Bill No. 8-24

Concerning: Human Rights and Civil
Liberties - Fair Criminal History and
Credit Screenings - Amendments

Revised: 7/25/2024 Draft No. 4

Introduced: March 5, 2024

Enacted: July 30, 2024

Executive: August 8, 2024

Effective: November 7, 2024

Sunset Date: None

Ch. 12 , Laws of Mont. Co. 2024

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Sayles Cosponsors: Councilmembers Glass and Katz

## AN ACT to:

- (1) require posting a notice regarding the use of criminal arrest and conviction in rental housing decisions;
- (2) clarify a certain addendum or statement is required for rental applications;
- (3) require a landlord retain a rental application addendum for a certain period;
- (4) require a landlord [[provide to the County]] <u>certify</u> as part of the annual rental housing survey <u>receipt of</u> a completed criminal and credit screening addendum;
- (5) require annual reporting of certain disaggregated data related to rental applications; and
- (6) generally amend the law regarding discrimination in housing and landlord-tenant affairs.

## By amending

Montgomery County Code Chapter 27, Human Rights and Civil Liberties Section 27-15A

Montgomery County Code Chapter 29, Landlord-Tenant Affairs Sections <u>29-27</u>, <u>29-28</u> and <u>29-51</u>

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

Boldface
Underlining
Added to existing law by original bill.

[Single boldface brackets]
Double underlining
Added by amendment.

[[Double boldface brackets]]

\* \* \* \*

Heading or defined term.

Added to existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

1	Sec. 1. Sections 27-15A, $\underline{29-27}$ , 29-28, and 29-51 are amended, as follows:		
2	27-15A. Fai	ir criminal history and credit screenings in rental housing.	
3		* * *	
4	(b)	Transparency of criminal history and credit requirements in rental	
5		applications.	
6		(1) A housing provider must disclose in any rental application:	
7		(A) the processes the provider uses to inquire into the criminal	
8		history and credit history of an applicant; and	
9		(B) requirements of the provider regarding an applicant's credit	
10		history and criminal record report.	
11		(2) The housing provider must not alter the processes and	
12		requirements under paragraph (1) for an applicant whose	
13		application is pending.	
14		(3) A housing provider must retain for one year from the date of the	
15		rental application a copy of each applicant's completed statement	
16		or addendum as required under Section 29-28(h)(2) that details the	
17		process under paragraph (1). Upon request, the addendum may be	
18		subject to inspection and review by the Director of the Office of	
19		<u>Human</u> <u>Rights.</u>	
20		* * *	
21	<u>(m)</u>	[[Posting of notice. A housing provider must post a notice in a	
22		conspicuous place where details regarding an application for rental	
23		housing are customarily posted, whether in paper form or by electronic	
24		posting, that reads: "In accordance with Section 27-15A of the	
25		Montgomery County Code, a housing provider may not ask questions	
26		related to criminal arrest or a conviction before a conditional offer for rent	
27		is made to an applicant unless otherwise permitted by law."]]	

28	<u>P</u>	osting of disclosure notice - required.		
29		<u>(1)</u>	A housing provider must post a disclosure statement regarding an	
30			application for rental housing:	
31			(A) on a website operated and controlled by the housing	
32			provider; and	
33			(B) in an obvious and conspicuous place of a leasing office	
34			available for tenants.	
35		<u>(2)</u>	The disclosure statement under this subsection must read: "In	
36			accordance with Section 27-15A of the Montgomery County	
37			Code, a housing provider may not ask questions related to criminal	
38			arrest or a conviction before a conditional offer for rent is made to	
39			an applicant unless otherwise permitted by law."	
40	<u>(n)</u>	<u>Inspe</u>	ction of rental application. Each quarter during a calendar year,	
41		the I	irector must randomly conduct an inspection of completed rental	
42		<u>appli</u>	cations submitted by an applicant to a landlord for any licensed	
43		<u>renta</u>	building that has 10 or more units to ensure compliance with this	
44		<u>Chap</u>	ter. Failure of an owner to provide the dated and signed rental	
45		<u>appli</u>	cation with its contents for review may be considered a violation	
46		of th	s Chapter.	
47	<u>(o)</u>	<u>Annu</u>	al reporting. By October 1 of each year, the Director of Office of	
48		Hum	nn Rights, [[may]] must coordinate with the Director of Department	
49		of H	ousing and Community Affairs, to provide an annual report to the	
50		Cour	ty Council that includes disaggregated data on the following:	
51		<u>(1)</u>	the number of complaints received by the Office of Human Rights	
52			regarding the denial of a rental applications by a housing provider;	
53		<u>(2)</u>	the specific reason an application under paragraph (1) was denied;	

54	<u>(</u>	3) the number of complaints filed with the Office of Human Rights		
55		for failure to comply with this Section;		
56	<u>(</u>	4) the number of complaints filed under this Section compared to		
57		other types of discriminatory complaints received by the Office of		
58		Human Rights; [[and]]		
59	<u>(</u>	5) summary findings of the inspections performed under subsection		
60		<u>(n); and</u>		
61	<u>(</u>	<u>any other related data pertinent to this Act.</u>		
62	29-27. Conte	nts of lease.		
63		* * *		
64	<u>(a)(a)</u> <u>i</u>	nclude the addendum under Section 29-28(h)(2) that was signed and		
65	<u>(</u>	lated by the occupying tenant.		
66	29-28. Leasing requirements generally.			
67		* * *		
68	(h) R	ental applications. A rental application must:		
69	<u>(</u>	comply with the requirements of Section 27-15A[.]; and		
70	<u>(2</u>	include a statement or addendum on a form prescribed by the		
71		Director of the Department that is signed and dated by the		
72		applicant, [[that]] which details the processes for screening		
73		criminal history and credit [[report]] history as required under		
74		Section 27-15A(b)(1).		
75		* * *		
76	29-51. Renta	housing data collection.		
77		* * *		
78	(e) <u>T</u>	he Director, at a minimum, must include in the survey a questionnaire		
79	<u>fo</u>	or each landlord to certify whether the occupying tenant completed a		
80	<u>c</u>	riminal history and credit screening addendum as required under Section		

		•••						
81		29-28(h)(2). The survey form must request the date of the signed						
82		<u>addendum.</u>						
83	[[(e)]] <u>(f)</u>	The housing data collected must be used to measure the supply and						
84		availability of rental housing, as well as other operating characteristics.						
85		Each landlord must provide the following to the County:						
86		(1)	The location of each rental facility, including the zip code;					
87		(2)	Structure type;					
88		(3)	Year built;					
89		(4)	Distribution of units by standard bedroom sizes;					
90		(5)	The number of units by bedroom size that were re-rented during					
91			the month;					
92		(6)	The number of vacant days applicable to those units;					
93		(7)	The rent charged for each rental unit;					
94		(8)	The rent charged for each re-rented unit before vacancy; and					
95		(9)	The new turnover rent charged for each re-rented unit.[[; and					
96		<u>(10)</u>	A copy of the addendum or statement provided under Section 29-					
97			28(h) only for the tenant currently renting the unit reported under					
98			this Section. If the rental housing is reported as vacant or not					
99			offered for rent, the landlord is required to specify that no rental					
100			application was provided within the last 12 months.]]					
101	[[(f)]] <u>(g)</u>		* * *					
102	[[(g)]] <u>(h)</u>		* * *					
103	[[(h)]] <u>(i)</u>		* * *					
104	[[(i)]] <u>(j)</u>		* * *					
105	[[(j)]] <u>(k)</u>		* * *					
106	[[(k)]] <u>(1)</u>		* * *					

Approved:	
/ 3/4 50 7-55	July 30, 2024
Andrew Friedson, President, County Council	Date
Approved:	
Marc & Col	August 8, 2024
Marc Elrich, County Executive	Date
This is a correct copy of Council action.	
Sant	August 8, 2024
Sara R. Tenenbaum, Clerk of the Council	Date