

# HOUSING POLICY STATE AND LOCAL YEAR-IN-REVIEW DECEMBER 2023

The National Apartment Association (NAA) continues to see downstream impacts of the White House Blueprint for a Renters Bill of Rights. While the focus of this effort was an overhaul of federal housing policy, states resoundingly answered the Administration's call to action to adopt policies in line with the Blueprint's principles and shift the balance of roles and responsibilities in the landlord-tenant relationship (which has long been governed by states) in favor of predominantly protecting renters. State and local policymakers kept rent control, resident screening limitations, renters bill of rights and Tenant Opportunity to Purchase Act (TOPA) policies top of mind in 2023. In addition to its federal advocacy efforts on behalf of the rental housing industry, NAA continues to support its affiliate partners at the state and local levels with their advocacy needs.

## RENT CONTROL

#### BY THE NUMBERS

 NAA tracked 91 rent control bills this year, with six passing. Fifteen bills were introduced to preempt or loosen rent control, with three passing. In total, seven states, D.C. and at least 203 local jurisdictions have rent control in some form, while the vast majority of states prohibit rent control.

#### NOTABLE DEVELOPMENTS

 Florida and Montana both passed bills to preempt rent control. In Maryland, rent control passed in Montgomery and Prince George's County and was introduced in Howard County, as well as the cities of Mount Ranier and Hyattsville. In Oregon, annual rent increases were capped at 10% regardless of inflation.

#### • WHY IT MATTERS

 Rent control distorts the housing market by acting as a deterrent and disincentive to develop rental housing, and expedites the deterioration of existing housing stock. While promoted under the guise of preserving affordable housing, the policy hurts the very community it purports to help by limiting accessibility and affordability.

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## RESIDENT SCREENING P

#### • BY THE NUMBERS

 Currently, 26 states have some form of limitation on resident screening practices. Rules governing resident screening practices at the local level can be found throughout the country. In 2023, 127 legislative proposals were introduced around the country with 17 successfully achieving enactment.

#### • **NOTABLE DEVELOPMENTS**

 SB23-184 dramatically changed multiple aspects of screening practices in the state of Colorado. There are limitations on lookback periods for record checks, on credit and eviction history, as well as limitations on security deposits and applicant income thresholds.

#### WHY IT MATTERS

 State and local legislation limiting resident screening restricts housing providers' ability to manage foreseeable risks to residents, employees and their rental communities.

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## RENTERS BILL OF RIGHTS



 In 2023, there were 10 renters bill of rights proposals formally filed at the state level; only one, a bill in Virginia, achieved enactment and it was a modification of 2020 legislation.

#### NOTABLE DEVELOPMENTS

- A resident advocacy group, Tacoma for All, recently pushed a successful campaign to implement an aggressive pro-resident bill of rights ballot measure that took effect on December 8, however, due to the drafting of the initiative, there is no way for the City of Tacoma to enforce these rules administratively.
- Florida passed legislation that preempts local governments' authority to regulate housing provider operations, though several cities have challenged this law having previously adopted renters bill of rights legislation.
- Virginia implemented a renters bill of rights that requires a statement of the renters rights and responsibilities, which was originally adopted in 2020, but was modified to enable housing providers to pursue evictions where a resident refused to sign an acknowledgment of receipt of this statement of rights.

#### WHY IT MATTERS

 Renters bill of rights laws create a confusing patchwork of requirements on housing providers that can circumvent or, in some cases, conflict with the lease agreement that governs rights and the responsibilities that both parties agree to during the lease term, in accordance with existing law.

### **EMERGING TREND**

**Tenant Opportunity to Purchase Act (TOPA)** 

#### BY THE NUMBERS

 At least nine jurisdictions currently have related laws. It was most recently adopted in Baltimore and is very likely to return to the San Francisco Bay Area in 2024.

#### NOTABLE DEVELOPMENTS

• The most recent TOPA action comes from East Palo Alto, Calif., where industry advocacy was able to flip the one city council vote needed to defeat a new law after it had already passed its first reading. This close call victory on the second reading was not certain and future votes across the country should be taken seriously.

#### WHY IT MATTERS

 TOPA increases the time it takes for a rental property to be sold by months or even years and has demonstrated little efficacy in its goal of allowing residents to purchase their units.

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