Bill No. 8-24

Concerning: Human Rights and Civil
Liberties - Fair Criminal History and
Credit Screenings - Amendments

Revised: 7/25/2024 Draft No. 4

Introduced: March 5, 2024

Enacted: July 30, 2024

Executive: August 8, 2024

Effective: November 7, 2024

Sunset Date: None

Ch. 12 , Laws of Mont. Co. 2024

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Sayles Cosponsors: Councilmembers Glass and Katz

AN ACT to:

- (1) require posting a notice regarding the use of criminal arrest and conviction in rental housing decisions;
- (2) clarify a certain addendum or statement is required for rental applications;
- (3) require a landlord retain a rental application addendum for a certain period;
- (4) require a landlord [[provide to the County]] <u>certify</u> as part of the annual rental housing survey <u>receipt of</u> a completed criminal and credit screening addendum;
- (5) require annual reporting of certain disaggregated data related to rental applications; and
- (6) generally amend the law regarding discrimination in housing and landlord-tenant affairs.

By amending

Montgomery County Code Chapter 27, Human Rights and Civil Liberties Section 27-15A

Montgomery County Code Chapter 29, Landlord-Tenant Affairs Sections <u>29-27</u>, <u>29-28</u> and <u>29-51</u>

The County Council for Montgomery County, Maryland approves the following Act:

BoldfaceHeading or defined term.UnderliningAdded to existing law by original bill.[Single boldface brackets]Deleted from existing law by original bill.

<u>Double underlining</u>

Added by amendment.

[[Double boldface brackets]] Deleted from existing law or the bill by amendment.

* Existing law unaffected by bill.

1	Sec.	1. Sections 27-15A, $\frac{29-27}{2}$, 29-28, and 29-51 are amended, as follows:
2	27-15A. Fa	ir criminal history and credit screenings in rental housing.
3		* * *
4	(b)	Transparency of criminal history and credit requirements in rental
5		applications.
6		(1) A housing provider must disclose in any rental application:
7		(A) the processes the provider uses to inquire into the criminal
8		history and credit history of an applicant; and
9		(B) requirements of the provider regarding an applicant's credit
10		history and criminal record report.
11		(2) The housing provider must not alter the processes and
12		requirements under paragraph (1) for an applicant whose
13		application is pending.
14		(3) A housing provider must retain for one year from the date of the
15		rental application a copy of each applicant's completed statement
16		or addendum as required under Section 29-28(h)(2) that details the
17		process under paragraph (1). Upon request, the addendum may be
18		subject to inspection and review by the Director of the Office of
19		Human Rights.
20		* * *
21	<u>(m)</u>	[[Posting of notice. A housing provider must post a notice in a
22		conspicuous place where details regarding an application for rental
23		housing are customarily posted, whether in paper form or by electronic
24		posting, that reads: "In accordance with Section 27-15A of the
25		Montgomery County Code, a housing provider may not ask questions
26		related to criminal arrest or a conviction before a conditional offer for rent
27		is made to an applicant unless otherwise permitted by law."]]

28	<u>Pe</u>	osting of disclosure notice - required.		
29		<u>(1)</u>	A ho	using provider must post a disclosure statement regarding an
30			<u>appli</u>	cation for rental housing:
31			<u>(A)</u>	on a website operated and controlled by the housing
32				provider; and
33			<u>(B)</u>	in an obvious and conspicuous place of a leasing office
34				available for tenants.
35		<u>(2)</u>	<u>The</u>	disclosure statement under this subsection must read: "In
36			accon	rdance with Section 27-15A of the Montgomery County
37			Code	e, a housing provider may not ask questions related to criminal
38			arres	t or a conviction before a conditional offer for rent is made to
39			an ap	pplicant unless otherwise permitted by law."
40	<u>(n)</u>	<u>Insp</u>	ection	of rental application. Each quarter during a calendar year,
41		the I	<u>Directo</u>	r must randomly conduct an inspection of completed rental
42		appl	ication	s submitted by an applicant to a landlord for any licensed
43		<u>renta</u>	ıl build	ing that has 10 or more units to ensure compliance with this
44		<u>Char</u>	oter. Fa	ailure of an owner to provide the dated and signed rental
45		appl	ication	with its contents for review may be considered a violation
46		of th	is Cha _l	<u>oter.</u>
47	<u>(o)</u>	<u>Annı</u>	ıal <u>rep</u>	orting. By October 1 of each year, the Director of Office of
48		<u>Hum</u>	an Rig	hts, [[may]] must coordinate with the Director of Department
49		<u>of H</u>	ousing	and Community Affairs, to provide an annual report to the
50		Cour	nty Cou	uncil that includes disaggregated data on the following:
51		<u>(1)</u>	the n	umber of complaints received by the Office of Human Rights
52			regar	rding the denial of a rental applications by a housing provider;
53		<u>(2)</u>	the sp	pecific reason an application under paragraph (1) was denied;

54		<u>(3)</u>	the number of complaints filed with the Office of Human Rights			
55			for failure to comply with this Section;			
56		<u>(4)</u>	the number of complaints filed under this Section compared to			
57			other types of discriminatory complaints received by the Office of			
58			Human Rights; [[and]]			
59		<u>(5)</u>	summary findings of the inspections performed under subsection			
60			<u>(n); and</u>			
61		<u>(6)</u>	any other related data pertinent to this Act.			
62	29-27. Cor	ntents (of lease.			
63			* * *			
64	<u>(a)(a</u>	<u>i) inclu</u>	de the addendum under Section 29-28(h)(2) that was signed and			
65		dated	d by the occupying tenant.			
66	29-28. Leasing requirements generally.					
67			* * *			
68	(h)	Renta	al applications. A rental application must:			
69		<u>(1)</u>	comply with the requirements of Section 27-15A[.]; and			
70		<u>(2)</u>	include a statement or addendum on a form prescribed by the			
71			Director of the Department that is signed and dated by the			
72			applicant, [[that]] which details the processes for screening			
73			criminal history and credit [[report]] history as required under			
74			Section <u>27-15A(b)(1).</u>			
75			* * *			
76	29-51. Ren	ntal hou	using data collection.			
77			* * *			
78	(e)	The I	Director, at a minimum, must include in the survey a questionnaire			
79		for ea	ach landlord to certify whether the occupying tenant completed a			
80		crimi	nal history and credit screening addendum as required under Section			

81		<u>29-28</u>	(h)(2). The survey form must request the date of the signed				
82		addendum.					
83	[[(e)]] <u>(f)</u>	The 1	housing data collected must be used to measure the supply and				
84		availa	ability of rental housing, as well as other operating characteristics.				
85		Each	landlord must provide the following to the County:				
86		(1)	The location of each rental facility, including the zip code;				
87		(2)	Structure type;				
88		(3)	Year built;				
89		(4)	Distribution of units by standard bedroom sizes;				
90		(5)	The number of units by bedroom size that were re-rented during				
91			the month;				
92		(6)	The number of vacant days applicable to those units;				
93		(7)	The rent charged for each rental unit;				
94		(8)	The rent charged for each re-rented unit before vacancy; and				
95		(9)	The new turnover rent charged for each re-rented unit.[[; and				
96		<u>(10)</u>	A copy of the addendum or statement provided under Section 29-				
97			28(h) only for the tenant currently renting the unit reported under				
98			this Section. If the rental housing is reported as vacant or not				
99			offered for rent, the landlord is required to specify that no rental				
100			application was provided within the last 12 months.]]				
101	[[(f)]] <u>(g)</u>		* * *				
102	[[(g)]] <u>(h)</u>		* * *				
103	[[(h)]] <u>(i)</u>		* * *				
104	[[(i)]] <u>(j)</u>		* * *				
105	[[(j)]] <u>(k)</u>		* * *				
106	[[(k)]] <u>(1)</u>		* * *				

Approved:	
/ 7400 7-00-	July 30, 2024
Andrew Friedson, President, County Council	Date
Approved:	
Marc & Col	August 8, 2024
Marc Elrich, County Executive	Date
This is a correct copy of Council action.	
Sant	August 8, 2024
Sara R. Tenenbaum, Clerk of the Council	Date