several Cities Block AI-Powered Rent Gouging, *Governing*, June 10, 2025.
[21] National polling suggests stock ownership varies significantly by race and ethnicity, with an estimated 70 percent of White adults owning stock, compared with 53 percent of Black adults and 38 percent of Hispanic adults.
What Percentage of Americans Own Stock? Based on combined data from April 1-22, 2024, and April 1-14, 2025, Gallup polls.
[22] OLO correspondence with DHCA staff, February 18, 2026.
[23] Ibid.
[24] One example a *non*-peer reviewed study is T. Majidzadeh et. al, Investigation of Alleged 'Algorithmic Collusion' In Rental Housing, University of Berkeley, April 14, 2025.
[25] Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council.
[26] C. P. Stacy et al., Rent Control: Key Policy Components and Their Equity Implications, Urban Institute, July 2021.
[27] Ibid.
[28] For Tables A and B, race is inclusive of Latinx origin. Estimates for Native American and Pacific Islander community members are not available for some data points.
[29] Margins of error for data points in Table B may be large.

Economic Impact Statement

Montgomery County, Maryland

Bill 8-26 – Landlord-Tenant Relations – Prohibition Against Price Coordination and Rent-Setting Algorithms

Summary

The Office of Legislative Oversight (OLO) anticipates that Bill 8-26 would have an indeterminate impact on economic conditions in the County, as measured by the Council's priority economic indicators. By prohibiting the use of algorithmic devices to establish rents and to coordinate prices, the Bill would primarily affect landlords and renters in the County. OLO cannot confidently anticipate the overall economic impact of the Bill for two main reasons:

First, while a growing number of states and local jurisdictions have recently moved to restrict or ban the use of rental pricing algorithms,[1] the empirical evidence on their economic effects remains limited and somewhat mixed. OLO identified two working papers that investigate rental pricing algorithms. Both find that use of RealPage's pricing software—a major provider used by large multifamily landlords—is associated with higher rents for adopters and in markets with higher adoption, relative to non-adopters and lower-adoption markets. However, only one study finds statistically significant evidence consistent with price coordination among landlords using the same pricing software, while the other does not find clear evidence that higher rents are caused by coordination through the software rather than by other factors.

Second, there is uncertainty regarding how the County's Department of Housing and Community Affairs (DHCA) could effectively enforce the ban. DHCA has no prior complaints or enforcement experience with algorithms, and the department's purely complaint-based approach to housing enforcement is unlikely to be effective.

Given uncertainty regarding effective enforcement of bans, OLO recommends that Councilmembers consider requesting a full report from the office on the economic impacts of rental pricing algorithms and options for effective enforcement.

Background and Purpose of Bill 8-26

In recent years, the U.S. Department of Justice and several states have sued companies using algorithms[2] for price-fixing among landlords. In 2025, Maryland's Attorney General sued RealPage and six major residential landlords for illegally raising rents on hundreds of thousands of tenants. [3] In January 2026, Maryland state

[1] Cheyenne Tan, "How U.S. States Are Tackling Algorithmic Pricing: 2025 Bill Tracker and Analysis," *Innovation at Consumer Reports*, August 1, 2025, https://innovation.consumerreports.org/how-u-s-states-are-tackling-algorithmic-pricing-2025-bill-tracker-and-analysis/.

[2] "An algorithm is a set of steps for accomplishing a task or solving a problem. Algorithms are a key component of any computer program and are the driving force behind various systems and applications, such as navigation systems, search engines, and music streaming services." What Is an Algorithm? | Definition & Examples, Scribbr.

[3] Attorney General Brown Sues RealPage and Residential Landlords for Illegally Raising Rent for Thousands of Maryland Resident, Press Release from the Office of the Attorney General of Maryland.

delegates introduced a law to ban devices that use nonpublic data to set rent, occupancy levels, and lease terms.[4]

According to its lead sponsor, the purpose of Bill 8-26 is to promote "free markets in the rental housing market [by] cracking down on illegal price-fixing and collusion that results in higher rents."[5] If enacted, the Bill would: [6]

- prohibit the use of algorithmic devices to establish rents or rental terms in the County;
- prohibit price coordination regarding rents or rental terms in the County; and
- provide for the enforcement of the prohibitions.

Each day a landlord breaks the law under this Bill would count as a separate Class A offense, with fines starting at $500 and increasing to $750 per repeat violation. The County could issue orders requiring landlord action or a court appearance to force compliance.[7]

Figure 1 in the Appendix includes the definitions of an algorithmic device and price coordination under Bill 8-26. Figure 2 lists the rental data collection activities that would still be allowed under the Bill.

The Council introduced Bill 8-26 on February 10, 2026.

Information Sources, Methodologies, and Assumptions

As required by Section 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 8-26 on residents and private organizations, using the Council's priority economic indicators as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.[8]

For this analysis, OLO did not identify any impact evaluations of local bans on rental pricing software that estimate their effects on rents or other outcomes. Instead, OLO relied on two non-peer-reviewed working papers that empirically investigate whether the use of RealPage's rental pricing software affects rents.

In addition, this analysis draws on OLO correspondence with DHCA staff regarding potential enforcement challenges.

Variables

The primary variables that would affect the economic impacts of enacting Bill 8-26 are the following:

- Average rents
- Average occupancy rates
- Price coordination

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[4] 2026 Regular Session - House Bill 434, Introduced January 22, 2026.
[5] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
[6] Ibid.
[7] Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.
Montgomery County Code, Sec. 1-19. Fines and penalties.
[8] Montgomery County Code, "Sec. 2-81B, Economic Impact Statements."

- Enforcement effectiveness

Impacts

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Evidence Review

OLO identified two non-peer-reviewed working papers on the effects of RealPage's rental pricing software on rents:

- Calder-Wang and Kim (2024), Algorithmic Pricing in Multifamily Rentals: Efficiency Gains or Price Coordination?
- Majidzadeh et al. (2025), Investigation of Alleged "Algorithmic Collusion" in Rental Housing: Impact and Implications of RealPage's Pricing Algorithms for Housing Affordability

Calder-Wang and Kim (2024) investigate the effects of RealPage's rental pricing software on rents and occupancy in U.S. market-rate multifamily buildings, using panel data from the top 50 metropolitan areas between 2005 and 2019. They found that markets and segments with higher adoption of RealPage's pricing software had higher average rents and lower average occupancy during economic recoveries relative to comparable markets with lower adoption. They conclude that pricing algorithms likely operate through two channels: they help landlords adjust rents more quickly to changing market conditions (lowering rents and raising occupancy in downturns) but also appear to facilitate coordinated pricing among landlords using the same software to inflate prices during recoveries.

Majidzadeh et al. (2025) investigate the relationship between RealPage's rental pricing software and rents in U.S. multifamily properties, combining cross-sectional building-level data and metropolitan rent indices for the 2010s through early 2020s. Similar to Calder-Wang and Kim, Majidzadeh et al. (2025) find that properties associated with RealPage's pricing software charge higher rents per square foot than comparable properties that are not identified as users. In contrast to Calder-Wang and Kim, however, they do not find consistent, statistically significant evidence that RealPage's acquisition of a major competitor led to additional rent increases. As a result, they cannot clearly attribute the observed rent premium to landlords coordinating through the software rather than to other factors.

Residents

OLO anticipates that Bill 8-26 would have an indeterminate impact on certain County residents.

In theory, the Bill could affect current and prospective renters whose landlords use pricing software. Studies reviewed by OLO find that use of RealPage's rent-setting software is associated with higher rents for adopters and in high-adoption markets, relative to non-adopters and low-adoption markets. Based on these findings, it is plausible that a ban, if effective, could reduce rents for affected units and thereby reduce nondiscretionary household expenditures on rent for affected renters. However, OLO did not identify studies examining the impacts of such bans in other jurisdictions and has questions regarding DHCA's ability to effectively enforce a local ban.

For these reasons, OLO cannot determine how the Bill would impact residents with respect to the Council's priority economic indicators.

Businesses, Non-Profits, Other Private Organizations

OLO anticipates that Bill 8-26 would have an indeterminate impact on certain private organizations in the County.

The Bill could affect landlords who use pricing software to set rents. An effective ban could reduce rent revenues for landlords that use such software. However, for reasons previously discussed regarding uncertain enforcement and limited evidence on the impacts of bans, OLO cannot determine how the Bill would affect local businesses with respect to the Council's other priority economic indicators.

Net Impact

For reasons preciously discussed, OLO anticipates that Bill 8-26 would have an indeterminate overall impact on economic conditions in the County.

Discussion Items

Given the uncertainty surrounding effective enforcement of local bans on pricing software, Councilmembers should consider requesting a full report from OLO on the economic impacts of rental pricing algorithms and options for effective enforcement.

Caveats

Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the Bill under consideration.

Contributions

Stephen Roblin, PhD (OLO) prepared this report.

Appendix

Figure 1: Definition of an Algorithmic Device and Price Coordination

In general, an *algorithmic device* would be a product or service that:

(1) uses one or more algorithms to perform calculations;

(2) uses data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

(A) 2 or more landlords;

(B) public databases; or

(C) a combination of public databases and 2 or more landlords; and

(3) recommends rents, fees, rental terms, or occupancy levels for a rental unit.

The general definition of *price coordination* would be:

(1) collecting from 2 or more landlords or from public databases, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and

(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Figure 2: Rental Data Collection Activities Allowed Under Bill 8-26

The following activities would be exempt from the Bill's prohibition against algorithmic devices and price coordination:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;

(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of the County, the state, or the federal government; or

(3) the provision or use of data by a natural person who is a landlord of only one rental unit.

Source: Introduction Staff Report for Bill 8-26, Montgomery County Council, Introduced February 10, 2026.

Fiscal Impact Statement

Office of Management and Budget

Bill 8-26	**Landlord-Tenant Relations - Prohibition Against Price Coordination and Rent-Setting Algorithms**
Bill Summary	Bill 8-26 would prohibit the use of algorithmic devices to establish rents or rental terms in the County, prohibit price coordination regarding rents or rental terms in the County, provide for the enforcement of those prohibitions, and generally amend the law regarding landlord-tenant relations. Because the bill amends Chapter 29 of the County Code, the Department of Housing and Community Affairs (DHCA) would be responsible for enforcement.
Fiscal Impact Summary	Implementation of Bill 8-26 is not expected to require additional County expenditures. Enforcement responsibilities associated with the bill are expected to be absorbed by existing DHCA staff. The bill authorizes enforcement through Class A civil citations for violations of its provisions. Each violation may result in a $500 civil penalty. Because DHCA does not currently enforce this type of prohibition and there are no available data regarding the prevalence of the prohibited practices in the County, the amount of revenue that may be generated by the bill cannot be estimated at this time.
Fiscal Impact Analysis	Bill 8-26 would expand enforcement responsibilities within the Department of Housing and Community Affairs related to prohibited rent-setting algorithms and price coordination practices. Implementation would require staff time from the Office of Rent Stabilization for investigative, program management, and supervisory oversight functions. These responsibilities are expected to be absorbed by existing staff and are not expected to require additional appropriations, new staff, or contractual services. The bill authorizes enforcement through Class A civil citations. Each violation carries a civil penalty of $500. However, because DHCA does not currently investigate or enforce violations of this nature, there are no available data to estimate how frequently violations may occur. Enforcement outcomes may depend on the prevalence of the prohibited practices, DHCA's ability to detect and verify violations, and how the judiciary treats citations involving multiple units or violations that continue over multiple days. As a result, potential citation revenues are indeterminate at this time.
Staff Impact	This bill would require staff time from the Office of Rent Stabilization Investigator, Program Manager, and Manager and additional oversight responsibilities for the Rental Housing Division Chief and the Director and Deputy Director.
Actuarial Analysis	The bill is not expected to impact retiree pension or group insurance costs.
Information Technology Impact	The bill is not expected to impact the County Information Technology (IT) or Enterprise Resource Planning (ERP) systems.
Other Information	
Later actions that may impact revenue or expenditures if future spending is projected	The bill does not authorize future spending.

Ranges of revenue or expenditures that are uncertain or difficult to project	The actual revenue is difficult to estimate accurately, since DHCA does not have experience with this type of prohibition, and there are no available data on how prevalent the practices prohibited under Bill 8-26 are in the County. In addition, there is a wide range of possible citation outcomes for multifamily properties, and it is unclear how the judiciary will treat citations issued under Bill 8-26 for multiple units at the same property affected by the same underlying violation, or whether separate citations may be issued for each day a violation persists.
Contributors	Scott Bruton, Director, Department of Housing and Community Affairs Jenny Snapp, Deputy Director, Department of Housing and Community Affairs Pofen Salem, Chief, Division of Finance and Administration Zachary Patton, Chief, Division of Rental Housing Polina Melvin, Manager, Office of Rent Stabilization Vivian Ikoro, Office of Management and Budget

ORDINANCE NO._____

ORDINANCE: To Amend Chapter 18 of the Rockville City Code, entitled "Rental Facilities and Landlord-Tenant Relations," to Add New Policies and Make Various Modifications to Improve the Administration of this Chapter

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, MARYLAND as follows:

SECTION I - That Chapter 18 of the Rockville City Code, entitled "Rental Facilities and Landlord-Tenant Relations," be amended as follows:

Chapter 18

RENTAL FACILITIES AND LANDLORD-TENANT RELATIONS

ARTICLE I. IN GENERAL

Sec. 18-1 Definitions

The following words, terms and phrases, when used in this ~~chapter~~ Chapter, ~~shall~~ have the meanings ascribed to them in this ~~section~~ Section, except where the context clearly indicates a different meaning~~:~~. Words or terms not defined n this Section are defined by their common dictionary meaning.

Accessory ~~apartment~~ Dwelling Unit (ADU) means a ~~second~~ dwelling unit approved under City Code Chapter 25 that is subordinate to a ~~that is part of, or attached to, an existing~~ detached single-unit ~~detached~~ dwelling ~~unit~~ and which contains cooking, eating, sanitation, and sleeping facilities for one household. ~~An accessory apartment is subordinate to the main dwelling unit.~~

* * *

City Manager means the City Manager or any employee, department, officer or agency of the City designated by the City Manager to carry out the duties and responsibilities ascribed to the City Manager under this ~~chapter~~ Chapter.

Commission means Commission on Landlord-Tenant Affairs as defined and established in Article II of this Chapter.

Defective tenancy means any condition in a rental facility constituting a violation of the terms of the lease (including a reduction or elimination of service or equipment for which the landlord has responsibility to maintain and which had been provided at the commencement of the tenancy), any provision of this ~~chapter~~ Chapter, or any applicable law, ordinance, regulation or

code, or where a landlord or tenant otherwise fails to comply with or violates any provision of this ~~chapter~~ Chapter.

Dwelling unit means a building, or portion thereof, providing ~~complete living facilities~~ cooking, eating, sanitation, and sleeping facilities for ~~not more than~~ one ~~(1) family~~ household~~, as defined by chapter 25 (Zoning)~~. "Dwelling unit" includes accessory apartments. "Dwelling unit" also includes property that is available for use in connection with the occupancy of the dwelling unit.

~~Cross reference(s)—Zoning definitions, § 25.03.02.~~

Fit for Occupancy means that a dwelling unit and property of which the dwelling unit is a part are free from serious defects or conditions that constitute, or will constitute if not promptly corrected, a fire hazard or other serious and substantial threat to the life, health, or safety of occupants of the dwelling unit as defined in accordance with the provisions of the Real Property Article of the Annotated Code of Maryland § 8-212.

~~*Inn*~~ *Hotel* means any structure or combination of related structures operated as a single entity containing rooms or suites of rooms designed and intended primarily for the temporary lodging of guests, and which are available to the general public for compensation. For purposes of this ~~chapter~~ Chapter, such rooms or suites of rooms ~~shall~~ will be considered to be dwelling units.

Household means:

(1) A single person;

(2) Two or more persons, all of whom are related to each other by blood, marriage, domestic partnership, adoption, guardianship or other duly authorized custodial relationship, and not more than two other unrelated persons as long as all of the occupants are living together as a single housekeeping group in a dwelling unit; or

(3) A group of not more than five persons who are not collectively related to each other by blood, marriage, domestic partnership, adoption, guardianship, or other duly authorized custodial relationship, and are living together as a single housekeeping group in a dwelling unit.

Inspection means an examination of a rental facility or any part thereof as the City Manager deems appropriate to carry out the purposes of this ~~chapter~~ Chapter.

* * *

~~*Multiple-unit dwelling* means a building containing three (3) or more dwelling units, which may or may not share a common entry.~~

Multi-unit building means a building containing five or more dwelling units under common ownership and operated as a single entity where dwelling units are rented on at least a monthly basis.

* * *

Owner means:

* * *

(2) Any person who, alone or jointly or severally with others, ~~shall~~must have the charge, care, or control of any structure as executor, administrator, trustee or guardian of the estate of the owner.

(3) Any person whose name appears on the property tax bill.

Person means an individual, association, firm, partnership, corporation, or government agency.

Rent means the fixed, periodic payment amount ~~charged~~ a tenant owes for the right to possession, ~~and~~ use, or occupancy of a dwelling unit within a rental facility (rental premises), including any required recurrent charge ~~therefor~~ and any required charge for the use of services and property in connection ~~therewith~~ with the rental facility that are not otherwise prohibited by this Chapter.

Rental facility means any structure or portion thereof, or combination of related structures and appurtenances, operated as a single entity, which contains one or more dwelling units that are rented on at least a monthly basis ~~the owner or operator thereof provides for a consideration one (1) or more dwelling units~~. "Rental facility" includes ~~rental multiple unit dwelling~~ multi-unit buildings, single-unit dwelling ~~units~~, ~~accessory apartments~~ ADUs, ~~inns,~~ and hotels~~, motels, individual condominium or cooperative dwelling units, etc~~. "Rental facility" does not include nursing homes, hospices, and other residential medical or psychiatric care facilities.

~~*Rental multiple unit dwelling (apartment)* means a multiple unit dwelling building operated as a single entity where dwelling units are rented on a minimum of a monthly basis. "Multiple rental unit dwelling" does not include multiple unit dwelling buildings containing condominium or cooperative dwelling units, or other attached dwelling units, where such units are under different ownership.~~

Rental license means a license to operate a rental facility in accordance with this Chapter.

Security deposit means any payment of money~~, including the payment of the last month's rent in advance of the time it is due,~~ given to the landlord to be used against nonpayment of rent or damage to the leased premises.

Single ~~dwelling~~ -unit dwelling means:

(1) ~~a~~A building containing not more than one ~~(1)~~ dwelling unit plus no more than one ~~(1) accessory apartment~~ ADU approved ~~by special exception~~ pursuant to ~~chapter~~ Chapter 25 ~~(Zoning)~~.

(2) ~~For purposes of this chapter only, "single dwelling unit" also includes attached~~ A single dwelling unit within a building with multiple dwelling units where each dwelling unit is ~~the units are~~ under separate ownership, including townhouses and cooperative and condominium units ~~within a multiple unit dwelling.~~; and

(3) A single dwelling unit within a building with two to four dwelling units where all dwelling units are owned by a single owner or entity.

* * *

Tenant organization means an association of three or more tenants of a rental facility, formed for the purpose of representing the interests of tenants, which is independent of property management, landlords, or landlord's agent.

Written notice, when required under this Chapter, means a notice that is delivered to the City Manager, landlord, tenant, or other necessary party in person, by regular mail, or by electronic means as mutually agreed by the landlord and tenant, unless certified mail is specified.

Sec. 18-2. Purposes and policies.

The underlying purposes and policies of this ~~chapter~~ Chapter are:

* * *

(2) To promote health, safety, and wellbeing by encouraging ~~encourage~~ landlords and tenants to maintain and improve the quality of housing in the City;

(3) To assure fair and equitable relations between landlords and tenants~~.~~; and

(4) To improve housing stability and opportunities for tenant agency.

Sec. 18-3. Applicability.

This ~~chapter~~ Chapter ~~shall~~ will apply to all rental facilities within the City and to all leases and rental agreements concerning rental facilities within the City, wherever executed. This ~~chapter~~ Chapter ~~shall~~ will apply to rental facilities owned and/or operated by any public housing authority, and to rental facilities which are subject to Federal or State law, rule or regulation only to the extent that Federal or State law, rule or regulation does not conflict with and is not inconsistent with the provisions and requirements of this ~~chapter~~ Chapter.

Sec. 18-4. Interpretation.

(a) The provisions of this ~~chapter~~ Chapter ~~shall~~ will be liberally interpreted so as to effectuate its underlying purposes and policies.

(b) The provisions and requirements of this ~~chapter~~ Chapter ~~shall~~ will be in addition to any provision or requirement of any other applicable law, rule or regulation and it ~~shall~~ will not be deemed to interfere with, abrogate, annul, or otherwise affect in any manner any

agreements between parties, unless such agreements conflict with the provisions of this ~~chapter~~ Chapter.

(c) To the extent that the provisions of this ~~chapter~~ Chapter conflict with state general public law, state law ~~shall~~ will prevail.

(d) Any reference to law in this Chapter includes any amendments to that law.

(e) All provisions of this Chapter are severable. A finding by a court that any provision of this Chapter is unconstitutional or otherwise void does not affect the validity of the remaining portions of this Chapter, unless the court finds that the remaining valid provisions alone are incomplete and incapable of being executed.

Sec. 18-5. Penalty.

A violation of any provision of this ~~chapter~~ Chapter ~~shall~~ constitutes a municipal infraction. No penalty ~~shall~~ will be imposed for that period of time when an alleged violation is the subject of an investigation or before the Commission on Landlord-Tenant Affairs, or when the violation is the subject of an order which is complied with or when a good faith effort is made to correct the violation or comply with an order.

Sec. 18-6. Ceasing operations in lieu of compliance.

Where a person, rather than comply with an order of the Commission on Landlord-Tenant Affairs, chooses to cease to conduct or operate a rental facility, the person must ~~shall~~ give any tenant occupying the ~~premises in question~~ rental facility ~~sixty (~~60~~)~~ days' written notice to vacate the premises, the period to begin on the first day of the month following service of the notice. A copy of the notice must be delivered to the City Manager. No penalty will be imposed during the ~~sixty (~~60~~)~~ day period that tenants have to vacate the facility, provided that the holder of the license to conduct or operate the rental facility relinquishes it and submits it to the City Manager.

~~**Sec. 18-7. Failure to comply with summons.**~~

~~Failure to comply with a summons issued pursuant to this chapter shall be unlawful and shall be subject to appropriate legal action being taken by the City Attorney on behalf of the Commission on Landlord-Tenant Affairs as may be necessary to enforce the summons.~~

Secs. 18-~~8~~7—18-20. Reserved.

ARTICLE II. ADMINISTRATION

DIVISION 1. GENERALLY

Sec. 18-21. Functions of City Manager.

The City Manager shall have the authority and duty:

(1) To issue, deny, revoke or suspend licenses required by this ~~chapter~~ Chapter, and to conduct any investigation necessary ~~thereto~~;

(2) To initiate and conduct investigations and conciliations of any alleged or apparent violation of this ~~chapter~~ Chapter or any complaint filed ~~hereunder~~ pursuant to this Chapter;

* * *

(4) To assist the Commission on Landlord-Tenant Affairs in carrying out its duties and implementing the mandate of Commission rules and~~/or~~ regulations promulgated pursuant to the provisions of this ~~chapter~~ Chapter~~.~~; and

(5) To promulgate administrative procedures governing the licensure and inspection of rental facilities pursuant to this Chapter, including at a minimum:

a. The number of dwelling units within a multi-unit building that must be inspected before issuance of a new rental license or renewal of an existing rental license;

b. An enhanced inspection program for rental facilities of multi-unit buildings that have failed inspections performed under this Chapter or have otherwise been subject to notices of violation or citations under this Chapter or Chapter 5, Article XII (Property Maintenance Code), with a minimum expanded inspection sample of an additional 25% of the dwelling units being inspected for the renewal of an existing rental license;

c. Procedures for declaring a rental facility not fit for occupancy; and

d. The administration of the relocation assistance program set forth under this Chapter.

* * *

DIVISION 2. COMMISSION ON LANDLORD-TENANT AFFAIRS

* * *

Sec. 18-37. Composition and appointment.

(a) Membership. The Commission on Landlord-Tenant Affairs ~~shal~~l consists of seven ~~(7)~~ members and three alternate members who reside within the City, or in the case of landlords and operators, who own or operate rental facilities within the City, and who are appointed by the Mayor, subject to the confirmation of the Council. ~~Two (2) of the members shall be landlords or operators of rental facilities selected from nominations made by organizations representing landlords. Two (2) of the members shall be tenants whose livelihood does not derive in whole or in significant part from the ownership and/or management of rental property, selected from nominations made by organizations representing tenants. Three (3)~~

~~members shall be selected from the public at large from persons who are neither tenants nor landlords nor whose livelihood is derived in whole or in significant part from the ownership and/or management of rental property. Prior to selected representatives of landlords and tenants, recommendations for members shall be requested from all organizations within the City representing either landlords or tenants. If no nominations are received within a time limit specified by the Mayor, appointments may be made without nominations.~~ The members are to represent three groups as follows:

(1) Two of the members must be landlords or operators of rental facilities;

(2) Two of the members must be tenants whose livelihood does not derive in whole or in significant part from the ownership or management of rental property;

(3) Three of the members must be selected from the public at large from persons who are neither tenants nor landlords nor whose livelihood is derived in whole or in significant part from the ownership or management of rental property; and

(4) There must be one alternate member for each group. The alternate members must be nominated in the same manner prescribed for other members of the Commission.

(b) Prior to selected representatives of landlords and tenants, recommendations for members and alternate members ~~shall~~ may be requested from all organizations within the City representing either landlords or tenants. If no nominations are received within a time limit specified by the Mayor, appointments may be made without nominations.

(c) Alternate members will have voting privileges only when acting in the stead of an absent Commission member of the group which the alternate represents.

~~(b) To assist the commission in the expeditious disposition of its duties and responsibilities and to ensure that each of the aforementioned groups is adequately represented, there shall be one (1) alternate member for each group. The alternate members shall be hereafter nominated, appointed and confirmed in the same manner prescribed for other members of the Commission as set forth in subsections (a) and (b) of this section. Each alternate member of the Commission shall continue to serve until a successor has been appointed and has been confirmed. Alternate members shall have voting privileges only when acting in the stead of an absent Commission member of the group which the alternate represents.~~

(~~c~~d) Qualification. For the purpose of subsection (a) of this ~~section~~ Section, the livelihood of a member ~~shall~~ will be deemed to be derived in significant part from the ownership ~~and/~~or management of rental property when the member or the member's spouse or the minor child of either the member or the member's spouse, jointly or severally, owns a total of more than three ~~(3)~~ percent of the invested capital or capital stock of any group, firm, corporation or association owning or managing rental property or receives a total combined compensation of more than ~~five thousand dollars (~~$5,000.00~~)~~ per year from any individual, group, firm, corporation or association owning or managing rental property.

(e) Chairperson.

(1) Appointment. The Commission must elect a Chairperson from among its appointed members.

a. In the event the Chairperson is unable to attend a hearing or meeting, the Chairperson will designate one member or alternate member to serve as chairperson.

(2) Term. The Chairperson serves a term of one year and is eligible for reelection.

Sec. 18-38. Terms of members.

The terms of the members and alternate members of the Commission ~~on Landlord-Tenant Affairs shall~~ will be for three ~~(3)~~ years. Each member and alternate member of the ~~commission~~ Commission ~~shall~~ will continue to serve until a successor has been appointed and confirmed. The term of any member of the Commission ~~shall~~ must immediately terminate in the event that member changes status as a landlord, a tenant, or a member of the public at large or ceases to reside or own or operate any rental facility within the City.

Sec. 18-39. Powers and duties generally

In addition to any other power, duty or responsibility provided in this ~~chapter~~ Chapter, the Commission ~~on Landlord-Tenant Affairs shall~~ will:

(1) Be empowered to enforce the provisions of this ~~chapter~~ Chapter through any appropriate means, including but not limited to:

* * *

b. The imposition of an award of money damages against a landlord or tenant for the benefit of either as may be provided for in this ~~chapter~~ Chapter;

* * *

d. The investigation and conciliation of any violations of this ~~chapter~~ Chapter or any complaints filed ~~hereunder~~ and the investigation of any matter relating to any license to operate a rental facility;

* * *

f. Requesting appropriate legal action be taken by the Office of the City ~~Attorney's office~~;

(2) Hear appeals from decisions of the City Manager as provided for in this ~~chapter~~ Chapter;

(3) Have the power to summon the attendance of all witnesses and the production of all documents and information it deems necessary. A summons so issued must be signed by the ~~chairperson~~ Chairperson ~~of the Commission~~ or the ~~chairperson's~~

Chairperson's designee and ~~shall~~ will require the attendance of named persons ~~and/~~or the production of relevant documents and records;

(4) Subject to the approval of the Council, the Commission ~~shall~~ will adopt and amend rules and~~/or~~ regulations which ~~shall~~ must not conflict with this ~~chapter~~ Chapter or any other applicable law or regulation, as the Commission deems necessary to implement the provisions of this ~~chapter~~ Chapter, including but not limited to provisions for calling and conducting meetings, hearings and appeals held pursuant to this ~~chapter~~ Chapter and for issuing findings, opinions and orders, and provisions dealing with the use and function of alternate members; and

* * *

Sec. 18-40. Meetings; quorum; voting.

(a) The ~~chairperson~~ Chairperson, in conjunction with the City Manager, ~~shall~~ will schedule meetings of the Commission ~~as frequently as may be~~ when necessary for the Commission to perform duties or as may be provided by any rules ~~and/~~or regulations adopted by the Commission.

(b) The Commission may provide in its rules and~~/or~~ regulations for the conducting of business in a noncontested matter or where not objected to by the parties involved by polling the Commission or Commission panel by ~~telephone~~ electronic communication or otherwise.

(c) When a member is absent, the alternate member who represents the same group ~~shall~~ will be counted for purposes of a quorum and ~~shall~~ may participate in the Commission proceeding in place of the absent member.

Sec. 18-41. Commission panels.

(a) Following a majority vote of those members of the Commission ~~on Landlord-Tenant Affairs~~ present that the action is warranted by the size of the caseload or length of required hearings, the ~~chairperson~~ Chairperson ~~of the Commission~~ may designate three ~~(3)~~ members of the Commission, one ~~(1) of whom shall be a~~ tenant member, one ~~(1) of whom shall be a~~ landlord member and one ~~(1) of whom shall be a~~ public-at-large member, to sit as a panel to conduct a hearing on any complaint or appeal pending before the Commission. The ~~chairperson~~ Chairperson ~~shall~~ will designate one ~~(1)~~ panel member to serve as panel chairperson. Depending upon the extent to which panels are used, the ~~chairperson~~ Chairperson ~~of the Commission~~ will endeavor to rotate panel membership from time to time among members of the Commission.

(b) In the event any matter is heard by a Commission panel designated pursuant to this ~~section~~ Section, all panel members so designated must be present to conduct the hearing, except that an appropriate alternate Commission member may substitute for a panel member, and all official action by the panel ~~shall~~ must be taken by the vote of not less than two ~~(2)~~ members of the panel.

(c) Except as may be otherwise provided in this ~~chapter~~ Chapter or in rules ~~and/~~or regulations adopted by the Commission, the provisions of this chapter pertaining to the conduct of hearings before the Commission ~~shall~~ apply to hearings conducted by Commission panels.

* * *

(e) If a Commission panel is unable to decide any complaint or appeal pending before it due to a tie vote resulting from the failure of any panel member to vote, such complaint or appeal ~~shall~~ must be referred to the entire Commission for a decision by it based upon the record established before the Commission panel.

* * *

DIVISION 3. COMPLAINT

Sec. 18-56. Filing.

(a) Any landlord or tenant who has reason to believe that a defective tenancy exists ~~and/~~or has been created or permitted to exist by the other party to the lease ~~or rental arrangement~~, may file a written complaint with the City Manager, which complaint ~~shall~~ must state the name and address of the alleged offending landlord or tenant, the rental facility in question, and the particulars of the alleged defective tenancy or violation.

(b) A complaint may be filed only after the complainant has given the alleged offending party written notice of the alleged defective tenancy and such party has failed to make a good faith effort to rectify the defective condition within one ~~(1)~~ week after the notice has been given.

* * *

Sec. 18-57. Investigation.

Upon the filing of any complaint under this ~~chapter~~ Chapter, the City Manager ~~shall~~ will make such investigation as is deemed appropriate to ascertain whether there are reasonable grounds to believe that the allegation is true and to determine whether a defective tenancy exists. If at any time after a complaint is filed, the City Manager believes the health, safety, welfare or well-being of a tenant is placed in immediate and present danger, he ~~shall be~~ is authorized to take immediate action to provide appropriate relief including notification to the Commission ~~on Landlord-Tenant Affairs~~ which shall determine in accordance with its rules and~~/or~~ regulations whether or not an emergency meeting of the Commission is necessary.

Sec. 18-58. Procedure following investigation; conciliation.

(a) If the City Manager, in investigating a complaint, determines that there are no reasonable grounds to believe that a defective tenancy exists, the City Manager ~~shall~~ will ~~so~~ inform the complainant of the determination in writing. ~~Commission on Landlord-Tenant Affairs, in writing, and the Commission may, in its discretion, determine whether or not the complaint is bona fide, and order dismissal of the complaint, or order such further~~

~~investigation as deemed appropriate, provided that no complaint shall be dismissed without a hearing if objection is made thereto by the complaining party.~~

(b) If the complainant objects to the determination of the City Manager and requests further review or hearing to appeal the determination:

(1) The City Manager will so inform the Commission, in writing;

(2) The Commission may, in its discretion, determine whether or not the complaint is bona fide by completing a preliminary review of the evidence provided by both parties;

(3) Order dismissal of the complaint, or order such further investigation as deemed appropriate; and

(4) The parties will be notified in writing that the complaint has been dismissed or further investigation has been deemed appropriate. No formal Decision and Order is required.

(~~b~~c) If the City Manager, in investigating a complaint, determines that there are reasonable grounds to believe that a defective tenancy exists:~~, the City Manager shall attempt to conciliate the matter by methods of initial conference and persuasion with all interested parties and such representatives as the parties may choose to assist them. Conciliation conferences shall be informal and confidential and nothing said or done during such initial conferences shall prejudice the rights of the parties.~~

(1) The City Manager will attempt to conciliate the matter by methods of initial conference and persuasion with all interested parties and such representatives as the parties may choose to assist them.

(2) Conciliation conferences are informal and confidential and nothing said or done during such initial conferences will prejudice the rights of the parties.

Sec. 18-59. Conciliated complaints.

(a) If a complaint under this ~~chapter~~ Chapter is conciliated, the terms of conciliation agreed to by the parties may be reduced to writing and incorporated into a consent agreement to be signed by the parties. The agreement ~~shall be~~ is for conciliation purposes only and does not constitute an admission by any party that a violation of this ~~chapter~~ Chapter has occurred or that a defective tenancy exists.

(b) It ~~shall be~~ is unlawful to fail to adhere to any provision contained in a consent agreement. Any failure by the Commission ~~on Landlord-Tenant Affairs~~ to enforce a violation of any provision of a consent agreement ~~shall~~ does not constitute a waiver of any rights of the nonviolating party or the Commission contained in such agreement.

Sec. 18-60. Failure to conciliate complaints.

The City Manager shall notify the Commission ~~on Landlord-Tenant Affairs~~ and the Commission may thereafter schedule a hearing to determine whether a defective tenancy exists, if the City Manager:

* * *

(2) Fails to effect an informal conciliation agreement or formal consent agreement; or

* * *

Upon the request of one of the parties, the Commission may schedule a hearing to determine whether a defective tenancy exists after receiving the above notification from the City Manager.

* * *

DIVISION 4. COMMISSION HEARINGS AND ACTIONS

Sec. 18-76. Hearings generally.

(a) When a hearing before the Commission ~~on Landlord-Tenant Affairs~~ or a Commission panel deals with a controversy arising under the provisions of this ~~chapter~~ Chapter, the Commission ~~shall~~ will serve upon the person against whom a complaint has been filed (designated as the "respondent") a summons and a statement of charges and ~~shall~~ will serve upon all interested parties a notice of the time and place of hearing. The respondent or an authorized representative ~~thereof~~ may file such statement with the Commission prior to the hearing date as may be deemed necessary in support of respondent's position.

(b) The hearing ~~shall~~ will be open to the public; except, that either the ~~complaining party~~ complainant or the respondent may request, in writing, a private hearing, which may be granted at the discretion of the Commission.

(c) The hearing ~~shall~~ must be held not less than ~~twelve (~~12~~)~~ days and not more than ~~thirty (~~30~~)~~ days after service of the statement of charges and summons, unless otherwise agreed to by the parties. The ~~commission~~ Commission ~~shall have~~ has the power to summon all witnesses it deems necessary. The summons so issued must be signed by the ~~chairperson~~ Chairperson ~~of the Commission~~ or a designee and ~~shall~~ will require the attendance of named persons and the production of relevant documents and records.

(d) The ~~complaining party~~ complainant and the respondent may, at their option, appear before the Commission in person or by duly authorized representatives and may have the assistance of an attorney. The parties may present testimony and evidence which shall be given under oath or by affirmation.

(e) The Commission ~~shall~~ must keep a full record of the hearing which record, if the hearing is public, ~~shall~~ must be open to inspection by any person, and, upon request by any principal party to the proceeding, the Commission shall furnish ~~shall~~ must party with a copy of the hearing record at such charges as are necessary to meet the costs.

* * *

Sec. 18-77. Relief pending commission hearing.

If, at any time after a complaint has been filed, the Commission ~~on Landlord-Tenant Affairs~~ believes that appropriate civil action to preserve the status quo or to prevent irreparable harm appears advisable, the Commission may refer the matter to the City Attorney to bring any action necessary to preserve such status quo or to prevent such irreparable harm, including but not limited to temporary restraining orders and preliminary injunctions.

Sec. 18-78. Failure to comply with summons.

It is unlawful for a person to fail to comply with a summons issued pursuant to this Chapter. On behalf of the Commission, the City Attorney may take any appropriate legal action to enforce a summons issued pursuant to this Chapter.

Sec. 18-~~78~~79. Defective tenancy not found.

If, at the conclusion of the hearing, the Commission ~~on Landlord-Tenant Affairs~~ or Commission panel determines, upon the preponderance of the evidence of record, that the respondent has not violated or caused a defective tenancy or has not allowed a defective tenancy to continue for an unreasonable period of time, the Commission or Commission panel ~~shall~~ will state and ~~publish~~ issue its findings, including whether or not the complaint was bona fide and issue an order dismissing the complaint or an order providing any other action deemed appropriate.

Sec. 18-~~79~~80. Violation or defective tenancy found.

(a) If, at the conclusion of the hearing, the Commission ~~on Landlord-Tenant Affairs~~ or Commission panel determines, upon the preponderance of the evidence of record, that a defective tenancy exists, the Commission or Commission panel ~~shall~~ will state its findings and issue an order. Such order ~~shall~~ will require the respondent to cease and desist from such unlawful conduct and to take such appropriate action as will effectuate the purposes of this ~~chapter~~ Chapter. The order shall also contain a notice that if the Commission determines that the respondent has not, after ~~fifteen (~~15~~)~~ calendar days following service of the Commission's order or Commission panel's order, made a good faith effort to comply with the order, the Commission may cause a municipal infraction citation to be issued and~~/or~~ refer the matter to the City Attorney for enforcement.

(b) Where the Commission or Commission panel finds that a landlord has caused a defective tenancy, the Commission or Commission panel may order one ~~(1)~~ or more or all or part of the following remedies to benefit all affected tenants:

(1) Immediate termination of the~~ir~~ relevant leases, and return of the~~ir~~ security deposits and all rental monies already paid to the landlord from the period the landlord was notified of the condition, and relief from any and all future obligations under the terms of the leases. Where the termination of a lease is ordered, the dwelling unit ~~shall~~ must be vacated within a reasonable period of time.

a. If a landlord imposes a security deposit in excess of the equivalent of one month rent per dwelling unit, an award of up to three times the extra amount charged, plus reasonable attorney's fees as permitted by Maryland law, unless an exception under Real Property Article of the Annotated Code of Maryland § 8-203(b)(2) exists.

(2) An award of damages to be paid by the landlord sustained as a result of the defective tenancy, such damages being determined as the actual damage or loss. In the case of damages to persons or property, an award for damages shall not exceed ~~two thousand dollars ($2,000.00)~~ $5,000 per affected dwelling unit. In the case of loss of services or equipment for which the landlord has responsibility to maintain and which had been provided at the commencement of tenancy, damages may be awarded in an amount equal to the value of the amenity lost and~~/or~~ a reduction in rent may be ordered in an amount commensurate with the actual cost savings accruable to the landlord as a result of the reduction of services or equipment.

* * *

(c) Where the Commission or Commission panel finds that a tenant has caused a defective tenancy, the landlord may be entitled to one ~~(1)~~ or more or all or part of the following remedies as ordered by the Commission or Commission panel:

* * *

(2) An award of damages to be paid by the tenant to the landlord sustained as a result of the defective tenancy, such damages being determined as the actual damage or loss but not exceeding ~~two thousand dollars ($2,000.00)~~ $5,000.00 with a credit for any damages which may have been deducted from the security deposit;

(3) Other remedies as may be available to the landlord under ~~state~~ Maryland law.

(d) Any award of damages or money under this ~~section~~ Section not paid within ~~thirty (~~30~~)~~ days from such award may be enforced by the landlord or tenant to whom the award was granted in any court of competent jurisdiction, and any such court is authorized to grant judgment for such monies plus interest from the date of the award.

Sec. 18-~~80~~81. Failure to comply with orders.

It is a violation to fail to comply with any order issued by the Commission ~~on Landlord-Tenant Affairs~~ or a Commission panel ~~thereof~~.

Sec. 18-~~81~~82. Appeal to court.

Any person aggrieved by a final action of the Commission ~~on Landlord-Tenant Affairs~~ rendered under this ~~chapter~~ Chapter may appeal to the Circuit Court for the County in accordance with the Maryland Rules as set forth in Title 7, Chapter 200.

Secs. 18-~~82~~83—18-95. Reserved.

ARTICLE III. RENTAL FACILITY REQUIREMENTS

DIVISION 1. GENERALLY

Sec. 18-96. Occupancy limit.

A dwelling unit within a rental facility may not be rented to or occupied by more than one household.

Secs. 18-~~96~~97—18-110. Reserved.

DIVISION 2. LICENSE

Sec. 18-111. License required ~~Required~~.

~~It shall be unlawful to conduct or operate within the City a rental facility without having first obtained a license to operate or conduct such rental facility. It shall be unlawful to operate a rental facility within the city under an expired, revoked, or suspended license.~~

(a) A person may not operate a rental facility without a valid rental license under this Chapter.

(b) A person may not operate a rental facility under an expired, revoked, or suspended rental license.

Sec. 18-112. ~~Classes~~ Types of rental licenses.

There ~~shall be~~ are the following classes of rental ~~facility~~ licenses:

(1) ~~Innkeeper's license~~ Hotel License;

(2) ~~Rental multiple-unit dwelling (apartment) license~~ Multi-Unit Building License;

(3) ~~Single-dwelling unit rental license. Where a single-dwelling unit contains, or is attached to an accessory apartment, a single-dwelling unit rental license may only be issued for that part of the building excluding the accessory apartment. In no case may a rental license be issued for a single-dwelling unit and for an accessory apartment on the same lot~~ ADU License; and

(4) ~~Accessory apartment rental unit license. No license may be issued for an accessory apartment where another rental residential use exists on the same lot~~ Single-Unit Dwelling License.

Sec. 18-113. Application; fees.

(a) Application for a rental license ~~required hereunder shall~~ must be made by or on behalf of the owner of the rental facility on a form provided by the City and ~~shall~~ must be accompanied by a fee as may be provided by resolution of the Council.

(b) If the owner of the rental facility is a corporation, the corporation ~~shall~~ must be qualified to do business in ~~the State~~ Maryland as provided by State law.

(c) All corporate owners and owners residing outside ~~the State shall~~ of the District of Columbia, Maryland or Virginia must have an agent ~~as defined herein~~, who ~~shall~~ resides in the ~~State~~ District of Columbia, Maryland or Virginia, and ~~shall certify to the City Manager~~ provides the name, address and telephone number of such agent on the rental license application and ~~shall~~ must keep such information current by notifying the City Manager of any change.

Sec. 18-114. ~~Inspections~~ Rental license issuance and renewal.

(a) ~~A rental facility must be inspected upon the receipt of a completed application for a rental facility license and before issuance or renewal of a rental facility license.~~ The City Manager may only issue or renew a rental license upon finding that:

(1) The applicant submitted a complete rental license application, including payment of all required fees;

(2) If the rental facility is a detached single-unit dwelling or ADU, no other dwelling unit on the same lot as the rental facility is rented or offered for rent;

(3) An inspection of the rental facility conducted in accordance with this Chapter confirms that the rental facility complies with this Article and Chapter 5, Article XII (Property Maintenance Code); and

(4) Any violations of the City Code identified during the rental facility inspection have been addressed as required by the City Manager

~~(b) As a condition of receiving a rental facility license, a landlord must also allow the rental facility to be inspected:~~

~~(1) Upon a reasonable suspicion of a violation of this chapter or any other section of the City Code.~~

~~(2) To verify that a violation of this chapter or any other section of the City Code has been abated.~~

~~(c) The City is deemed to have reasonable suspicion of a violation if it receives a credible complaint of a violation or has documented evidence that a violation may exist.~~

~~(d) The City must provide at least seventy-two (72) hours written notice before any inspection of a rental facility by certified mail sent to the landlord's last known address and by posting at the main entrance of the rental facility.~~

~~(e) If a violation of this chapter or any other section of the City Code is noted during the inspection, the City must notify the landlord in writing of the nature of the violation and the time within which the violation must be abated. The City may require the rental facility to be reinspected to verify that the violation has been abated.~~

~~(f) A landlord is deemed to have violated this chapter if a City inspector is refused entry to the landlord's rental facility to conduct an inspection that has been properly noticed under this section. Each day an inspector is refused entry to conduct a properly noticed inspection is a separate violation.~~

(b) Rental licenses must be renewed as follows:

(1) Hotel and multi-unit building rental licenses must be renewed annually; and

(2) Single-unit dwelling and ADU rental licenses must be renewed every two years.

a. ADU rental licenses require an annual ADU certification fee under City Code Chapter 25.

(c) The operator of a rental facility must apply to renew the rental license at least 30 days before the expiration date of the current rental license.

(d) The City Manager may extend the expiration date of a rental license once, for a maximum of 60 days, to facilitate abatement of violations observed during a rental facility inspection.

Sec. 18-115. Rental facility inspections.

(a) Upon submission of an application for a new rental license or a rental license renewal, the applicant must allow the City Manager to inspect the rental facility in accordance with this Chapter.

(b) As a condition of receiving a rental license, a landlord must also allow the rental facility to be inspected:

(1) Upon a reasonable suspicion of a violation of this Chapter or any other Section of the City Code.

(2) To verify that a violation of this Chapter or any other Section of the City Code has been abated.

(c) The City is deemed to have reasonable suspicion of a violation if it receives a credible complaint of a violation or has documented evidence that a violation may exist.

(d) The City must provide at least 72 hours written notice before any inspection of a rental facility by certified mail sent to the landlord's last known address and by posting at the main entrance of the rental facility.

(e) A landlord is deemed to have violated this Chapter if a City inspector is refused entry to the landlord's rental facility to conduct an inspection that has been properly noticed under this Section. Each day an inspector is refused entry to conduct a properly noticed inspection is a separate violation. A tenant is required to provide access to a City inspector to conduct an inspection that has been properly noticed under this Section.

(f) If a violation of this Chapter or any other Section of the City Code is noted during an inspection, the City Manager must notify the landlord in writing of the nature of the violation and the time within which the violation must be abated. The City Manager may require the rental facility to be reinspected to verify the violation has been abated.

(g) If an inspection indicates that any rental facility does not comply with all applicable laws, the City Manager must notify the landlord in writing and order correction within a specified period of time. If the landlord does not correct the violation in the specified period of time, the City Manager may:

(1) Authorize a tenant to:

a. have the violation corrected by a licensed contractor as required by the Maryland Home Improvement Commission; and

b. deduct the reasonable cost of the repair up to the amount of two months' rent, from the tenant's rent; or

(2) Revoke the license or take other remedial action.

~~**Sec. 18-115. Renewal.**~~

~~Licenses issued under this division for single-family dwellings shall be renewable every two (2) years and all other licenses issued under this division shall be renewable annually at fees as may be provided by resolution of the Council. Applications for the renewal of licenses shall be made at least thirty (30) days prior to the expiration date of the existing license.~~

Sec. 18-116. ~~Form; display~~ Display of rental license.

(a) ~~The person to whom any rental facility license is issued shall display it~~ The operator of a hotel or multi-unit building must display a valid rental license in the lobby, vestibule, rental office or other prominent public place on the rental facility premises ~~for which the license is issued~~ during the entire period ~~it~~ the rental license is in effect. ~~A telephone number where the operator or representative thereof may, in fact, be reached at all times shall be included on the license. In the case of a single-family dwelling rental unit, it is sufficient if a copy of the license is provided the tenant.~~

(b) The landlord of a single-unit detached dwelling or ADU must provide a copy of a valid rental license to all tenants of the rental facility.

(c) A rental license must include the telephone number where at which the operator, landlord, agent or representative thereof may, in fact, be reached at all times.

Sec. 18-117. Transferability.

(a) A rental license holder must give the City Manager written notification of any change in address or transfer of property ownership within ~~ten (~~10~~)~~ days of such change or transfer.

(b) ~~No~~ A rental license is not transferable. Upon sale of a rental facility, the license held by the previous owner becomes void. If the rental facility is currently rented or offered for rent, the new owner ~~shall file an application for~~ must receive approval of a new rental ~~facility~~ license ~~accompanied by the appropriate fee~~.

(c) Whenever the ownership of the rental facility changes ~~hands~~, ~~it shall be the duty of~~ the transferor ~~to~~ must notify all tenants of the rental facility of the name, address and office location of the transferee and of the transferee's agent.

Sec. 18-118. Denial, revocation or suspension.

(a) A rental ~~facility~~ license may be revoked or suspended ~~and a renewal may be denied~~ at any time by the City Manager if the landlord after ~~ten (~~10~~)~~ working days' written notice fails to eliminate or to initiate good faith efforts to eliminate violations of this ~~chapter~~ Chapter or of other applicable laws, rules or regulations. Revocation, denial or suspension of a license ~~shall be~~ is in addition to, and not in substitution for, such other penalties as may be provided for violations by any ordinance. A license ~~shall~~ may be revoked only for that portion of a building or group of buildings in which a defective tenancy is found to exist.

(b) The City Manager must deny an application for a new rental ~~facility~~ license or a renewal of a rental ~~facility~~ license if: ~~the applicant has been cited for three (3) or more violations of this chapter or other section of the City Code related to the rental, use, or construction of a rental facility within the past two (2) years, unless the applicant remediated each violation to the satisfaction of the City Manager within thirty (30) days of citation.~~

(1) The applicant has been cited for three violations of this Chapter or other Section of the City Code related to the rental, use, or construction of a rental facility within the past two years, unless the applicant remediated each violation to the satisfaction of the City Manager within 30 days of citation; or

(2) The City Manager determines that the rental facility has been the subject of a citation issued within the past two years for a violation of this Chapter or other Section of the City Code that presents a serious threat to the health, safety, and welfare of the public or occupants of the rental facility.

(c) ~~In the event that~~ If a rental license is revoked or suspended or any application for rental license renewal is denied, and the ~~landlord of the premises for which the license had been issued or applied for~~ applicant chooses to cease renting the rental facility ~~regulated hereunder~~, ~~he shall~~ the landlord must give any tenants occupying the ~~premises in question~~ rental facility ~~sixty (~~60~~)~~ days' written notice to vacate the premises, such period to begin on the first day of the month following service of such notice. In addition, a copy of the notice must be delivered to the City Manager.

Sec. 18-119. Administrative appeals.

~~(a)~~ Any person aggrieved by a~~n~~ final action of the City Manager under ~~the provisions of this article~~ this Article, not including notice of violations or citations, may appeal to the Circuit Court for the County in accordance with the Maryland Rules as set forth in Title 7, Chapter 200~~., within ten (10) working days of receipt of written notice of such action, appeal such action to the Commission on Landlord-Tenant Affairs by filing a notice of appeal with the City Clerk. Except in the case of the revocation of a license, an appeal shall not operate to stay the action of the City Manager unless the action is stayed by order of the Commission for good cause shown.~~

~~(b) Within fifteen (15) working days of the filing of the notice of appeal the Commission, or a panel designated pursuant to section 18-43 shall conduct a hearing at which time an opportunity to be heard shall be given to the person aggrieved. The hearing shall be open to the public and records and minutes shall be maintained by the Commission.~~

~~(c) Unless otherwise provided by Commission rules or regulations, the Commission or Commission panel shall by order, within ten (10) working days after such hearing, either reverse, modify or affirm the action appealed and shall issue its findings, opinions, and orders in writing and provide a copy thereof to the parties involved.~~

* * *

DIVISION 3. MINIMUM FACILITIES REQUIREMENTS

Sec. 18-126. ~~Inns~~ Hotels.

All persons required under this ~~chapter~~ Chapter to obtain an ~~innkeeper's~~ hotel license ~~shall~~ must provide a central desk staffed at least 16 hours per day and the following minimum facilities and services in each room offered for occupancy:

~~(1) Daily change of bedroom and bathroom linens in each dwelling unit, unless the occupant thereof otherwise requests, but in no event shall bedroom and bathroom linens remain unchanged for more than three (3) successive days;~~

~~(2) Daily maid service in each dwelling unit unless the occupant thereof otherwise requests, but in no event shall maid service not be provided for more than three (3) successive days;~~

~~(3) Telephone service to each dwelling unit with a central switchboard maintained at least twenty-four (24) hours per day;~~

(~~4~~1) One ~~(1)~~ chest of drawers ~~per dwelling unit~~;

(~~5~~2) One ~~(1)~~ single bed per ~~person~~ occupant or one ~~(1)~~ double bed per two ~~(2) persons occupying the dwelling unit~~ occupants;

(~~6~~3) ~~Two~~ One ~~(2)~~ chairs ~~per dwelling unit~~;

(~~7~~4) Curtains or venetian blinds on all windows;

(~~8~~5) Two ~~(2)~~ lamps ~~per dwelling unit~~; and

(~~9~~6) ~~A central desk staffed at least sixteen (16) hours per day~~ Electrical smoke detectors as required by City Code Chapter 5.

Sec. 18-127. Rental multiple-unit dwellings.

All persons required under this ~~chapter~~ Chapter to obtain a ~~rental multiple-unit dwelling (apartment house)~~ multi-unit building license ~~shall~~must provide the following minimum facilities and services:

(1) ~~The operator or representative thereof residing on the premises of the rental facility licensed. In the case of a structure or combination of related structures containing less than one hundred (100) dwelling units, there may be provided in lieu of the operator a notice posted conspicuously in all public areas advising the occupants of a local telephone number where the operator may, in fact, be reached at all times~~ If the multi-unit building or a combination of multi-unit buildings operated as a single entity contain 100 or more dwelling units, the rental facility operator or a representative of the operator must reside on the premises of the rental facility;

(2) If the multi-unit building or a combination of multi-unit buildings operated as a single entity contain fewer than 100 dwelling units, either:

a. The rental facility operator or a representative of the operator must reside on the premises of the rental facility; or

b. A notice must be posted conspicuously in all public areas within the rental facility advising the occupants of a local telephone number where the operator or operator's representative may be reached at all times;

(~~2~~3) One ~~(1)~~ receptacle for the receipt of mail per dwelling unit;

(~~3~~4) One ~~(1)~~ bathroom per dwelling unit containing a water closet, lavatory, and either a bathtub or a shower supplied with hot and cold water at all times ~~per dwelling unit~~; and

(~~4~~ 5) Operational kitchen facilities in ~~each~~ the dwelling unit, including a four ~~(4)~~ burner stove with oven or equivalent appliance, refrigerator with freezing compartment and sink with hot and cold running water, unless the lessee~~, in fact,~~ provides the same~~.~~; and

(6) Electrical smoke detectors as required by City Code Chapter 5.

Sec. 18-128. ~~Single dwelling units~~ Single-Unit Dwellings.

All persons required under this ~~chapter~~ Chapter to obtain a single~~-~~ ~~dwelling~~ unit dwelling license shall provide the following minimum facilities and services:

(1) One ~~(1)~~ receptacle for the receipt of mail per dwelling unit;

(2) One ~~(1)~~ bathroom within the dwelling unit containing a water closet, lavatory and either a bathtub or a shower supplied with hot and cold water at all times ~~per dwelling unit~~;

(3) Operational kitchen facilities in ~~each~~ the dwelling unit, including a four ~~(4)~~ burner stove with oven or equivalent appliance, refrigerator with freezing compartment, and sink with hot and cold running water, unless the lessee~~, in fact,~~ provides the same; ~~and~~

(4) A copy of a notice advising the occupants of a local telephone number where the operator or operator's representative may be reached at all times~~.~~; and

(5) Electrical smoke detectors as required by City Code Chapter 5.

Sec. 18-129. ~~Accessory apartments~~ADUs.

All persons required under this ~~chapter~~ Chapter to obtain an ~~accessory apartment~~ ADU ~~rental unit~~ license ~~shall~~ must provide the following minimum facilities and services:

(1) One ~~(1)~~ bathroom within the ~~accessory apartment~~ ADU containing a water closet, lavatory and either a bathtub or a shower supplied with hot and cold water at all times;

(2) Operational ~~cooking~~ kitchen facilities within the ~~accessory apartment~~ ADU including a ~~four (4)~~ two burner stove with oven or equivalent appliance, refrigerator with freezing compartment, and sink with hot and cold running water, unless the lessee provides the same;

(3) Every ~~accessory apartment~~ ADU ~~shall~~ must have safe, unobstructed means of egress leading to safe and open space at ground level, as required by the ~~Building~~ City Code Chapter 5;

(4) Every ~~accessory apartment~~ ADU ~~shall~~ must contain ~~an~~ electrical smoke detectors ~~which is operable at all times~~ as required by City Code Chapter 5.

* * *

ARTICLE IV. LANDLORD-TENANT RIGHTS AND OBLIGATIONS

* * *

DIVISION 2. LEASES

Sec. 18-146. Contents.

All leases or agreements for the occupancy of a dwelling unit in a rental facility located in the City, except those subject to the requirement of a~~n innkeeper's~~ hotel license, must:

(1) Be offered for a~~n initial~~ term of ~~one (1)~~two years to be accepted at the prospective tenant's option, unless a reasonable cause exists for offering a~~n initial~~ term ~~of~~ other than ~~one (1)~~two years; provided:

a. For purposes of this paragraph, "reasonable cause" means those situations which would create undue hardship or expense for a landlord to enter into a ~~one (1)~~two year lease. Such situations may include the sale of a dwelling unit with settlement to occur within a ~~one (1)~~two year period, a bona fide contract to sell within a ~~one (1)~~two year period or a planned conversion to a condominium or cooperative within a ~~one (1)~~two year period. When the landlord claims such a cause, a statement citing the reasonable cause and advising the prospective tenant of his right to challenge the statement by filing a complaint with the City Manager ~~shall~~ must be included as an addendum to the lease, signed and dated by the parties and a copy given to the prospective tenant;

b. Nothing ~~herein shall~~ in this Article precludes the parties from negotiating a lease of duration either longer or shorter than ~~one (1)~~two years after the prospective tenant has been offered, and has refused, a lease of ~~one (1)~~two years' duration as previously described;

c. If a landlord desires to increase the rent prior to the end of the two-year lease term, the rent increase must be disclosed in the lease prior to entering into the lease.

(2) Not contain a waiver of notice to quit. In the event a landlord serves notice not to renew a lease and the tenant requests the reason for such failure to renew, the landlord ~~shall~~ will be held harmless from related charges of libel ~~related thereto~~;

* * *

(4) Contain a provision acknowledging the landlord's responsibility for maintenance of the ~~premises~~ rental facilities and incorporating by reference City Code ~~chapters~~ Chapter 9 ~~(fire safety code)~~, Chapter 25 ~~(zoning and planning)~~ and ~~chapter~~ Chapter 5 ~~(buildings and building regulations)~~, ~~articles~~ Articles V, X and XII ~~of this Code~~, as amended, as an express warranty of habitability and covenant to repair;

(5) Except as provided in paragraph (4) of this ~~section~~ Section, contain no provision incorporating a collateral agreement or provision by reference unless a copy ~~thereof~~ is affixed to all copies of the lease;

* * *

~~(7) Contain no provision for penalty for late payment in excess of five (5) percent of the amount of rent due for the rental period for which payment is delinquent;~~

(~~8~~7) Contain no waiver of any of the protections afforded under this ~~chapter~~ Chapter;

(~~9~~8) Contain no provision authorizing the lessor to take possession of the leased premises or the tenant's personal property ~~herein~~ without the benefit of formal legal process;

(~~10~~9) Contain a provision requiring itemization of all charges for repair of damages to the ~~premises~~ rental facilities, whether claimed by the landlord or by the tenant, and providing that such charges ~~shall~~ must be substantiated upon written request;

(~~11~~10) Contain a provision for the deposit of all security deposits in accordance with the provisions of the Real Property Article of the Annotated Code of Maryland;

(~~12~~11) Contain a copy of the current, valid rental license, with notification to the tenant of the location of a copy of the rental ~~facility~~ license where it can be inspected by the tenant on an ongoing basis;

(~~13~~12) Contain a provision providing for a minimum of ~~ten (~~10~~)~~ days before which time late fees, which ~~shall~~ must not be in excess of five ~~(5)~~ percent of the total delinquent rent, may not be charged;

(~~14~~13) Contain a covenant that the landlord will deliver the leased premises and all common areas in a clean, safe and sanitary condition, free of rodents and vermin, and in compliance with all applicable laws. In the case of a condominium or cooperative housing structure, the landlord ~~shall be~~ is responsible for delivery of only the dwelling unit in a clean, safe and sanitary condition, free of rodents and vermin and in complete compliance with all applicable laws;

(~~15~~14) Contain a provision requiring written receipts for all cash or money orders paid by the tenant to the landlord for rent, security deposit or otherwise;

(~~16~~15) Contain a provision requiring that the landlord may exercise his right of access to any dwelling unit, only after due and reasonable notice to the tenant in writing at least 24 hours in advance of inspection or repairs~~, and without objection from the tenant~~, in order to make necessary repairs, decorations, alterations or improvements, or to supply services; to exhibit the dwelling unit to prospective purchasers, mortgagees or tenants only during normal business hours (7:00 am to 7:00 pm), including ~~weekends~~ Saturdays, except as otherwise may be agreed upon by the parties; providing that nothing in this paragraph ~~shall~~ prevents the landlord from entering any leased premises in an emergency situation or, after due notice when the landlord has good cause to believe the tenant may have damaged the ~~premises~~ rental facilities or may be in violation of this ~~chapter~~ Chapter;

(~~17~~16) Contain a provision permitting the tenant to sublease with the landlord's written permission, which permission ~~shall~~ must not be unreasonably withheld, except in condominium and cooperative housing structures where applicable legal documents and rules and regulations prohibit subleasing;

(~~18~~17) Contain no provision for a lien on behalf of the landlord on the tenant's ~~chattels~~ possessions, except as provided by the Real Property Article of the Annotated Code of Maryland;

(~~19~~18) Contain a provision permitting the lease to be terminated upon ~~thirty (~~30~~)~~ days' written notice to the landlord due to:~~ an involuntary change of employment from the Washington metropolitan area or for other reasonable cause beyond the tenant's control. The lease may provide that in the event of termination for such cause, the tenant shall be liable for a reasonable termination charge not to exceed one (1) month's rent;~~

a. an involuntary change of employment from the Washington metropolitan area;

b. the dwelling unit being deemed not fit for occupancy for 60 days by the City Manager not caused by the tenant, or as a result of the landlord’s failure to correct a violation of applicable law that adversely affects the immediate health and safety of the tenant in the tenant’s unit or a common area available for use by the tenant, within 30 days after being ordered to do so by the City Manager;

c. the landlord’s rental license has been suspended or revoked for reasons related to the tenant’s unit within the previous 60 days;

d. the landlord has failed to make certain repairs required to correct a violation that affects the health and safety of the tenant;

e. domestic violence against the tenant or the tenant’s dependent;

f. death of a primary wage earner;

g. change in disability status;

h. entry into an inpatient substance abuse or mental health treatment program; or

i. for other reasonable cause beyond tenant's control.

The lease may provide that in the event of termination for such cause, the tenant is liable for a reasonable termination charge not to exceed one month's rent;

(~~20~~19) Contain a provision requiring the landlord to give the tenant ~~ninety (~~90~~)~~ days' written notice of any rent increase.

(20) Contain no agreement by a tenant to:

a. waiver the right to a trial by jury;

b. pay court costs that exceed actual costs awarded by a court; or

c. pay legal costs or attorney fees other than those awarded by a court after the court finds that the fees and costs are reasonable.

(21) If it contains an obligation for a tenant to pay a landlord's attorney's fees must:

a. provide that attorney's fees are not part of the tenant's rent and need not be paid to redeem the premises in a nonpayment of rent action; and

b. obligate the landlord to pay the tenant's attorney's fees if the tenant is the prevailing party in the legal action and fees are awarded by a court.

(~~21~~22) Contain a provision referencing the City's right to inspect the rental facility ~~under section 18-114~~ Article III of this Chapter and requiring the tenant to allow such an inspection.

(~~22~~23) Comply with ~~subsection~~ Subsection 18-~~180~~182(d) (Radon testing).

Sec. 18-147. Additional leasing requirements.

(a) Where the lease is in writing, the tenant ~~shall~~ must be provided with an executed copy ~~thereof~~ within ~~ten (10)~~ three days of its execution.

~~(b) A copy of any type of lease used by any landlord shall be filed with the City Manager.~~

(~~c~~b) ~~After the effective date of the ordinance from which this chapter is derived, all landlords~~ Landlords, including prospective landlords must ~~shall~~ give all prospective tenants a copy of their proposed lease at least two days prior to the day of its execution unless the prospective tenant requests a shorter time. ~~Prospective landlords shall give all prospective tenants a copy of their proposed lease.~~ Prospective tenants ~~shall~~ have the right to examine the proposed lease on the premises of their choosing.

(~~d~~c) When giving notice of past due rent, when issuing a written quit and vacate notice, and immediately upon the institution of any judicial proceeding to regain the leased premises, all landlords ~~shall~~ must inform tenants that general information regarding evictions is available from the City Manager.

(~~e~~d) Landlords are prohibited from imposing more than one ~~(1)~~ rent increase per unit in any ~~twelve~~ (12) month period if that unit is continuously rented by the same tenant.

(e) Any renewal offer letter provided must include rent which matches the rent listed in the lease.

(f) If the rental unit is located in a common ownership community, the landlord shall provide all prospective tenants with a copy of the common ownership community's bylaws.

(g) In the lease, landlord must define the total monthly charge, including rent and any mandatory fees. The lease must state clearly which utilities the tenant is responsible for.

(h) If a landlord requires a guarantor on a lease for a particular tenant, the landlord must provide the reason to the tenant in writing at the time the landlord requests a guarantor.

Sec. 18-148. Price coordination and algorithmic devices.

(a) *Definitions.* In this section, the following terms have the meanings indicated:

Algorithmic device means a product or service that:

(1) uses one or more algorithms to perform calculations;

(2) uses non-public competitor data concerning historical or contemporaneous rents, rent changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from two or more landlords; and

(3) recommends rents, fees, rental terms, renewal terms, or occupancy levels for a dwelling unit.

It does not include:

(1) a periodic report, published not more than once a month, that publishes existing rental data in an aggregated and anonymous manner without recommending rental prices, fees, rental terms, or occupancy levels for future leases;

(2) a product or service used for the purpose of establishing rent or income limits in accordance with an affordable housing program of the local, State, or federal government; or

(3) a product or service used by a person who is the landlord of only one rental unit in the City.

Non-public competitor data means information that is not available to the general public concerning actual rent prices, occupancy rates, lease start and end dates, and other similar data regarding a property other than a property that is owned or managed by the landlord who is the recipient or user of the generated recommendation, when such data is less than 90 days old.

Price coordination means:

(1) collecting from two or more landlords, with or without the exchange of money or other valuable consideration, historical or contemporaneous data concerning rents, rent changes, fees, supply levels, occupancy rates, or lease or rental contract termination and renewal dates; and

(2) recommending rents, fees, rental terms, or occupancy levels based on the analysis or processing of the data using an algorithmic device.

It does not include:

(1) generating or using a report, published not more than once a month, of existing rental data in an aggregated and anonymous manner, without recommending rents, fees, rental terms, or occupancy levels for future leases;

(2) providing or using data for the purpose of establishing rent or income limits in accordance with an affordable housing program of local, State, or Federal government; or

(3) the provision or use of data by a person who is a landlord of only one rental unit in the City.

(b) Prohibition. A landlord must not:

(1) use an algorithmic device regarding the rent, fees, or any other rental term for a dwelling unit within the City;

(2) engage in price coordination regarding the rent, fees, or any other rental term for a dwelling unit within the City;

(3) agree with any other person not to compete with respect to the rent, fees, or any other rental term for a dwelling unit within the City; or

(4) subscribe to or pay for an algorithmic device or price coordination services with respect to the rent, fees, or any other rental term for a dwelling unit within the City.

(c) Penalties and enforcement. Each violation of Subsection (b) shall constitute a municipal infraction.

Secs. 18-149. Miscellaneous.

(a) A landlord must provide a tenant the tenant's entire rental payment history within 14 days of the tenant's written request.

(b) Landlord is prohibited from including a question on eviction history on the rental unit application. Landlord is not prohibited from considering eviction history as otherwise permitted by law.

(c) If a dwelling unit is a moderately priced dwelling unit regulated under City Code Chapter 13.5 or other similarly regulated income-restricted unit, and the tenant no longer meets the income requirements, the landlord may terminate the lease pursuant to that Chapter.

Secs. 18-~~148~~ 150—18-160. Reserved.

DIVISION 3. TENANT RIGHTS AND OBLIGATIONS

Sec. 18-161. Rights.

(a) Tenants ~~shall~~ have the right:

(1) To self-organization;

(2) To form, join, meet or assist one another within or without tenant organizations, independently of property management, landlords, or landlord's agent;

(3) To meet and confer through representatives of ~~their~~ the tenants' ~~own~~ choosing with landlords;

(4) To engage in other concerted activities for the purpose of mutual aid and protection; ~~and~~

(5) To distribute information; and

(~~5~~6) To refrain from any and all such activities.

(b) Tenants and tenant organizations ~~shall~~ have the right of free assembly in the meeting rooms and other areas suitable for meetings within a rental facility, where such facilities are available, during reasonable hours and upon reasonable notice to the landlord, for the purpose of conducting tenant organization meetings. The landlord may not charge tenant organizations a ~~reasonable~~ fee for the use of the meeting rooms or common areas ~~but such charge must not be in excess of the regular schedule of fees for such facility to other groups~~ for meetings of the tenant organization. The landlord may ~~also~~ impose reasonable terms and conditions upon the use of such meeting rooms or common areas as long as such terms and conditions do not constitute a subterfuge to undermine the purposes of this ~~section~~ Section.

(c) Tenants and ~~resident~~ tenant organizations ~~shall~~ have the right to distribute freely and post in centrally located areas of a rental facility literature concerning landlord-tenant issues, provided the literature is properly identified as to its origin.

(d) Tenant organizations ~~shall~~ have standing to file complaints under any provisions of this ~~chapter~~ Chapter in a representative capacity on behalf of those tenants who have authorized such representation. Nothing ~~herein~~ in this Article shall be construed to permit any tenants' organization to represent exclusively any tenant or class of tenants unless authorized to do so specifically.

(e) A landlord may not prohibit tenant organization activities from occurring on the premises of the rental facility,

Sec. 18-162. Obligations.

Each tenant, at all times, ~~shall~~ must comply with all obligations imposed upon tenants by applicable provisions of all Federal, State or City statutes, codes, regulations or ordinances, including, but not limited to obligations imposed on tenants under ~~chapter~~ Chapter 5, ~~article~~ Article XII, and in particular ~~shall~~ must:

(1) Keep that part of the ~~premises~~ rental facility which he or she occupies and uses as clean, sanitary and safe as the conditions of the premises permit;

(2) Dispose from ~~his~~ tenant's dwelling unit all rubbish, garbage and other organic or flammable waste in a clean and sanitary manner;

(3) Keep all plumbing fixtures as clean and sanitary as ~~his~~ tenant's condition permits;

* * *

(5) Not permit any person on the ~~premises~~ rental facility with ~~his~~ tenant's permission to willfully or wantonly destroy, deface, damage, impair or remove any part of the

structure or dwelling unit or the facilities, equipment or appurtenances ~~thereto~~, nor ~~himself or herself~~ may the tenant do any such thing;

* * *

Secs. 18-163. Regulation of fees.

(a) A landlord is prohibited from charging a fee for the following:

(1) Payment of rent or other fees via either non-electronic or electronic means, excepting a credit card processing fee or a fee if a check fails to process due to insufficient funds;

(2) Services and amenities previously included in the rent for the dwelling unit or provided to current tenants at no cost, unless a change is made in utility cost recovery structure or ratio utility billing;

(3) Services or amenities related to the performance of any repairs, maintenance tasks or other work for which the landlord has a duty to perform to maintain the habitability of the dwelling unit;

(4) Any charge for which the landlord failed to request from the tenant after more than 120 days; and

(5) Any administrative or processing fees for utilities not expressly allowed by Maryland law, including trash. A landlord may charge a fee for valet trash service if valet trash service is permitted by law and regular trash service is provided as an option to the tenant.

(b) A landlord must refund to the tenant any money paid by tenant in excess of actual cost of rent or other required fees.

(c) Regulated Fees. Except as provided in subsection (a) and Section 18-146 and as otherwise permitted by law, including regulations, landlords are limited to charging the following fees on dwelling units:

(1) Application fee. In accordance with Real Property Article of the Annotated Code of Maryland § 8-213, a landlord of a dwelling unit must not retain a fee or charge a fee of more than the landlord's actual cost for a credit check and other expenses arising out of the application for rental of the dwelling unit.

(2) Bicycle parking fee. A landlord may charge a tenant a bicycle parking fee as follows:

a. not to exceed one-sixth of any motor vehicle parking fee for a secure, fully enclosed bicycle locker; or

b. not to exceed one-tenth of any motor parking fee for any other bicycle parking space.

(3) Common ownership community penalties. A landlord may pass on a penalty issued by a common ownership community if the tenant is found in violation of the bylaws of a common ownership community for which the dwelling unit is located.

(4) Internet or cable television.

a. A landlord must not require a tenant to pay an internet or cable television fee. If a tenant voluntarily opts for either service, the landlord must bill the tenant no more than the amount that the internet or cable television provider charges the landlord, without any additional fees. If multiple tenants opt into the service, the landlord must divide the cost to the landlord of the internet or cable television equally by the number of units opting into the service. The fee cannot include any common area services.

b. A landlord must provide a tenant documentation of the total cost paid by the landlord for internet or cable television service and the calculation of the fee charged to the tenant.

(5) Late fee. Late fees must comply with Section 18-146 of the City Code.

(6) Lost key fee. A landlord must not assess or collect from the tenant any fee or charge for the replacement of a mechanical or electronic key exceeding the actual duplication or replacement cost plus $25.

(7) Lock out fee. A landlord must not assess or collect from the tenant any lockout fee or charge exceeding $25. In the event the landlord engages a third-party service provider for the lockout service, the landlord may charge the tenant a fee not exceeding the actual charge incurred for the service. The landlord must provide a tenant with verifiable documented evidence detailing the actual costs associated with the service.

(8) Motor vehicle or motorcycle parking fee.

a. A landlord must not impose a parking fee on a tenant unless the tenant has expressly opted to use the parking facilities.

b. This Section does not require a landlord to charge rent or fees for motor vehicle or motorcycle parking.

(9) Pet fee.

a. A landlord may require the tenant to pay a monthly pet fee per pet and maintain with the landlord during each rental term a pet deposit. A landlord must not assess or collect from the tenant of a dwelling unit any additional fee, charge, or deposit in connection with the tenant having a pet present in the dwelling unit. The pet deposit must be held in escrow by the owner.

b. The pet deposit must be returned in full within 45 days after the termination of the tenancy unless costs are incurred by the landlord as a result of damages in the dwelling unit relating to the presence of the pet(s). The tenant may choose to use any balance toward a deposit for an ensuing lease term.

c. If any portion of the pet deposit is withheld, the landlord must present, within 45 days after the termination of the tenancy, a written list of the damages claimed under this section with an itemized statement and proof of the cost incurred.

(10) Secure storage unit accessible only by tenant. A landlord must not assess or collect from the tenant of a dwelling unit any fee or charge for storage located within or attached to or associated with the dwelling unit. A landlord is permitted to assess or collect a fee for storage units generally accessible for use by all tenants and as additional storage.

(d) Exceptions. A landlord may charge fees for other services after a tenant affirmatively opts in via written, informed consent after receiving a disclosure containing:

(1) a description of the service or amenity;

(2) the amount of the fee for the service or amenity; and

(3) how the tenant can cancel or opt out of the service or amenity.

(e) Implementation.

(1) Prior to signing the lease, the landlord must provide tenant with all fees for the lease term unless they relate to an optional service opted into by the tenant.

(2) Regulated fees in Subsection (c) and fees that fall under the exception in subsection (d) may only be increased once in a 12-month period and any increases require a 90-day written notice.

Secs. 18-~~163~~164—18-175. Reserved.

DIVISION 4. LANDLORD RIGHTS AND OBLIGATIONS

* * *

Sec. 18-177. Obligation to maintain rental facility and provide services.

(a) The landlord, at all times, ~~shall~~ must reasonably provide for the maintenance of the health, safety and welfare of all tenants and of all individuals properly on the premises of a rental facility which obligations ~~shall~~ must include, but not be limited to, the following:

* * *

(2) Keeping all areas of the building, grounds, facilities and appurtenances in a clean, sanitary and safe condition unless provision is made for tenant responsibility ~~thereof~~ by the lease, law, ordinance, or regulation;

* * *

(5) Providing and maintaining appropriate receptacles and conveniences for the removal of ashes, rubbish and garbage, and arranging for the frequent removal of such waste, except in the case of detached single-unit ~~detached~~ dwelling ~~units~~;

(6) Supplying water and hot water as reasonably required by the tenant and supplying adequate heat as provided by ~~chapter~~ City Code Chapter 5 ~~(buildings and building regulations)~~, ~~article~~ Article XIII. In the case of condominium or cooperative dwelling units, water, hot water, and adequate heat must be provided by the

landlord to the extent that the landlord has responsibility to provide such services; and

(7) Complying with ~~section~~ Section 18-~~180~~182 (~~radon~~Radon testing).

(b) When the duty imposed by paragraph (a)(1) of this ~~section~~ Section is incompatible with, or greater than, the duty imposed by any other provisions of this ~~section~~ Section, the landlord's duty shall be determined by reference to paragraph (a)(1).

Sec. 18-178. Relocation assistance requirements.

(a) Definitions. In this Section, the following terms have the meaning indicated:

Comparable housing means a replacement dwelling unit that is reasonably comparable to an existing dwelling unit in size, number of bedrooms and bathrooms, accessibility, price, location (which may be in either Rockville or Montgomery County), proximity to services and institutions upon which the displaced tenant depends, and amenities, including the allowance for pets should the tenant have pets.

Displaced tenant means any tenant who vacates a dwelling unit in the City for any of the reasons in subsection (b) or (c) of this Section.

Minor child means a person younger than eighteen years of age.

Permanent relocation means the relocation of a tenant due to permanent termination of tenancy, in which case the tenant will not reoccupy the unit for six months or more.

Person with disabilities means any person who is receiving benefits from a Federal, State, or local government, or from a private entity on account of a permanent disability that prevents the person from engaging in regular, full-time employment.

Temporary relocation means the relocation of a tenant for less than six months because the dwelling unit is deemed not fit for occupancy and where tenancy has not been terminated.

(b) Temporary relocation assistance.

(1) A landlord must provide temporary relocation assistance to a tenant:

a. Before temporarily taking possession of the tenant's dwelling unit to comply with housing, health, building, fire, or safety laws of the State of Maryland or the City; or

b. Within 24 hours of receipt of a notice from the City that the tenant's dwelling unit is not fit for occupancy.

(2) Notwithstanding subsection (b)(1), above, a landlord is not required to provide temporary relocation assistance where:

a. The tenant has a week-to-week tenancy;

b. Displacement is caused by a natural disaster or other incident beyond the control of the landlord, such as a vehicle accident, criminal activity, public utility failure, or adjacent building failure; or

c. The tenant's failure to uphold their responsibilities under the lease has led to the property becoming not fit for occupancy.

(3) When required to provide temporary relocation assistance under this subsection (b), a landlord must comply with the following requirements.

a. If the temporary relocation is for 30 days or less, the landlord must:

i. place the tenant in a safe and sanitary hotel or equivalent;

ii. provide the tenant with per diem money for temporary housing and expenses; or

iii. provide the tenant with alternate comparable housing.

b. If the temporary relocation is for more than 30 days but less than six months, the landlord must:

i. Provide the tenant with per diem money for temporary housing and expenses;

ii. Provide the tenant with alternate comparable housing; or

iii. Any combination of i. and ii. above necessary to satisfy needs of the tenant.

c. For all situations of temporary relocation, the landlord must provide all reasonable moving and storage costs.

d. Notwithstanding the relocation assistance required under this section, a landlord and tenant may agree to an alternative arrangement. Any agreement must be in writing and must contain a provision explaining the relocation assistance required under this Section.

(4) The landlord's obligation to provide temporary relocation assistance ends when:

a. The cause for the temporary relocation has remedied; or

b. The tenancy is legally terminated.

(5) The City Manager may lift a landlord's obligation to provide temporary relocation assistance if a landlord provides evidence that a tenant's interference, obstruction, or delay has prevented the landlord from conducting necessary repairs to restore a unit to be fit for occupancy.

(6) A landlord may require a tenant to use their renter's insurance, if any, but is responsible for covering the cost of alternative housing after the expiration of such benefits.

(7) Unless otherwise agreed to by the landlord and tenant or by order of the District Court for rent escrow, the tenant remains responsible for rent during the displacement period. The displaced tenant is not responsible for any fees for amenities or services which the tenant is unable to use or access while displaced.

a. A landlord must still provide temporary relocation assistance when the displaced tenant is behind on rent or where there is a pending eviction case in Court.

b. The pending eviction case may still proceed while the tenant is displaced. The landlord's temporary relocation assistance obligations cease upon termination of the tenancy due to execution of a warrant of restitution.

(c) Permanent relocation assistance.

(1) A landlord is required to provide permanent relocation assistance to a tenant when:

a. The City Manager has suspended or revoked the landlord's rental license and the landlord chooses to cease renting the dwelling unit in accordance with this Chapter;

b. The tenant elects to relinquish tenancy following a period of temporary relocation that has lasted or is expected to last for at least six months, but before the tenant has returned to the dwelling unit;

c. The landlord has provided notice to the tenant and begun the process for the dwelling unit to be demolished, redeveloped, substantially renovated, or changed in use, requiring a tenant household earning less than 50% of the area median income to move prior to the end of their lease term; or

d. The City Manager determines the dwelling unit will not be fit for occupancy for at least six months.

(2) Notwithstanding subsection (c)(1), above, a landlord is not required to provide permanent relocation assistance where:

a. The tenant agrees to a lease transfer to a different dwelling unit at the same rental facility or another comparable rental facility owned by the landlord;

b. The landlord has legally evicted the tenant;

c. Displacement is caused by a natural disaster or other incident beyond the control of the landlord, such as a vehicle accident, criminal activity, public utility failure, or adjacent building failure; or

d. The tenant's failure to uphold their responsibilities under the lease has led to the property becoming not fit for occupancy.

(3) When required to provide permanent relocation assistance under this subsection (c), a landlord must comply with the following requirements.

a. The landlord must make the following payments to the displaced tenant as a household:

i. A full refund of the security deposit with accumulated interest;

ii. Pro rata rent for the remainder of the month;

iii. A cash equivalent of three months' fair market value rent for a unit of comparable size, as established by the most current Federal Department of Housing and Urban Development schedule of small area fair market rents for the Washington-Arlington-Alexandria area;

iv. Actual reasonable moving and storage costs; and

v. An additional sum, to be set by the City Manager, for households where at least one tenant is over 62 years of age, a person with disabilities, or a minor child.

b. Landlords may provide a physical relocation for the displaced tenant in lieu of the fees in subsection (c)(3)a.

c. A landlord must pay all fees associated with permanent relocation assistance without regard to whether the tenant is current on rent or other charges or fees owed, and

i. If the reason for permanent relocation is due to (c)(1)a. or c., must pay such fees within 30 days after the required 60-day notice to vacate is given; or

ii. If the reason for permanent relocation is due to (c)(1)b. or d., must pay such fees within seven days after the displaced tenant has notified the landlord that the tenant will relinquish the tenancy or after the City has notified the owner that permanent relocation is required.

(4) If permanent relocation assistance is required, the landlord shall provide written notice to all displaced tenant within three days of the requirement being triggered according to administrative procedures set out by City Manager.

(d) General.

(1) Any costs, including reasonable attorney's fees, incurred by the City in the relocation of any displaced tenants shall be paid by landlord. The City shall send the landlord a bill for the costs of such relocation by certified mail, return receipt requested, and by regular mail to the landlord's last known address or by any other means reasonably calculated to bring the bill to the landlord's attention. If the landlord does not pay the bill within one month after it is presented, the cost shall be a lien against the real property which may be collected and enforced in the same manner as are taxes, special assessments and other liens on real property or collected.

(2) The landlord shall be required to provide sufficient records and proof of compliance with the terms of this section, in a manner established or ordered by the City Manager.

(3) Any per diem costs will be determined by the City Manager and are to be pre-paid weekly or as otherwise agreed to by the landlord and displaced tenant.

(4) The City Manager may promulgate regulations to effectuate this Section. Any violation of this Section and the regulations prescribed by the City Manager under this Section constitutes a municipal infraction.

(e) Right of first refusal to reoccupy.

(1) A landlord must provide a displaced tenant with the right of first refusal to reoccupy a dwelling unit in the rental facility once the rental facility is fit for occupancy.

(2) The landlord must provide the tenant with written notice of the displaced tenant's right of first refusal. The notice must include the landlord's current address and telephone number which the tenant can use to contact the landlord.

(3) It is the tenant's responsibility to provide the landlord with the tenant's current address and telephone number to be used for future notification.

(4) When the dwelling unit is fit for occupancy, the landlord must give written notice by certified mail to the tenant informing the tenant that the housing is ready for occupancy.

(5) If the landlord cannot locate a previous tenant after two attempts over a two-week period, the landlord is deemed to be in compliance with the right of first refusal requirement and the tenant's right of first refusal is forfeited.

(6) A landlord must ensure that the lease in effect at the time of a temporarily displaced tenant's return to the tenant's original dwelling unit contains lease provisions substantially similar to the lease in effect at the time of displacement, including provisions regarding the length of the lease term and the amount of rent due.

(7) A permanently displaced tenant must notify a landlord of the tenant's intent to reoccupy a dwelling unit at the rental facility within 15 days after the landlord notifies the tenant that a dwelling unit is ready to be occupied. A permanently displaced tenant must reoccupy a dwelling unit within 20 days after the tenant notifies a landlord of the tenant's intent to a dwelling unit.

(8) A permanently displaced tenant may waive the right to reoccupy a dwelling unit at the rental facility at any time after displacement.

Sec. 18-~~178~~179. Notice requirements.

(a) Landlords ~~shall~~ must notify tenants of the names or titles and telephone numbers of one ~~(1)~~ or more responsible representatives of the landlord or operator who may be reached at all times in the event of emergency situations and ~~shall~~ must keep such notification current. Such notification ~~shall~~ must be by ~~way of either~~:

* * *

(b) All landlords renting a dwelling unit located in a condominium or cooperative housing structure ~~shall~~ must, in addition to the aforementioned notice, provide the tenant with copies of all legal documents and the rules and regulations governing the use and occupancy of the condominium or cooperative dwelling unit and afford the tenant with the opportunity to review all other legal documents regarding the condominium or cooperative.

Sec. 18-180. Requirements prior to lease signing or renewal.

(a) Landlords must include the rental amount in the renewal offer letter to match the rental amount listed on a renewed lease.

(b) Landlord is required to disclose all mandatory fees whenever a price is advertised or displayed (including online), as well as whether utilities are included in rent. Mandatory monthly fees may be included in or stated with the monthly rent but must be separately

stated otherwise. This disclosure requirement does not apply to postings on websites not controlled by the landlord.

(c) Landlord must fully disclosure all fees prior to lease agreement being certified by both parties and at the time of lease renewal. Must include whether the fee is optional, the basis, the amount, and frequency. Landlord must disclose estimated utility costs, to the best of their ability.

(d) Landlord must disclose over the previous three years:

(1) Rent increases for the dwelling unit and length of lease term; and

(2) Average year-over-year rent increases for all dwelling units within the rental facility.

Sec. 18-~~179~~181. Prohibited retaliatory practices.

(a) A landlord or owner may not make any changes in his leasing or business practices with respect to any dwelling unit or rental facility subject to this ~~chapter~~ Chapter for the purposes of avoiding compliance with any provisions of this ~~chapter~~ Chapter.

(b) A landlord may not take retaliatory action against any tenant who exercises any rights conferred upon ~~him~~ the tenant by this ~~chapter~~ Chapter or any other law, ordinance and regulation, or against any tenant who assists another tenant in exercising those rights. For purposes of this ~~section~~ Section "retaliatory action" includes eviction, threat of eviction, violation of privacy, harassment, reduction in quality or quantity of services, unreasonable rent increases, or any form of threat or coercion.

Sec. 18-~~180~~182. Radon testing.

(a) *Definitions.* In this ~~section~~ Section, the following terms have the meanings indicated:

* * *

(b) *Applicability.* This ~~section~~ Section applies to all ground-contact or basement dwelling unit(s) in a rental facility, except those subject to the requirement of a~~n innkeeper's~~ hotel license.

(c) *Radon testing required.* A landlord must conduct a radon test before leasing a dwelling unit subject to this ~~section~~ Section to a prospective tenant. Test results must be within two ~~(2)~~ years of the date of the lease.

(d) *Lease requirements.* At the time of the lease signing, the landlord must provide to the tenant and certify in the lease, or an addendum to the lease, the following:

* * *

(2) The radon test was performed less than two ~~(2)~~ years before the date of the lease; and

* * *

(e) *Testing and notification by existing tenants.* An existing tenant may conduct a radon test or hire a professional to test a dwelling unit subject to this ~~section~~ Section. If the test results indicate that radon hazard is present at a level of 4.0 pCi/L or higher, the tenant must:

* * *

(2) Within ~~fourteen (~~14~~)~~ days after the test results, notify the landlord and provide the landlord with a copy of the test results

(f) *Mitigation of radon.* A landlord who receives notice under ~~subsection~~ Subsection (e) must:

(1) Within ~~fourteen (~~14~~)~~ days after notice, initiate a follow-up radon test, in accordance with EPA-recommended standards for testing, to confirm any presence of radon hazard; and

(2) Within ~~ninety (~~90~~)~~ days after confirmed results:

* * *

(h) *Dispute of testing results.* If there is a case of conflicting test results, where the test result provided by a tenant is at or above the action level and a test result by a landlord is below the action level, the following applies to determine the prevailing test result:

* * *

(3) If both tests are equally valid, as specified in ~~subsections~~ Subsections (1) and (2), and the dispute remains, then a mutually agreed upon third-party radon professional must retest in accordance with EPA-recommended standards.

(i) *Disclosure of radon.* A landlord must disclose in writing to each tenant in a dwelling unit subject to this ~~section~~ Section, within ~~fourteen (~~14~~)~~ days after a confirmed radon test, any radon concentrations above EPA's recommended radon action level that are known to be present within the dwelling unit.

(j) *Termination of lease.* A tenant has the right to terminate a lease, if the landlord fails to mitigate under ~~subsection~~ Subsection (f), without loss of security deposit or any other financial penalty. A tenant must provide, in writing, to the landlord a notice of the intent to terminate and vacate the premises. The notice may be effective either immediately upon receipt by the landlord, or as agreed upon by both parties, to allow the tenant to find alternative housing.

Sec. 18-~~181~~183—18-192. Reserved

ARTICLE V. RENTAL HOUSING DATA COLLECTION AND VOLUNTARY RENT STABILIZATION GUIDELINES

Sec. 18-193. Application and effect.

~~(a)~~ This ~~article~~ Article applies to all rental units in the City ~~except that the requirements of subsections 18-195(a) and (c) shall apply only to apartment complexes which contain eight (8) or more units~~.

~~(b) Apartment complexes which contain eight (8) or more units and are owned and operated by a nonprofit organization, whose rents are based upon standards imposed by housing programs of local, State or Federal governments are exempt from the requirements of subsections 18-195(a) and (c).~~

~~(c) Any apartment complex which contains eight (8) or more units and is owned and operated by a nonprofit organization which does not qualify under subsection (b) of this section, may apply for a waiver of the requirements of subsections (a) and (c) of this section to the City Manager and the City Manager shall grant a waiver from those requirements if the nonprofit organization establishes to the satisfaction of the City Manager that the apartment complex is being operated for the benefit of its members and is being operated on either a subsidized or a break-even basis or, if the operation generates a profit, such profit is reinvested in the project. The decision of the City Manager shall be final.~~

Sec. 18-194. Voluntary rent guidelines and notice requirements of rent increases.

* * *

(b) ~~Ninety (~~90~~)~~ days prior to the effective date of any rent increase, the landlord must provide to the tenant the following information ~~and the Director of Housing and Community Development the information set forth below, except that landlords of single dwelling units need not provide this information to the Director of Housing and Community Development~~:

* * *

(5) The recommended voluntary rent guidelines;

(6) Information ~~prepared by the City and furnished to the landlord with respect to rent subsidy programs which might be available to the tenants~~ about how to contact the City's landlord-tenant affairs program; and

* * *

Sec. 18-195. Mandatory reporting requirements.

(a) Each landlord ~~shall~~ must provide, in addition to the information contained in the notice of proposed rent increase as described in subsection (b), the following information ~~on a monthly basis to the Director of Housing and Community Development~~ at the time of rental license issuance or renewal to the City:

(1) A copy of the standard lease;

(2) Information for the owner of the property, including the entity's name, mailing address, office address (if applicable), and phone number;

(~~1~~3) The location of the rental facility;

(~~2~~4) The type of structure;

(~~3~~5) The year the structure was built;

~~(4) The distribution of units by standard bedroom sizes;~~

~~(5) The number of units by bedroom size which were rerented during the month;~~

~~(6) The number of vacant days applicable to those units;~~

~~(7) The rent charged for each rental unit;~~

~~(8) The rent charged for each rerental unit prior to vacancy; and~~

~~(9) The new turnover rent charged for each rerented unit.~~

(6) The total number of units in the structure;

(7) The availability of amenities;

(8) The utilities included in rent;

(9) A schedule of possible fees charged in addition to rent; and

(10) Individual unit information, including unit number; number of bedrooms; square footage; current or, in the case of vacant units, most recent monthly rent; any offers of rent increases whether accepted or not between license renewals; any rental increases between license renewals; any evictions which have occurred; and whether or not the unit has any restrictions on its rent increases.

* * *

~~(b) In order to minimize the impact the reporting requirements of this article might have on landlords, the Director of Housing and Community Development shall prepare and make available to the landlord a survey form for securing the data, which form shall be designed to minimize the repeated reporting of unchanged information, while maintaining an accurate data base.~~

(~~c~~b) Each landlord ~~shall~~ must maintain records for each project on an aggregate basis containing the following information which ~~shall~~ must be made available to the City upon request and after a determination has been made by the ~~Director of Housing and Community Development~~ City Manager that the information is relevant and necessary to carrying out the purposes of this ~~article~~ Article:

(1) A description of the utilities which are included in the rent;

(2) The landlord's actual monthly utility costs including gas, electric, heating, fuel, trash removal, ~~and~~ water and sewer, and any other expense which is passed onto tenants in the form of a one-time or recurring fee;

(3) The availability of certain amenities including air-conditioning, wall-to-wall carpeting, dishwasher, garbage disposal, washer/dryer in apartment unit or on-site, patio-balcony, gym or fitness facility, swimming pool and tennis courts; and

(4) The actual operating expenses by category~~;~~.

~~(5) The actual operating revenues by category;~~

~~(6) A schedule of any other fees and income; and~~

~~(7) Tenant rent/income ratio for prospective tenants which protects the confidentiality of personal information and which is available to the landlord as part of the normal renting process.~~

* * *

(d) The Director of Housing and Community Development shall provide an annual ~~quarterly~~ report to the City Manager summarizing the information accumulated from the required reports submitted by each landlord of licensed rental facilities in the City. Certain data points collected under Sec. 18-195(a) will be made available online and by request.

SECTION II – This ordinance shall become effective on January 1, 2027.

****

NOTE: ~~Strikethrough~~ indicates material deleted.

Underlining indicates material added.

Asterisks * * * indicate material unchanged by this ordinance.

I hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the Mayor and Council of Rockville at its meeting of _____.

_____

Sara Taylor-Ferrell

City Clerk/Director of Council Operation

Ordinance No. 2025-010 **City of Minneapolis** **File No. 2024-01399**

Author: Wonsley | Notice: Dec 5, 2024 | 1st Reading: Dec 12, 2024 | Committee: BHZ

Public Hearing: Mar 20, 2025 | 2nd Reading: Mar 27, 2025 | Passage: Mar 27, 2025 | Publication: APR 0 5 2025

RECORD OF COUNCIL VOTE				
COUNCIL MEMBER	AYE	NAY	ABSTAIN	ABSENT
Payne	X			
Chughtai	X			
Wonsley	X			
Rainville	X			
Vetaw	X			
Ellison	X			
Osman	X			
Cashman		X		
Jenkins	X			
Chavez	X			
Koski	X			
Chowdhury	X			
Palmisano		X		

MAYOR ACTION

Mayor did not sign this action within the time specified by City Charter. This action is valid and effective as if approved by the Mayor.

DATE

Certified an official action of the City Council

ATTEST:

CITY CLERK

Presented to Mayor: MAR 2 8 2025

Received from Mayor: APR 0 3 2025

Amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Chapter 244 of the Minneapolis Code of Ordinances be amended by adding thereto a new Section 244.2070 to read as follows:

244.2070. Prohibition on use of rent-setting algorithms. An owner or operator may not use an algorithmic device when setting rents or occupancy levels for dwelling units. To the extent permitted by law, tenants may bring a civil action in district court to recover compensatory damages and reasonable attorney's fees and costs from a owner or operator found to have violated this section.

Section 2. That Section 244.40 of the above-entitled ordinance be amended by adding thereto the following definitions of "Algorithmic device" and "Non-public competitor data" in alphabetical sequence to read as follows:

Algorithmic device: A device that uses one or more algorithms to perform calculations of non-public competitor data concerning local or statewide rents or occupancy levels to advise an owner or operator on whether to leave a unit vacant or on the amount of rent that the owner or operator may obtain for that unit. This includes a product that incorporates an algorithmic device but does not include (a) any report publishing existing rental data in an aggregated manner without recommending rents or occupancy levels for future leases or (b) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.

Non-public competitor data: Information that is not available to the general public, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless of whether the information is attributable to a specific competitor or anonymized and regardless of whether it is derived from or otherwise provided by another person that competes in the same market or a related market.

Section 3. Effective date.

This ordinance shall become effective March 1, 2026.

AMENDED IN COMMITTEE
7/29/2024

FILE NO. 240766 ORDINANCE NO. 224-24

[Administrative Code - Ban on Automated Rent-Setting]

Ordinance amending the Administrative Code to prohibit the sale or use of algorithmic devices to set rents or manage occupancy levels for residential dwelling units located in San Francisco.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Background and Findings.

(a) In recent years, a number of new revenue management software programs, often referred to as "algorithmic devices," have threatened to destabilize rental housing markets in cities nationwide, including San Francisco.

(b) These programs enable landlords to indirectly coordinate with one another through the sharing of non-public competitively sensitive data, in order to artificially inflate rents and vacancy rates for rental housing. Participating landlords provide vast amounts of proprietary data to the programs, which ~~in turn~~ do not just summarize statistical data, but also perform calculations with the data to then set or provide recommendations for rent and occupancy levels.

(c) More and more landlords in large U.S. cities now pool their data and pricing decisions using such software. By some estimates, this includes owners of as much as 70% of all rental housing in San Francisco.

(d) The software has contributed to double-digit rent increases, higher vacancy rates, and higher rates of eviction, and has generally distorted markets so that rents and vacancy rates have increased in tandem.

(e) Often used by large corporate landlords, the software fuels the consolidation of corporate and private equity ownership of rental housing, at the expense of landlords large and small who are willing to play by the normal rules. Landlords using these tools are not engaging in appropriate market behavior. And the companies developing and selling these tools to San Francisco landlords are not doing so either, and are contributing to these problems.

(f) Numerous antitrust lawsuits have been filed against certain of these companies, including RealPage, Inc. and Yardi Systems, Inc. The lawsuits allege that these companies are enabling and participating in a scheme of unlawful rent-fixing. These include a lawsuit filed by the District of Columbia Attorney General in November 2023, a lawsuit filed by the Arizona Attorney General in February 2024, and more than 20 federal private class action lawsuits filed nationwide that have been consolidated in the federal court in the Middle District of Tennessee. The United States Department of Justice recently filed a Statement of Interest in support of the efforts to regulate these companies.

(g) Instead of waiting for court processes which may take years to resolve, this ordinance prohibits the sale or use of algorithmic devices for the purpose of setting rents on residential dwelling units in San Francisco, to bring immediate relief to San Francisco tenants, as well as to put landlords who have been using these devices on equal footing with those who are willing to adhere to fair standards for setting rental rates.

(h) This ordinance is not intended to prevent the development or sale of software to help landlords manage their units generally or through the use of public data. Nor does this ordinance regulate the amount of rent that a landlord may charge. This ordinance takes aim

only at the use of ~~the~~ algorithmic devices that analyze and share non-public data, to prevent the harms described above.

Section 2. Chapter 37 of the Administrative Code is hereby amended by adding Section 37.10C, to read as follows:

SEC. 37.10C. USE AND SALE OF ALGORITHMIC DEVICES PROHIBITED.

(a) ***Prohibition on Sale.*** *It shall be unlawful to sell, license, or otherwise provide to San Francisco landlords any algorithmic device that sets, recommends, or advises on rents or occupancy levels that may be achieved for residential dwelling units in San Francisco.*

(b) ***Prohibition on Use.*** *It shall be unlawful for a landlord to use an algorithmic device described in subdivision (a) when setting rents or occupancy levels for residential dwelling units in San Francisco. Each separate month that a violation exists or continues, and each separate residential dwelling unit for which the landlord used the algorithmic device, shall constitute a separate and distinct violation.*

(c) ***Definitions.***

(1) "Algorithmic device" means a device ~~such as a~~, commonly known as revenue management *software* ~~program~~, *that uses one or more algorithms to perform calculations of non-public competitor data concerning local or statewide rents or occupancy levels, for the purpose of advising a landlord on whether to leave* ~~their~~ a *unit vacant or on the amount of rent that the landlord may obtain* for that unit~~from a tenant~~. *"Algorithmic device" includes a product that incorporates an algorithmic device, but does not include (A)* ~~any~~ report that publishes~~d by a trade association that receives renter~~ existing rental *data*~~and publishes it~~ *in an aggregated manner* but does not recommend rents or occupancy levels for future leases*; or (B) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.*

(2) "Non-public competitor data" means information that is not available to the general public, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless whether the information is attributable to a specific competitor or anonymized, and regardless whether it is derived from or otherwise provided by another person that competes in the same market or a related market.

(d) ***Remedies.***

(1) The City Attorney may file a civil action for violations of subsections (a) and/or (b), for damages, injunctive relief, restitution/return of illegal profits, and/or civil penalties of up to $1,000 per violation. The court shall award reasonable attorney's fees and costs to the City Attorney if the City Attorney is the prevailing party in such a civil action.

(2) A tenant may file a civil action for violations of subsection (b), for injunctive relief, money damages, and/or civil penalties of up to $1,000 per violation. The court shall award reasonable attorney's fees and costs to the tenant if the tenant is the prevailing party in such a civil action. A lease provision that limits a prevailing tenant from obtaining attorneys' fees shall not be enforceable against a tenant's claim for attorneys' fees that arises under this subsection (d)(2).

(e) ***Undertaking for the General Welfare.*** *In enacting and implementing this Section 37.10C, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.*

(f) ***Severability.*** *If any subsection, sentence, clause, phrase, or word of this Section 37.10C, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the Section. The Board of Supervisors hereby declares that it would have passed this Section and each and every subsection, sentence, clause, phrase, and word not declared*

invalid or unconstitutional without regard to whether any other portion of this Section or application thereof would be subsequently declared invalid or unconstitutional.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/
MANU PRADHAN
Deputy City Attorney
n:\legana\as2024\2400283\01775704.docx

City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240766 **Date Passed:** September 03, 2024

Ordinance amending the Administrative Code to prohibit the sale or use of algorithmic devices to set rents or manage occupancy levels for residential dwelling units located in San Francisco.

July 29, 2024 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

July 29, 2024 Land Use and Transportation Committee - DUPLICATED AS AMENDED

July 29, 2024 Land Use and Transportation Committee - RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

July 30, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai and Stefani
Excused: 1 - Walton

September 03, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240766

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/3/2024 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

9/13/24
Date Approved

City of Providence
STATE OF RHODE ISLAND

CHAPTER 2025-18

No. 263 **AN ORDINANCE AMENDING CHAPTER 13, "HOUSING" OF THE PROVIDENCE CODE OF ORDINANCES TO ADD ARTICLE X - "PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES"**

EFFECTIVE May 25, 2025

Be it ordained by the City of Providence:

WHEREAS, In recent years, several software programs, often referred to as "algorithmic devices," have threatened to destabilize rental housing markets in cities across the United States; and

WHEREAS, More and more landlords in large U.S. cities are now pooling their data and pricing decisions using such software; and

WHEREAS, The use of this software has contributed to double-digit rent increases, higher vacancy rates, and higher rates of eviction. It has distorted markets to the extent that rents and vacancy rates have increased simultaneously; and

WHEREAS, In Providence, the metro area experienced the highest year-over-year rent increase in the United States, with a 16.18% rise from March 2023 to March 2024, highlighting the urgency of addressing the role of algorithmic devices in exacerbating the housing crisis; and

WHEREAS, This ordinance prohibits the use of algorithmic devices for the purpose of setting rents on residential dwelling units in Providence, Rhode Island, to bring immediate relief to tenants and ensure that landlords are adhering to fair standards for setting rental rates.

Now Therefore, Be it ordained by the City of Providence:

Section 1. Chapter 13, "Housing", is hereby amended to add Article X, "PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES" as follows:

Article X. PROHIBITION OF ALGORITHMIC RENT SETTING DEVICES.

Section 3-69 – Definitions.

Algorithmic device shall mean a product or service involving a system, software, or process using computation that: uses one or more algorithms to perform calculations; uses data concerning historical or contemporaneous prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates from:

(a) two or more real estate lessors;

(b) Public databases;

(c) A combination of public databases, or two or more real estate lessors;

that recommends rental prices, fees, rental terms, or occupancy levels to a landlord. "Algorithmic device" includes a product that incorporates an algorithmic device, but does not include (A) a report that publishes periodically, but not more frequently than monthly, existing rental data in an aggregated and anonymous manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (B) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.

Price coordination shall mean engaging in both of the following acts: (a) collecting historical or contemporaneous non-public competitor information concerning prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates of residential rental units from two or more real estate lessors, whether or not monetary or other valuable consideration is paid to acquire or collect such information, or information concerning such matters from a public database; and (b) recommending or suggesting rental prices, fees, rental terms, or occupancy levels to a real estate lessor based on such information when such recommendation involves the analysis or processing of such information using an algorithmic device. Price coordination does not include (i) providing information for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a governmental entity; or (ii) generation or use of any report, study, or presentation that provides existing rental data in an aggregated manner but does not recommend rent prices, fees, or occupancy rates or other rental contract terms for future leases; or (iii) providing or using information for the purpose of conducting market research for project financing, for the purpose of conducting an appraisal, or for conducting research, testing, and training for software development.

Real estate lessor shall mean any individual, corporation, partnership, association, joint-stock company, trust, or unincorporated organization that owns or manages real property, or any agent thereof who leases or rents such property or any portion of such property as a residential unit.

Section 13-70 – Prohibited conduct.

(a) No *real estate lessor* in the city shall engage in *price coordination* for residential rental units in the city, including through the sale, licensure, or provision of any service or product that involves *price coordination* of residential units.

(b) No *real estate lessor* in the city shall enter an agreement with any other person to not compete with respect to rental pricing, fees, or any other rental term for residential rental units in the city.

(c) No *real estate lessor* shall use, subscribe to, or contract or pay for, the services of another person if such services involve *price coordination* or otherwise encourage or facilitate an agreement with other persons to not compete with respect to any rental term for residential units in the city.

(d) No *real estate lessor* shall use, subscribe to, contract or pay for, or otherwise provide anything of value for an *algorithmic device*.

Section 13-71 – Enforcement.

The city, through the city solicitor, may bring an action in any court of competent jurisdiction against any *real estate lessor* violating subsections (a), (b), or (c) of Section 13-70 of this article.

The city solicitor's office shall work collaboratively with the Rhode Island Office of Attorney General to share information about violations of this section in order to aid the Attorney General's prosecution under the Rhode Island Deceptive Trade Practices Act.

Section 13-72 – Penalties.

(a) Any *property owner* found to be in violation of the provisions of this section may be subject to a civil penalty of up to five hundred dollars ($500) per day per violation.

(b) In the case of any successful action to enforce liability pursuant to this section, costs and attorney fees shall be awarded to the moving party to the extent allowed by law.

Section 13-73 – Severability.

If any section, subsection, paragraph, sentence, clause, phrase, or word contained in this article shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this article, which shall remain in full force and effect, and, to this end, the provisions of this article are hereby declared to be severable.

Section 2. The provisions of this ordinance shall be effective upon passage.

IN CITY COUNCIL
MAY 01 2025
FIRST READING
READ AND PASSED
Tina L. Mastroianni
CLERK

IN CITY COUNCIL
MAY 15 2025
FINAL READING
READ AND PASSED
RACHEL M. MILLER, PRESIDENT
Tina L. Mastroianni
CLERK

Effective without the Mayor's Signature
Tina L. Mastroianni
Tina L. Mastroianni
City Clerk

Reclaim RI

May 1, 2025

Honorable Rachel Miller, President
Providence City Council
25 Dorrance Street
Providence, RI 02903

Dear Council President Miller and Members of the Providence City Council,

We're writing on behalf of Reclaim RI, a grassroots organization made up of tenants and working-class neighbors organizing across Rhode Island for housing justice. For the past five years, we've worked alongside legal advocates, unions, and community groups to better understand the housing crisis. Many of our members are renters who live and work in Providence and are your constituents. We've spent time on doorsteps, in meetings, and in conversation with people dealing with rising costs and instability.

Right now, Providence is seeing some of the sharpest rent hikes in the country. While some blame market forces, the truth is that powerful actors are distorting the market itself.

Algorithmic rent-setting software sold by companies like RealPage undermines market forces and lets landlords coordinate to raise rents instead of competing. These tools don't just react to supply and demand—they manipulate it. This software allows collusion as a service, by enabling disparate landlords to act as a cabal by pooling their data, calculating the maximum possible rent increases, and pushing each client to adopt its recommendation. To maximize prices, it will encourage landlords to hold units empty and discourage competitive pricing. This undermines fair competition and pushes tenants out. These practices have been extensively documented in both investigative reporting (see ProPublica's excellent reporting, for instance) and in legal filings.

If these actions were taken in a smoke-filled back room, there would be no question they were wrong. Adding a technological gloss doesn't make them right. That is why the Department of Justice and eight state attorneys general are suing RealPage for enabling price-fixing. Two of the corporate landlords named in that lawsuit (Cushman & Wakefield and Willow Bridge) own and operate properties in Rhode Island.

The City Council is right to be acting on this. We thank Council President Rachel Miller for introducing this ordinance and the HOPE Committee for advancing it with a unanimous vote.

We have been paying attention and we see that RealPage has been as well. That's why they sent a lobbyist to City Hall to oppose this bill, someone who once served as City Solicitor. It's a clear example of how national corporations use political insiders to protect their profits and preserve the tools that are wreaking havoc on our housing market. But Providence residents aren't fooled. Their brazen attempt to influence local politics is why local action is so necessary.

Banning this software won't fix everything, but it will stop one of the most dangerous practices fueling rent hikes and displacement in our city. It's a targeted, commonsense measure. One that helps level the playing field for tenants and smaller landlords alike.

We urge you to vote yes. We'll be there on Thursday not just as advocates but as constituents, standing with many others who live and work in the city and who want to see real action to protect our homes and neighborhoods.

In solidarity,
Reclaim RI