



## House Bill 1497

**Committee: Economic Matters**

**Bill: House Bill 1497 – Charles County – Rent Stabilization – Seniors**

**Date: March 12<sup>th</sup>, 2026**

**Position: Unfavorable**

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The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members consist of owners and managers of more than 214,000 rental housing homes in over 1015 apartment communities. Our members house over 571,000 residents of the State of Maryland. MMHA also represents over 270 associate member companies who supply goods and services to the multi-housing industry.

House Bill 1497 (“HB 1497”) requires Charles County to establish a rent increase limit for units occupied by seniors as defined.

MMHA **urges** an unfavorable report for HB 1497 for the following reasons:

**I. The data does not justify such a radical policy in Charles County.**

When it was brought to MMHA’s attention that the Charles County Board of Commissioners voted to move forward with this proposal as a part of the Charles County Commissioners 2026 Proposed Legislative Package, MMHA contacted the National Apartment Association to conduct research on what sort of impact this may have on the county. The results were revealing and were shared with the Board of Commissioners on October 11<sup>th</sup>, 2025.

Based on a proposed Prince George’s County bill of a 4.5% rent cap on senior housing in Charles County (See Appendix I), these are the estimated figures:

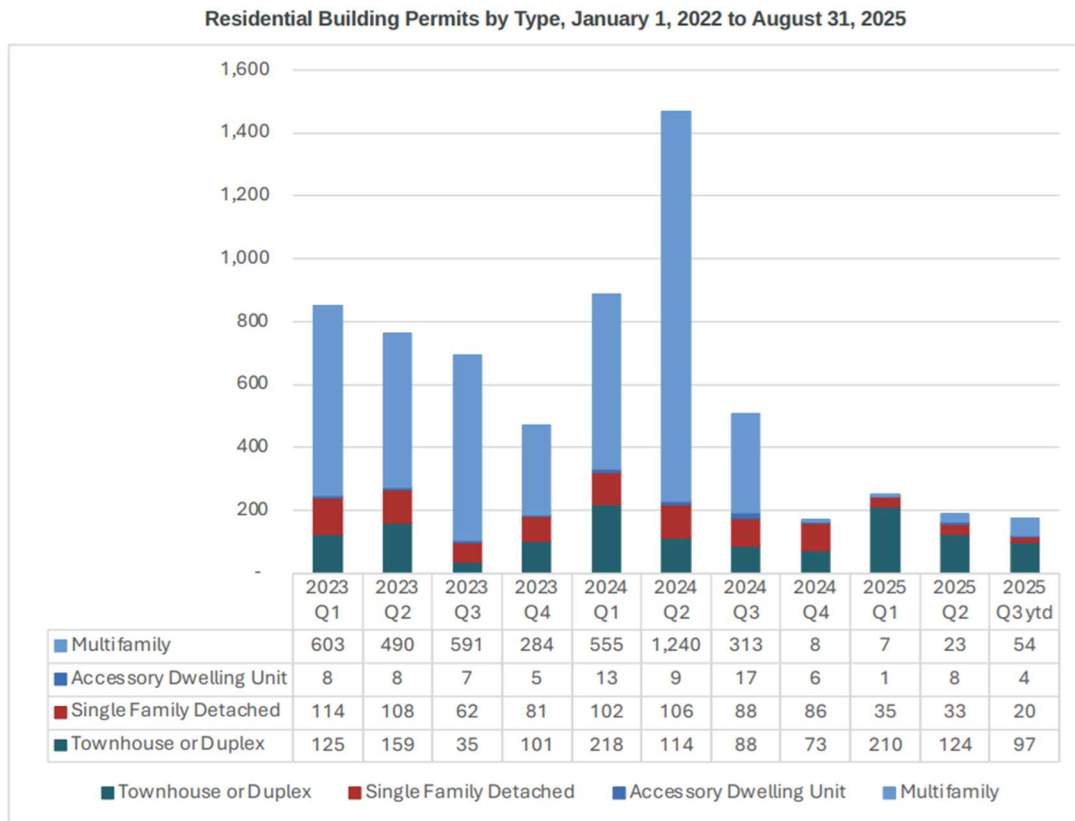
- Number of Existing Rental Units Impacted: **915**
- Rental Income Loss Through 2033: **-\$1.7 million**
- Maintenance Spending Loss Through 2033: **-\$401,482**
- Property Value Loss: **-\$11.1 million**
- Property Tax Revenue Loss: **-\$105,717**

As an overview of Charles County, according to data provided by CoStar as of 9/29/2025 and shared with the Board of Commissioners, there are approximately 85 multi-family properties within the county, including senior housing multi-family accounting for 10 properties. Of the multi-family properties in the county, and adjusted for inflation, the year-over-year market rent growth since 2020 has **decreased in 4 out of the last 5 years (see appendix II). Within the senior housing subset, inflation-adjusted rent growth has averaged a *negative* 0.777% per year over the past decade (see appendix III).**

These figures clearly demonstrate that there is no data driven or market-based justification for imposing rent control on multifamily properties, particularly senior housing, in Charles County. Seniors choosing to live in professionally managed rental communities are making sound financial decisions, often avoiding the rising costs of homeownership such as insurance, maintenance, and repairs. However, as shown by experience in neighboring jurisdictions in Maryland, rent control policies have created harmful consequences that undermine housing availability and affordability. In addition, most recent census data reveal the number of Marylanders age 65 and older grew by 3.35% from 2023 to 2024, increasing faster than U.S as a whole. The aging population is only expected to increase as baby boomers continue to age into retirement years increasing the fiscal impact this bill will have on Maryland.

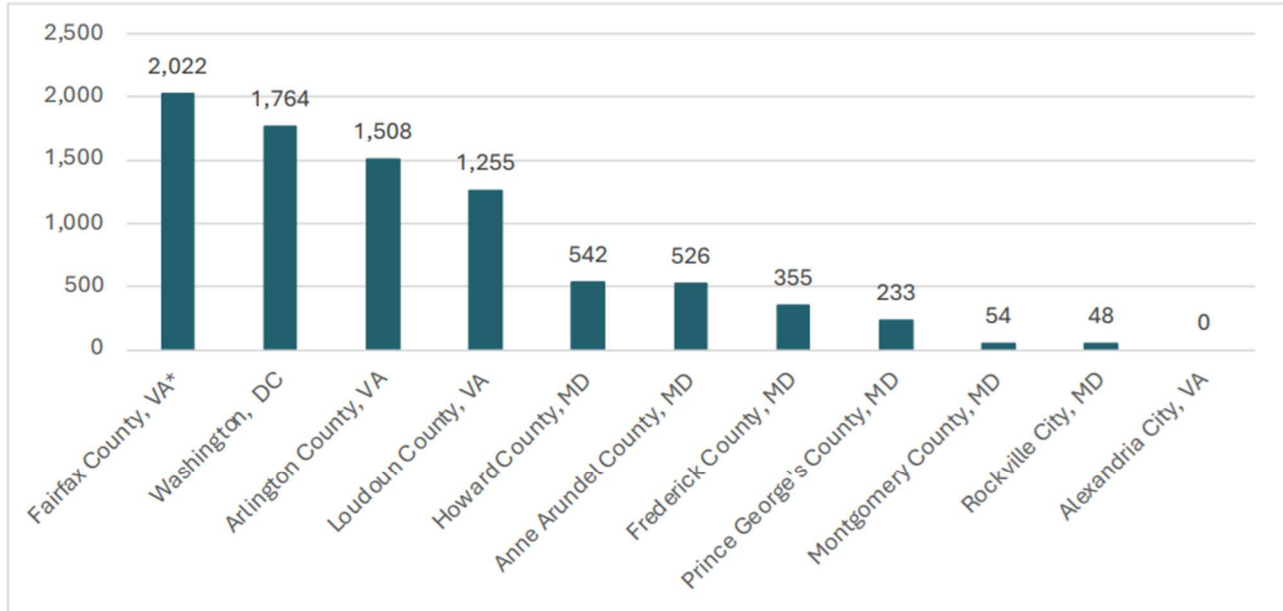
## II. Rent control has been a cataclysmic failure in Maryland.

It has been well documented, from the Montgomery County Planning to news outlets to our partners at the Apartments and Office Building Association of Metropolitan Washington, that rent control in Montgomery County has been a **tried and verified failure. Since its enactment, there has been a 96% drop in multifamily units being permitted.** As reported by Montgomery County Planning, the decline in residential building permits was sudden and abrupt, and an outlier from neighboring jurisdictions:



Source: Montgomery County Department of Permitting Services, tabulated by Montgomery Planning 9/15/25; data subject to revision

**Multifamily Building Permits in Major Washington DC Region Jurisdictions from Oct. 1, 2024 to August 31, 2025**



\*Includes Fairfax City and Falls Church City

Except for the City of Rockville, permit data are from [US Census Building Permit Survey](#), reported data only, compiled by Montgomery Planning; these data are subject to revision and differ slightly from Planning permitting data due to differences in building-type classifications. Rockville data from [City of Rockville Residential Development Trends](#).

If HB 1497 were to pass, it is reasonable to expect a similar outcome in Charles County as Montgomery and Prince George’s Counties (See Appendix IV for additional data). In a time where housing affordability remains a priority for Marylanders, and the State has a dearth of 96,000 housing units, Maryland cannot afford policies that will stymie growth and result in further housing disinvestment.

### **III. HB 1497 is deeply flawed and would be overburdensome to implement.**

In listening to discussions at the local level, it appeared that the intent of this legislation would be for it to apply only to senior housing facilities. However, as drafted, this reads that Charles County would need to implement a rent control policy “FOR RENTAL UNITS OCCUPIED BY A SENIOR”, regardless of whether they are in a senior housing facility or not. Furthermore, in the bill, a senior is defined as “AN INDIVIDUAL WHO IS AT LEAST THE AGE REQUIRED TO RECEIVE FULL SOCIAL SECURITY RETIREMENT BENEFITS”. This definition is terribly confusing, as this is a moving target that resides between 66 and 67 years of age as of 2026. **For apartment communities, this would be a nightmare to grapple and manage, as the County would effectively be mandating apartment communities to treat residents differently based on age.** Ethical concerns with that policy aside, there are practical concerns that need to be considered, such as: what if two people are co-signers to the lease and one of them becomes a senior and not the other? If the rent control policy were to be limited to senior housing only, the age cutoff in the bill would still require these facilities to treat individuals differently based on age.

The data and numbers speak for themselves: rent control would be catastrophic for Charles County. As promised before, MMHA stands ready to assist the County Commissioners and the local Charles County Delegation in finding solutions to have a more affordable county for both housing providers and senior renters alike. **But the passage of a rent control bill such as HB 1497, even if it is a local bill tailored only to seniors and/or senior housing, would only further exacerbate statewide, interconnected housing issues.** This Committee should not give deference to the local delegation on a bill that will have ripple effects on housing in the State.

For all of those reasons, MMHA urges an unfavorable report on HB 1497.

Please contact Matthew Pipkin, Jr. at (443) 995-4342 or [mpipkin@mmhaonline.org](mailto:mpipkin@mmhaonline.org) with any questions.

**APPENDIX I:**

## **Estimated Impact of a 4.5% Rent Cap on Senior Housing in Charles County, MD**

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Number of Existing Units Impacted	<b>915</b>
Rental Income Loss Through 2033	<b>-\$1.7 million</b>
Maintenance Spending Loss Through 2033	<b>-\$401,482</b>
Property Value Loss	<b>-\$11.1 million</b>
Property Tax Revenue Loss	<b>-\$105,717</b>

Source: NAA, Hanson, A. and Brannon, I. Modeling the Impacts of Rent Control (2024), CoStar Group, and Census Bureau

### **Modeling the Impacts of Rent Control**

Capital Policy Analytics for the National Apartment Association, 2024

#### *Methodology, Assumptions and Sources*

Capital Policy Analytics (CPA) constructed multiple models to measure the impacts of rent caps. It first modeled the change in expected rents for apartment property owners through an examination of historical rent increases. The data were used to assign a probability that an apartment owner is likely to see a spike in demand that results in a rental price increase that exceeds the proposed cap through 2033 for a given area. Model results for estimated rent reduction were based on Zillow Rental Listings metropolitan area median, and neighborhood data for 5+ unit apartment buildings.

The expected rent changes were linked to estimates of new building and maintenance expenditures based on a new empirical model. The outputs from these models were combined to estimate the effect of rent caps on total income.

CPA directly modeled the relationship between rents and maintenance using a unique empirical model, but due to difficulty in obtaining robust data on maintenance investment, concluded the results were not as statistically significant as the other models. However, the model indicated that for every 10 percent decrease in rents, the two-year maintenance expenditures for a unit would decline by 4.6%. Outputs included Expected Rent Reduction, Percent Reduction in Maintenance Spending and Annual Dollars of Maintenance Spending Reduction. Model results were based on the number of apartment units in buildings with 5 or more units and the average 2-year maintenance spending per unit in the 15 largest metropolitan areas from the American Housing Survey. The definition of maintenance spending here included dollars spent on repairs resulting from natural disasters, remodeling expenses, exterior additions and replacements (such as roofing or garage), interior additions and replacements (such as

insulation and plumbing), and lot or yard additions and replacements (such as fencing and swimming pool).

Losses to income were the result of rent reductions as well as foregone construction. Outputs from the income loss model included Expected Rent Reduction.

Ultimately, the annual income lost from rent due to imposing a cap on rent growth should be capitalized into property values.

If property value losses are realized in the assessment of property, then they would also be realized by lower property tax collections. Taking the property loss estimates from the low-discount rate model and assuming that property assessments follow market value losses, annual property tax revenue losses were estimated. Property tax loss estimates were based on apartment property tax rates for each city reported in the Lincoln Institute of Land Policy "50-State Property Tax Comparison Study for Taxes Paid".

The model relies on several academic papers that estimate the relationship between rents, rent control, and various housing outcomes. It also relies on original empirical estimates by the author. The following academic papers were either used for their parameter estimates directly, or consulted to provide a range of parameter estimates used in the model:

Baum-Snow, N. and Han, L. (2024) The Microgeography of Housing Supply. *Journal of Political Economy*.

Hanson, A. and Brannon, I. (2019) Modeling the Impact of Rent Growth Caps on Metropolitan Apartment Markets. National Apartment Association Study.

Kholodilin, K. (2024) Rent Control Effects Through the Lens of Empirical Research: An Almost Complete Review of the Literature. *Journal of Housing Economics*.

Martin, H. and Hanson, A. (2016) Metropolitan Area Home Prices and the Mortgage Interest Deduction: Estimates and Simulations from Policy Change. *Regional Science and Urban Economics*.

Saiz, A. (2010) The Geographic Determinants of Housing Supply. *Quarterly Journal of Economics*.

Sturtevant, L. (2018). The Impacts of Rent Control: A Research Review and Synthesis. National Multifamily Housing Council Research Foundation Study.

Rajasekaran, P., Treskon, M., and Solomon, G. (2019) Rent Control: What Does the Research Tell Us About the Effectiveness of Local Action? Urban Institute Research to Action Lab Study.

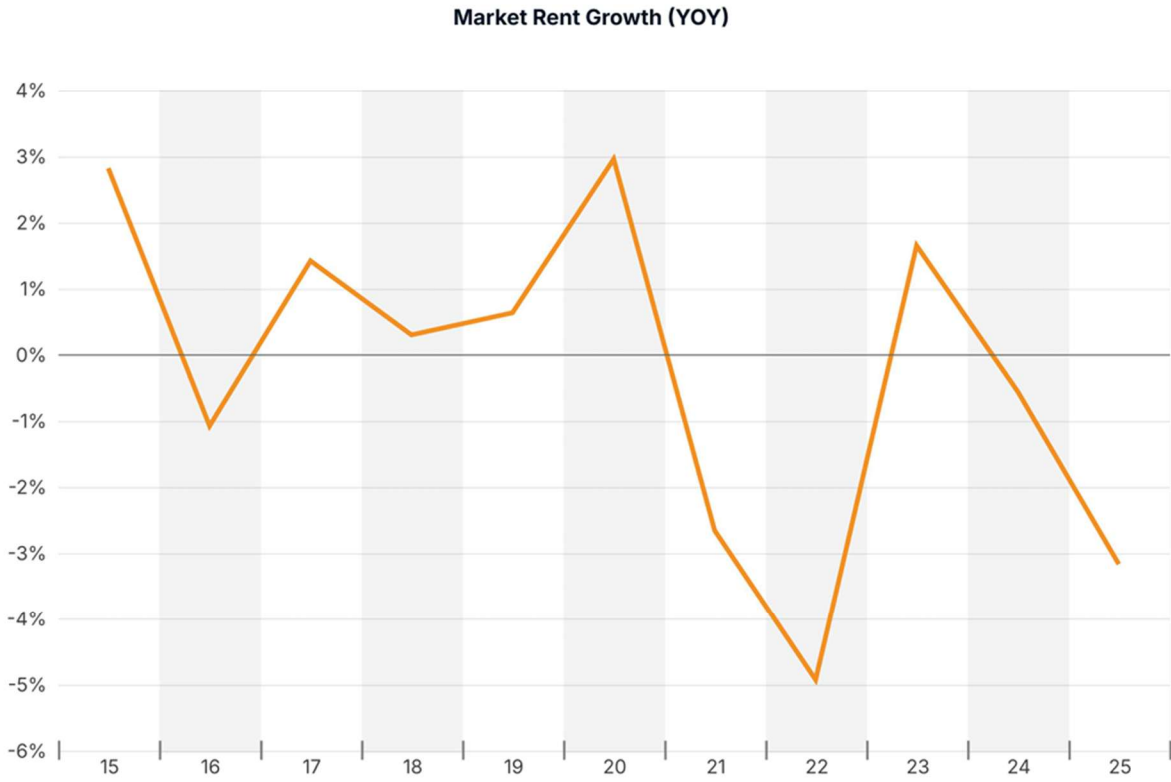
Additionally, the model relies on data, either directly or for the background empirical work, from the following sources:

American Housing Survey, U.S. Department of Housing and Urban Development and U.S. Census Bureau.

Capital Policy Analytics 2019 Metropolitan Area Specific Rent Growth Cap Model.  
Zillow Research Housing Data Summaries including ZORI ZIP rental data for multiple years.

**APPENDIX II:**

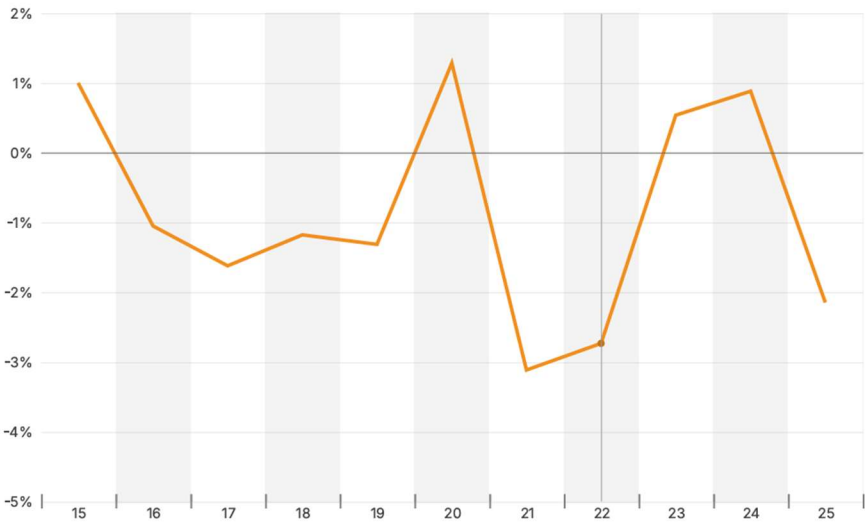
**Charles County Market Rent Growth for multi-family properties (inflation adjusted):**



**APPENDIX III:**

Senior Multi-Family Properties in Charles County Market Rent Growth YOY (inflation adjusted) for the past 5 years (see line graph) and 10 years:

**Market Rent Growth (YOY)**



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9/29/2025

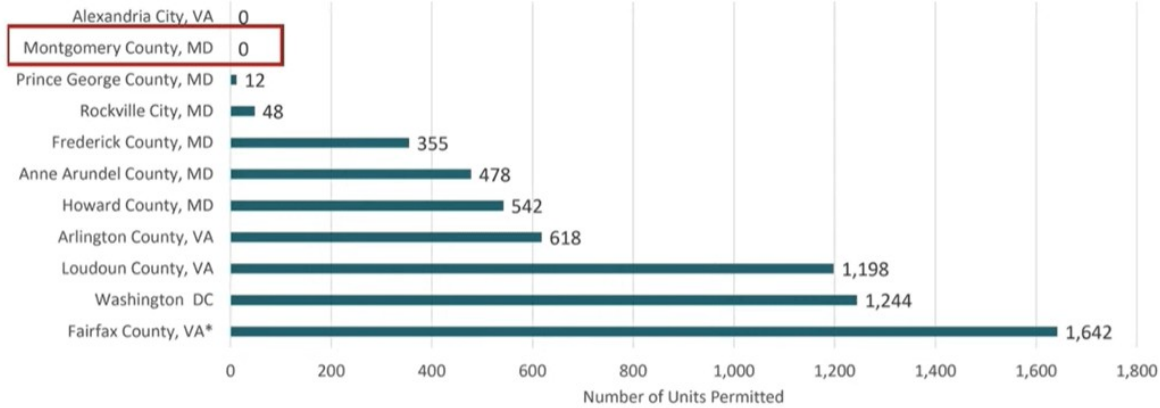
**Market Rent Growth (YOY) ▾**

Period	Current Search
2025 YTD	-1.286%
2024	0.885%
2023	0.541%
2022	-2.728%
2021	-3.110%
2020	1.288%
2019	-1.310%
2018	-1.174%
2017	-1.617%
2016	-1.046%
2015	1.002%

APPENDIX IV:

Multifamily Residential Building Permits

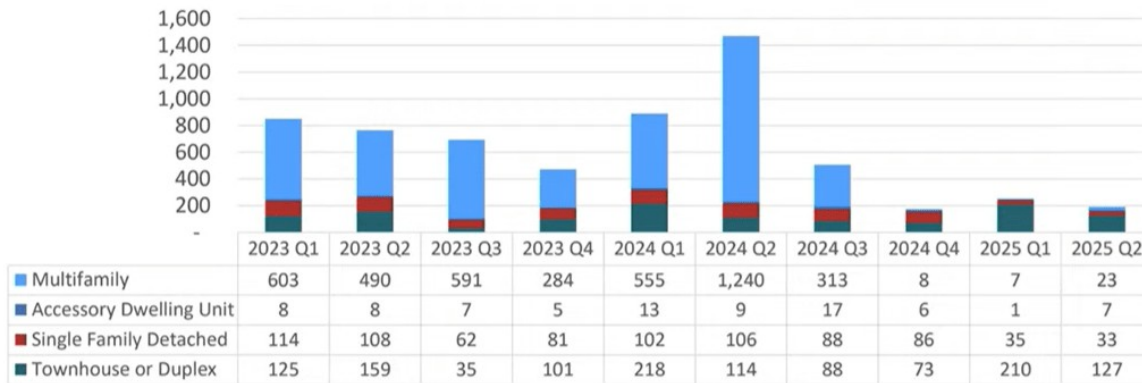
Number of Units Permitted in Buildings with 3 or more Units, Oct. 1, 2024 to June 30, 2025



Data: US Census Building Permit Survey – Not including Census Bureau imputations; Reported permits only. Rockville data from City’s [Development Trends Dashboard](#).  
\*Includes Fairfax City and Falls Church City

Residential Building Permits

■ Townhouse or Duplex ■ Single Family Detached ■ Accessory Dwelling Unit ■ Multifamily



Data: Montgomery County Department of Permitting Services; subject to revision from ongoing quality checking process.

Montgomery County Economic Development Corporation & Montgomery County Planning Department, Research and Strategic Projects Division. (2025, July 31). *MoCo Quarterly Economic Indicators: Staff report* [Presentation to the Montgomery Planning Board]. Montgomery Planning Board. [Montgomery Planning Board Live Stream: 7/31/25](#)