

2024 -- H 7989

=====  
LC004270  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

—————  
A N A C T

RELATING TO TOWNS AND CITIES -- GENERAL POWERS--TENANT PROTECTION  
ACT

Introduced By: Representative Enrique George Sanchez

Date Introduced: March 05, 2024

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Findings and purpose.

2 The general assembly finds and declares that homelessness, displacement, foreclosure, lack  
3 of affordable rental and ownership opportunities, and excessive rent burden are commonplace  
4 throughout the state. The purpose of this chapter is to provide municipalities with local options for  
5 rent stabilization, just cause eviction protections, condominium conversion ordinances, and other  
6 tenant protections along with provisions for fair return standards for property owners and  
7 exemptions for owner-occupant landlords and new and recently-constructed housing.

8 SECTION 2. Chapter 45-2 of the General Laws entitled "General Powers" is hereby  
9 amended by adding thereto the following section:

10 **45-2-68. Residential rent control.**

11 (a) Every city or town may establish a housing authority, or allow an existing housing  
12 authority, to establish rules and regulations related to residential housing rent control.

13 (b) Any residential rental property subject to this section shall be eligible for a property tax  
14 reduction as established by municipal ordinance.

15 SECTION 3. Title 34 of the General Laws entitled "PROPERTY" is hereby amended by  
16 adding thereto the following chapter:

17 CHAPTER 18.3

18 LIMITATION OF ANNUAL RENT INCREASES AND NO-FAULT EVICTIONS

1           **34-18.3-1. Adoption by city or town.**

2           A city or town may adopt and implement the provisions of this chapter in its entirety in the  
3 manner provided in § 34-18.3-2. The acceptance of this local option by a municipality shall take  
4 effect no later than one hundred eighty (180) days after adoption. A municipality that accepts this  
5 chapter shall adopt an ordinance which effectuates the provisions of this chapter no later than one  
6 hundred eighty (180) days after acceptance.

7           **34-18.3-2. City or town authority -- Limitation of annual rents and no-fault evictions.**

8           A city or town adopting and implementing the provisions of this chapter may, by local  
9 charter provision, ordinance, or majority vote of its governing body or through a local binding  
10 ballot measure, impose a limit on the size of annual rent increases and require that evictions be  
11 based on defined just cause reasons, for certain dwelling units within the municipality.

12           **34-18.3-3. Exemptions.**

13           (a) For the purposes of this chapter, covered dwelling units shall not include:

14           (1) Dwelling units in owner-occupied buildings (unit is occupied as principal residence of  
15 owner) with three (3) or fewer units.

16           (2) Dwelling units whose rent is subject to regulation by a public authority. Occupancy by  
17 a tenant with a mobile housing voucher does not exempt an otherwise covered dwelling unit.

18           (3) College or university dormitories where group sleeping accommodations are provided  
19 in one room, or in a series of closely associated rooms.

20           (4) Facilities for the residential care of the elderly.

21           (5) Dwelling units for which the first residential certificate of occupancy was issued on or  
22 after January 1, 2024, shall be exempt for a period of five (5) years from the date at which such  
23 certificate of occupancy was issued.

24           (b) Where dwelling units are exempt, a notice of exemption shall be provided with the lease  
25 for all tenancies. If there is no written lease for such dwelling units, the tenants-at-will shall be  
26 provided with a written notice of exemption.

27           **34-18.3-4. Limitation of annual rents.**

28           (a) The limit on any annual rent increase for a covered dwelling unit not exempt pursuant  
29 to §34-18.3-3 shall not exceed the annual change in the consumer price index for the applicable  
30 area or five percent (5%), whichever is lower. For the purposes of this chapter, "consumer price  
31 index" refers to the annual twelve (12) month average change in the Consumer Price Index for all  
32 Urban Consumers, New England division (All Items), as published by the Bureau of Labor  
33 Statistics of the United State Department of Labor in September of the prior calendar year.

34           (b) For the purposes of this chapter, the rent amount in place twelve (12) months prior to

1 the date of adoption shall serve as the base rent upon which any annual rent increase shall be  
2 applied. If the dwelling unit is currently vacant, the last rent amount charged shall serve as the base  
3 rent. If there was no previous rent amount, or if no rent has been charged for at least the previous  
4 five (5) years for a dwelling unit not exempted under §34-18.3-3(a), the rent amount the owner first  
5 charges shall serve as the base rent.

6 (c) For purposes of this chapter, when a new tenancy, in which no tenant from the prior  
7 tenancy remains in lawful possession of the dwelling unit, and the rental rate is not otherwise  
8 established pursuant to the provisions of this chapter, the municipality may establish a procedure  
9 setting the maximum allowable initial rent for the unit. This section is only applicable to subsequent  
10 increases after that initial rental rate has been established.

11 **34-18.3-5. Just cause eviction protection.**

12 The provisions of this section shall be applicable to all housing accommodations in any  
13 city or town; provided, however, that the city or town may provide for exemptions from the  
14 provisions of this section and any such exemption shall be included in an ordinance adopted by the  
15 municipality. The city or town that adopts the provisions of this section may, by ordinance, provide  
16 that an owner shall not recover possession of a leased unit within a residential dwelling unit unless  
17 the housing court finds that:

18 (1) The tenant has failed to pay the rent to which the owner is entitled;

19 (2) The tenant has violated an obligation or covenant of the tenant's tenancy not  
20 inconsistent with chapter 18 of title 34, or this section, or the rules and regulations issued pursuant  
21 thereto, other than the obligation to surrender possession upon proper notice; and the tenant has  
22 failed to cure such violation after having received written notice thereof from the owner;

23 (3) The tenant is committing or permitting to exist a nuisance in or is causing substantial  
24 damage to the leased unit, or is creating a substantial interference with the comfort, safety or  
25 enjoyment of the owner or other occupants of the same or any adjacent accommodations;

26 (4) The tenant has used or permitted a leased unit to be used for any illegal purposes;

27 (5) The tenant, who had a written lease agreement which terminated or is a tenant at will,  
28 has refused, after written request or demand by the owner, to execute a written extension or renewal  
29 thereof or lease for a further term of like duration, at a rental rate that does not exceed the percentage  
30 set by the municipality, or the consumer price index, in accordance with this chapter and the  
31 ordinance enacted as a result of this chapter. The term "consumer price index" refers to the annual  
32 twelve (12) month average change in the Consumer Price Index for All Urban Consumers, New  
33 England Division (All Items), as published by the Bureau of Labor Statistics of the United States  
34 Department of Labor in September of the prior calendar year;

1           (6) The tenant has refused the owner reasonable access to the unit for the purpose of making  
2 necessary repairs or improvements required by the laws of the state or any political subdivision  
3 thereof, or for the purpose of inspection as permitted or required by such lessee's lease agreement,  
4 or for the purpose of showing the leased unit to any prospective purchaser or mortgagee;

5           (7) The person holding at the end of a lease term is a subtenant not approved by the owner;

6           (8) The owner seeks in good faith to recover possession of a leased unit for the owner's  
7 own use and occupancy or for the use and occupancy by the owner's spouse, children,  
8 grandchildren, great-grandchildren, parents, grandparents, brother, sister, father-in-law, mother-in-  
9 law, son-in-law, or daughter-in-law, and has provided the tenant with one hundred eighty (180)  
10 days written notice and an offer of a relocation assistance payment equal to at least three (3) month's  
11 rent, unless, for example, a municipality has further provided for a partial or complete exemption  
12 to the relocation assistance payment provision as it applies to low-income or moderate-income  
13 landlords; or

14           (9) The lessor seeks to recover possession for any other just cause; provided that, the  
15 lessor's purpose is not in conflict with the provisions and purposes of chapter 18 of title 34 or this  
16 chapter.

17           (b) A lessor shall notify the clerk's office of the city or town in which the leased unit is  
18 located prior to initiating judicial proceedings in compliance with this section.

19           (c) A lessor who recovers possession of a leased unit in violation of this section shall be  
20 punished by a fine not less than five thousand dollars (\$5,000). Each such recovery in violation of  
21 this section shall constitute a separate offense. The housing court shall have jurisdiction over an  
22 action arising from a violation of this section and shall have jurisdiction in equity to restrain any  
23 such violation. It shall be a defense to a lessee in an action pursuant to this section that a lessor  
24 attempted to recover a leased unit in violation of this section.

25           **34-18.3-6. Condominium and cooperative conversions.**

26           (a) A city or town may, by majority vote of the city or town council, enact an ordinance to  
27 regulate the conversion of housing accommodations in the municipality to the condominium or  
28 cooperative form of ownership and the regulation of rent and the eviction of tenants incident to the  
29 conversion or sale of condominiums. Said ordinance may include, but is not limited to:

30           (1) Provisions for investigations into and hearings on condominium conversions or  
31 proposed conversions;

32           (2) A permit process;

33           (3) Tenant notification requirements;

34           (4) Relocation costs for tenants and other measures to protect tenants;

- 1           (5) Control of evictions;
- 2           (6) Penalties for violation of the ordinance; and
- 3           (7) Exemptions from the provisions of this subsection.

4           The ordinance may establish a condominium review board or vest administrative duties in  
5 an existing municipal board, commission or office. The review board may exercise such powers as  
6 provided by ordinance.

7           (b) A municipality that adopted an ordinance for the regulation of the conversion of  
8 housing accommodations to the condominium or cooperative forms of ownership and evictions  
9 related thereto pursuant to the authority conferred upon the municipality by general or special law  
10 prior to the effective date of this section may continue to exercise such authority. This section shall  
11 not be construed to restrict the authority of said municipality to amend or repeal any ordinance in  
12 accordance with the provisions of said general or special law.

13           (c) A municipality may, by majority vote of the city or town council, adopt this section in  
14 the manner provided herein and a municipality that has adopted this section may, in like manner,  
15 revoke its acceptance.

16           **34-18.3-7. Protection from immediate rent increases.**

17           Unless otherwise provided for in this chapter, the maximum rent of a regulated rental unit  
18 shall be the rent charged the occupant for the month, twelve (12) months prior to the adoption of  
19 this section by a municipality. If the rental unit was unoccupied at that time, but was occupied at  
20 any time prior to adoption of this section, the maximum rent shall be the rent charged therefor for  
21 the month closest to twelve (12) months prior to the effective date of this section. If the maximum  
22 rent is not otherwise established, it shall be established by the city or town as provided for in this  
23 chapter. Any maximum rent may be subsequently adjusted under the provisions of this chapter.

24           **34-18.3-8. Regulation of tenant deposits and fees, including brokers fees.**

25           (a) A city or town that adopts this section may regulate by ordinance the payment of  
26 deposits and non-refundable move-in fees paid by a residential tenant or prospective tenant,  
27 notwithstanding any general or special law to the contrary; provided, however, that no ordinance  
28 shall provide that a lessor may require a tenant or prospective tenant to pay any amount in excess  
29 of the amount provided for in this chapter.

30           (b) Such regulation may include installment payment options for a tenant's last month's  
31 rent and security deposit pursuant to this section.

32           (c) A city or town ordinance may provide that a tenant may elect to pay a security deposit  
33 and last month's rent in installments as follows:

34           (1) For any rental agreement term that establishes a tenancy for six (6) months or longer,

1 the tenant may elect to pay the security deposit and last month's rent in six (6) consecutive, equal  
2 monthly installments that begin at the inception of the tenancy or the tenant may propose an  
3 alternative installment schedule. If the landlord agrees to the tenant's alternative installment  
4 schedule, the schedule shall be described in the rental agreement; and

5 (2) For any other rental agreement term that establishes a tenancy, the tenant may elect to  
6 pay the security deposit and last month's rent in no more than four (4) equal amounts that begin at  
7 the inception of the tenancy and are paid in installments of equal duration or the tenant may propose  
8 an alternative installment schedule. If the landlord agrees to the tenant's alternative installment  
9 schedule, the schedule shall be described in the rental agreement.

10 (d) Landlords may not impose any fee, charge any interest, or otherwise impose a cost on  
11 a tenant because a tenant elects to pay the last month's rent in installments.

12 (e) A landlord who fails to comply with the requirements of any ordinance promulgated  
13 pursuant to this section shall be liable to the tenant for one thousand (\$1,000) dollars plus  
14 reasonable attorney fees and costs in addition to any other remedy available at law.

15 (f) This section shall not apply to a tenant who rents a unit in an owner-occupied dwelling  
16 with three (3) or fewer dwelling units.

17 (g) In addition to the powers granted to a city or town in this section and notwithstanding  
18 any other section to the contrary, a city or town may by local charter provision, ordinance regulate,  
19 limit or prohibit the business of finding dwelling accommodations for a fee.

20 **34-18.3-9. Municipal anti-displacement zones.**

21 (a) A city or town adopting any section in this chapter may, in addition to municipal-wide  
22 implementation of such section, provide for the implementation or exemption of such section's  
23 provisions, in distinct anti-displacement zones, in which it has been determined that residential  
24 households of low-, moderate-, or middle-income have been displaced or are at risk of  
25 displacement, as defined by the municipality.

26 (b) A community organization, as defined by the municipality, may petition the  
27 municipality for the establishment of an anti-displacement zone.

28 **34-18.3-10. Reporting requirements.**

29 Cities and towns adopting this chapter shall provide annual reports to the department of  
30 housing, which shall include, but not be limited to:

31 (1) The text of the ordinance adopting this chapter;

32 (2) Any studies undertaken in informing adoption of the ordinance;

33 (3) The number of units affected by the ordinance; and

34 (4) Any other relevant data as determined by the department of housing.

1           **34-18.3-11. Deceptive trade practices -- Remedies.**

2           Any violation of this section shall be deemed an unfair and deceptive trade practice under  
3 chapter 13.1 of title 6. Any person claiming a violation of this section may pursue remedies under  
4 § 6-13.1-7. The attorney general is hereby authorized to bring an action under § 6-13.1-5 to enforce  
5 this provision and to obtain restitution, civil penalties, injunctive relief, and any other relief awarded  
6 pursuant to chapter 13.1 of title 6.

7           **34-18.3-12. Application to existing law.**

8           Nothing in this chapter shall be construed to interfere with any existing rights or protections  
9 afforded to tenants under current state or federal law.

10           SECTION 4. This act shall take effect upon passage.

=====  
LC004270  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TOWNS AND CITIES -- GENERAL POWERS--TENANT PROTECTION  
ACT

\*\*\*

1           This act would authorize cities and towns to establish a housing authority to adopt tenant  
2 protection measures, including rent control, annual rent increase ordinances and no-fault evictions,  
3 subject to certain exemptions.

4           This act would take effect upon passage.

=====  
LC004270  
=====