

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE
Revised

House Bill 860

(Montgomery County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

Montgomery County - Tenant Credit Check Restriction Act
MC 4-10

This bill authorizes an owner or landlord of residential rental housing to conduct a credit check on a tenant applicant if the individual is a person of eligible income who qualifies under the federal Housing Choice Voucher Program for a 100% monthly housing assistance payment from the Montgomery County Housing Opportunities Commission (HOC). However, the owner or landlord may not reject the tenant applicant due to inadequate income or other factors related to the applicant's ability to pay the rent.

Fiscal Summary

State Effect: None.

Local Effect: No effect on Montgomery County HOC expenditures.

Small Business Effect: Potential minimal.

Analysis

Current Law/Background: HOC serves as the public housing agency for Montgomery County and manages more than 1,500 units of public housing. It also administers the federal Housing Choice Voucher Program (formerly known as Section 8). HOC also develops affordable housing; offers rental units to moderate-income earners; and enters into joint ventures, partnerships, and development agreements within Montgomery County to help develop and finance affordable housing. In addition, HOC issues housing bonds, provides financing for income qualified first-time homebuyers, and

provides information about affordable housing to the public through its Housing Resource Service.

Recent changes to federal law affords housing choice voucher tenants with additional consumer-oriented protections. As of May 20, 2009, housing choice voucher tenants may not be evicted if the owner or landlord of the residential rental property has been foreclosed upon. If a housing choice voucher tenant's lease is for a fixed duration and has not expired, the tenant may remain in the unit and cannot be evicted, without good cause, until the lease expires. If the lease expires in less than 90 days, the new owner may not evict the housing choice voucher tenant without 90-days' prior notice. However, if the purchaser of the rental property at a foreclosure sale wants to use the property as an owner-occupied residence, the owner may provide the housing choice voucher tenant with 90-days notice to vacate, even if the duration of the lease extends beyond 90 days.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division), Judiciary (Administrative Office of the Courts), Department of Housing and Community Development, Department of Legislative Services

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Analysis by: Jason F. Weintraub

Direct Inquiries to:

(410) 946-5510

(301) 970-5510