

## FAQs for CB-007-2023

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The following FAQs provide information about CB-007-2023, the legislation that established the Rent Stabilization Act of 2023. The Act serves to amend the Landlord-Tenant Code to limit landlords' ability to increase rent for tenants above 3 percent over a 12-month period.

1. When was the law enacted and when does it expire?

*The law was enacted on February 28, 2023. It takes effect on April 17, 2023. It will expire on April 16, 2024.*

2. How is this law enforced?

*The legislation gives DPIE enforcement authority and the DPIE Director authorization to work with the municipalities' governing bodies to administer the law. The law is enforced through the civil enforcement process.*

3. How do I know if my unit is subsidized or has a covenant on it?

*The voucher will show that the unit is subsidized. The management company will know that the unit is subsidized and if there is a covenant on the unit. The management company will also determine if a voucher or other subsidy will be accepted. The management company should be able to provide all the information.*

4. What can I do as a tenant if I am charged over the 3 percent on or after April 17, 2023?

*If you believe that you are overcharged, you should first contact your landlord to discuss the increased rent. If it is not resolved, then contact DPIE. You will need to provide a copy of your lease, the rental increase notice and any other relevant documents if the unit is subsidized.*

5. Does this 3 percent rent cap apply only to current tenants?

*Yes, the cap applies to tenants who are currently residing in their units who are renewing their leases during the effective period.*

6. Are there any exemptions to the law?

*Yes. Affordable housing with Federal, State, or local subsidies or support subject to recorded affordability covenants, any dwelling unit for which the tenant is receiving rental assistance, and those that provide affordable housing to low- and moderate-income households under contract with a governmental agency are exempt. Affordability covenants could be associated with loans, tax credits, PILOTs, or the County's Right of First Refusal Program. Also, dwelling units that received an initial Use and Occupancy Permit (U&O) in the last five years of the effective date of the legislation are exempt.*

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7. Are senior and student housing exempt from the law?

*Senior housing and student housing units are not exempt from the law. Senior and student housing are exempt only if they qualify for exemption under the provisions of #6 above.*

8. Does this law apply to municipalities?

*The legislation applies County wide, including within the municipalities. The municipalities, including Laurel, Takoma Park and the City of Mount Rainier, may be more restrictive but not less restrictive than the legislation.*

9. Does this law apply to month-to-month rental agreements? How would this work?

*The law applies to landlords who use month-to-month rental agreements or agreements/contracts to become month-to-month agreements after a fixed term. The rent increase limitation is applied annually. Any rent increase for the effective period of the legislation could not exceed 3 percent annually of a tenant's existing rent amount. A tenant's monthly rent as of that date would be used to determine the total rent obligation for the next 12 months.*

10. What happens if I get a rent increase before the enactment date?

*Rent can be increased before April 17, 2023.*

11. If my rent includes utilities does the 3% cap apply?

*It depends. The definition of "utilities included" should be defined in your lease agreement. Some leases may include the cost of the utilities in the rent, which may make them subject to the rent cap and other leases may just collect the utilities and pay them directly to the provider as a pass through. If the utilities are paid as a pass through, they are most likely not subject to the cap. Each lease or rental agreement will have to be reviewed when determining if the 3% cap applies.*

12. Does this apply to me if I rent my home?

*Yes, if you are renting your home the 3% cap applies.*

13. Does this apply to me if I rent a room in my house?

*It depends. If a tenant rents a single room, it does not apply because it does not meet the definition of a dwelling unit pursuant to Prince George's County Code. However, the 3% cap may apply if multiple individuals are collectively renting one dwelling unit even though they have separate rooms and share the cooking, living and sanitary space in the unit.*

