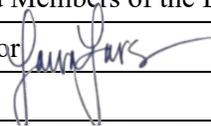




CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Laura Larsen, Budget Director 
DATE	February 23 rd , 2026
SUBJECT	City Council Bill 25-0141 Rental Dwelling Health and Safety Enforcement Act

Position: Oppose

The Department of Finance is herein reporting on City Council Bill 25-0141, Rental Dwelling Health and Safety Enforcement Act, the purpose of which is 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; and generally relating to the enforcement of rental dwelling health and safety standards.

Background

The City Council has over the past two terms considered a number of measures with the goal of improving the quality of rental dwellings in Baltimore City. Prior bills generally focused on certain aspects of the rental licensing and inspection processes, for instances the inspection and licensing process for 1- and 2-unit properties or multi-family dwellings with 20 or more units.

Bill #	Bill Title	Intent	Status
18-0185	Non-Owner-Occupied Dwelling Units, Rooming Houses, and Vacant Structures - Rental Dwellings - Registration and Licensing	Added 1- and 2-unit rental houses licensing, inspection, and related requirements for rental housing.	Enacted
19-0344	Licensing of Rental Dwellings	Would have allowed for alternatives to the online rental registration process.	Failed - End of Term
23-0357	Strengthening Renters' Safety Act	Strengthened Baltimore's rental licensing system by targeting high-risk properties for frequent inspections, tougher enforcement, and greater transparency to improve tenant health and safety.	Enacted
24-0505	Rental Dwellings - Mold Inspection and Remediation	Would have required a rental dwelling to be inspected for mold prior to the issuance or renewal of	Failed - End of Term

		a license.	
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25-0141

25-0141 aims to comprehensively update the residential rental licensing and inspection process in Baltimore City. The legislation updates and alters many aspects of the rental licensing and inspection process, the table below focuses summarizes the most significant changes from this proposal.

Topic	Current Law	25-0141
Registry of rental inspectors	Rental inspectors required to register with the City	Housing Commissioner must maintain a registry of rental inspectors and remove bad actors
Inspector conflict-of-interest rules	Limited requirements	Rental inspectors are required to fill out conflict-of-interest disclosures
Timing of inspections	Less specific timing rules	Requires rental inspections to occur no more than 90 days before a license or renewal application
License disclosure to tenants	Limited disclosure requirements	Requires licenses be provided to prospective, current, and renewing tenants
Advertising requirements	No standardized ad disclosure	Requires rental license numbers in advertisements
Public access to rental information	Limited online disclosure	Requires online public access to inspection records, violation history, license documents, and owner/operator information
Immigration status protections	No explicit protections	Prohibits landlords from inquiring about, disclosing, or acting on immigration or citizenship status
Rental property receivership	Limited linkage to housing enforcement	Creates process for court-appointed receivers for chronically noncompliant properties
Annual reporting requirements	More limited reporting scope	Expands annual DHCD reporting to include inspections, audits, receiverships, revocations, and violation data

Fiscal Impact

City Council Bill 25-0141 Rental Dwelling Health and Safety Enforcement Act will have a significant fiscal impact. DOF estimates that there will be approximately \$1,714,582 in annual costs. This does not include the cost of vacating premises at the City’s expense.

Fiscal Analysis

New Licenses, Registration Statement & Annual Inspection Audit Program

Council Bill 25-0141 requires the Department of Housing and Community Development (DHCD) to implement enhanced regulatory oversight of rental housing by establishing a more structured rental inspection framework and expanding property ownership disclosure requirements. The bill replaces the prior home-inspection model with a formal rental inspection system that includes inspector registry management, audit responsibilities, compliance tracking, and enforcement support, which may increase administrative workload and associated operating costs for DHCD. Additionally, the bill requires more detailed ownership reporting for property registration statements, particularly for corporate and complex ownership structures, necessitating updates to forms, data systems, and review processes.

In order to operationalize these requirements, DHCD needs (8) eight Office Support Specialist II’s (OSSII’s) in Service 747: Register and License Property and Contractors and an additional three Housing Inspector

Seniors Each OSSII has an annual salary of \$35,701, benefits package of \$19,439 for a total compensation of \$55,140; eight OSSIIs cost \$441,122 annually.

Priority Dwelling Inspection Program (Expanded)

The Department of Housing and Community Development (HCD) anticipates needing 11 new positions to provide adequate staffing to implement this legislation. This includes a team of 5 Housing Inspectors (a Senior Housing Inspector and 4 Housing Inspectors) to oversee and implement the inspection process. Three office support positions would be needed to assist with the administrative tasks including coordination and scheduling, along with a Data Analyst to comply with the requirements of this proposal. Two Ombudsman positions would support with investigations and community outreach efforts to support impacted tenants. The total annual cost of these positions is \$924,401. HCD also anticipates costs may increase based on software enhancements needed for the City’s permitting system to accommodate the legislation change.

Vacating premises

City Council Bill 25-0141 requires DHCD, at the City’s expense, to vacate dwelling units under certain conditions. DHCD informs the DOF that the Department does not do this service at present. This would require DHCD to immediately move people living in the building in question out and into a hotel. The legislation does not make clear when the tenants would be able to return to the building. This would be expensive for the City to implement, especially if the costs cannot be recouped from placing a lien on the building. The GSA per diem rate for FY2026 in Baltimore is \$150 per night per room. It is not known how many dwelling units would need to be vacated under 25-0141, nor is it known for how long. While an exact figure cannot be determined at this time as an example if 100 units need to be vacated in a year, for two nights each at \$150 a night it would cost \$30,000.

Training of Property Managers

Under City Council Bill 25-0141 Rental Dwelling Health and Safety Enforcement Act requires certain property managers, as specified by the legislation, to take a training course provided by DHCD in partnership with the Mayor’s Office of Older Adult Affairs and Advocacy. This training includes providing information on (1) the City’s health and safety standards for rental housing and (2) a way for employees to anonymously report suspected violations to the City. This training class would have to be held monthly to ensure Property Managers can have access to a class within 45 days of their hiring date. This would require DHCD to hire a Training Officer to implement this section. A Training Officer’s salary is \$70,509 with \$38,392.15 in benefits for a total annual cost of \$108,901.

Total Costs

The table below summarizes the additional personnel required to implement the provisions of City Council Bill 25-0141. It details the new positions by classification, the number of staff in each role, and the associated annual staffing costs, including salaries and benefits. These positions are necessary to support expanded rental inspections, administrative oversight, tenant services, data management, and property manager training under the proposed legislation. The total projected annual cost for these new positions is \$1,714,582.

Total New Positions	Classification	Total Staffing Costs
1	Data Analyst	\$151,650
4	Housing Inspector Senior	\$327,836
4	Housing Inspectors	\$301,752
8	Office Support Specialist II	\$441,122

1	Office Support Specialist III	\$59,174
2	Ombudsman	\$210,352
2	Secretary II	\$113,796
1	Training Officer	\$108,901
Total		\$1,714,582

Conclusion

City Council Bill 25-0141 represents a significant expansion of Baltimore’s rental dwelling oversight, introducing stricter inspection requirements, enhanced transparency, tenant protections, and enforcement mechanisms. While the bill aims to improve housing quality and tenant safety, its implementation would impose substantial operational and fiscal burdens on the City, including over \$1.7 million annually in staffing and administrative costs, potential expenses for temporary relocation of tenants, and investments in training and system upgrades. Given these considerable financial and logistical impacts, the Department of Finance recommends opposing the bill.

For the reasons stated above, the Department of Finance opposes City Council Bill 25-0141.

cc: Michael Mocksten
Nina Themelis