



# NLIHC State and Local Tenant Protection Series: A Primer on Renters' Rights

## Laws Limiting Rental Junk Fees: Two Case Studies

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**T**enant protections, passed in the form of laws and policies, are critical tools that can protect tenants against rising rental costs, discriminatory and arbitrary eviction practices, and other threats to housing stability. Tenant protections can help level the playing field between landlords and tenants, rectifying the longstanding power imbalance that exists for the lowest-income and most marginalized renters across the country. When passed alongside one another, tenant protections work together to protect tenants at all stages of their lease terms, ensuring that tenants can access safe, stable, and affordable housing of their choosing. Since January 2021, the National Low Income Housing Coalition (NLIHC) has tracked more than 300 [state and local tenant protections](#) that have been enacted to help prevent evictions and keep renters stably housed.

NLIHC's State and Local Innovation (SLI) project's State and Local Tenant Protection Series: A Primer on Renters' Rights is a collection of publications and resources aiming to advance the conversation about state and local tenant protections. The series includes toolkits, case studies, and webinars meant to support advocacy for and passage of "just cause" eviction standards, rent stabilization policies, laws that strengthen habitability standards and code enforcement procedures, and laws that limit excessive rental fees, known as "junk fees," in state and local jurisdictions across the country.

The case studies were developed through analysis of state and local tenant protections, interviews conducted with state and local partners, and work undertaken by students at Duke University in conjunction with members of NLIHC's SLI project team. The purpose of this case study is to help state and local advocates identify successful tactics for advancing, enacting, and implementing protections that address rental junk fees in their own jurisdictions, as well as to survey some of the existing legislation protecting tenants against rising rental costs associated with rental junk fees. It is our hope that the case studies that are part of this series will spark dialogue about the importance of state and local tenant protections and provide insights about how best to approach advocacy in jurisdictions across the country.

To learn more about NLIHC's State and Local Innovation project, please visit: <https://nlihc.org/state-and-local-innovation>



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## Laws Limiting Rental Junk Fees

In recent years, the cost of housing has far outpaced wages for millions of renters, forcing many renter households to spend greater and greater shares of their income on rent and other rental expenses. The resulting strain on household budgets has put renters at greater risk of housing instability and led to higher rates of eviction and homelessness, especially among Black, Indigenous, and other households of color, who are [disproportionately impacted](#) by rising rental costs. In addition to rent itself, these cost burdens often include [fees](#) related to the rental and occupancy of a unit, such as application fees, processing fees, pet fees, convenience fees, administrative fees, late fees, and other types of fees that raise total rental costs. Commonly known as “junk fees,” these costs are often undisclosed, unpredictable, and arbitrary, and they can quickly accumulate for tenants, putting safe and decent rental housing even more out of reach for the lowest-income and most marginalized renters, who [already](#) tend to spend most of their income on rent.

While no federal protections currently exist to regulate excessive rental junk fees for renters in the private rental market, a growing number of state and local legislatures have passed laws limiting rental junk fees. Since 2019, [14 states and eight localities](#) have passed laws regulating such fees. In what follows, we highlight legislation passed

by two states – Connecticut and Rhode Island – to address rental junk fees. The case studies explore the core components of each piece of legislation while also discussing the advocacy efforts by housing advocates in each state that led to passage of the legislation.

### Connecticut’s “Senate Bill 998”

In 2023, Connecticut lawmakers passed “[Senate Bill 998](#),” an omnibus housing bill that regulated rental application fees, tenant screening fees, late payment fees, security deposits, and move in and move out fees, among other things. The bill’s rental junk fee provisions sought to address fees that increased the overall costs associated with rents and that were making housing wholly unaffordable in Connecticut, where in 2022 over half of all renter households were “cost burdened,” or paying 30% of their monthly income on rent, and [27% of all renter households were “severely cost-burdened,”](#) or paying over 50% of their monthly income on rent.

#### BACKGROUND ON THE RENTAL LANDSCAPE IN CONNECTICUT

Even before the COVID-19 pandemic began in 2020, many renter households in Connecticut faced challenges to their housing stability, including rising rental costs, low vacancy rates, and a shortage of affordable and available rental homes, all of which led to heightened risks of eviction. Indeed,

in 2016, [four cities in Connecticut ranked among the 100 cities in the country with the highest eviction rates](#), with Black and Hispanic/Latino renters [overrepresented](#) in eviction filings across the state. [Between 2017 and 2021](#), Black renters were three times more likely than white renters to face eviction, and Hispanic and Latino households were twice as likely as white renters to be subject to an eviction filing.

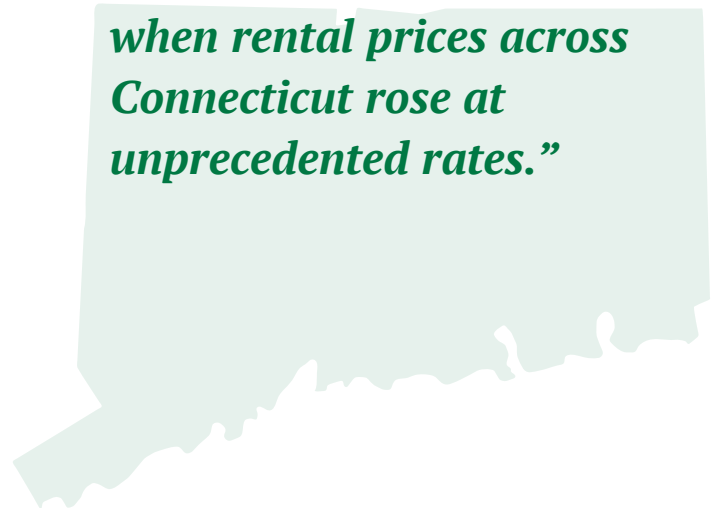
The situation worsened dramatically during the COVID-19 pandemic, when rental prices across Connecticut rose at unprecedented rates. Over a two-year period beginning in 2021, [rental rates rose by as much as 15%](#) in some cities, with rents [increasing between \\$200 and \\$300](#) for tenants in Fairfield, New Haven, Middlesex, and New London counties.

Data from [NLIHC's Out of Reach: The High Cost of Housing](#) report show that by 2022 – just a year prior to the passage of Senate Bill 998 – 40% of the state's low-income renters (i.e., renters making between 50% and 80% of their area median income (AMI)) were cost-burdened and paying more than 30% of their monthly income towards rent and rental costs, while 71% percent of the state's extremely low-income renters (those making less than 30% of AMI) were severely cost-burdened and paying more than half of their monthly income on rent and rental costs.

## **EFFORTS TO ENACT LEGISLATION ADDRESSING RENTAL JUNK FEES IN CONNECTICUT**

To make housing more affordable for tenants, legislative leaders in Connecticut introduced legislation targeting excessive rental costs in the private rental market. In January 2023, Connecticut Senate President Martin Looney (D-11) and Senate Majority Leader Bob Duff (D-25) introduced "[Senate Bill 4](#)" in the Connecticut Senate. In the Connecticut House of Representatives, meanwhile, House Majority Leader Jason Rojas (D-9) and Vice Chair of the Housing Committee Maryam Khan (D-5) introduced "[House Bill 6781](#)" in February of the same year.

***“The situation worsened dramatically during the COVID-19 pandemic, when rental prices across Connecticut rose at unprecedented rates.”***



Senate Bill 4 (“An Act Concerning Connecticut’s Present and Future Housing Needs”) targeted fees related to rental applications, security deposit fees, tenant screening fees, and late fees for nonpayment of rent, while House Bill 6781 (the “Addressing Housing Affordability for Residents in the State Act”) targeted tenant screening fees. Despite having strong legislative champions, neither bill was passed. However, provisions embedded in both bills became key components of Senate Bill 998, which was introduced in the legislature in February 2023 and was sponsored by members of the House Planning and Development Committee, including Representatives Aundre Bumgardner (D-41), Susan Johnson (D-49), and Patricia Dillon (D-92). In addition to including eviction record sealing protections, stronger code enforcement procedures for rental housing, and a provision mandating the creation of a working group to examine solutions for making housing more affordable, Senate Bill 998 contained a number of provisions addressing excessive rental junk fees.

### **WHAT RENTAL JUNK FEE PROTECTIONS ARE INCLUDED IN SENATE BILL 998?**

Senate Bill 998 addresses four types of rental fees: rental application fees, security deposit fees, tenant screening fees, and late fees for non-payment of rent.

**Rental Application Fees:** Prior to the passage of Senate Bill 998, Connecticut was [reported](#) to have a vacancy rate of just 2.1% – one of the lowest vacancy rates of any state in the nation at the time. When vacancy rates are so low, renters are forced to search for housing in a hyper-competitive market with few affordable and available housing options. As a result, prospective tenants must often [submit multiple](#) rental applications at a time, making the housing search not only a daunting but a costly task. Under Senate Bill 998, landlords and property owners are prohibited from charging fees for processing, reviewing, or accepting rental applications. However, landlords may charge a set fee for tenant screening. The law further mandates that a landlord or property owner cannot impose any other move-in fees prior to the start of a tenancy. Under the law, the only fees permitted are security deposit fees, tenant screening fees, and fees associated with a unit’s key(s).

**Security Deposit Fees:** Senate Bill 998 amends existing statewide guidelines for the handling of security deposits in order to ensure that any security deposit is returned promptly and in its entirety at the end of a tenant’s lease term. Under the law, a security deposit must be returned to a tenant within 21 calendar days of the expiration of a lease, reducing the permissible time from the previously established 30 days.

**Tenant Screening Fees:** Senate Bill 998 also addresses junk fees by regulating the fees associated with processing a tenant's screening report. Tenant screening reports are typically single-use documents that provide a landlord or property owner with background information on a prospective tenant, including information about the prospective tenant's credit history. Such reports can be used to determine a tenant's eligibility for housing, though the reports can be [misleading](#) or provide inaccurate information about a tenant. Senate Bill 998 restricts tenant screening fees at \$50, plus any adjustments for changes in the consumer price index (CPI). Under the law, a landlord is also required to provide the tenant with a copy of the tenant screening report, as well as a copy of the receipt or invoice from the company that produced the screening report.

**Late Fees for Non-Payment of Rent:**

Finally, Senate Bill 998 prohibits excessive late fees for non-payment of rent. Prior state law allowed for a grace period during which all tenants aside from those with week-to-week leases had nine days to remit past due rent in full before late fees began to accrue. (Tenants with week-to-week leases had four days to remit past due rent before being subject to late fees.) Senate Bill 998 places a cap on late fees for non-payment of rent, dictating that late fees cannot exceed: (1) \$5 per day and a maximum of \$50, or (2) 5% of the delinquent rent, with a 5% cap on late rent if a tenant is a public assistance housing voucher holder.

A landlord or property owner is also prohibited from charging a tenant more than one late charge for non-payment of rent.

**ENFORCEMENT, INCLUDING PENALTIES**

Though Senate Bill 998 does not explicitly enact penalties for violations related to application fees, tenant screening fees, or late fees, the law reinforces existing penalties regarding security deposit fees that were already codified into law by [State Statute Section 47a-21](#). Under Senate Bill 998, landlords and property owners who fail to return a tenant's security deposit within 21 calendar days of the termination of a tenancy, or 15 calendar days after receiving notice of a tenant's new forwarding address, may be liable to pay twice the amount of the security deposit to the tenant. (It should be noted that this provision of the law might also be enforceable through the [Connecticut Unfair Trade Practices Act, C.G.S. 42-150bb](#).)

**ADVOCACY EFFORTS**

Tenants, tenant advocates, and members of housing justice organizations alike advocated for the passage of Senate Bill 4 and later Senate Bill 998. Local organizations supported passage of the proposed legislation by employing mixed advocacy methods, as well as a tenant-led and tenant-centered approach.

Those involved in advocating for Senate Bill 4 and Senate Bill 998 included a broad range of tenant advocates and multisector advocacy groups in Connecticut. For exam-

ple, [Connecticut Fair Housing Center](#), the [Connecticut Tenants Union](#), the [Partnership for Strong Communities](#), and [Connecticut Voices for Children](#) supported and advocated for Senate Bill 4, House Bill 6781, and Senate Bill 998, [providing testimony](#) regarding each of the bills, among other things.

The [Connecticut Fair Housing Center](#), a former cohort member of NLIHC's End Rental Arrears to Stop Evictions (ERASE) project (2021-2023), was a crucial advocate for the protections embedded in the legislation. A legal service provider and advocacy-focused organization that promotes the rights of renters and homeowners alike to ensure accessibility to fair housing free from discrimination, the organization led an advocacy campaign that used targeted outreach, coalition-building, and engagement with policymakers and housing advocates to help secure the protections embedded in Senate Bill 998.

The Connecticut Fair Housing Center's campaign involved working closely with tenant unions across the state to support grassroots organizing efforts and other legislative efforts to protect renters from rent hikes and exorbitant rental fees. One of these tenant unions was the [Connecticut Tenants Union](#), a grassroots organization seeking to mobilize tenants to promote just, sustainable, and equitable housing. In February 2023, the Connecticut Tenants Union helped to organize tenants by canvassing across the state to educate tenants about the importance of stabilizing rental costs. Connecticut Tenants Union and Connecticut Fair Housing Cen-

ter staff also participated in weekly phone banks, organized five testimony workshops, held weekly briefings to provide legislative strategies, and helped to lobby community members, which led to two [all-night legislative hearings](#) in support of caps on rental fees and costs in the state.

## Rhode Island's "House Bill 6087"

In 2023, lawmakers in Rhode Island passed "[House Bill 6087](#)," a critically important tenant protection bill that prohibits landlords and property owners from charging rental application fees to prospective tenants. Introduced by Representative Cherie Cruz (D-Pawtucket) of the Rhode Island House of Representatives, and part of Speaker of the House Joseph Shekarchi's (D-Warwick) 2023 legislative housing platform – which included a total of 14 bills aimed at addressing the state's housing crisis – House Bill 6087 aims to ensure that prospective renters do not strain their budgets trying to find and secure housing. The bill also includes a provision regarding portable tenant screening reports that allows tenants to reuse their existing background screening reports when applying for housing. Upon its introduction, tenant advocates rallied in support of the bill, which was ultimately passed by the Rhode Island House of Representatives following a 72-0 vote with no debate. House Bill 6087 was signed into law by Governor Dan McKee in June 2023 and went into effect on January 1, 2024.

## WHY ARE LAWS REGULATING RENTAL JUNK FEES NEEDED IN RHODE ISLAND?

For many years, renters in Rhode Island have faced a housing crisis that has resulted in significant housing affordability challenges throughout the state. In 2021, the state ranked last in the nation for housing production per 1,000 residents, with only one housing unit produced per 1,000 residents between 2020 and 2021. Due to underinvestment in new construction, vacancy rates in the state have decreased sharply in recent years, with [the number of vacant units in the state dropping by 30% between 2018 and 2021](#). In consequence, housing affordability has declined precipitously. During the COVID-19 pandemic, [almost half \(47%\) of Rhode Island's renters were cost-burdened](#), paying more than 30% of their monthly income towards rent. Meanwhile, rents in Providence, the state's capital, increased by 25% between February 2019 and February 2023, making the city one of the [three cities](#) nationwide with the highest rental increases during that period.

Throughout the state, declining affordability has impacted low-income tenants in a range of ways. Between 2021 and 2022, [the total number of persons in the state experiencing homelessness increased from 793 to 1,070](#) – a 35% increase – and by March 2023, eviction rates were 64% [higher](#) than the pre-pandemic average in Rhode Island. As elsewhere, declining housing affordability in the state has had a [disproportionate](#) impact on renter households of color. In 2022, 64% of Black households, 67% of Hispanic households,

and 53% of Asian households lived in rental units, while only 31% of white households lived in rental units. During the same year, the shares of Black, Hispanic, and Asian renters reported as being cost burdened were 47%, 48%, and 33%, respectively.

## WHAT PROVISIONS ARE INCLUDED IN HOUSE BILL 6087?

To address the lack of affordable housing and high rental costs, 10 Democratic lawmakers – Representatives Cherie Cruz (D-58), Joseph Shekarchi (D-23), Katherine Kazarian (D-63), June Speakman (D-68), Brandon Potter (D-16), Jennifer Stewart (D-59), Julie Casimiro (D-31), Scott Slater (D-10), Christopher Blazejewski (D-2), and Marvin Abney (D-73) – sponsored the introduction of House Bill 6087 in the Rhode Island House of Representatives in March 2023.

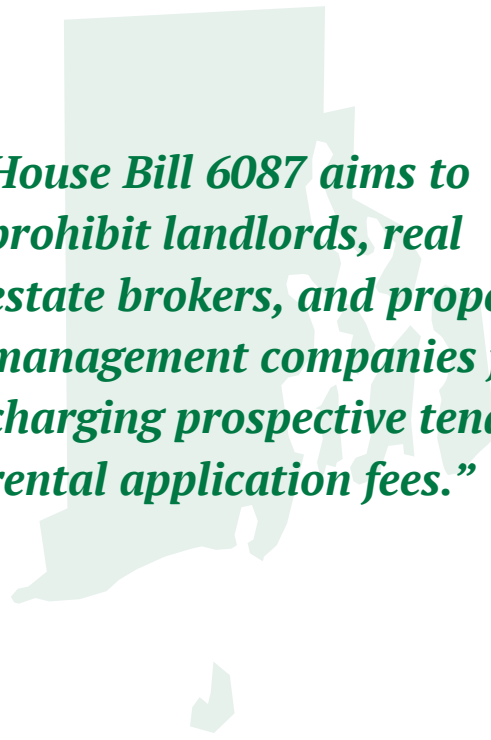
House Bill 6087 aims to prohibit landlords, real estate brokers, and property management companies from charging prospective tenants rental application fees. Under the law, landlords, real estate brokers, and property management companies are prohibited from “requiring or demanding any prospective tenant to pay for a rental application fee,” though the language does not clarify whether there are other application fees that may be charged to a tenant. The law also includes some exemptions regarding tenant screening fees.

An amendment to the bill proposed by Representative David Morales (D-7) in April 2023 permitted tenants to provide their



own official state criminal background check and/or credit report to landlords, so long as such reports had been obtained within the past 90 days. The amendment also prohibited landlords, property managers, and real estate brokers from charging fees to tenants for screening reports when tenants could provide their own reports. In cases when tenants could be charged for tenant screening reports (i.e., when they could not provide their own report), the amendment mandated that a copy of the report – including any accompanying background check or credit report – be provided to the prospective tenant.

Notably, House Bill 6087 does not include any penalties for those who fail to comply with the law.



***“House Bill 6087 aims to prohibit landlords, real estate brokers, and property management companies from charging prospective tenants rental application fees.”***

## ADVOCACY EFFORTS

Tenants and tenant advocates alike came out in full force to advocate for passage of House Bill 6087. The [Housing Network of Rhode Island \(HNRI\)](#) – a multi-sector, membership-based housing advocacy organization and statewide campaign, NLIHC state partner, and former NLIHC ERASE project cohort member – was a critical voice in advocacy efforts for passage of House Bill 6087, as was [Homes RI](#), an initiative created by HNRI in 2017 that currently operates as a standalone organization, with staffing, fiscal management, and organizational support from HNRI.

HNRI conducts its advocacy efforts through (1) convening its member organizations through peer-to-peer learning opportunities and resource sharing; (2) capacity-building that supports technical assistance and organizational capacity; (3) advocacy efforts that seek to bolster development and preservation of affordable housing; and (4) championing on-the-ground efforts and stakeholders to advance economic development within the state.

Homes RI, which seeks to increase the supply of safe, healthy, and affordable homes while reducing the cost burdens faced by Rhode Islanders, focuses on four action areas: (1) increasing community engagement and strengthening political will among members of the public and policymakers; (2) increasing investments in the construction and preservation of affordable housing; (3)

reducing regulatory and economic barriers to residential development; and (4) promoting and implementing equitable laws and policies that expand access to affordable and sustainable homes.

To support passage of House Bill 6087, HNRI and Homes RI provided testimony guidance for advocates and coordinated and developed partnerships with grassroots tenant advocacy groups to ensure that low-income tenants' experiences were elevated. In general, the organizations use multi-sector "collective advocacy" efforts to push for their legislative priorities, and such efforts were especially effective in advocating for passage of House Bill 6087. Between January and July 2023, for example, HNRI and Homes RI engaged with over 80 partners and supporters to promote housing access and stability, including by advancing House Bill 6087.

HNRI and Homes RI also exerted direct pressure on lawmakers through written testimony supporting passage of the bill. In this testimony, Melina Lodge, executive director of HNRI, explained to lawmakers that "[e]liminating rental application fees has several benefits to improve Rhode Islanders' housing stability and to create a fairer rental housing system...[P]assing this legislation will help create a more equitable rental housing system by reducing the potential for discriminatory and predatory practices to occur. It will help level the playing field for tenants of all backgrounds and incomes."

Meanwhile, [dozens of renters](#) also testified in the legislature in support of House Bill 6087, with families speaking about their experiences confronting high rental fees and some witnesses noting that they had spent thousands of dollars just applying for housing.

In addition to HNRI and Homes RI, [Reclaim Rhode Island](#) also provided significant advocacy support for House Bill 6087. The group, which includes Representative Cherie Cruz as a member, is a grassroots organization comprised of volunteers working to mobilize for social and economic justice in Rhode Island. Among other things, the organization led a grassroots campaign to rally tenants in support of the proposed legislation. To advance this campaign, Reclaim Rhode Island [aided tenants in providing written testimony](#) and arranged for tenants to show up in support of the bill in the legislature, where tenant advocates outnumbered landlords at each legislative hearing. Another NLIHC state partner, the [Rhode Island Coalition to End Homelessness](#), also prioritized passage of the bill during the 2023 legislative session.

## **FURTHER EFFORTS TO SAFEGUARD TENANTS AGAINST JUNK FEES**

Building on their success the preceding year, Rhode Island lawmakers passed another piece of important legislation, "House Bill 7647," in 2024. Sponsored by 10 Democratic Representatives, including Representatives Rebecca Kislak (D-4), Cherie Cruz (D-58), Teresa Tanzi (D-34), Leonela Felix (D-61), Joshua Giraldo (D-56), Brandon Voas (D-57),

Jennifer Stewart (D-59), David Morales (D-7), Scott Slater (D-10), and Grace Diaz (D-11), House Bill 7647 strengthens the protections embedded in House Bill 6087 by adding disclosure requirements around certain rental fees. In particular, the bill mandates that a landlord disclose all “required” rental fees involved in an application for a rental listing or in a tenant’s lease agreement prior to tenancy, as well as all fees charged beyond the rental payment itself. The law also prohibits landlords from charging a “convenience fee” to a tenant as part of a rental payment. House Bill 7647 was passed by a 65-3 vote and was signed into law by Governor Dan McKee in June 2024. The law goes into effect on January 1, 2025.

# Looking for more information?

Please visit the NLIHC [Tenant Protections Website](#) or download [NLIHC's Junk Fees Toolkit](#).

