

HOUSE BILL 1199

N1, L1

0lr3360

By: **Delegate Grammer**

Introduced and read first time: February 7, 2020

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – County Rental Property Licenses – Requirements and Limits**

3 FOR the purpose of requiring each county to establish a program to license certain
4 residential rental properties on or before a certain date; authorizing a county to
5 create certain exceptions to certain rental property license requirements; requiring
6 each county to establish a limit on the number of rental property licenses that may
7 be issued; prohibiting a county from issuing new rental property licenses once a
8 certain limit has been reached, subject to certain exceptions; requiring a county to
9 establish certain evidentiary guidelines and criteria for issuing a rental property
10 license under certain circumstances; providing for the interpretation of a certain
11 provision of this Act; authorizing a county to impose a certain penalty for a certain
12 violation; defining a certain term; and generally relating to county rental property
13 licenses.

14 BY adding to

15 Article – Real Property

16 Section 14–116

17 Annotated Code of Maryland

18 (2015 Replacement Volume and 2019 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – Real Property**

22 **14–116.**

23 **(A) IN THIS SECTION, “RENTAL PROPERTY LICENSE” MEANS A LICENSE**
24 **ISSUED BY A COUNTY FOR THE OPERATION OF A SINGLE–FAMILY DWELLING UNIT AS**
25 **A RESIDENTIAL RENTAL PROPERTY.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) (1) ON OR BEFORE SEPTEMBER 30, 2021, EACH COUNTY SHALL**
2 **ESTABLISH A PROGRAM TO LICENSE SINGLE-FAMILY DWELLING UNITS OPERATED**
3 **AS RESIDENTIAL RENTAL PROPERTIES.**

4 **(2) A COUNTY MAY ALLOW AN OWNER TO RENT AN UNLICENSED**
5 **SINGLE-FAMILY DWELLING UNIT ONLY:**

6 **(I) TO A MEMBER OF THE OWNER'S FAMILY;**

7 **(II) IF THE OWNER RESIDES AT THE RESIDENTIAL RENTAL**
8 **PROPERTY AND RENTS ONLY A PORTION OF THE PROPERTY; OR**

9 **(III) IF THE OWNER OWNS, IN WHOLE OR IN PART, FEWER THAN**
10 **FOUR SINGLE-FAMILY DWELLING UNITS OPERATED AS RESIDENTIAL RENTAL**
11 **PROPERTIES.**

12 **(C) (1) EACH COUNTY SHALL LIMIT THE NUMBER OF RENTAL PROPERTY**
13 **LICENSES THAT MAY BE ISSUED TO A NUMBER NOT EXCEEDING 15% OF ALL**
14 **SINGLE-FAMILY DWELLING UNITS IN THE COUNTY.**

15 **(2) (I) AFTER THE LIMIT ESTABLISHED UNDER PARAGRAPH (1) OF**
16 **THIS SUBSECTION HAS BEEN REACHED, A COUNTY MAY ISSUE A RENTAL PROPERTY**
17 **LICENSE FOR A SINGLE-FAMILY DWELLING UNIT ONLY IF THE OWNER**
18 **DEMONSTRATES THAT THE UNIT:**

19 **1. WAS OPERATED BY THE OWNER AS A RESIDENTIAL**
20 **RENTAL PROPERTY BEFORE SEPTEMBER 30, 2021; AND**

21 **2. HAS REMAINED IN CONTINUOUS OPERATION AS A**
22 **RESIDENTIAL RENTAL PROPERTY.**

23 **(II) A COUNTY SHALL ESTABLISH EVIDENTIARY GUIDELINES**
24 **AND CRITERIA FOR ISSUING RENTAL PROPERTY LICENSES UNDER THIS**
25 **PARAGRAPH.**

26 **(III) SUBPARAGRAPH (I)2 OF THIS PARAGRAPH MAY NOT BE**
27 **INTERPRETED TO REQUIRE AN OWNER TO DEMONSTRATE THAT A SINGLE-FAMILY**
28 **DWELLING UNIT HAS REMAINED IN CONTINUOUS OCCUPATION.**

29 **(D) A COUNTY MAY IMPOSE A CIVIL PENALTY OF UP TO \$5,000 FOR A**
30 **VIOLATION OF RENTAL PROPERTY LICENSING REQUIREMENTS ESTABLISHED IN**
31 **ACCORDANCE WITH THIS SECTION.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2020.