



CITY OF BALTIMORE  
MAYOR BRANDON M. SCOTT

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| <b>TO</b>      | The Honorable President and Members of the Baltimore City Council |
| <b>FROM</b>    | Alice Kennedy, Commissioner, Housing and Community Development    |
| <b>CC</b>      | Mayor's Office of Government Relations                            |
| <b>DATE</b>    | February 23, 2026   |
| <b>SUBJECT</b> | 25-0141 Rental Dwelling Health and Safety Enforcement Act         |

**Position: Without Recommendation**



**BILL SYNOPSIS**

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 25-0141 Rental Dwelling Health and Safety Enforcement Act for the purpose of updating certain provisions regarding the licensing of rental dwellings; establishing certain penalties; requiring certain information be filed with a registration statement when applying for a rental dwelling license; requiring the Department of Housing and Community Development to promulgate certain regulations; creating a registry of rental inspectors; prohibiting certain actions based on actual or perceived immigration status; establishing certain grounds for the revocation of a rental dwelling license; establishing a process for rental dwelling receivership; making conforming changes; providing for the effective dates of this Ordinance; and generally relating to the enforcement of rental dwelling health and safety standards.

If enacted, City Council Bill 25-0141 would require DHCD to: establish a registry of rental inspectors; disallow rental inspection from the same rental inspector or inspection company within an 8 year period; acquire certain information from an applicant when applying for a rental license; conduct and annual audit of inspections at licensed properties; deny, suspend or revoke rental licenses based on landlords' inquiries and actions relating to tenants' immigration status; expand current grounds for rental license revocation and establish a rental dwelling receivership process. If approved, this Bill will take effect on the 30<sup>th</sup> day following its enactment, except for Section 2, which would go into effect 6 months after the date of its enactment.

**SUMMARY OF POSITION**

DHCD appreciates the intent behind this Bill. Rental receivership, in particular, has the potential to be an impactful tool to hold the owners of unsafe rental properties accountable. DHCD also appreciates the significant time that the Bill's sponsor invested in working with our agency through the multiple drafts that preceded its introduction. However, the Bill still contains several

notable concerns that DHCD raised with the sponsor during with the extensive drafting process.

Some of those concerns surround the changes that this Bill would introduce to the current process for rental inspections and licensing. For example, applicants would be prohibited from using the same rental inspector or rental inspection company within the same 8-year period. We feel this would not only be unduly burdensome for applicants themselves but also bring practical challenges to DHCD as every rental license reapplication would need to be reviewed with its preceding 8-years' worth of inspection reports to ensure that no inspectors or inspection companies were used twice within that period. This Bill would also require the Commissioner to annually audit 100-200 inspections of licensed properties and make those results public. Completing that audit would be a substantial undertaking for the agency given current staffing and administrative capabilities.

DHCD also takes issue with how this Bill would deny or prohibit a rental license from being issued or renewed if a property's water Bill remained unpaid for 60 days, regardless of its inspection status. This mandate would require additional staffing in the registration office and the need for increased collaboration with DPW to share billing information on demand so as not to delay the registration process. We emphasize that an overdue water bill does not, on its own, make a building unsafe for habitation. In addition, if tenants are responsible for paying their water bill, this opens up the potential that tenants may choose to stop paying the bill as a way to prevent their landlord from remaining in compliance with rental licensing.

This Bill would also prohibit Landlords inquiring into the immigration or citizenship status of a tenant or applicant and would make doing so grounds for their rental license to be denied, suspended, or revoked. DHCD supports the intent of this section pertaining to rental discrimination on the basis of one's immigration status; however, our concern lies with the agency's ability to enforce, and in turn, our legal obligation to that enforcement. The details surrounding how such enforcement would occur remain unclear.

Other concerns with this Bill surround the collection and posting of rental license applicant information. Namely, this Bill states that if the owner of a rental property is a corporation, then DHCD would require the names and addresses of all the individuals who constitute that corporation as defined within the Bill. Practically, DHCD would need to expand our system to collect this information as it is currently unable to do so. Also, the Law Department's Bill report speaks to the limitations of enforcing this provision and offers their Amendment No. 11 as a remedy. Relatedly, this Bill requires all rental inspection records and all documents submitted by rental license holders as part of their application to be made publicly available. Certain sensitive information requires redaction in accordance with the Maryland Public Information Disclosures. These instances are rare, but occasionally financial records or tenant information can be included in an application. DHCD already reviews information to respond to MPIA requests, but this provision would require the agency to review every single application for necessary redactions before it could be made publicly available. The Law Department's suggested Amendment No. 13 seeks to rectify this issue.

Within its introduction of rental receivership, this Bill mandates that five or more citations for failing to obtain a rental license and making no attempt to procure one would be grounds for

receivership action. As written, the law says 5 citations for a missing rental license OR the building is unsafe. There is an important distinction that simply lacking a rental license does not therefore mean the building is unsafe. This would create an arguably overbroad power where DHCD could issue five citations in five days and then immediately move to receivership. Similarly, the added language of “has made no attempt” does not reference what an attempt would constitute. The barest reading might suggest a single phone call would suffice.

One of DHCD’s most pressing concerns with this Bill surrounds the section that states that the Commissioner may require a rental dwelling to be vacated within 24 hours at the expense of the department. Relocating even a moderately sized apartment building on short notice would come at a tremendous cost to the agency.

Lastly, this Bill notes that a person aggrieved by a decision of the Housing Commissioner under this subtitle may seek judicial review of that decision by petition to the Circuit Court for Baltimore City. There is currently an administrative appeal procedure that sends review to an administrative hearing before sending them to the circuit court. Building Code Section 128 and 128.6 reference this specifically.

## **FISCAL IMPACT**

As written, this Bill would have a significant fiscal impact on DHCD as an agency. We defer to the Department of Finance and their report on the details of those impacts.

## **AMENDMENTS**

DHCD appreciates the intent behind this legislation and wishes to continue working with the sponsor of the Bill and law department to address our remaining concerns.