



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3874

Introduced 2/17/2023, by Rep. Hoan Huynh

SYNOPSIS AS INTRODUCED:

New Act
815 ILCS 505/2Z

from Ch. 121 1/2, par. 262Z

Creates the Rent Control Act. Provides that no more than once every 12 months, upon a 90-day written notice, a landlord may increase the rent for a dwelling unit in which a tenant resides by a rate no greater than 15%. Provides that a landlord who temporarily removes a dwelling unit from the rental market and later relists the property for rent may only increase the rental rate charged for the unit in accordance with this Section, regardless of how long the dwelling unit is vacant. Provides that if the unit is vacant for more than 12 months, the permissible percentage change shall be calculated using the gross rental rate charged when the unit was last occupied. Provides that if a tenant is the first tenant to occupy a new dwelling unit, the 12-month period begins the first month in which the rental agreement states the tenant occupied the dwelling unit. Provides that if a new landlord purchases a dwelling or dwelling unit from a landlord with a current rental agreement, the new landlord is subject to the same restrictions as the former landlord and the new owner may only increase rent within the limits of the 12-month period previously established by the former landlord. Allows the Attorney General to enforce a violation of the Act as an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act. Provides that it is an affirmative defense and counterclaim in any eviction action that the landlord has charged rent in excess of the amount allowed under the Act. Makes a corresponding change in the Consumer Fraud and Deceptive Business Practices Act.

LRB103 25926 LNS 52277 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Rent
5 Control Act.

6 Section 5. Definitions. As used in this Act:

7 "Consideration" includes, but is not limited to, money and
8 the fair market value of goods and services rendered for the
9 benefit of the landlord under the rental agreement.

10 "Dwelling" means any privately owned parcel of real
11 property in the State that is assessed and taxed as an
12 undivided whole with one or more dwelling units rented or
13 available for rent for residential use and occupancy on or
14 after the effective date of this Act. "Dwelling" includes a
15 dwelling unit within a common-interest community, including a
16 condominium or cooperative building, that is held out for rent
17 and not occupied by the owner of record. "Dwelling" does not
18 include a commercial unit in a mixed-use development, hospital
19 or skilled nursing facility, transitory dwelling that is not
20 ordinarily occupied by the same tenant for more than 31 days,
21 convent or monastery, extended care facility, asylum or
22 not-for-profit home for the aged, temporary overnight shelter,
23 transitional shelter, dormitory owned and operated by an

1 elementary school, high school, or institution of higher
2 learning, student housing accommodation wherein a housing
3 agreement or housing contract is entered into between the
4 student and an institution of higher learning or student
5 housing wherein the institution exercises control or
6 supervision of the student, or student housing owned and
7 operated by a tax-exempt organization affiliated with an
8 institution of higher learning.

9 "Dwelling unit" refers to any building, structure, or part
10 thereof, or land appurtenant thereto, or any other rental
11 property rented or offered for rent for residential purposes,
12 including any apartment in any building and any trailer or
13 mobile manufactured home, together with all common areas and
14 recreational facilities held out for use by the tenant.

15 "Dwelling unit" does not include a subsidized housing unit or
16 unit with rent that is controlled, regulated, or subsidized by
17 any governmental unit, agency, or authority.

18 "Landlord" means an owner of record, agent, lessor, or
19 sublessor, or the successor in interest of any of them, of a
20 dwelling or dwelling unit.

21 "New dwelling unit" means a dwelling unit that has never
22 previously been occupied by any tenant or that has not been the
23 subject of any rental agreement between any landlord and
24 tenant. "New dwelling unit" does not mean a dwelling unit that
25 is under new ownership if the dwelling unit has previously
26 been occupied by a tenant under a previous landlord or owner.

1 "Rent" means the consideration demanded or received in
2 connection with the use and occupancy of a dwelling unit.

3 "Rent" does not include a security deposit or other fund held
4 in trust for the tenant but includes other fees, costs, and
5 consideration, regardless of whether they are denominated as
6 rent.

7 "Rental agreement" means an agreement, oral, written, or
8 implied, between a landlord and tenant for use or occupancy of
9 a dwelling unit and associated services.

10 "Subsidized housing" has the meaning given to that term in
11 Section 3 of the Subsidized Housing Joint Occupancy Act.

12 "Tenant" means a person entitled by a rental agreement,
13 subtenancy approved by the landlord, or by sufferance, to
14 occupy a dwelling unit.

15 Section 10. Establishment of annual rent increase limit.

16 (a) A landlord may increase the rent no more than once
17 every 12 months. A landlord may not increase the rent beyond
18 what is permitted by this Section, regardless of whether a
19 tenant moves out of, or is otherwise displaced from, the
20 dwelling unit, or ownership or management of the dwelling unit
21 has changed. If a landlord has not increased the rent within 12
22 months before a tenant moves into the dwelling unit, the
23 landlord may only increase the rent to the extent allowed by
24 this Section.

25 (b) No more than once every 12 months, upon a 90-day

1 written notice, a landlord may increase the rent for a
2 dwelling unit in which a tenant resides by a rate no greater
3 than 15%. The permissible percentage change shall be
4 calculated using the lowest gross rental rate charged for that
5 dwelling unit at any time during the 12 months prior to the
6 effective date of the increase.

7 (c) A landlord who temporarily removes a dwelling unit
8 from the rental market and later relists the property for rent
9 may only increase the rental rate charged for the unit in
10 accordance with this Section, regardless of how long the
11 dwelling unit is vacant. If the unit is vacant for more than 12
12 months, the permissible percentage change shall be calculated
13 using the gross rental rate charged when the unit was last
14 occupied.

15 (d) If a tenant is the first tenant to occupy a new
16 dwelling unit, the 12-month period begins the first month in
17 which the rental agreement states the tenant occupied the
18 dwelling unit.

19 (e) If a new landlord purchases a dwelling or dwelling
20 unit from a landlord with a current rental agreement, the new
21 landlord is subject to the same restrictions set forth in this
22 Section and the new owner may only increase rent within the
23 limits of the 12-month period previously established by the
24 former landlord.

25 Section 15. Private enforcement.

1 (a) The Attorney General may enforce any violation of this
2 Act as an unlawful practice under the Consumer Fraud and
3 Deceptive Business Practices Act.

4 (b) It is an affirmative defense and counterclaim in any
5 eviction action that the landlord has charged rent in excess
6 of the amount allowed under this Act.

7 Section 20. The Consumer Fraud and Deceptive Business
8 Practices Act is amended by changing Section 2Z as follows:

9 (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

10 Sec. 2Z. Violations of other Acts. Any person who
11 knowingly violates the Automotive Repair Act, the Automotive
12 Collision Repair Act, the Home Repair and Remodeling Act, the
13 Dance Studio Act, the Physical Fitness Services Act, the
14 Hearing Instrument Consumer Protection Act, the Illinois Union
15 Label Act, the Installment Sales Contract Act, the Job
16 Referral and Job Listing Services Consumer Protection Act, the
17 Travel Promotion Consumer Protection Act, the Credit Services
18 Organizations Act, the Automatic Telephone Dialers Act, the
19 Pay-Per-Call Services Consumer Protection Act, the Telephone
20 Solicitations Act, the Illinois Funeral or Burial Funds Act,
21 the Cemetery Oversight Act, the Cemetery Care Act, the Safe
22 and Hygienic Bed Act, the Illinois Pre-Need Cemetery Sales
23 Act, the High Risk Home Loan Act, the Payday Loan Reform Act,
24 the Predatory Loan Prevention Act, the Mortgage Rescue Fraud

1 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax
2 Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use
3 Tax Act, the Electronic Mail Act, the Internet Caller
4 Identification Act, paragraph (6) of subsection (k) of Section
5 6-305 of the Illinois Vehicle Code, Section 11-1431, 18d-115,
6 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the Illinois
7 Vehicle Code, Article 3 of the Residential Real Property
8 Disclosure Act, the Automatic Contract Renewal Act, the
9 Reverse Mortgage Act, Section 25 of the Youth Mental Health
10 Protection Act, the Personal Information Protection Act, ~~or~~
11 the Student Online Personal Protection Act, or the Rent
12 Control Act commits an unlawful practice within the meaning of
13 this Act.

14 (Source: P.A. 100-315, eff. 8-24-17; 100-416, eff. 1-1-18;
15 100-863, eff. 8-14-18; 101-658, eff. 3-23-21.)