



House of Representatives

General Assembly

File No. 135

January Session, 2021

Substitute House Bill No. 6433

House of Representatives, March 25, 2021

The Committee on Housing reported through REP. MCGEE of the 5th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2021*) (a) After the execution of
2 a rental agreement but prior to a tenant's occupancy, a landlord shall
3 offer such tenant the opportunity to inspect the premises of the dwelling
4 unit that is subject to such rental agreement with the landlord or the
5 landlord's agent to determine the condition of such unit. If the tenant
6 requests such inspection, the tenant and landlord shall execute a written
7 agreement after such inspection but before the tenant begins occupancy
8 of the unit attesting to the condition of the unit and specifically noting
9 any existing conditions, defects or damages to the unit determined from
10 such inspection.

11 (b) Upon the tenant's vacating of the dwelling unit, the landlord may
12 not retain any part of the security deposit collected under chapter 831 of
13 the general statutes for any condition, defect or damage that was noted

14 in the written agreement. Such written agreement shall be admissible,
15 but not conclusive, as evidence of the condition of the dwelling unit at
16 the beginning of a tenant's occupancy in any administrative or judicial
17 proceeding.

18 (c) Within a reasonable time after notification of either the landlord's
19 or tenant's intention to terminate the tenancy, the landlord shall provide
20 written notice to the tenant of the tenant's right to request an inspection
21 of the dwelling unit before vacating the dwelling unit and to be present
22 at such inspection. If the tenant requests such inspection, the inspection
23 shall occur not earlier than two weeks before the end of the tenancy at a
24 mutually agreed-upon time. After the inspection, the landlord shall
25 provide the tenant with either (1) a statement that, as of that date, the
26 dwelling unit is in satisfactory condition, or (2) an itemized statement
27 specifying conditions which the landlord proposes to claim as the basis
28 for withholding any portion of the security deposit under section 47a-
29 21 of the general statutes. Any such statement shall be admissible, but
30 not conclusive, as evidence in any administrative or judicial proceeding.

31 (d) The Department of Housing shall (1) provide a standardized
32 inspection checklist for a landlord and tenant to use to document the
33 condition of a dwelling unit during the inspections conducted under
34 subsections (a) and (c) of this section, and (2) make such checklist
35 available on its Internet web site.

36 Sec. 2. Subsection (a) of section 47a-4 of the general statutes is
37 repealed and the following is substituted in lieu thereof (*Effective October*
38 *1, 2021*):

39 (a) A rental agreement shall not provide that the tenant: (1) Agrees to
40 waive or forfeit rights or remedies under this chapter and sections 47a-
41 21, 47a-23 to 47a-23b, inclusive, 47a-26 to 47a-26g, inclusive, 47a-35 to
42 47a-35b, inclusive, 47a-41a, 47a-43 and 47a-46, or under any section of
43 the general statutes or any municipal ordinance unless such section or
44 ordinance expressly states that such rights may be waived; (2)
45 authorizes the landlord to confess judgment on a claim arising out of the
46 rental agreement; (3) agrees to the exculpation or limitation of any

47 liability of the landlord arising under law or to indemnify the landlord
48 for that liability or the costs connected therewith; (4) agrees to waive his
49 right to the interest on the security deposit pursuant to section 47a-21;
50 (5) agrees to permit the landlord to dispossess him without resort to
51 court order; (6) consents to the distraint of his property for rent; (7)
52 agrees to pay the landlord's attorney's fees in excess of fifteen per cent
53 of any judgment against the tenant in any action in which money
54 damages are awarded; (8) agrees to pay a late charge prior to the
55 expiration of the grace period set forth in section 47a-15a, as amended
56 by this act, or to pay rent in a reduced amount if such rent is paid prior
57 to the expiration of such grace period; (9) agrees to pay a late charge on
58 rent payments made subsequent to such grace period, in an amount
59 exceeding the amounts set forth in section 47a-15a, as amended by this
60 act; or [(9)] (10) agrees to pay a heat or utilities surcharge if heat or
61 utilities is included in the rental agreement.

62 Sec. 3. Section 47a-15a of the general statutes is repealed and the
63 following is substituted in lieu thereof (*Effective October 1, 2021*):

64 (a) If rent is unpaid when due and the tenant fails to pay rent within
65 nine days thereafter or, in the case of a one-week tenancy, within four
66 days thereafter, the landlord may terminate the rental agreement in
67 accordance with the provisions of sections 47a-23 to 47a-23b, inclusive.

68 (b) If a rental agreement contains a valid written agreement to pay a
69 late charge in accordance with subsection (a) of section 47a-4, as
70 amended by this act, a landlord may assess a tenant such a late charge
71 on a rent payment made subsequent to the grace period set forth in
72 subsection (a) of this section in accordance with this section. Such late
73 charge may not exceed the lesser of (1) five dollars per day, up to a
74 maximum of twenty-five dollars, or (2) five per cent of the delinquent
75 rent payment or, in the case of a rental agreement paid in whole or in
76 part by a governmental or charitable entity, five per cent of the tenant's
77 share of the delinquent rent payment. The landlord may not assess more
78 than one late charge upon a delinquent rent payment, regardless of how
79 long the rent remains unpaid. Any rent payments received by the

80 landlord shall be applied first to the most recent rent payment due.

81 Sec. 4. Section 47a-1 of the general statutes is repealed and the
82 following is substituted in lieu thereof (*Effective October 1, 2021*):

83 As used in this chapter and sections 47a-21, 47a-23 to 47a-23c,
84 inclusive, 47a-26a to 47a-26g, inclusive, 47a-35 to 47a-35b, inclusive, 47a-
85 41a, 47a-43, [and] 47a-46 and section 1 of this act:

86 (a) "Action" includes recoupment, counterclaim, set-off, cause of
87 action and any other proceeding in which rights are determined,
88 including an action for possession.

89 (b) "Building and housing codes" include any law, ordinance or
90 governmental regulation concerning fitness for habitation or the
91 construction, maintenance, operation, occupancy, use or appearance of
92 any premises or dwelling unit.

93 (c) "Dwelling unit" means any house or building, or portion thereof,
94 which is occupied, is designed to be occupied, or is rented, leased or
95 hired out to be occupied, as a home or residence of one or more persons.

96 (d) "Landlord" means the owner, lessor or sublessor of the dwelling
97 unit, the building of which it is a part or the premises.

98 (e) "Owner" means one or more persons, jointly or severally, in whom
99 is vested (1) all or part of the legal title to property, or (2) all or part of
100 the beneficial ownership and a right to present use and enjoyment of the
101 premises and includes a mortgagee in possession.

102 (f) "Person" means an individual, corporation, limited liability
103 company, the state or any political subdivision thereof, or agency,
104 business trust, estate, trust, partnership or association, two or more
105 persons having a joint or common interest, and any other legal or
106 commercial entity.

107 (g) "Premises" means a dwelling unit and the structure of which it is
108 a part and facilities and appurtenances therein and grounds, areas and

109 facilities held out for the use of tenants generally or whose use is
110 promised to the tenant.

111 (h) "Rent" means all periodic payments to be made to the landlord
112 under the rental agreement.

113 (i) "Rental agreement" means all agreements, written or oral, and
114 valid rules and regulations adopted under section 47a-9 or subsection
115 (d) of section 21-70 embodying the terms and conditions concerning the
116 use and occupancy of a dwelling unit or premises.

117 (j) "Roomer" means a person occupying a dwelling unit, which unit
118 does not include a refrigerator, stove, kitchen sink, toilet and shower or
119 bathtub and one or more of these facilities are used in common by other
120 occupants in the structure.

121 (k) "Single-family residence" means a structure maintained and used
122 as a single dwelling unit. Notwithstanding that a dwelling unit shares
123 one or more walls with another dwelling unit or has a common parking
124 facility, it is a single-family residence if it has direct access to a street or
125 thoroughfare and does not share heating facilities, hot water equipment
126 or any other essential facility or service with any other dwelling unit.

127 (l) "Tenant" means the lessee, sublessee or person entitled under a
128 rental agreement to occupy a dwelling unit or premises to the exclusion
129 of others or as is otherwise defined by law.

130 (m) "Tenement house" means any house or building, or portion
131 thereof, which is rented, leased or hired out to be occupied, or is
132 arranged or designed to be occupied, or is occupied, as the home or
133 residence of three or more families, living independently of each other,
134 and doing their cooking upon the premises, and having a common right
135 in the halls, stairways or yards.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2021	New section

Sec. 2	<i>October 1, 2021</i>	47a-4(a)
Sec. 3	<i>October 1, 2021</i>	47a-15a
Sec. 4	<i>October 1, 2021</i>	47a-1

HSG *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which caps late fees for overdue rent and makes changes related to rental unit inspections, is not anticipated to result in a fiscal impact to the state or municipalities. The Department of Housing has the expertise to provide the standardized inspection checklist required under the bill, and the state is not a direct landlord of residential rental units.

The Out Years

State Impact: None

Municipal Impact: None

Sources: Department of Housing

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)