



Fiscal Note

Bill number: 250045

Introduced by: Landau

Cosponsor(s): Gauthier, Thomas, Jones, Young, Brooks, O'Rourke, Driscoll and Squilla

Assigned committee: Housing, Neighborhood Development and The Homeless

Date introduced: 01/30/2025

Overview

This bill would establish guidelines to restrict fees housing providers can charge to prospective residential renters.

Legislative Summary

This legislation would prohibit any payments, fees, or charges other than for a background check and/or credit check, for the purpose of assessing a prospective tenant for eligibility for a residential rental. The following limitations would apply to background and credit checks for prospective tenants:

- No fee may be charged if the prospective tenant provides a copy of a background and/or credit check conducted within the last 30 days. This does not prevent the housing provider from conducting additional background and/or credit checks, as long as any associated costs are not passed on to the prospective tenant.
- The total fee for background and/or credit checks must not exceed the actual cost of conducting these checks, or \$20, whichever is lower. Under no circumstances may a fee be charged for a background and/or credit check that is not conducted.
- A housing provider may not charge a prospective tenant more than one fee within a 12-month period for conducting the specified checks in connection with a rental application, whether for the same property or a different one owned by the same housing provider.

If enacted, the bill would prohibit “hard pull” credit checks for the purpose of assessing individuals for residential tenancy.

Housing providers must provide the prospective tenant with access to any background and/or credit checks conducted on their behalf.

All background and/or credit checks must comply with the Fair Credit Reporting Act (15 U.S.C. § 1681), including the requirement, if applicable, to provide the prospective tenant with an adverse action notice.

Proposed Effective Date

This legislation would be effective immediately after enactment.

Fiscal Impact Analysis

There would be no fiscal impact resulting from the enactment of this legislation.

Legislative History

Not applicable

Prepared by: Policy and Fiscal Analyst Unit, Mayor's Office of Legislative Affairs

Date: 02/11/2024

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