

OFFICE OF FISCAL ANALYSIS

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sHB-5234

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Department of Housing	GF - Potential Cost	Minimal	None
Revenue Serv., Dept.	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Commissioner of Housing to create a one-page notice of certain tenants' rights and to provide it in languages other than English, as determined by the Commissioner, on the Department of Housing (DOH) website. To the extent additional language versions are provided, there is a cost to DOH of approximately \$500 per language for translation services. There is no cost to DOH to prepare a standardized preoccupancy walk-through checklist and to post it on the agency's website.

The bill also allows landlords to accept damage insurance in lieu of a security deposit, given the damage insurance policy meets certain criteria. The bill appears to establish a new insurance product that is not currently offered in the state. To the extent licensed insurance carriers begin to sell it, there would be a revenue gain to the General Fund from the 1.5% insurance premiums tax on direct written premiums sold.

Primary Analyst: MP
Contributing Analyst(s):
Reviewer: RJW

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The bill also makes various changes impacting landlords and residential tenants that have no fiscal impact because the state is not a direct landlord.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future.

Sources: Department of Housing