What do I need to do to file a Failure to Pay Rent Case in Baltimore City? Baltimore City landlords must comply with registration, inspection, and licensing requirements before initiating Nonpayment of Rent actions in rent court.

Residential landlords that anticipate the need to file a Failure to Pay Rent Complaint in the coming weeks and/or months should be aware of recent changes to Baltimore City's licensing scheme which requires housing providers to have a rental unit registered, inspected, and licensed *before* a landlord is able to utilize rent court to collect unpaid rent.

In April 2018, the Baltimore City Council overhauled the regulations governing rental dwellings in Baltimore City. The City Council passed City of Baltimore Ordinance 18-130 (2018) which changed the following:

- The definition of the term "rental dwellings" was expanded so that licensing requirements now apply to <u>all</u> non-owner-occupied dwelling units, regardless of whether it is a single-family or multi-family dwelling.
- The prerequisites to obtain a rental license now require that rental dwelling units in Baltimore City pass an inspection completed by a licensed home inspector. The requirement of a passing inspection means that a rental license cannot be obtained if there are any open violations or citations at the rental property.

Although these amendments to the Baltimore City Code took effect on August 1, 2018, owners of rental dwellings were given 120 days (until January 1, 2019) to comply with the new law by having their rental dwelling inspected and obtaining a rental license.

Since January 1, 2019, in order to bring a summary ejectment action for nonpayment of rent in Baltimore City, a landlord needs to affirmatively plead that it possesses an active rental license at the time of filing. If a landlord does not have a valid rental license at the time of filing, the landlord is not able to proceed in rent court.

What are the steps to receive a rental license from the Department of Housing and Community Development (DHCD)?

The Requirements:

- The Property must be registered with DHCD.
- The Property must be lead certified and registered with the Maryland Department of the Environment.
- The Property must be inspected by a State-licensed, Baltimore City-registered home inspector.
- The Property must be licensed by Baltimore City with an active license number.

You cannot file a failure to pay rent case in Baltimore City without a valid rental license.

1) The Property must be registered with DHCD.

The Baltimore City Code, Article 13, Subtitle 4-2, requires every owner of a non-owner-occupied dwelling unit, "whether occupied or vacant, whether it is producing revenue or not producing revenue, whether habitable or not habitable," to file a registration statement with the Housing Commissioner. This must be done within 10 days of any transfer of the property and renews each January 1st thereafter.

The registration process can be completed online by filling out a form and paying a fee. More information can be found at: https://dhcd.baltimorecity.gov/pi/alarmproperty-registration

2) The Property must be lead certified and registered with the Maryland Department of the Environment.

Maryland's Reduction of Lead Risk in Housing law requires owners of rental properties built before 1978 to register their units with Maryland Department of the Environment (MDE), distribute specific educational materials, and meet specific lead paint risk reduction standards. A lead inspector will need to come to the rental property to test for lead and issue a lead certification.

Certain properties may be exempt if they have been lead paint tested by an MDE-accredited inspector and have been issued a "Lead Free" or "Limited Lead Free" certificate.

The Lead Certificate issue will contain a Certificate Number that must be included on all failure to pay rent complaints. You cannot file a rent complaint without the Certificate Number.

More information about the certification and registration process can be found here: https://mde.maryland.gov/programs/Land/LeadPoisoningPrevention/Pages/LeadRegistration.asp

3) The Property must be inspected by a State-licensed, Baltimore City-registered home inspector.

The inspector will need to check to be sure the Property is up to Code and safe for occupants by looking for basic life, health, and safety items including, but not limited to, electrical, plumbing, smoke and carbon monoxide detectors, interior and exterior sanitary conditions, utilities, and lead paint.

A copy of the Baltimore City Rental License Inspection Form can be found here: https://dhcd.baltimorecity.gov/sites/default/files/Baltimore%20City%20Rental%20License%20I nspection%20Form%20202008.pdf

4) The Property must be licensed by Baltimore City with an active license number.

After the Property is registered (as enumerated in # 1), and has passed inspection by a State-licensed, Baltimore City-registered home inspector (as enumerated in # 3), the licensing process can be completed online by filling out a form and paying a fee.

All initial licenses are issued for a two-year period. Subsequent licenses are issued based on maintenance record and violation history, and owners could be able to obtain a three-year license or be limited to a two- or one-year license.

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More information regarding licensing is available here:

 $\underline{https://dhcd.baltimorecity.gov/sites/default/files/Registration\%20 and\%20 Licensing\%20 Requirements.pdf$

If you need assistance with licensing for a Baltimore City rental property and/or initiating a case in rent court, please do not hesitate to contact us by phone or e-mail:

Avery Barton Strachan, Esq.

astrachan@silvermanthompson.com (410) 385-9113 www.silvermanthompson.com/avery-strachan.html

Kerri L. Smith, Esq.

ksmith@silvermanthompson.com (410) 385-9106 www.silvermanthompson.com/kerri-smith.html

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