

Legal Assistance Resource Center

❖ of Connecticut, Inc. ❖

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S.B. 597 -- Uniform Assignment of Rents Act

Judiciary Committee public hearing -- March 12, 2007

Testimony of Raphael L. Podolsky

Recommended Committee action: SUPPORT WITH RECOMMENDED AMENDMENT

This bill adopts the Uniform Assignment of Rents Act. The bill appears generally to deal fairly with tenants, and we therefore support it. There are, however, two changes that we recommend to Section 13:

(1) Maintenance of the property: In low-income areas, a landlord whose rents have been taken by the assignee is highly unlikely to maintain the building. The current language in the bill is not merely silent on whether the assignee has any responsibility to protect the building but affirmatively states that the assignee has no responsibility. It would be much preferable that this provision not apply to residential properties.

Recommendation: Change Section 13(a) to read: "Unless otherwise agreed by the assignee, and subject to subsection (c) of this section, except in regard to premises occupied as the primary residence of the tenant, an assignee that collects rents following enforcement under section 8 or 9 of this act need not apply them to the payment of expenses of protecting or maintaining the real property subject to the assignment."

(2) Preservation of tenant claims and defenses: Section 13(b) subjects the assignee's right to collect rents from the tenant to "any claim or defense arising from the assignor's [i.e., landlord's] non-performance" of "the agreement" (i.e., the lease) between the assignor and the tenant. While we believe that the statutory duties of landlords and tenants contained in C.G.S. 47a-7, 47a-11, and elsewhere are implied terms of all residential leases in Connecticut, there is enough uncertainty that we think the bill should make clear that the assignee is subject both to claims and defenses related to statutory duties and to those imposed explicitly by the lease.

Recommendation: Change Section 13(b) to read: "Unless a tenant has made an enforceable agreement not to assert claims or defenses,¹ the right of the assignee to collect rents from the tenant is subject to the terms of the agreement between AND THE STATUTORY DUTIES OF the assignor and tenant and TO any claim or defense arising from the assignor's non-performance of SUCH [that] agreement AND STATUTORY DUTIES."

¹With only narrow exceptions, C.G.S. 47a-4(a) prohibits residential tenants from waiving their rights under the Landlord-Tenant Act. As a result, a residential tenant cannot agree by lease not to assert claims and defenses.