



PERMANENT RENT STABILIZATION AND PROTECTION ACT OF 2024 County Council of Prince George's County, Maryland Bill 055-2024

RENTAL HOUSING FEE LIMITS POLICY

Section I — Introduction

The following are the policies adopted by the Department of Permitting, Inspections and Enforcement (DPIE) to implement Regulation 13.147.01 — Rental Housing Fee Limits of the Permanent Rent Stabilization and Protection Act of 2024 (the "PRSA").

PRSA was enacted by County Council Bill 055-2024 and is incorporated in Sections 13-138, 13-144, 13-145, 13-146, and 13-147 of the Prince George's County Code. Regulations for the PRSA are effective as of February 1, 2026.

Section II — Overview

This policy is applicable to rental units subject to the PRSA (which are referred to as "regulated rental units" in the Code and Regulations).

Pursuant to the PRSA, landlords are limited in charging fees for services and amenities for regulated rental units. The purpose of this policy is to ensure that landlords charge only reasonable fees for services and amenities and do not charge fees that are excessive and create a burden on tenants. As a general manner, a fee charged by a landlord should not exceed the actual cost incurred by the landlord.

As with all aspects of PRSA, DPIE will investigate all complaints by tenants. DPIE reserves the right to request supporting documentation for any and all fees charged by landlords of regulated rental units.

Detailed below are the three (3) categories of limitations on fees for regulated rental units:

- 1. Fee Limitations for All Rental Units State Law
- 2. Fee Limitations for All Rental Units under the Prince George's County Code
- 3. Fee Limitations for Regulated Rental Units under the PRSA

The fee limitations detailed below that are required by State law or County Code (#1 and #2, above) are subject to change by the State and County. The fee limitations that are the result of State Law or County Code apply regardless of whether this policy has been updated.

The fee limitations detailed below that are required by this policy (#3, above) are applicable only to rental units that are regulated under the PRSA. These fee limitations may be updated from time to time.

Fees may not be implemented during the lease term unless they relate to an Optional Service opted into by the tenant (see Section V, below).

Fees may only be increased once in a 12-month period and require a 90-day written notice.

In accordance with Westminster Management v. Smith [312 A. 3d 74 (Md. 20240] and State Law, a tenant may not be evicted for non-payment of Fees, although the Owner/Landlord may file a breach of lease or take other civil action.

Any residential lease for a regulated unit under the PRSA is subject to the fee limitations detailed in this policy as of February 1, 2026.

<u>Section III — Fee Limitations and Allowances Pursuant to State Law</u>

In accordance with the Maryland Tenants' Bill of Rights (effective July 1, 2025):

Rental Applications

- A landlord who rents five or more rental units may not charge more than \$25 in fees, outside of a security deposit
- A landlord may choose to accept a tenant screening report prepared in the previous 30 days by a consumer reporting agency which the tenant obtains and pays for. If a landlord accepts such a report, the landlord may not charge an application fee.

Rent

- A landlord may charge a late fee, but it cannot be more than 5% of the late rent amount.
- If utilities are paid directly to the landlord, the landlord must provide the tenant with copies of the monthly utility bills.

Pet Fees/Deposits

- Pet deposits are included as part of the security deposit (Maryland Real Property Code 8-203).
- Security deposit is limited to one month's rent starting October 1, 2024 (Maryland Real Property 8-203 (b)).
- No fee may be charged for Emotional Support Animals or service animals.

As a general matter, landlords of regulated rental units must comply with any updates to the Maryland Tenants' Bill of Rights and any other applicable State laws.

<u>Section IV — Fee Limitations and Allowances Pursuant to Prince George's County Code</u>

<u>Late Fee</u> — The landlord of a regulated rental unit must comply with Section 13-158 of the County Code, which reads as follows:

"The landlord shall be entitled to charge a late fee of not more than one percent (1%) of the total monthly rental payment per day for each day the tenant is late, commencing with the sixth (6th) day of the period for which rent is due and being paid, not to exceed a total of five percent (5%) of the total monthly rental payment. However, if the tenant receives public assistance pursuant to Sections 48, 65A, 65B, and 65C of Article 88A of the Annotated Code of Maryland, and the public assistance check has not been mailed to the tenant by the State Department of Human Services on or before the date the rent is due, the landlord shall be entitled to charge the late fee commencing on the sixth (6th) day after the day the public assistance check was actually mailed. It shall be the responsibility of each tenant who receives public assistance to inform the landlord, in writing, that the public assistance check was mailed later than the day upon which the rent was due, and to provide reasonable, satisfactory evidence to establish this fact. In the case of leases under which the rent is paid in weekly rental installments, a penalty of Three Dollars (\$3.00) may be charged for the late payment of rent. However, no late penalties for rent paid under a lease providing for weekly rental installments shall constitute, in the aggregate, more than Twelve Dollars (\$12.00) per month. Provided further, that in no event should the landlord demand the payment of any fees or other charges except rent, court filing fees, and court awarded costs as a condition precedent

to allowing the tenant to exercise his right to redeem the leased dwelling unit as provided for by the Real Property Article of the Annotated Code of Maryland; provided, however, that the foregoing shall not apply to any tenant against whom three (3) judgments of possession have been entered for rent due and unpaid in the twelve (12) months prior to the initiation of the action to which the foregoing would otherwise apply. The landlord shall be entitled to recover only those costs and/or filing fees actually incurred. If requested in writing, the landlord shall provide the tenant with a written statement of charges actually incurred, to include the District Court (Landlord–Tenant) case number and a copy of the complaint form. Any such request by the tenant must be made within thirty (30) days of the costs being assessed and may not cover any other request for filing costs assessed in excess of one hundred eighty (180) days. Nothing in this Section shall be interpreted to alter a landlord's remedies to recover damages due from a tenant arising from breach of a lease or provisions of law."

<u>Credit Reporting Fee</u> — The landlord of a regulated rental unit which is located in a property containing fifteen (15) or more units must comply with Section 13-168(g) of the County Code, which reads as follows:

"If a Tenant elects to have that Tenant's rental payments reported to a consumer reporting agency under section (b) the Landlord may require that Tenant to pay a fee to a third-party service, or the landlord, or otherwise not to exceed the lesser of the actual cost to the Landlord to provide the service or ten dollars (\$10) per month."

Section V — Fee Limitations and Allowances Pursuant to the PRSA

<u>Pet Fee</u> — The landlord of a regulated rental unit may charge a maximum fee of \$25 per month per pet, and a pet deposit may not exceed \$300. The pet deposit must be returned in full within 45 days after the termination of the tenancy unless costs are incurred by the landlord as a result of damages relating to the presence of the pet(s). If any portion of the pet deposit is withheld, the landlord must present by first-class mail directed to the last known address of the tenant, within 45 days after the termination of the tenancy, a written list of the damages claimed under this section with an itemized statement and proof of the cost incurred.

<u>Lost Key Fee</u> — The landlord of a regulated rental unit may charge a maximum fee of \$25 plus the actual duplication or replacement cost for a lost key.

<u>Lock-Out Fee</u> — The landlord of a regulated rental unit may charge a maximum fee of \$25 for each occurrence of providing lockout service to a tenant. In the event the landlord engages a

third-party service provider for the lockout service, the landlord may charge the tenant a fee not exceeding the actual charge incurred for the service.

<u>Secure Storage Fee</u> — The landlord of a regulated rental unit may not charge a fee for storage located within, or attached to, or associated with the unit.

<u>Internet or Cable Television Fee</u> — The landlord of a regulated rental unit may not require a tenant to pay an internet or cable television fee. If a tenant voluntarily opts for either service, the landlord must bill the tenant no more than the amount that the internet or cable television provider charges the landlord, without any additional fees. If multiple tenants opt into the service, the landlord must divide the cost of the internet or cable television equally among the number of units opting into the service. The fee cannot include any common area services.

Motor Vehicle or Motorcycle Parking Fee — The landlord of a regulated rental unit must not impose a parking fee on a tenant unless the tenant has expressly opted to use the parking facilities. Upon a lease renewal or new lease agreement for a parking space, a landlord must not increase the fee for the parking space to an amount greater than the current fee for the parking space plus CPI-U. A landlord who has not previously charged a fee for motor vehicle or motorcycle parking spaces must not charge a fee for such parking unless the landlord provides documentation to the Director demonstrating that the base rent is insufficient to allow the landlord to recover all costs related to the provision of parking, including the cost of maintaining parking areas that are well-lit, safety monitoring by a third party, maintenance, and signage. If the Director determines that the base rent is insufficient for the landlord to recover the foregoing costs, the Director must notify the landlord that tenants using the parking facilities may be charged an amount that will allow the landlord to recover its operating costs related to parking.

<u>Optional Services</u> Fee — The landlord of a regulated rental unit may charge fees for optional services, not listed in Section III, Section IV or above in Section V, and opted into by the tenant. An optional service does <u>not</u> include a service required to ensure unit access, maintenance, or lease compliance. Common Optional Services include the following:

- Amenity fees for pools, fitness centers, business centers, and Wi-Fi
- User fees for club/game rooms, rooftops, outdoor pavilions/grilling areas, common area storage, package delivery rooms/lockers, and electric vehicle charging stations; and
- Enhanced service fees such as trash valet services for collecting tenant waste directly from units rather than a central dumpster or location.

<u>Section VI — Updates to Policy</u>

This policy may be updated by DPIE as necessary for the effective administration of PRSA. Substantive policy updates will be issued for public comment for a period of at least 15 days. Unless otherwise specified, any changes to the policy will be applicable only for new and renewed leases occurring after the issuance date of the updated policy.

EFFECTIVE DATE

The effective date of this Policy and Procedures shall be February 1, 2026.