O-11-26

Allowing Long-Term Room Rentals in Private Homes

AMENDMENT 1 – ALDERMAN SAVIDGE

Amendment Summary:

Amendment 1 creates a provisional rooming house operator's license.

"The bill's Homestead Tax Credit requirement in §17.44.085(C) is a sound anti-fraud mechanism, but it creates an unintended gap for new owners: SDAT can take 6–18 months to reflect an active HTC in its records after closing, which would bar a legitimate owner-occupant from licensure during that window through no fault of their own."
– Alderman Rob Savidge (Ward 7), Amendment 1 sponsor

MOTION:

1. On page 5, in line 31, before "The premises" insert in bold, "Required."

2. On page 6, in line 1, before "If the" insert in bold, "Inactive Homestead Tax Credit."

3. On page 6, after line 4, insert a new paragraph "3" and the following:

"3. **Provisional License.**

a. For homeowners who do not have an active state Homestead Tax Credit but have applied for it, the Director of Planning and Zoning may issue a provisional rooming house operator's license for a duration of up to 18 months.

b. To obtain the provisional rooming house operator's license, the applicant shall provide the following:

i. Confirmation of the pending status from the State Department of Assessments and Taxation (SDAT);

ii. A recorded deed; and

Explanation Note: ~~Strikethrough~~ indicates matter stricken from existing law.
Underlining & black means copyediting or reformatting of the existing section
Underlining & red means a Code change in the original legislation
Underlining & blue means an amendment to legislation

iii. A sworn affidavit confirming primary residency, as defined in §17.44.110, "Owner-Occupied."

c. The owner shall submit proof of the Homestead Tax Credit approval by the Maryland State Department of Assessments and Taxation (SDAT) to the Director within 18 months of the issuance of the provisional license. Upon the Director's timely receipt of such proof, the Director shall issue the owner a standard rooming house operator’s license.

d. If the owner fails to submit proof in accordance with subsection 3(c) above within the 18-month period, or if the owner’s application for the Homestead Tax Credit is denied, withdrawn, or otherwise not approved, the provisional license shall automatically be deemed terminated, and the use of the owner’s premises as a rooming house shall cease within 60 days thereof. ”

As the Change Would Look in the Legislation

This is solely for showing changes & is *not* part of the Amendment Motion.

Section 17.44.085 - Rooming House Rentals

A. **Definitions.** See § 17.44.110.

B. **Operator License**. See § 17.44.030.

C. **Homestead Tax Credit Requirement.**

1. **Required.** The premises shall carry an active Maryland Homestead Property Tax Credit (Tax-Property Article § 9-105) at the time of initial operation and at each annual renewal, as verified by the Maryland State Department of Assessments and Taxation (SDAT).

2. **Inactive Homestead Tax Credit.** If the homestead credit is revoked, lapses, or otherwise becomes inactive, the rooming house use shall cease within 60 days unless the credit is restored and proof provided to the Department. Failure to restore the credit within that period shall render the use nonconforming.

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