



Montgomery
County Council

Committee PHED
Staff: Christine Wellons, Legislative Attorney
Purpose: To receive testimony – no vote expected
Keywords: #MoCoRentalAC

AGENDA ITEM #5
September 10, 2019
Public Hearing

SUBJECT

Bill 24-19, Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning

EXPECTED ATTENDEES

Aseem Nigam, DHCA Director

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- The Council will hear public testimony regarding Bill 24-19.

DESCRIPTION/ISSUE

Bill 24-19 would require a landlord to provide and maintain air conditioning service for rental housing located in the County during certain months of the year, and would establish standards for air conditioning service provided by a landlord.

SUMMARY OF KEY DISCUSSION POINTS

- Receive public testimony.

This report contains:

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Fiscal and Economic Impact statement	©6

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MEMORANDUM

September 5, 2019

TO: County Council

FROM: Christine M.H. Wellons, Legislative Attorney

SUBJECT: Bill 24-19, Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning

PURPOSE: To receive testimony – no Council votes required

Bill 24-19, Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning, sponsored by Lead Sponsor Councilmember Huckler and Co-Sponsors, Councilmembers Jawando, Alborno, and Council President Navarro, was introduced on July 16, 2019. A Planning, Housing, and Economic Development Committee worksession is tentatively scheduled for September 23 at 9:30 a.m.¹

Bill 24-19 would require a landlord to provide and maintain air conditioning service for rental housing located in the County during certain months of the year and would establish standards for air conditioning service provided by a landlord.

Background

The County Code does not currently require a landlord to supply and maintain air-conditioning in rental housing.

Bill 24-19 would amend County Code Chapter 29, Landlord-Tenant Relations, to require a landlord to provide and maintain air conditioning service in a safe and good working condition so that it provides an inside temperature of eighty degrees Fahrenheit (80° F.) or less between May 1 and September 30.

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¹#MoCoRentalAC

Bill No. 24-19
Concerning: Landlord-Tenant Relations –
Obligations of Landlord – Air
Conditioning
Revised: 7/5/2019 Draft No. 2
Introduced: July 16, 2019
Expires: January 16, 2021
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Hucker
Co-Sponsors: Councilmembers Jawando, Albornoz and Council President Navarro

AN ACT to:

- (1) require a landlord to provide and maintain air conditioning service for rental housing located in the County during certain months;
- (2) establish standards for air conditioning service provided by a landlord; and
- (3) generally amend the law governing rental housing in the County.

By amending

Montgomery County Code
Chapter 29. Landlord-Tenant Relations
Section 29-30

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

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

1 **Sec. 1. Section 29-30 is amended as follows:**

2 **29-30. Obligations of landlords.**

3 (a) Each landlord must reasonably provide for the maintenance of the health,
4 safety, and welfare of all tenants and all individuals properly on the
5 premises of rental housing. As part of this general obligation, each
6 landlord must:

7 (1) Comply with all applicable provisions of any federal, state, or
8 county law or regulation governing the maintenance, construction,
9 use, or appearance of the dwelling unit and common areas.

10 (2) Keep all areas of the building, grounds, facilities, and
11 appurtenances in a clean, sanitary, and safe condition.

12 (3) Make all repairs and arrangements necessary to put and keep the
13 dwelling unit and the appurtenances in as good a condition as they
14 were, or should by law or agreement have been, when the tenancy
15 began. However, a lease for a single-family dwelling unit may
16 provide that a tenant must pay, up to a maximum annual amount
17 set by executive regulation, for the costs of maintenance of the
18 dwelling unit, but not for replacement of or repairs to structural
19 elements of the building, major appliances, or electrical, plumbing,
20 heating, or air conditioning systems unless replacement or repair
21 of these items is required because of actions of the tenant or any
22 person for whom the tenant is legally responsible.

23 (4) Maintain all electrical, plumbing, and other facilities and
24 conveniences supplied by the landlord in good working order.

25 (5) Supply and maintain appropriate receptacles to remove trash, and
26 pay for its frequent removal. However, the landlord of a single-
27 family dwelling unit must pay for the frequent removal of trash,

28 but need not provide or maintain appropriate receptacles. A lease
29 for a single-family dwelling unit may require a tenant to pay for
30 trash collection service if that service is provided directly by a
31 private trash hauler and the dwelling unit is not located in a County
32 collection district.

33 (6) Supply water and hot water as reasonably required by the tenant
34 and adequate heat as required by Chapter 26. In a dwelling unit
35 located in a common ownership community, the landlord must
36 provide water, hot water and adequate heat to the extent that the
37 landlord is responsible for providing these services. This
38 subsection does not impair any provision in a lease that obligates
39 a tenant to pay for gas, heating oil, electricity, water, or sewer
40 service that the tenant uses.

41 (7) For each unit in a building constructed before July 1, 1978, and for
42 which units are not individually metered, provide the tenant with
43 all information required under the Public Utilities Article of the
44 Maryland Code and applicable COMAR provisions governing:

45 (A) electric and gas submeters; and

46 (B) energy allocation systems.

47 (8) Display in the lobby, vestibule, rental office, or other prominent
48 public place on the premises, a sign in a form approved by the
49 Director that includes information in English, Spanish, French,
50 Chinese, Korean, Vietnamese, and other languages as determined
51 necessary by the Director, about:

52 (A) filing a complaint under this Chapter; and

53 (B) the retaliatory practices prohibited under this Chapter.

54 (9) Supply and maintain air conditioning service either through
55 individual air conditioning units or a central air conditioning
56 system in a safe and good working condition so that it provides an
57 inside temperature of eighty degrees Fahrenheit (80° F.) or less
58 between May 1 and September 30. This subsection does not
59 impair any provision in a lease that obligates a tenant to pay for
60 gas or electricity that the tenant uses.

61 (b) If the duty imposed by subsection (a)(1) is incompatible with, or greater
62 than, a duty imposed by any other part of this Section, subsection (a)(1)
63 governs.

64 (c) Subsections (a)(2) and (a)(5) do not apply to a dwelling unit located in a
65 condominium or cooperative housing structure.

LEGISLATIVE REQUEST REPORT

Bill 24-19

Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning

DESCRIPTION: Bill 24-19, Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning would amend Section 29-30 of the Code to require a landlord to provide and maintain a certain level of air conditioning service between May 1 and September 1.

PROBLEM: The County Code does not currently require a landlord to supply or maintain air conditioning service.

GOALS AND OBJECTIVES: To require a landlord to supply and maintain air conditioning service for rental housing located in the County.

COORDINATION: Department of Housing and Community Affairs

FISCAL IMPACT: OMB

ECONOMIC IMPACT: Finance

EVALUATION: To be done.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Christine M.H. Wellons, Legislative Attorney

APPLICATION WITHIN MUNICIPALITIES: N/A

PENALTIES: Under Code Section 29-8, a violation of Chapter 29 is a Class A violation.



OFFICE OF MANAGEMENT AND BUDGET

Marc Elrich
County Executive

Richard S. Madaleno
Director

MEMORANDUM

August 16, 2019

TO: Nancy Navarro, President, County Council

FROM: Richard S. Madaleno, Director, Office of Management and Budget *RSM*
Michael Coveyou, Acting Director, Department of Finance *Michael Coveyou*

SUBJECT: FEIS for Bill 24-19, Landlord-Tenant Relations – Obligations of Landlord – Air Conditioning

Please find attached the Fiscal and Economic Impact Statements for the above-referenced legislation.

RSM:cm

cc: Andrew Kleine, Chief Administrative Officer
Fariba Kassiri, Deputy Chief Administrative Officer
Debbie Spielberg, Special Assistant to the County Executive
Dale Tibbitts, Special Assistant to the County Executive
Lisa Austin, Office of the County Executive
Barry Hudson, Director, Public Information Office
David Platt, Department of Finance
Dennis Hetman, Department of Finance
Monika Coble, Office of Management and Budget
Chrissy Mireles, Office of Management and Budget
Pofen Salem, Office of Management and Budget

Office of the Director

101 Monroe Street, 14th Floor • Rockville, Maryland 20850 • 240-777-2800
www.montgomerycountymd.gov/omb

Fiscal Impact Statement

Bill 24-19, Landlord-Tenant Relations – Obligations of the Landlord – Air Conditioning

1. Legislative Summary

Bill 24-19 would require a landlord to provide and maintain air conditioning service for rental housing located in the County during certain months and establish standards for air conditioning service provided by a landlord.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

Bill 24-19 will not impact County expenditures or revenue.

Currently, a landlord is not required to provide air conditioning; however, if a landlord does provide air conditioning, it must be in working condition. Adoption of Bill 24-19 will require Housing Code Inspectors to add one more system to its inspection list and protocol, and it is expected to have minimal impact on DHCA's operations.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

See Question #2, Bill 24-19 does not impact expenditures or revenue.

4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.

Not applicable.

5. An estimate of expenditures related to County's information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.

Not applicable.

6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.

Not applicable, Bill 24-19 does not authorize future spending.

7. An estimate of the staff time needed to implement the bill.

Bill 24-19 does not impact staff time.

8. An explanation of how the addition of new staff responsibilities would affect other duties.

Not applicable.

9. An estimate of costs when an additional appropriation is needed.

No additional appropriation is needed to implement Bill 24-19.

10. A description of any variable that could affect revenue and cost estimates.

See Question #2.

11. Ranges of revenue or expenditures that are uncertain or difficult to project.

Not applicable.

12. If a bill is likely to have no fiscal impact, why that is the case.

Not applicable.

13. Other fiscal impacts or comments.

Not applicable.


14. The following contributed to and concurred with this analysis:

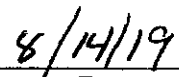
Tim Goetzinger, Department of Housing and Community Affairs

Chris Anderson, Department of Housing and Community Affairs

Dan McHugh, Department of Housing and Community Affairs

Pofen Salem, Office of Department Management and Budget


Richard S. Madaleno, Jr., Director
Office of Management and Budget


Date

Economic Impact Statement
Bill 24-19, Landlord-Tenant Relations – Obligations of the Landlord – Air Conditioning

Background:

Bill 24-19 would require a landlord to provide and maintain air conditioning service for rental housing located in the County during certain months and establish standards for air conditioning service provided by a landlord.

1. The sources of information, assumptions, and methodologies used.

The source of information in the preparation of the economic impact statement was the Department of Housing and Community Affairs (DHCA). There were no other sources of information, assumptions, or methodologies needed by the Department of Finance (Finance) in the formulation of this economic impact statement.

2. A description of any variable that could affect the economic impact estimates.

As noted in the fiscal impact statement, Bill 24-19 will not impact County expenditures or revenue. Currently, a landlord is not required to provide air conditioning; however, if a landlord does provide air conditioning, it must be in working condition. Bill 24-19 would require a landlord to provide air conditioning. Adoption of Bill 24-19 will require Housing Code Inspectors to add one more system to its inspection list and protocol, but this is expected to have minimal impact on operations.

3. The Bill's positive or negative effect, if any on employment, spending, savings, investment, incomes, and property values in the County.


The bill is not anticipated to have an impact on employment, spending, savings, investment, incomes, and property values in the County. Both the lessee and the lessor face unique consequences and costs if they fail to uphold the terms of their respective contracts. The legislation's potential impact on the aggregate cost to property owners in providing and maintaining a certain level of air conditioning service between May 1st and September 30th cannot be accurately quantified given a lack of specificity of data enumerating the variable cost and number of instances of rental units that are not currently receiving the proper supply and maintenance of air conditioning as specified by the Bill over this time frame.

4. If a Bill is likely to have no economic impact, why is that the case?

See number 2.

5. The following contributed to or concurred with this analysis:

David Platt and Dennis Hetman, Finance.



Michael Coveyou, Acting Director
Department of Finance



Date