DIGEST

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HB 374 Reengrossed

2021 Regular Session

Duplessis

Abstract: Provides for residential lessee screening including personal hardship statements subsequent to a declared emergency.

<u>Proposed law</u> provides that a landlord may not require payment of an application fee unless the landlord gives written notice to applicants of the following:

- (1) The application fee.
- (2) Whether the landlord considers credit scores, employment history, criminal history, or eviction records.
- (3) That the applicant can submit a statement to the landlord explaining, in 200 words or less, that the applicant has experienced financial hardship because of a state or federally declared disaster or emergency and how the hardship has impacted the applicants credit, employment, or rental history.
- (4) The landlord's notice regarding the applicant's statement of financial hardship is required to reference the COVID-19 pandemic and hurricanes.

<u>Proposed law</u> applies to all landlords of property used as a lessee's primary residence <u>except</u> for owner-occupied buildings with no more than four units.

<u>Proposed law</u> prohibits causes of action and allows for immunity for a lessor's alleged violation of <u>present</u> and <u>proposed law</u>.

(Adds R.S. 9:3258.1)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

- 1. Make technical changes.
- 2. Remove a provision of <u>proposed law</u> requiring a lessor to adopt written screening or admission criteria.

- 3. Remove a provision requiring a lessor to give written notice of the lessor's screening or admission criteria used in deciding whether to rent or lease to the applicant.
- 4. Add a provision requiring a lessor to give written notice as to whether the lessor's screening or admission criteria considers credit, employment history, or eviction records in rental decisions.
- 5. Require a lessor to give written notice of the screening process followed including whether the lessor may rely upon a credit reporting agency.
- 6. Require a lessor to give written notice of the screening process followed including whether the lessor may contact employers or prior lessors.
- 7. Add a provision prohibiting a cause of action against a lessor or a lessor's agents or employees for violating <u>proposed law</u> and granting immunity to a lessor or a lessor's agents or employees from any cause of action for alleged violation of proposed law.
- 8. Clarify that the word "resident" in proposed law refers to a "consumer".
- 9. Clarify that <u>proposed law</u> does not conflict with a credit reporting agency's duties under the Fair Credit Reporting Act.
- 10. Remove a requirement that the name and date of birth of an applicant in a court file must match the name and date of birth of the applicant in a credit report where the credit report includes information from the court file.
- 11. Clarify that regulations in <u>proposed law</u> requiring eviction proceeding outcomes to be accurately reflected in a credit report relates to residential evictions.

The House Floor Amendments to the engrossed bill:

- 1. Make technical changes.
- 2. Change the notice requirements of the lessor to require the lessor to give notice of the amount of the application fee, whether the lessor considers certain criteria, that the applicant may provide the lessor with a written statement of 200 words explaining the applicant's financial hardship because of a declared disaster or emergency and how the applicant has been impacted, and that the lessor's notice regarding the applicant's statement of financial hardship is required to reference the COVID-19 pandemic and hurricanes.
- 3. Clarify that <u>proposed law</u> applies to all lessors of property to be used as a lessee's primary residence.

Remove provisions regarding credit reporting agency reports.

4.