

HOUSE No. 4953

The Commonwealth of Massachusetts

PRESENTED BY:

William C. Galvin

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act limiting rent increases and creating a rental arbitrator.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>William C. Galvin</i>	<i>6th Norfolk</i>	<i>5/25/2022</i>

HOUSE No. 4953

By Mr. Galvin of Canton, a petition (subject to Joint Rule 12) of William C. Galvin for legislation to limit rent increases and create a rental arbitrator within the office of the Attorney General. Housing.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act limiting rent increases and creating a rental arbitrator.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to establish forthwith a rental arbitrator and limit rent increases for residential tenants, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 12 of the General Laws, as appearing in the 2020 Official Edition,
2 is hereby amended by adding the following section:-

3 Section 36. (a) For the purposes of this section the following terms shall, unless the
4 context clearly requires otherwise, have the following meanings:-

5 “Chained Consumer Price Index for All Urban Consumers” or “C-CPI-U”, the consumer
6 price index for all urban consumers, defined in 26 U.S.C. § 1(f)(6) and published by the Bureau
7 of Labor Statistics of the Department of Labor.

8 “Dwelling unit”, any building or structure, or any unit therein or part thereof, and all the
9 common areas inside and outside such building or structure, occupied or intended for occupancy

10 as a residence by 1 or more individuals; including manufactured housing or a lot therefor. The
11 term “dwelling unit” shall not include publicly subsidized housing units.

12 “Landlord”, the owner or managing agent of any dwelling unit.

13 “Lease”, an agreement, whether in writing or otherwise, between a landlord and tenant
14 for the rent of a dwelling unit or any room therein.

15 “Rental arbitrator”, a position within the office of the attorney general that receives,
16 reviews and assists in the resolution of complaints from landlords and tenants.

17 “Significant investment or improvement”, the replacement or substantial modification of
18 any structural, electrical, plumbing or mechanical system, and other improvements beyond
19 routine maintenance or cosmetic changes.

20 “Tenant”, a person occupying a dwelling unit.

21 (b) There shall be a rental arbitrator within the office of the attorney general, to be
22 appointed by the attorney general. The rental arbitrator shall receive, review and assist in
23 resolving complaints from tenants and landlords, including complaints regarding rent increase
24 disputes for dwelling units.

25 (c) A landlord shall not increase a tenant’s rent or the total rent of a dwelling unit during
26 any 12-month period, even if a new lease agreement is signed or other rental agreement is
27 entered into, by an amount of more than 5 per cent plus the most recent Chained Consumer Price
28 Index for All Urban Consumers, or 10 per cent, whichever is lower. The landlord may increase
29 the existing tenant’s rent by an amount of more than 5 per cent plus the C-CPI-U, or 10 per cent,
30 whichever is lower, if the landlord can show cause to the tenant for the greater increase, which

31 the landlord shall explain in writing. Cause for a rent increase without restriction may include,
32 but is not limited to: significant investment and improvement by the landlord to the dwelling unit
33 during the preceding 12 calendar months; the introduction of additional tenants to the dwelling
34 unit; or the introduction of pets or additional pets into the dwelling unit. A tenant may appeal a
35 rent increase that violates this subsection to the rental arbitrator.

36 (d) A landlord signing a lease with a new tenant is not subject to the rent increase
37 restrictions of subsection (c). However, a landlord shall not deny the renewal of an existing
38 tenant's lease to avoid the rent increase restrictions of said subsection (c). Tenants may submit
39 complaints of lease nonrenewal in violation of this subsection to the rental arbitrator.

40 (e) Upon the receipt of a credible complaint of a violation of this section, the rental
41 arbitrator shall notify all involved parties and permit them to submit statements and evidence for
42 the arbitrator's review. The rental arbitrator may conduct a hearing. For disputes involving rent
43 increases, the tenant shall continue to pay their existing rent until the rental arbitrator issues a
44 determination on whether the rent increase violates this section. The rental arbitrator shall reach
45 a final determination within 90 calendar days of receipt of the initial complaint.

46 The rental arbitrator's determination that the landlord violated subsection (c) shall serve
47 as an affirmative defense for a tenant to an eviction action for nonpayment of rent.

48 (f) Landlords who violate this section shall return rent overpayments to tenants and may
49 be punished for a first offense by a fine of not more than \$1,000, for a second offense, by a fine
50 of not less than \$1,000.

51 (g) The rental arbitrator may conduct an annual review of the rental market and, if they
52 find that market conditions require it, may permit landlords to increase rent by more than the
53 restrictions provided for in subsection (c).

54 (h) Annually, not later than January 1, the rental arbitrator shall file a report on their
55 activities with the clerks of the house of representatives and senate and the joint committee on
56 housing. The report shall include, but not be limited to: (i) the number of complaints received by
57 the rental arbitrator; (ii) the types of complaints received by the rental arbitrator; (iii) the types of
58 outcomes reached for the complaints received; and (iv) any observations or recommendations of
59 the rental arbitrator on the state of the residential rental market.

60 SECTION 2. Chapter 40P of the General Laws is hereby repealed.