
OLR Bill Analysis

sHB 5092

AN ACT PROTECTING RENTERS FROM RENT INCREASES UPON THE TRANSFER OF RESIDENTIAL PROPERTY.

SUMMARY

This bill modifies the factors that fair rent commissions (see BACKGROUND) must generally consider when determining whether a proposed rent increase is excessive (generally meaning “harsh and unconscionable”). Specifically, it requires commissions to consider whether ownership of an accommodation was transferred within the last 12 months. If so, the commission must next determine whether the new owner has completed “major renovations” to the accommodation, meaning those with a total cost exceeding \$50,000.

Under the bill, if a fair rent commission determines that the new owner completed major renovations, it must use existing law’s standards and criteria to assess the proposed rent increase and may order a rent reduction accordingly.

If the fair rent commission determines the new owner has not completed major renovations, the commission must determine the proposed rent increase as excessive if it would increase the accommodation’s rental rate, compared to the previous year’s rate, by more than (a) 5% or (b) the average increase in the consumer price index (CPI) for urban consumers during the most recent calendar year.

If, after holding a hearing, a fair rent commission determines that the proposed rent increase for an accommodation without major renovations is excessive, it must order the owner to limit it to the greater of (1) 5% or (2) the CPI increase discussed above. (It is unclear how a commission carries out this provision in the case of a proposed rent increase that is greater than the CPI increase but less than 5%.)

The bill specifies that its provisions do not prevent a fair rent

commission from determining that a proposed rent increase of less than 5% is excessive based on existing law's standards and criteria.

EFFECTIVE DATE: October 1, 2026

BACKGROUND

Fair Rent Commissions

By law, fair rent commissions are empowered to (1) control and eliminate excessive rental charges and (2) enforce landlord-tenant statutes prohibiting landlord retaliation and establishing eviction protections for certain protected tenants. Among other things, commissions may receive rent complaints and hold hearings on them (CGS § 7-148b et seq.).

The law requires municipalities with a population of at least 15,000, by January 1, 2028, to have a fair rent commission or be part of a joint or regional commission. It also allows other municipalities below this population threshold to have or join one.

Related Bill

sSB 332, reported favorably by the Housing Committee, requires fair rent commissions to notify parties to a hearing of their rights and the scope of the commission's lawful authority.

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute

Yea 13 Nay 6 (03/10/2026)