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House Bill 1199

Real Property – County Rental Property Licenses – Requirements and Limits

Before the House Environment and Transportation Committee, March 3, 2020

Position: Unfavorable

HB 1199 poses unnecessary constraints on local rental housing markets and threatens the availability of rental housing in certain counties. The bill restricts each county's rental licensing programs by capping the number of single-family dwellings available for rental. Single-family rentals are a crucial sector of Maryland's rental housing market. According to data from the 2017 American Housing Survey, nearly 40 percent of all Maryland rental units are single-family dwellings.

Public Justice Center, a non-profit civil legal aid organization that provides legal assistance to over 700 Maryland renters each year, opposes HB 1199 because it limits the ability of local governments to meet the needs of renters. When it comes to the supply and safety of rental housing, local governments should be guided by community needs, not unnecessary state mandates.

HB 1199 restrains supply of rental housing.

Under this legislation, a county's supply of single-family rentals cannot exceed 15 percent of the overall stock of single-family dwellings. In the chart below, we see that the current single-family rental supply in 8 counties already falls into the range of 13-16 percent. For 9 counties, the single-family rental stock currently exceeds 15 percent, with 6 counties exceeding 20 percent. (Data from 2013-2017 American Community Survey 5-Year Estimates.)

County	Single-family occupied units	Single-family renting households	Percentage
Allegany	18,805	5,825	31.0
Wicomico	27,273	7,057	25.9
Dorchester	10,023	2,206	22.0
Washington	44,010	9,481	21.5
Somerset	5,967	1,270	21.3
Caroline	10,174	2,060	20.2
Worcester	16,870	3,346	19.8
Talbot	13,852	2,642	19.1
St. Mary's	32,480	5,668	17.5
Charles	49,315	7,514	15.2
Baltimore	224,285	33,968	15.1
Anne Arundel	166,127	24,036	14.5
Prince George's	210,160	30,077	14.3
Garrett	9,856	1,389	14.1
Frederick	74,012	10,430	14.1
Queen Anne's	16,297	2,254	13.8
Cecil	28,687	3,873	13.5
Calvert	29,595	3,789	12.8
Montgomery	246,786	31,125	12.6
Kent	9,124	1,085	11.9
Harford	75,776	8,853	11.7
Carroll	53,661	5,486	10.2
Howard	84,331	8,080	9.6

HB 1199 would hinder some counties in their efforts to meet future demand for rental housing by utilizing existing single-family rentals. Other counties would be forced to reduce their existing supply despite existing high demand.

Public Justice Center asks the Committee report **UNFAVORABLE** on HB 1199. If you have any questions, please contact Zafar Shah, shahz@publicjustice.org, (410) 625-9409 Ext. 237.