



House of Representatives

General Assembly

File No. 180

February Session, 2026

Substitute House Bill No. 5092

House of Representatives, March 26, 2026

The Committee on Housing reported through REP. FELIPE of the 130th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-148c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2026*):

3 (a) In determining whether a rental charge or a proposed increase in
4 a rental charge is so excessive, with due regard to all the circumstances,
5 as to be harsh and unconscionable, a fair rent commission shall consider
6 such of the following circumstances as are applicable to the type of
7 accommodation: (1) The rents charged for the same number of rooms in
8 other housing accommodations in the same and in other areas of the
9 municipality; (2) the sanitary conditions existing in the housing
10 accommodations in question; (3) the number of bathtubs or showers,
11 flush water closets, kitchen sinks and lavatory basins available to the
12 occupants thereof; (4) services, furniture, furnishings and equipment
13 supplied therein; (5) the size and number of bedrooms contained
14 therein; (6) repairs necessary to make such accommodations reasonably

15 livable for the occupants accommodated therein; (7) the amount of taxes
16 and overhead expenses, including debt service, thereof; (8) whether the
17 accommodations are in compliance with the ordinances of the
18 municipality and the general statutes relating to health and safety; (9)
19 the income of the petitioner and the availability of accommodations; (10)
20 the availability of utilities; (11) damages done to the premises by the
21 tenant, caused by other than ordinary wear and tear; (12) the amount
22 and frequency of increases in rental charges; (13) whether, and the
23 extent to which, the income from an increase in rental charges has been
24 or will be reinvested in improvements to the accommodations; and (14)
25 whether ownership of the accommodations has been transferred to a
26 new owner within the preceding twelve months.

27 (b) As used in this subsection, "major renovations" means renovations
28 whose total cost exceeds fifty thousand dollars.

29 (1) If ownership of the accommodation has been transferred to a new
30 owner within the preceding twelve months, a fair rent commission shall
31 determine whether the new owner has completed major renovations to
32 the accommodation.

33 (2) If a fair rent commission determines that a new owner has
34 completed major renovations, it shall assess whether the proposed rent
35 increase is harsh and unconscionable or unfair and inequitable pursuant
36 to subsection (a) of this section and section 7-148d, as amended by this
37 act.

38 (3) If a fair rent commission determines that a new owner has not
39 completed major renovations, the commission shall determine any
40 increase over an accommodation's rental rate during the previous
41 calendar year greater than (A) five per cent, or (B) the average increase
42 in the consumer price index for urban consumers during the most recent
43 calendar year, if any, to be so excessive as to be harsh and
44 unconscionable.

45 (4) Nothing in this subsection shall preclude a fair rent commission
46 from determining that a proposed rent increase of five per cent or less is

47 harsh and unconscionable or unfair and inequitable pursuant to
48 subsection (a) of this section and section 7-148d, as amended by this act.

49 Sec. 2. Section 7-148d of the general statutes is repealed and the
50 following is substituted in lieu thereof (*Effective October 1, 2026*):

51 (a) (1) If a commission determines, after a hearing, that the rental
52 charge or proposed increase in the rental charge for any housing
53 accommodation is so excessive, based on the standards and criteria set
54 forth in subsection (a) of section 7-148c, as amended by this act, as to be
55 harsh and unconscionable, it may order that the rent be limited to such
56 an amount as it determines to be fair and equitable.

57 (2) If a commission determines, after a hearing, that the proposed
58 increase is so excessive, pursuant to subdivision (3) of subsection (b) of
59 section 7-148c, as amended by this act, as to be harsh and
60 unconscionable, it shall order that the rent increase for such housing
61 accommodation be limited to the greater of five per cent or the average
62 increase during the most recent calendar year in the consumer price
63 index for urban consumers.

64 (3) If a commission determines, after a hearing, that the housing
65 accommodation in question fails to comply with any municipal
66 ordinance or state statute or regulation relating to health and safety, it
67 may order the suspension of further payment of rent by the tenant until
68 such time as the landlord makes the necessary changes, repairs or
69 installations so as to bring such housing accommodation into
70 compliance with such ordinance, statute or regulation. The rent during
71 said period shall be paid to the commission to be held in escrow subject
72 to ordinances or provisions adopted by the town, city or borough.

73 (b) If the commission determines, after a hearing, that a landlord has
74 retaliated in any manner against a tenant because the tenant has
75 complained to the commission, the commission may order the landlord
76 to cease and desist from such conduct.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	7-148c
Sec. 2	October 1, 2026	7-148d

Statement of Legislative Commissioners:

In Section 1(b)(3), "a unit's" was changed to "an accommodation's" for consistency; and in Section 2(a)(2), a reference to "such housing accommodation" was added for clarity.

HSG *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Various Municipalities	Precludes Grand List Growth	None	Potential

Explanation

The bill may preclude grand list growth in various municipalities beginning in FY 28 by limiting certain rental increases.¹ This may limit an increase in value for rental properties that are valued using the income capitalization method.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of impacted properties.

¹ The bill only impacts municipalities with a fair rent commission as it expands the factors that a fair rent commission must consider when determining if a proposed rent increase is excessive. Municipalities that do not have a fair rent commission will not have an impact.

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)