Expedited Bill No. 30-21
Concerning: Landlord-Tenant Relations – Restrictions During Emergencies – Extended Limitations Against Rent Increases and Late Fees
Revised: 11/2/2021 Draft No. 7
Introduced: July 13, 2021
Enacted: November 2, 2021
Executive:
Effective:
Sunset Date: February 15, 2023
Ch. ____, Laws of Mont. Co. ____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Jawando

AN EXPEDITED ACT to:

(1) prohibit fees for **[[**the**]]** late rent payments during certain emergencies;
(2) extend the time after an emergency during which rent increases must not exceed certain guidelines; and
(3) generally amend the law regarding rents and fees for rental housing, and regarding landlord-tenant relations.

By amending
Montgomery County Code
Chapter 29, Landlord-Tenant Relations
Section 29-55

Laws of Montgomery County 2020
Chapter 14

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 29-55 is amended as follows:

29-55. Rent increases and late fees [[**during**]] **following the COVID-19 state of emergency – prohibited.**

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

Emergency means the catastrophic health emergency declared by the Governor of Maryland on March 5, 2020, as amended or extended by the Governor, under Section 14-3A-02 of the Public Safety Article of the Maryland Code.

Tenant has the meaning stated in Section 29-1. Tenant includes an existing tenant. Tenant does not include a prospective tenant.

(b) *Rent increases above guidelines – when prohibited*. A landlord must not increase a tenant's rent to an amount that exceeds the voluntary rent guidelines under Section 29-53 if:

(1) the rent increase would take effect during **[[**an**]]** the emergency; or

(2) notice of the rent increase does not comply with subsection (c) and Section 29-54.

(c) *Notices of rent adjustments*.

(1) During **[[**an**]]** the emergency and **[[**within**]]** until **[[**August**]]** May 15, 2022 **[**90 days**] [[**1 year after the expiration of an emergency**]]**, a landlord must not notify a tenant of a rent increase if the increase would exceed the voluntary rent guidelines under Section 29-53.

(2) If a landlord provided notice of a rent increase to a tenant prior to the emergency and the increase would exceed the voluntary rent guidelines under Section 29-53, the landlord must inform the tenant in writing:

(A) to disregard the notice; or

(B) that the increase is amended to be less than or equal to the voluntary rent guidelines under Section 29-53.

(d) *Late fees – when prohibited*. A landlord must not charge a fee to a tenant for the nonpayment or late payment of rent due during **[[**an**]]** the emergency, or due **[[**within 1 year after the expiration of the emergency**]]** between the expiration of the emergency and **[[**August**]]** May 15, 2022, unless the landlord first provides to the tenant, in a form prescribed by the Director:

(1) a notification that the tenant may qualify for the waiver of late fees under subsection (e); and

(2) an **[[**application form**]]** attestation **[[**to apply**]]** for the tenant to **[[**apply for**]]** sign to receive the waiver.

[(d)**]** (e) A landlord must waive late fees for the nonpayment or late payment of rent due during the emergency, or due between the expiration of the emergency and **[[**August**]]** May 15, 2022, if a tenant attests, in the application **[[**form**]]** prescribed by the Director under subsection (d), that the tenant:

(1) has experienced a COVID-19 related financial hardship;

(2) has a gross household income at or below 50% of the area median income for the previous 30 days, or for the 2020 tax year; and

(3) has been a Montgomery County resident since August 2020 or earlier**[[**; and

(4) owes $1,000 or more to the landlord**]]**.

(f) A landlord must not require proof of, or challenge the veracity of, a tenant's attestation under this Section.

(g) *Notice of expiration of emergency*. The Department must post on its website information about the requirements of this Section, including the date that **[[**an**]]** the emergency **[[**expires**]]** expired, and the date that **[[**is**]] [**90 days**] [[**1 year after the expiration of the emergency**]]** requirements under this section expire.

Sec. 2. Expedited Effective Date. The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.

Sec. 3. Application of Late Fee Restrictions. Section 22-55(d), added under section 1 of this Act: (1) applies to any uncollected late fee for rent that became due on or after the date of the emergency, including rent that became due on or after the date of the emergency and before the effective date of this Act; but (2) does not require a landlord to refund to a tenant any payment received by the landlord prior to the effective date of this Act.

Sec. 4. Section 3 of Chapter 14 of the Laws of Montgomery County 2020 is amended as follows:

Sec. 3. Sunset date. This Act must expire, and must have no further force or effect, upon **[**the 181st day**] [[**18 months following the expiration of the catastrophic health emergency declared by the Governor of Maryland on March 5, 2020, as amended or extended by the Governor**]]** February 15, 2023.

Approved:

11/4/2021

Thomas Hucker, President, County Council — Date

Approved:

Marc Elrich, County Executive — Date

This is a correct copy of Council action.

Selena Mendy Singleton, Esq., Clerk of the Council — Date