

Housing Committee JOINT FAVORABLE REPORT

Bill No.: HB-6892

AN ACT LIMITING THE INCREASE OF RENTAL CHARGES UPON TRANSFER

Title: OF RESIDENTIAL PROPERTY TO A NEW OWNER.

Vote Date: 3/6/2025

Vote Action: Joint Favorable

PH Date: 2/18/2025

File No.: 265

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SPONSORS OF BILL:

Housing Committee

REASONS FOR BILL:

This bill was proposed to provide greater clarity and structure to how local Fair Rent Commissions evaluate rent increases that occur after a change in property ownership. It responds to concerns about affordability and housing stability by establishing that rent increases exceeding 10% in such cases are presumed to be excessive, unless the new owner has completed substantial renovations. This bill aims to protect tenants from sudden and potentially unjustified rent hikes while allowing flexibility for owners who make genuine property improvement. By setting a standard presumption and defining what constitutes a “major renovation,” the bill seeks to ensure a fairer, more predictable process for evaluating rent increases, promoting stability in the rental housing market without imposing broad rent control measures.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Seila Bruno, Commissioner, Department of Housing](#) – Commissioner Seila Bruno testified in support of the bill, stating her belief that it seeks to control the cost of housing by authorizing local fair rent commissions to recognize limits on rent increases imposed by new owners. The Commissioner shared her view that, given current market conditions—including the cost of capital—a rent increase of up to 10% is generally perceived as reasonable. In her opinion, under this proposal, any increase above 10% would be automatically considered excessive unless the new owner completes significant renovations to the property, such as improvements to at least two major building systems (e.g., plumbing, HVAC, electrical, building envelope, or foundation). The Commissioner further expressed her belief that the bill aims to promote housing affordability, and that its impact could be evaluated by tracking

changes in fair market rents over time. She noted that approximately half a dozen states currently have some form of rent increase limitation at the state, city, or county level. While data on the outcomes of those policies may be limited, Commissioner Bruno stated her belief that this proposal, together with the work of local fair rent commissions, could have a positive and stabilizing effect on the housing market.

NATURE AND SOURCES OF SUPPORT:

[Chelsea Connery, Connecticut Fair Housing Center](#) – Chelsea Connery testified in support of the bill and recommended that it be amended to clarify that local Fair Rent Commissions would still have the authority to disallow a smaller rent increase if it is found to be harsh and unconscionable, such as in cases where a unit is unsafe or substandard, as well as to reject a larger increase even when substantial renovations have occurred, if the increase far exceeds the cost of those improvements. Connery shared examples from tenants who reported rent increases ranging from \$200 to over \$2,000, or 20% to 90%, often with little or no improvements made to the property. In her view, such increases allow new owners to displace long-term tenants who have paid rent, followed lease terms, and contributed to the community, effectively removing relatively affordable housing from the market.

The following testimony expressed similar support of the bill:

[Dahlia Romanow, Attorney, Connecticut Fair Housing Center](#)

[Eli Sabin, Legislative Coordinator, CT Voices for Children](#) – Eli Sabin submitted testimony in support of the bill, emphasizing the urgent need to provide tenants with stability in the face of low vacancy rates, rising rents, and the fact that over half of renter households in Connecticut are cost-burdened. He cited data indicating that a \$100 increase in median monthly rent is associated with a 9% rise in homelessness in the affected community. Mr. Sabin noted that tenants across Connecticut have experienced rent increases of 50% to 60% following property transfers, often without meaningful improvements to the units. In his view, setting a cap on rent increases after a change in ownership would be a straightforward and effective way to curb sharp rent hikes. He also stressed that nonpayment of rent is among the most common causes of eviction, and that limiting unanticipated rent increases could help reduce both nonpayment and evictions. Sabin concluded by referencing research that highlights the destabilizing impact of eviction on children, families, and communities.

[Amy Peltier, Coalition and Advocacy Director, The Partnership, PSC](#) – Amy Peltier testified in support of the bill. While acknowledging that the bill does not specifically target the large corporate actors that have reshaped local rental markets, she expressed her belief that it could serve as a deterrent to the broader national trends that are also affecting Connecticut. Peltier cited research showing a connection between rising rents and increased rates of homelessness in communities and pointed out that Connecticut tenants have seen rent hikes of 50% to 60% following changes in property ownership. She recommended clarifying the language around “major renovations” to ensure it reflects not only the number of building systems affected but also the true substance and scale of the work completed. In her view, the term “major” should refer only to substantial, completed renovations, not to proposed or promised upgrades.

[Sana Shah, Director of Policy and Advocacy, The CT Project Action Fund](#) – Sana Shah expressed support for the bill, pointing to the high cost of housing and rent in Connecticut as

placing an unsustainable burden on residents. She argued that this financial pressure highlights the need for stronger tenant protections—particularly in situations where new property owners raise rents significantly without making substantial improvements. Ms. Shah recommended clarifying the bill’s definition of “major renovations” to ensure it includes only those improvements that require municipal permits, such as for electrical, plumbing, HVAC, or structural work. She also raised concerns about the growing influence of institutional investors and private equity firms, which she believes are shifting market dynamics toward ownership concentration. In her view, the bill could help discourage those trends and create more space for local ownership in the housing market.

The following testimonies expressed general support of the bill:

[Ramon Garcia](#)

[Angie Vilca, Member, The Connecticut Project](#)

[Caitlin Rose, Chief Executive Officer, Friendship Service Center Inc](#)

[Isabel Ordonez, The Connecticut Project, Leader](#)

[Connor Lawson, Field Organizer, The Connecticut Project](#)

[Jacob Pudlin](#)

[Sol Braxton, Leader, The Connecticut Project](#)

[Jose Benitez, Leader, The Connecticut Project](#)

[Alicia Karli](#)

[Perla Vanessa Cardoso](#)

[Joshua Caskey](#)

[Luz Irizarry, The Connecticut Project](#)

[Keyin Worth](#)

[Cindy Prizio, President, One Standard of Justice-Inc.](#)

[Daiga Senberga, Leader, The Connecticut Project](#)

[Carol Williams, Trustee, Community Fd of Eastern CT](#)

[Jess Zaccagnino, Policy Counsel, ACLU, CT](#)

NATURE AND SOURCES OF OPPOSITION:

[David Parisier, Managing Director, Paredim Partners, CTAA](#) – David Parisier voiced opposition to the bill, expressing concern that limiting the ability of new property owners to raise rents could discourage developers from entering Connecticut’s housing market. He argued that rental income is often necessary to support both the purchase price and critical renovations or rehabilitations of older properties. Parisier also referenced data from the National League of Cities’ *Housing Supply Accelerator Playbook*, noting that the Northeast is the only region in the country where 20% of housing challenges involve outdated and poor-quality stock. In his view, the bill could worsen these issues by making it more difficult for owners to invest in and improve aging housing infrastructure.

The following testimonies expressed similar opposition to the bill:

[Rachel Bocco, Property Manager, CTAA](#)

[Jennifer Ball, Property Manager, Paredim Partners LLC](#)

[Anonymous](#)

[Jessica Doll, Executive Director, CT Apartment Association](#)

[Randy Casiano, Operations & Marketing, Konover Residential Corporation](#)

[Mark Asnes, Housing Provider, CTAA and CMHA](#)

[Morgan Miller, President Elect, CT Apartment Association](#)

[Moshe Fulda, CTAA](#)

[Debra Churchill, Property Manager, Cue Summitwoods](#)

[Brian Lemire, Senior Director of Operations, Paredim Communities](#)

[Krystel Plourde, Senior Property Manager, Paredim Partners](#)

[Alexandra Downey, Property Manager, Paredim Communities](#)

[Scott Ferguson, Property Manager, Cue Residential LLC](#)

[Krystal Garcia, Asst Property Manager, CTAA/Paredim Partners, LLC](#)

[David Klein, Cue Residential LLC](#)

[Stephanie Neill, Property Manager](#)

[Kristen Perkins, Property Manager, Paredim Communities, CTAA](#)

[Marc Zahariades, CTAA](#)

[Bob De Cosmo, The CT Property Owners Alliance](#) – Bob De Cosmo opposed the bill, asserting that rent control has historically failed to deliver effective results. He warned that the bill could destabilize the housing market by requiring buyers to assess property values based on existing rent rolls rather than projected post-renovation values—potentially driving down comparable sales. In his view, this approach could restrict the flow of new capital into the market and send a signal to lenders that Connecticut is not a viable environment for multi-family lending. He cautioned that this perception could lead to a drying up of mortgage availability, hindering the market’s ability to function properly. De Cosmo referenced the real estate crashes of 1987 and 2008 as examples of the consequences of similar market disruptions.

The following testimonies expressed similar opposition to the bill:

[Omar Khan](#)

[Banmatie Ramlal](#)

[Keshwar Ramlal](#)

[Somatie Ramlal](#)

[Tyler Smith](#)

[Jim Perras, CEO, HBRA of CT](#) – Jim Perras raised strong concerns about the bill, opposing it on the grounds that it could lead to a range of unintended consequences for both tenants and the broader rental market. He argued that the bill could discourage property owners from maintaining or upgrading units, reduce investment in rental housing, and incentivize landlords to raise rents aggressively before selling in anticipation of future restrictions. Mr. Perras also suggested that the policy could depress property values and contribute to instability in the housing market overall.

[Joe Smith](#) – Joe Smith voiced his opposition to the bill, citing a range of concerns about its potential impact on the rental housing market. He argued that the bill could discourage investment in property upkeep, fail to account for real-world operating costs, and create unnecessary barriers to property sales and transfers. Smith also expressed concern that the measure could disproportionately affect small landlords and relies on what he views as an arbitrary standard for defining “major renovations.” As an alternative, he recommended a more balanced approach that incentivizes responsible property ownership through mechanisms like tax credits for renovations, rental assistance programs, or other strategies that support affordability without interfering with fair market operations.

The following testimonies expressed general opposition to the bill:

[Susan Bradford](#)
[Hillary Desideraggio, DSA](#)
[Joseph Mollica, Owner, JNM Property Management](#)
[Anonymous](#)
[Anonymous](#)
[Anonymous](#)
[Robert Jackson](#)
[Samuel Eddinger, Investor](#)
[Peter Sosnow, Principal, Two Paths Investment Partners](#)
[Adam Bonoff, property owner, self](#)
[Debbieann Durkin](#)
[Jacob Reilly](#)
[Naomi Freeman](#)
[Daniel Saunders](#)
[Briona Wallace](#)
[Jim Heckman, General Counsel, CT Realtors](#)
[Nadine Jemmott](#)
[Anne Manusky, National Director, CT Republican Assembly](#)
[Evon Muschinsky](#)
[Julie Scolastico, Property Manager](#)
[John Souza, President, CT Coalition Of Property Owners](#)
[Anonymous](#)

Reported by: Arianna Tsikitas, Clerk
Jasmine Jones, Assistant Clerk

Date: 4/2/2025