



CONNECTICUT REALTORS®

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Statement on

HB 6433, AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION, LATE RENTAL PAYMENTS AND DESIGNATION OF A RENTAL HOUSING OMBUDSMAN

OPPOSE

Submitted to the Housing Committee
February 18, 2021

By
Connecticut REALTORS®

Connecticut REALTORS® (CTR) appreciates the opportunity to submit this testimony in **OPPOSITION** to **HB 6433 AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION, LATE RENTAL PAYMENTS AND DESIGNATION OF A RENTAL HOUSING OMBUDSMAN** before the Housing Committee. CTR represents over 17,800 members involved in all aspects of real estate in Connecticut. CTR works with many thousands of buyers, sellers, landlords and tenants annually.

Inspections: It is not reasonable or feasible that landlords and tenants be mandated to coordinate in-person inspections of properties prior to and at the termination of rentals. The legislation suggests there can be a “mutually-agreed time” which may not exist. Small landlords may live out of state or be isolating out of state or out of the area. Tenants may have jobs that do not provide flexibility to go to units during business hours or the times that can work for a landlord. Making this a condition of rental will make some tenants unable to rent properties or landlords to restrict rentals to those who waive that provision. It also creates an opportunity for a default on a contract should one or the other not be able to accommodate a timing the other wants. It’s unclear what happens to the move in date if this isn’t able to happen.

Much damage to the unit happens the day of the move or the tenant may leave a unit with an extreme amount of trash or filth that requires repair and professional cleaning services. An inspection two weeks prior to move out in no way anticipates what the unit will look like immediately following the move.

Late fees: CTR opposes the implementation of an extremely small cap on late fees. There are typically grace periods for receipt of rents that accommodate a few days of late payments. The amount specified in this proposal is too low to be any type of a deterrent to paying within the required time period. Especially small landlords who rely on the rental income to fund the mortgage of the rental property or other expenses such as insurance and taxes, it's important that tenants have a deterrent to extremely late payments.

Application of Late Rents: CTR opposes restricting landlords from applying tenant payments to past due amounts before the current amount due. This is contrary to standard procedures for what happens with debt. Tenant credit histories are damaged when prior past due amounts continue to calculate. These type proposals have the unintended consequence of creating long term damage to such tenant credit histories that will impact both their future rentals and their access to lower interest rate terms.

With the need for rental inventory in Connecticut, CTR urges you to be mindful that creating disincentives for landlords to either establish or to continue to offer rental housing units and opportunities can have both short term and long term detrimental effects for all those needing access to rental real estate.

To conclude, CTR **OPPOSES HB 6433**. Thank you for your consideration of our comments and CTR is available to meet for further discussion.