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## OLR Bill Analysis

**sHB 5234 (as amended by House "A")\***

### ***AN ACT CONCERNING THE RIGHTS AND RESPONSIBILITIES OF LANDLORDS AND TENANTS.***

#### **SUMMARY**

This bill makes a number of changes in laws about landlords and tenants.

Beginning January 1, 2023, the 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 or seeking payment for conditions specifically identified during the walk-through. Rental agreements entered into before January 1, 2023, are exempt from the bill’s walk-through requirements.

The bill limits rental application-related fees that landlords may demand from prospective tenants to reimbursements for tenant screening reports. It requires landlords to (1) provide tenants with these reports and a receipt or invoice and (2) waive the fee if the prospective tenant provides a recent tenant screening report that is satisfactory to the landlord.

Beginning January 1, 2023, the bill requires landlords to provide tenants with a written Department of Housing (DOH) notice summarizing the rights of protected tenants (i.e., certain tenants at least age 62 or with a disability) whenever they rent, or enter or renew an agreement to rent, certain dwelling units.

Finally, the bill makes technical and conforming changes.

\*House Amendment “A” (1) eliminates provisions (a) allowing landlords to accept damage insurance coverage in place of traditional

security deposits and (b) requiring landlords to provide eligible tenants with voter registration applications; (2) advances the deadline by which DOH must prepare a pre-occupancy walk-through checklist; (3) eliminates the \$20 cap on screening report reimbursement fees; (4) expressly exempts security deposits from the underlying bill's limitations on rental application-related fees; and (5) requires landlords of certain dwelling units to provide information about protected tenants' rights to all tenants, rather than only protected tenants.

EFFECTIVE DATE: October 1, 2022

### **§ 1 — PRE-OCCUPANCY WALK-THROUGHS**

Beginning January 1, 2023, the 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.

Under the bill, a “walk-through” means a joint, in-person inspection of a dwelling unit by the landlord and tenant or their designees to note and list the unit's existing conditions, defects, or damages using a DOH checklist. The bill requires the DOH commissioner to prepare this standardized, pre-occupancy walk-through checklist and make it available on DOH's website by December 1, 2022. Following a walkthrough, landlords and tenants or their designees must each sign and receive duplicate copies of the checklist.

When a tenant vacates the dwelling unit, the bill prohibits a landlord from keeping any portion of a tenant's security deposit or seeking payment for a condition, defect, or damage noted in the preoccupancy walk-through checklist. In administrative or judicial proceedings, this checklist is admissible, subject to the rules of evidence, but not conclusive, as evidence of the unit's condition at the beginning of a tenant's occupancy.

### **§ 2 — LIMITS ON APPLICATION FEES FOR PROSPECTIVE TENANTS**

The bill prohibits landlords from requiring prospective tenants to pay rental application-related fees or make any other payments before or at

the start of tenancy unless the fee is for a tenant screening report (or security deposit). Under the bill, a “tenant screening report” means a credit report, a criminal background report, an employment history report, a rental history report, or any combination of these that a landlord uses to determine a prospective tenant’s suitability.

The bill allows landlords to charge prospective tenants a fee or fees to reimburse costs associated with conducting a tenant screening report, if the cumulative fee does not exceed the actual cost of the report. Additionally, the bill requires landlords to waive the tenant screening report fee if a prospective tenant provides a copy of a tenant screening report that (1) is satisfactory to the landlord and (2) was conducted within 30 days of the tenant’s rental application.

### **§ 3 — REQUIRED NOTICE OF PROTECTED TENANT STATUS**

By law, certain tenants have additional protections against evictions and rent increases (see below). These “protected tenants” generally include those residing in dwelling units in buildings or complexes consisting of five or more separate units or mobile manufactured home parks who are (1) at least age 62 or (2) individuals with disabilities. Beginning January 1, 2023, the bill requires landlords or their agents to provide a written DOH notice summarizing these protections to any tenant that rents, or enters or renews an agreement to rent, one of the units described above.

Existing law, unchanged by the bill, prohibits protected tenants from being evicted solely for their lease expiring (i.e., lapse of time). It also requires that their rent only be increased by an amount that is fair and equitable and allows those aggrieved by a rent increase, and residing in a municipality without a fair rent commission, to bring action to contest the increase in Superior Court.

Under the bill, the DOH commissioner must create the one-page, plain-language summary of protected tenants’ rights and post it on the department’s website by January 1, 2023. The bill requires that the notice be available in other languages in addition to English, as determined by the commissioner.

**BACKGROUND**

***Related Bill***

HB 5233 (File 107), favorably reported by the Housing Committee, extends protections available to “protected tenants” to all tenants in those buildings.

**COMMITTEE ACTION**

Housing Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/15/2022)