



Bill: House Bill 1257 - Landlord and Tenant - Residential Leases - Fee Disclosures

Committee: Environment and Transportation

Date: February 28, 2025

Position: Favorable with Amendments

The Apartment and Office Building Association (AOBA) of Metropolitan Washington is a non-profit trade association representing the owners and managers of more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's counties. AOBA submits the following testimony in support of House Bill 1257 with amendments.

HB 1257 requires housing providers to publicly disclose rental housing fees to prospective tenants in both applications and advertisements for the property. These disclosures must include specified fee amounts and their due dates. The bill also prohibits housing providers from imposing undisclosed mandatory fees and ensures that tenants receive an itemized breakdown of costs. The bill directs the Department of Housing and Community Development (DHCD) to assist tenants in understanding their rights and reporting violations, while also enforcing compliance through administrative penalties. Finally, the bill allows local jurisdictions to enact tenant protection laws consistent with or stronger than the bill's provisions.

AOBA supports fee transparency during the leasing process. Moreover, Montgomery County already regulates fees as part of its rent stabilization law. Prince George's County is in the process of doing the same in its rent stabilization regulations, which are due back to the County Council by January 2026. As such, many AOBA members are already disclosing fees to prospective tenants. Nevertheless, AOBA urges the Committee to reduce the administrative burden on housing providers by making the following amendments to the bill:

1. Apply to new leases, renewals, and extensions on or after October 1, 2025;

It is unclear whether the bill applies only to new leases signed on or after the effective date or if it also applies to existing leases. Applying to the bill to existing leases would require housing providers to amend or rescind the leases, creating significant administrative challenges. AOBA urges the Committee to amend HB1257 to add clarifying language that the bill applies to new leases, renewals, and extensions that occur on or after October 1, 2025.



2. Treat trash collection as a utility;

Trash collection is a mandatory public service that is necessary for maintaining public health, sanitation, and environmental sustainability. Like utilities, trash service can also fluctuate based on the amount and types of materials collected (e.g., bulk trash, metal, etc.). As introduced, the housing provider would not be able to increase the trash collection fee mid-lease since the new fee amount was not disclosed to the tenant prior to the lease signing.

3. Apply only to advertisements under the housing provider's control; and

Online advertisements for rental units are not always controlled by housing providers. Some websites scrape data and republish it without the provider's input. In these cases, AOBA members are concerned that they could be held accountable for inaccurate or outdated information despite having no control over its publication. To address this issue, AOBA requests an amendment clarifying that housing providers should only be held responsible for content on websites they control or operate.

4. Reduce the penalties.

HB1257 establishes significant penalties for entities that violate this bill. While multifamily properties are owned by corporate entities, they are managed by individual property teams that frequently experience staff turnover, increasing the likelihood of unintentional errors. Penalties should serve as a deterrent rather than being excessively punitive on actions that may amount to human error. AOBA urges the Committee reduce the fees for entities to \$500 for a second offense and \$1,000 for subsequent offenses

AOBA urges a favorable report on House Bill 1257 with the amendments outlined above. For more information, please contact Hugo Cantu at hcantu@aoba-metro.org.