



General Assembly

February Session, 2026

Governor's Bill No. 5042

LCO No. 626



Referred to Committee on HOUSING

Introduced by:

Request of the Governor Pursuant
to Joint Rule 9

***AN ACT PROTECTING RENTERS FROM RENT INCREASES UPON
CHANGE OF OWNERSHIP.***

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

1 Section 1. Subsection (a) of section 7-148b of the 2026 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2026*):

4 (a) For purposes of this section and sections 7-148c to 7-148f,
5 inclusive, as amended by this act, "seasonal basis" means housing
6 accommodations rented for a period or periods aggregating not more
7 than one hundred twenty days in any one calendar year, "rental charge"
8 includes any fee or charge in addition to rent that is imposed or sought
9 to be imposed upon a tenant by a landlord, [and] "municipality" means
10 a town, city or consolidated town and city and "major renovations"
11 means renovations to at least two primary building systems, including,
12 but not limited to, plumbing, heating and air conditioning, electrical
13 systems, building envelope and building foundation, which require
14 significant expenditure relative to the fair market value of the building.

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 Section 7-148c of the general statutes is repealed and the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

17 (a) In determining whether a rental charge or a proposed increase in
18 a rental charge is so excessive, with due regard to all the circumstances,
19 as to be harsh and unconscionable, a fair rent commission shall consider
20 such of the following circumstances as are applicable to the type of
21 accommodation: (1) The rents charged for the same number of rooms in
22 other housing accommodations in the same and in other areas of the
23 municipality; (2) the sanitary conditions existing in the housing
24 accommodations in question; (3) the number of bathtubs or showers,
25 flush water closets, kitchen sinks and lavatory basins available to the
26 occupants thereof; (4) services, furniture, furnishings and equipment
27 supplied therein; (5) the size and number of bedrooms contained
28 therein; (6) repairs necessary to make such accommodations reasonably
29 livable for the occupants accommodated therein; (7) the amount of taxes
30 and overhead expenses, including debt service, thereof; (8) whether the
31 accommodations are in compliance with the ordinances of the
32 municipality and the general statutes relating to health and safety; (9)
33 the income of the petitioner and the availability of accommodations; (10)
34 the availability of utilities; (11) damages done to the premises by the
35 tenant, caused by other than ordinary wear and tear; (12) the amount
36 and frequency of increases in rental charges; (13) whether, and the
37 extent to which, the income from an increase in rental charges has been
38 or will be reinvested in improvements to the accommodations; and (14)
39 whether ownership of the accommodation has been transferred to a new
40 owner within the preceding twelve months.

41 (b) (1) If ownership of the accommodation has been transferred to a
42 new owner within the preceding twelve months, a fair rent commission
43 shall determine whether the new owner has completed major
44 renovations to the accommodation.

45 (2) If a fair rent commission determines that a new owner has
46 completed major renovations, it shall assess whether the proposed rent

47 increase is harsh and unconscionable or unfair and inequitable pursuant
48 to subsection (a) of this section.

49 (3) If a fair rent commission determines that a new owner has not
50 completed major renovations, the commission shall determine any
51 increase to an existing tenant's rent above the greater of (A) five per cent,
52 or (B) the increase in the most recent calendar year average in the
53 consumer price index for urban consumers to be so excessive as to be
54 harsh and unconscionable.

55 (4) Nothing in this subsection shall preclude a fair rent commission
56 from determining that a proposed rent increase of five per cent or less is
57 harsh and unconscionable or unfair and inequitable pursuant to
58 subsection (a) of this section.

59 Sec. 3. Section 7-148d of the general statutes is repealed and the
60 following is substituted in lieu thereof (*Effective October 1, 2026*):

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

67 (2) If a commission determines, after a hearing, that the proposed
68 increase is so excessive, based on the standards and criteria set forth in
69 subdivision (3) of subsection (b) of section 7-148c, as amended by this
70 act, as to be harsh and unconscionable, it shall order that the rent
71 increase be limited to the greater of five per cent or the increase in the
72 most recent calendar year average in the consumer price index for urban
73 consumers.

74 (3) If a commission determines, after a hearing, that the housing
75 accommodation in question fails to comply with any municipal
76 ordinance or state statute or regulation relating to health and safety, it

77 may order the suspension of further payment of rent by the tenant until
78 such time as the landlord makes the necessary changes, repairs or
79 installations so as to bring such housing accommodation into
80 compliance with such ordinance, statute or regulation. The rent during
81 said period shall be paid to the commission to be held in escrow subject
82 to ordinances or provisions adopted by the town, city or borough.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	7-148b(a)
Sec. 2	<i>October 1, 2026</i>	7-148c
Sec. 3	<i>October 1, 2026</i>	7-148d

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]