
OLR Bill Analysis

sHB 6433 (as amended by House "A")*

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

SUMMARY

Beginning January 1, 2022, this bill requires landlords to give tenants the opportunity to request and complete a pre-occupancy "walk-through" of a dwelling unit after or at the time of entering into a rental agreement. The bill prohibits a landlord from keeping any portion of a tenant's security deposit for conditions specifically identified during the walk-through. Rental agreements entered into before January 1, 2022, are exempt from the bill's walk-through requirements.

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

*House Amendment "A" makes numerous changes to the bill's provisions on rental unit inspections, including (1) redefining inspections as walk-throughs and permitting landlords and tenants to designate individuals to complete these walk-throughs on their behalf; (2) requiring landlords and tenants to use a Department of Housing (DOH)-provided checklist for walk-throughs; (3) eliminating the requirement that landlords allow tenants a post-occupancy inspection; and (4) exempting rental agreements entered into before January 1, 2022, from walk-through requirements. It also simplifies the bill's limits on late charges landlords may impose and makes minor and technical changes.

EFFECTIVE DATE: October 1, 2021

§§ 1 & 4 — PRE-OCCUPANCY WALK-THROUGHS

Under the bill, a "walk-through" is a joint, in-person viewing of a dwelling unit's interior by the landlord and tenant, or individuals or agents they designate, to note and list the unit's existing conditions, defects, or damages using a DOH checklist. The bill requires DOH to prepare this standardized pre-occupancy walk-through checklist and make it available on its website by January 1, 2022. Following a walk-through, landlords and tenants must each sign and receive duplicate copies of the checklist.

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 walk-through checklist. In administrative or judicial proceedings, this checklist is admissible, but not conclusive, as evidence of the unit's condition at the beginning of a tenant's occupancy.

§§ 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 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 this limit.

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)