



Committee: PHP

Committee Review: At a future date

Staff: Christine Wellons, Chief Legislative Attorney

Purpose: To introduce agenda item – no vote expected

AGENDA ITEM #3B
September 15, 2026

Introduction

SUBJECT

Bill 40-26, Landlord-Tenant Relations – Accepted Forms of Payment

Lead Sponsor: Council President Fani-González

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A

DESCRIPTION/ISSUE

Bill 40-26 would:

- (1) require landlords to accept certain forms of payments for rents, security deposits, fees, and other purposes;
- (2) require residential leases to include terms regarding acceptable forms of payment; and
- (3) generally amend the law regarding landlord-tenant relations.

This report contains:

Staff Report

Bill 40-26

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M E M O R A N D U M

September 10, 2026

TO: County Council

FROM: Christine Wellons, Chief Legislative Attorney

SUBJECT: Bill 40-26, Landlord-Tenant Relations, Accepted Forms of Payment

PURPOSE: Introduction – no Council votes required

Bill 40-26, Landlord-Tenant Relations, Accepted Forms of Payment, is scheduled for introduction on September 15, 2026. The Lead Sponsor is Council President Fani-González. A public hearing is scheduled for October 6.

Bill 40-26 would:

- (1) require landlords to accept certain forms of payments for rents, security deposits, fees, and other purposes;
- (2) require residential leases to include terms regarding acceptable forms of payment; and
- (3) generally amend the law regarding landlord-tenant relations.

BACKGROUND

Under Maryland law, a landlord must accept certain forms of payment for the redemption of leased premises in eviction proceedings. The forms of payment are certified check, money order, and cash. Md. Code Ann., Real Property Article, § 8-401 (“[T]he tenant shall have the right to redemption of the leased premises by tendering in cash, certified check, or money order to the landlord or the landlord’s agent all past due amounts...plus all court awarded costs and fees, at any time before actual execution of the eviction order.”).

Maryland law does not address which types of payment must be accepted for rent payments outside of the redemption context. The purpose of Bill 40-26 would be to require landlords in the County to accept certain forms of payment – including money order and certified checks – for rent and other monetary obligations under a lease.

BILL SPECIFICS

Bill 40-26 would require landlords in the County to accept, the following forms of payment for rent, a security deposit, a fee, or any other monetary obligation of a tenant:

- (1) certified check; and
- (2) money order.

The bill would permit a landlord to accept other forms of payment, in addition to the forms specified above, if the additional forms of payment are specified in the lease.

Additionally, if a landlord accepts payments from tenants through an electronic portal, the bill would prohibit the landlord from terminating a tenant's use of the portal, or from otherwise preventing the tenant from making a payment through the portal.

This packet contains:
Bill 40-26

Circle #
1

Bill No. 40-26
Concerning: Landlord-Tenant Relations
 – Accepted Forms of Payment
Revised: 9/10/2026 Draft No. 1
Introduced: _____
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President Fani-González

AN ACT to:

- (1) require landlords to accept certain forms of payments for rents, security deposits, fees, and other purposes;
- (2) require residential leases to include terms regarding acceptable forms of payment; and
- (3) generally amend the law regarding landlord-tenant relations.

By amending

Chapter 29, Landlord-Tenant Relations
Section 29-27

By adding

Section 29-35F

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

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

Sec. 1. Section 29-27 is amended, and Section 29-35F is added, as follows:

29-27. Contents of lease.

Each lease for rental housing located in the County must:

* * *

- (o) [Require] require a written [receipts] receipt for [all cash or money orders paid] each payment by the tenant to the landlord for rent, security deposits, fees, or [otherwise] other purposes.

* * *

[(a)(a)] (aa) include the addendum under Section 29-28(h)(2) that was signed and dated by the occupying tenant.

(bb) specify each form of payment the landlord accepts for rent, security deposits, fees, or other purposes, which at a minimum must include:

(1) certified check; and

(2) money order.

29-35F. Forms of payment.

(a) Required forms of payment. A landlord must accept, as a form of payment for rent, a security deposit, a fee, or any other monetary obligation of a tenant:

(1) certified check; and

(2) money order.

(b) Additional forms of payment.

(1) A landlord may accept a form of payment in addition to the forms required under subsection (a) of this Section if the additional form of payment is specified in the lease under Section 29-27.

(2) If a landlord accepts payments from tenants through an electronic portal, the landlord must not terminate a tenant's use of the portal

27 or otherwise prevent a tenant from making a payment through the
28 portal.