

December 15, 2025

DPIE's Update on Implementation of Permanent Rent Stabilization and Protection Act of 2024

Prince George's County Council passed the Permanent Rent Stabilization and Protection Act of 2024 (PRSA) in October 2024 to protect tenants in regulated units from excessive rent increases while ensuring that landlords can maintain their properties.

Detailed information about PRSA is available at the following website:

<https://www.princegeorgescountymd.gov/departments-offices/news-events/news/permanent-rent-stabilization-and-protection-act-prsa>

While some provisions of the law took effect immediately, many other aspects of the law do not become effective until February 1, 2026. Since October 2024, the Department of Permitting, Inspections, and Enforcement (DPIE) has been very active in getting ready for the implementation of the PRSA.

What Have We Done to Get Ready?

We held three listening sessions earlier this year on January 30, February 4 and February 13 to hear from you. We wanted to know your thoughts and ideas for implementing PRSA. These listening sessions were extremely helpful and provided us with information on what our stakeholders, you, wanted to see in the PRSA policies and regulations. As a result of the listening session, below is an update on key activities we have undertaken this year as we prepare for the final February 1, 2026, implementation deadline for PRSA.

A. Limitation on Annual Rent Increases

As required by the PRSA, the limitation on annual rent increases took effect upon passage of PRSA in October 2024. In late 2024 and early 2025 DPIE issued notices to owners/landlords and posted information regarding the limitations on rent increases to the following website:

<https://www.princegeorgescountymd.gov/departments-offices/news-events/news/permanent-rent-stabilization-and-protection-act-prsa>

DPIE also published the *Annual Rent Increase Allowance Policy* to provide additional information regarding the way annual rent increases are calculated and the timing for annual updates. This Policy was adopted on April 16, 2025, and is available at the website above.

B. Exemptions from PRSA

Importantly, the PRSA outlined a variety of multifamily rental units that are not subject to the law, most notably any unit whose construction was completed after January 1, 2000. For a full list of the exemptions to PRSA, go to the following website:

<https://www.princegeorgescountymd.gov/departments-offices/news-events/news/permanent-rent-stabilization-and-protection-act-prsa>

If you have any questions regarding the applicability of an exemption to a specific multifamily rental unit, send an email to PRSAInfo@co.pg.md.us. Alternatively, you can call the Prince George's County PGC 311 Service by calling 3-1-1 if calling from inside Prince George's County or dial 301-883-4748 if outside of Prince George's County.

C. Finalization of PRSA Policies that Take Effect on February 1, 2026

As noted above, other important features of PRSA do not take effect until February 1, 2026. During 2025, DPIE issued for public comment a series of draft policies covering the following provisions of PRSA that take effect February 1, 2026:

1. Rental Housing Fee Limits
2. Rent Banking
3. Substantial Renovation Exemption
4. Capital Improvements Surcharge
5. Fair Return

The comments received on the draft policies were very helpful, and many of the comments have been incorporated into the final Policies. The changes made to the Policies based on the public comments received are summarized in the tables below.

Rental Housing Fee Limits	
Comment	DPIE Response / Modification to Final Policy

<p>Recommend allowing for additional <u>optional service-based fees which tenants opt into</u>, such as charges for "fitness centers, business centers, dog parks, aquatic facilities, and user fees for club rooms or resident lounges". The rationale is that landlords will reduce or eliminate amenities if they don't have the flexibility to charge for them.</p> <p>Update policy to align with Montgomery County's regulations and create "Exceptions" category with the following language:</p> <ul style="list-style-type: none"> (1) A landlord may charge fees for unregulated optional services, not listed in Sections III through V, and opted into by the tenant. (2) For purposes of this Section, an optional service does not include a service required to ensure unit access, maintenance, or lease compliance. 	<p>This comment has been incorporated into <u>Section V: Fee Limitation and Allowances Pursuant to the PRSA</u>.</p> <p>See the newly added definition of Optional Services Fee on page 5.</p>
<p><u>Parking Fees</u> -- request additional clarity regarding requests by the landlord to DPIE seeking exceptions to charge a higher fee due to the need for "cost recovery". Policy should include further guidance on the required documentation and timeline for submission of a request for an exception. Notation of need to cover cost of maintaining "parking garages and lots that are well-lit, patrolled or monitored by a third party, asphalt that is in good condition, proper signage, and technology and other systems that are required to support the parking facilities."</p>	<p>This comment has been incorporated into <u>Section V: Fee Limitation and Allowances Pursuant to the PRSA</u>.</p> <p>See the definition of Moter Vehicle or Motorcycle Parking Fee on page 5.</p>

<p><u>Lockout and Credit Reporting fees</u> - draft policy allows charges based on actual costs incurred. Request clarification as to what meets the standard of "verifiable documented evidence" of the actual cost. Will there be a standardized format or portal for submitting evidence?</p>	<p>Per this comment, the sentence in Lock-Out Fee referencing “verifiable documented evidence” has been deleted from <u>Section V: Fee Limitation and Allowances Pursuant to the PRSA</u> to avoid confusion.</p> <p>See page 5.</p> <p>Language has been added to <u>Section II: Overview</u> that indicates fees charged by the landlord should not exceed the actual cost incurred by the landlord, and which clarifies DPIE reserves the right to request documentation necessary to investigate tenant complaints regarding fees.</p> <p>See page 1.</p>
<p><u>Compliance Timeline</u> -- Since Policy takes effect February 1, 2026, how should new/renewed leases signed prior to this date but extending beyond 2/1/26 be handled?</p>	<p>No change made. As indicated in <u>Section II: Overview</u>, a regulated unit under PRSA is subject to fee limitations as of February 1, 2026. Accordingly, fees that are not in compliance with this policy after that date will be disallowed by DPIE.</p> <p>See page 2.</p>
<p><u>Policy Updates</u> -- Request information as to the process going forward for the update of the policy. Will there be a review/update of the policy at regular intervals? Advance notice of any changes will be critical for budgeting and lease structuring.</p>	<p>This comment has been incorporated by the addition of a new <u>Section VI: Updates to Policy</u>.</p> <p>See page 6.</p>
<p><u>Pet Fee</u> -- Should also reference that State law places a maximum cap on "deposits" of the equivalent of one month's rent.</p>	<p>This comment has been incorporated by the addition of a section regarding Pet Fees / Deposits in <u>Section III: Fee Limitations and Allowances Pursuant to State Law</u>.</p> <p>See page 2.</p>
<p><u>Credit Reporting Fee</u> -- This fee limitation in County law (Section 13-168(g)) only applies to properties with 15 or more units. This limitation should be maintained for PRSA since single-family landlords won't be able to create accounts with credit reporting agencies.</p>	<p>This comment has been incorporated into <u>Section IV: Fee Limitation and Allowances Pursuant to Prince George's County Code</u>.</p> <p>See page 4.</p>

<u>Parking Fees</u> -- clarify that if fees originate from HOA, Co-Op, or Condo Association, then the actual fees can be passed on to the tenant, including any increases in fees that are outside of landlord control	This comment has not been incorporated.
<u>General</u> -- Concerned that landlords will "stack" multiple fees, which could result in a significant financial burden on tenants and lead to eviction due to failure to pay fees, even if the tenant is current on rent payments.	<p>Per this comment, a paragraph has been added to <u>Section II: Overview</u> that refers to State law that a tenant may not be evicted for non-payment of Fees.</p> <p>See page 2.</p> <p>Additionally, a new language has been added to Section III: Fee Limitations and Allowances Pursuant to State Law that references the newly enacted Maryland Tenants' Bill of Rights (effective July 1, 2025) and general ongoing applicability of State Law.</p>
Fees that exceed the actual cost incurred by the owner/operator are excessive.	<p>Language has been added to <u>Section II: Overview</u> that indicates fees charged by the landlord should not exceed the actual cost incurred by the landlord.</p> <p>See page 1.</p>
DPIE should be to secure information from the owner/landlord to investigate complaints.	<p>Language has been added to <u>Section II: Overview</u> that clarifies DPIE reserves the right to request documentation necessary to investigate tenant complaints regarding fees.</p> <p>See page 1.</p>
Complaint procedures for tenants should be described in policy.	No change necessary. DPIE's existing complaint procedures (e.g. 311, etc.) will be used for PRSA as well as other pre-existing matters.

Rent Banking Policy	
Comment	Change Made to Final Policy
Are banked rents transferable to a new owner?	Yes. Banked Amounts are unit-specific, not based on who owns the property. So, if property ownership changes, the

	<p>Banked Amounts for a specific regulated unit will be transferred to the new owner.</p> <p>Language has been added to <u>Section II: Overview</u>.</p> <p>See page 2.</p>
Is there a process to certify the amount of available banked rents to facilitate the sale/acquisition of a property?	<p>Since it is reasonable to assume that a new owner (and their lender/investors) may want DPIE to certify that a property complies with the Rent Banking provisions of PRSA, language has been added to <u>Section V: DPIE Fees for Rent Banking</u> that indicates DPIE will conduct a review to certify compliance with Rent Banking. A fee will be charged for this service. DPIE will have up to 90 days to complete this review.</p> <p>See page 4.</p>
Requesting allowance for “banking” of past (prior to October 2024, when PRSA became law) forgone rent increases. For example, if a tenant has lived in a home for 10 years without a rent increase, then on the first turnover to a new tenant after the law comes into effect, the landlord should be able to raise rents to either market value or an accumulation of years of whatever would have been allowed had rents increased annually.	<p>No change has been made to the Policy. PRSA law indicates that Rent Banking cannot be used to increase rents by more than 10%. Also, the law does not provide for a “look-back” before October 2024 when determining allowable banked rents.</p> <p>One possible avenue for an Owner/Landlord to pursue in this regard would be to seek approval of a request for a Fair Return under PRSA.</p>
Fee provision in the policy could potentially require an owner/landlord to pay a fee to DPIE for a frivolous request by a tenant. Suggestion is that the tenant be required to pay the fee if DPIE determines the owner/landlord is making proper use of Rent Banking.	<p>Per this comment, a provision has been added to <u>Section V: DPIE Fees for Rent Banking</u> that provides DPIE with discretion to waive the fee if it is determined that the Owner/Landlord complies with Rent Banking requirements. Requiring the tenant to pay this fee would be contrary to the goals of PRSA.</p> <p>See page 4.</p>
The 10% banked rent increase cap forces Owner/Landlord "to increase annual rents MORE than I ordinarily would, out of fear I will not be able to increase rents to market levels when there is natural tenant	<p>No change has been made to the Policy. The PRSA law is very specific that Rent Banking cannot be used to increase rents by more than 10%, and any exception under Rent Banking would violate this requirement. Also, the law is unit-specific, so rent increase allowance provisions cannot be modified based on tenant turnover.</p>

turnover. I believe this rule should not apply to natural turnovers (when tenants leave of their own accord)."	
Fees for Rent Banking	<p>Changes have been made to <u>Section V: DPIE Fees for Rent Banking</u> to reflect that DPIE has determined that Prince George's County Council must approve fees charged for PRSA. At this time, it is expected that the County Council will decide regarding this fee in early 2026. Upon this determination, DPIE will then publish the fee as an update to the existing fee schedule maintained by DPIE. The existing DPIE fee schedule is available at the following website:</p> <p>https://momentumhome.princegeorgescountymd.gov/fee-schedule/</p> <p>See page 4.</p>
<u>Note</u> : no comments were received to the Rent Banking Application form.	

Substantial Renovation Exemption Policy	
Comment	Change Made to Final Policy

Capital Improvements Surcharge Policy	
Comment	Change Made to Final Policy

<p>Eliminate the limitations on fees paid to General Contractor and/or Architect shown in the table in <u>Section III: Applying for a Capital Improvement Surcharge</u>. Landlords/owners are already incentivized to keep fees to a minimum, and fee caps risk discouraging necessary renovations, delaying compliance with safety and energy standards, and ultimately reducing the quality and supply of updated housing.</p>	<p>Added language to permit a request for a waiver of the limits on fees to be submitted as part of an Application for a Capital Improvement Surcharge, as detailed in <u>Section III: Applying for a Capital Improvement Surcharge</u>.</p> <p>See page 4.</p>
<p>Change application requirements to allow for the owner/landlord to submit an Application for a Capital Improvement Surcharge before the completion of improvements, so that the owner/landlord can be assured of being reimbursed for improvements. Risk of denial of surcharge after completion of construction/improvements is too high for the owner/landlord and financial institutions lending to cover the cost of improvements.</p>	<p>This change is not recommended. The PRSA law (Section 13-145(c)(2)) indicates the surcharge cannot take effect until after the completion of capital improvements. The actual capital improvement costs cannot be verified until the work is completed. Therefore, accepting an application before the completion of capital improvements and determination of the costs would not enable an accurate determination of the actual surcharge (if any) and therefore, would not be consistent with the law.</p>
<p>Reduce Application Fee from \$250/unit to \$50/unit.</p>	<p>Language for fees needs to be modified to reflect the need for DPIE to secure the County Council to implement fees, AND to instead reference the pre-existing fee schedule maintained by DPIE for all fees associated with Departmental activity. The Final Application Fee will be determined through this process. See <u>Section V: DPIE Fees for Review of an Application for a Capital Improvement Surcharge</u>.</p>
<p>Reduce the Approval Fee from \$250/unit to \$50/unit.</p>	<p>Language for fees needs to be modified to reflect the need for DPIE to secure the County Council to implement fees, AND too instead reference the pre-existing fee schedule maintained by DPIE for all fees associated with Departmental activity. Final Approval Fee will be determined through this process. See <u>Section V: DPIE Fees for Review of an Application for a Capital Improvement Surcharge</u>.</p>
<p>Allow Application Fee and Approval Fee to be recovered by owner/landlord as part of the Capital Improvement Surcharge calculation.</p>	<p>This change is not recommended since the fees would essentially be added to the rent charged to tenants, which undermines the spirit of the PRSA.</p>

Allow for the inclusion of Capital Improvements completed before February 1, 2026, which is the date of enactment of the Policy.	This comment was received before the release of the draft Policy. The draft Policy reflected this comment by allowing for the inclusion of the cost of Capital Improvements completed on or after October 17, 2024, which is the date of enactment of PRSA.
The Policy should recognize that some jurisdictions in the County have established rental licensing programs and enforce their own Maintenance/Housing Code. The draft Policy indicates that at the time of approval of an Application for a Capital Improvement Surcharge, the building and all units therein must not be in violation of Subtitles 4 or 13 of the Prince George's County Code. Language should be added to the Policy to require that buildings and all units therein must also be in compliance with applicable municipal housing and property maintenance codes.	<p>Added language to include this comment in <u>Section III: Applying for a Capital Improvement Surcharge</u>.</p> <p>See page 4.</p> <p>Language was also added to the required certifications in the Application form.</p>
Applicants should be required to submit a copy of a valid rental license issued by the appropriate jurisdiction.	<p>This comment has been incorporated as an Application requirement in <u>Section III: Applying for a Capital Improvement Surcharge</u>.</p> <p>See page 3.</p>
Will DPIE consult with municipal housing/code enforcement agencies in the review and approval of applications?	No change has been made to Policy. The PRSA law does not require DPIE consultation with local enforcement agencies in the review/approval of requests for a Capital Improvement Surcharge. The change listed above to require a rental license (if applicable) is considered sufficient to ensure that any Capital Improvement Surcharge reflects municipal requirements.

Fair Return Policy	
Comment	DPIE Response / Modification to Final Policy

Draft Fair Return policy limits applications to once every 3 years. This undermines the financial viability of the rental housing market. The policy should be aligned with Montgomery County's regulations, which allow an applicant to submit an application for fair return every 24 months if approved, and every 12 months if denied.	<p>This comment has been incorporated into <u>Section III: Applying for a Fair Return Rent Increase</u>.</p> <p>See page 3.</p>
Extend the timeframe for owner/landlord response to DPIE questions from 15 days to 30 days.	<p>This comment has been incorporated into <u>Section V: DPIE Review of Applications for a Fair Return</u>.</p> <p>See page 8.</p>
Reduce Application Fee from \$250/unit to \$50/unit.	<p>Changes have been made to <u>Section VI: DPIE Fees for Review of an Application for Fair Return</u> to reflect that DPIE has determined that Prince George's County Council must approve fees charged for PRSA. At this time, it is expected that the County Council will make a determination regarding this fee in early 2026. Upon this determination, DPIE will then publish the fee as an update to the existing fee schedule maintained by DPIE. The existing DPIE fee schedule is available at the following website: https://momentumhome.princegeorgescountymd.gov/fee-schedule/</p> <p>See pages 9-10.</p>
Reduce the Approval Fee from \$250/unit to \$50/unit.	Same response as above.
Allow Application Fee and Approval Fee to be recovered by the owner/landlord as part of the Fair Return calculation.	This change was not made. DPIE concludes that adding fees to the Fair Return calculation would mean that tenants are paying the fee, which conflicts with the intent of PRSA.
<p><u>Note:</u> no comments were received on the Fair Return Application form. The Application will be updated to reflect the average 10-year U.S. Treasury Rate for calendar year 2025 (1/1/2025 to 12/31/2025) and posted to the PRSA website in early January 2026.</p>	

The final Policies for PRSA, which reflect the changes summarized below, can be found at the following website:

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D. Finalization of PRSA Regulations

On November 5, 2025, DPIE issued for public comment the draft Regulations for PRSA. Comments to the draft Regulations were due on December 5, 2025. The table below summarizes the comments that were received and the changes that are being made in the final Regulations for PRSA.

Comment	Change Made to Final Regulations
The County determined that some definitions in the draft Regulations are duplicative of other sections of the Prince George's County Code.	The definitions for "Affected Tenant", "Bona Fide Complaint, Response, or Effort", and "Tenant with Substantial Loss of Income" have been removed.
Independent living senior rental housing should be subject to PRSA regardless of the year of construction.	No change to the PRSA Regulations. The PRSA law is clear that all rental housing whose construction is completed on or after January 1, 2000, is exempt from PRSA. Although PRSA provides a different formula for calculating rent increase limitation for age-restricted and non-age-restricted housing, there is no distinction between age-restricted and non-age-restricted housing in the exemption provided based on the construction date of the property.
Provide further guidance on the deployment of the public-facing, online PRSA registry and how DPIE will utilize it to inform the general public about PRSA	No change to the PRSA Regulations. The County will be sharing more information soon about the public-facing registry associated with PRSA.
Provide additional opportunity for public comment before the official publication of the Rent Stabilization policy and regulations	No change to the PRSA Regulations. An additional comment period for Regulations will not be provided. The PRSA law requires all aspects of the law to be fully implemented by February 1, 2026, and that the Regulations be finalized by January 1, 2026, and take effect February 1, 2026. The County published the Regulations in draft form on

	<p>November 5, 2025, and provided the public review period required by the PRSA law.</p> <p>Policies may be amended from time to time going forward. Each policy refers to the update process.</p>
Capital Improvement Surcharge applications should be reviewed and approved by the County before work begins, and the County should allow the surcharge to take effect before capital improvements are completed.	No change to the PRSA Regulations. The PRSA law (Section 13-145(c)(2)) indicates the surcharge cannot take effect until after the completion of capital improvements. The actual capital improvement costs cannot be verified until the work is completed. Therefore, accepting an application and approving a surcharge before the completion of capital improvements could result in an inaccurate surcharge calculation and therefore would not be consistent with the law.
There should be a transparent process for adopting and revising fees that the landlord/owner pays to DPIE for review of applications for Fair Return and Capital Improvement Surcharge. Fees should be based on the actual costs borne by the County. Fees should not be open-ended.	No change to the PRSA Regulations. Final PRSA policies reference that fees charged by DPIE for Fair Return and Capital Improvement Surcharge application review/approval must be approved by the County Council through a public process. As is customary, DPIE fees will be fixed amounts on a per unit basis, will be posted on the DPIE website, and may be revised subject to Council approval.
Landlord/owner should be able to charge fees to tenants for services and amenities that are proportional to the unit count at a property	No change to the PRSA Regulations. The final PRSA Rental Housing Fee Limits policy includes additional details regarding allowable fees for services and amenities. Any changes to adjust fees based on the unit count at the property would be made to this policy, and not the Regulations. Changes to the policy may be made in accordance with the process outlined therein.
PRSA is a vacancy control version of rent stabilization. Additional language should be added to regulations to clarify that the Base Rent used for calculating allowable rent increase is determined by the rent paid by the prior tenant if a unit is vacant at the time of new tenancy. Montgomery County regulations provide helpful language.	Additional language was added to 13.145.00(A) to clarify that the Base Rent is the rent paid when the unit became vacant, so long as vacancy occurred on or after October 17, 2024, the date that PRSA was enacted.

The final Regulations for PRSA, which reflect the changes summarized above, can be found at the following website:

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Prince George's County and DPIE appreciate the valuable and informative input provided by stakeholders as the roll-out of PRSA continues. If you have any questions, drop us a line at PRSAInfo@co.pg.md.us.