
OLR Bill Analysis

sHB 6433

AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION AND LATE RENTAL PAYMENTS.

SUMMARY

This bill requires (1) landlords to give tenants the opportunity to conduct a pre-occupancy inspection of a dwelling unit to determine its condition and (2) landlords and tenants to execute a written agreement after any such inspection noting any conditions, defects, or damages. It prohibits landlords from retaining any part of a tenant's security deposit for any of the issues noted in these agreements.

The bill also requires landlords to notify tenants of their right to request a post-occupancy inspection and, after the inspection, provide a statement listing any issues the landlord proposes to claim as a basis for withholding any part of the tenant's security deposit. It requires the Department of Housing to provide a standardized inspection checklist on its website for landlords and tenants to use during the pre- or post-occupancy inspections to document a unit's condition.

Additionally, the bill (1) limits the late charges landlords may impose for overdue rent pursuant to a rental agreement that includes a provision authorizing such fees and (2) requires them to apply any rent payments they receive to the most recent payment due.

EFFECTIVE DATE: October 1, 2021

§§ 1 & 4 — REQUIRED RENTAL UNIT INSPECTIONS

Pre-Occupancy Inspection

The bill requires landlords, after executing a rental agreement, to offer tenants an opportunity to inspect the dwelling unit subject to the rental agreement to determine its condition before occupying it; a tenant's inspection must be conducted in conjunction with the landlord

or the landlord's agent. If the tenant requests the pre-occupancy inspection, following the inspection but before occupying the unit, the bill requires the tenant and landlord to sign a written agreement attesting to the unit's condition that notes existing conditions, defects, or damages identified during the inspection.

The bill prohibits a landlord from keeping any portion of a tenant's security deposit for a condition, defect, or damage noted in the pre-occupancy inspection agreement. Under the bill, this agreement is admissible, but not conclusive, as evidence of the unit's condition at the beginning of a tenant's occupancy in administrative or judicial proceedings.

Post-Occupancy Inspection

After a landlord or tenant gives notice of his or her intention to terminate a tenancy, the bill requires the landlord, within a reasonable time period, to notify the tenant of his or her right to request an inspection of the unit before vacating it and be present at the inspection. Under the bill, a landlord must conduct the inspection (1) at a time agreed upon with the tenant and (2) no more than two weeks before the end of the tenancy.

Following a post-occupancy inspection, the landlord must provide the tenant with a statement that (1) the unit is in satisfactory condition as of the inspection date or (2) lists the conditions the landlord will claim as the basis for withholding any portion of the tenant's security deposit. The bill makes this statement admissible, but not conclusive, as evidence in administrative or judicial proceedings.

§§ 2 & 3 — LIMITS ON LATE CHARGES FOR OVERDUE RENT

By law, if a rental agreement includes a provision requiring tenants to pay a late charge for overdue rent, it must allow tenants a nine-day grace period (or four days for week-to-week tenancies), before imposing the charge. The bill limits the late charges landlords may impose after this grace period has passed.

Under the bill, if a rental agreement contains a valid written

agreement to pay late charges after the grace period, the charges cannot exceed the lesser of (1) \$5 per day, up to a \$25 maximum, or (2) 5% of the overdue rent or, 5% of the tenant's share of the rent in the case of rental agreements that are partially paid by a government or charitable entity. The bill prohibits rental agreements from stipulating late charges that exceed these limits.

Additionally, the bill prohibits landlords from assessing more than one late charge on an overdue rent payment and requires that they apply new rent payments to the most recent payment due.

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute

Yea 13 Nay 2 (03/09/2021)