



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3510

Introduced 2/22/2021, by Rep. Edgar Gonzalez, Jr.

SYNOPSIS AS INTRODUCED:

765 ILCS 705/17 new

Amends the Landlord and Tenant Act. Provides that during and after an emergency period beginning on January 1, 2021 and ending on July 1, 2021, a landlord may not, and may not threaten to: (1) deliver a termination notice of a rental agreement based on a tenant's nonpayment balance; (2) initiate or continue an action to take possession of a rental unit based on a termination notice for nonpayment delivered on or after January 1, 2021; (3) take any action that would interfere with a tenant's possession or use of a rental unit based on a tenant's nonpayment balance; (4) assess a late fee or any other penalty on a tenant's nonpayment balance; or (5) report a tenant's nonpayment balance as delinquent to any consumer credit reporting agency. Provides that before applying payments received from a tenant or on behalf of a tenant to a tenant's nonpayment balance, a landlord shall apply the payments in a specified order. Provides that during the emergency period, the landlord may provide a written notice to a tenant stating that the tenant continues to owe any rent due. Provides that, following the emergency period, a tenant with an outstanding nonpayment balance has a 6-month grace period that ends on January 1, 2022, to pay the outstanding nonpayment balance. Provides that the tenant shall notify the landlord of the tenant's intention to use the grace period, and failure to do so entitles the landlord to recover damages equal to 50% of one month's rent following the grace period. Provides that if a landlord violates the provisions, a tenant may obtain injunctive relief to recover possession or address any other violation and may recover from the landlord an amount up to 3 months' periodic rent plus any actual damages. Makes other changes. Effective immediately.

LRB102 14935 LNS 20290 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 5. The Landlord and Tenant Act is amended by
5 adding Sections 17 and 18 as follows:

6 (765 ILCS 705/17 new)

7 Sec. 17. Rent relief during emergency period; termination
8 notice prohibition.

9 (a) As used in this Section:

10 "Emergency period" means the period beginning on
11 January 1, 2021 and ending on July 1, 2021.

12 "Landlord" means the owner, lessor, or sublessor of a
13 rental unit or the building or premises of which the
14 rental unit is a part, or a person who is authorized by the
15 owner, lessor, or sublessor to manage the premises or to
16 enter into a rental agreement.

17 "Nonpayment" means the nonpayment of a payment that
18 becomes due during the emergency period to a landlord,
19 including a payment of rent, late charges, utility or
20 service charges, or any other charge or fee as described
21 in the rental agreement.

22 "Nonpayment balance" includes all or a part of the net
23 total amount of all items of nonpayment by a tenant.

1 "Rental unit" means a structure or part of a structure
2 for use as a commercial space by a tenant.

3 "Tenant" means an individual or organization entitled
4 under a rental agreement to occupy a rental unit to the
5 exclusion of others.

6 "Termination notice without cause" means a notice
7 delivered by a landlord.

8 (b) During and after the emergency period, a landlord may
9 not, and may not threaten to:

10 (1) deliver a termination notice of a rental agreement
11 based on a tenant's nonpayment balance;

12 (2) initiate or continue an action to take possession
13 of a rental unit based on a termination notice for
14 nonpayment delivered on or after January 1, 2021;

15 (3) take any action that would interfere with a
16 tenant's possession or use of a rental unit based on a
17 tenant's nonpayment balance;

18 (4) assess a late fee or any other penalty on a
19 tenant's nonpayment balance; or

20 (5) report a tenant's nonpayment balance as delinquent
21 to any consumer credit reporting agency.

22 (c) Before applying payments received from a tenant or on
23 behalf of a tenant to a tenant's nonpayment balance, a
24 landlord shall first apply the payments, in the following
25 order, to:

26 (1) rent for the current rental period;

1 (2) utility or service charges;

2 (3) late rent payment charges; and

3 (4) fees or charges owed by the tenant under the
4 rental agreement or other fees or charges related to
5 damage claims or other claims against the tenant.

6 (d) During the emergency period, a landlord may provide a
7 written notice to a tenant stating that the tenant continues
8 to owe any rent due. The notice shall also include a statement
9 that eviction for nonpayment is not allowed before July 1,
10 2021.

11 (e) During the emergency period, a landlord may not
12 deliver a termination notice without cause and may not file an
13 action based on a termination notice without cause.

14 If the first year of occupancy would end during the
15 emergency period, for the purposes of a termination notice
16 without cause, the first year of occupancy is extended to mean
17 a period lasting until 30 days following the emergency period.

18 (f) Following the emergency period, a tenant with an
19 outstanding nonpayment balance has a 6-month grace period that
20 ends on January 1, 2022 to pay the outstanding nonpayment
21 balance.

22 (g) Following the emergency period, a landlord may deliver
23 a written notice to a tenant that substantially states:

24 (1) the date that the emergency period ended;

25 (2) that if rent and other payments that come due
26 after the emergency period are not timely paid, the

1 landlord may terminate the tenancy;

2 (3) that the nonpayment balance that accrued during
3 the emergency period is still due and shall be paid;

4 (4) that the tenant will not owe a late charge for the
5 nonpayment balance;

6 (5) that the tenant is entitled to a 6-month grace
7 period to repay the nonpayment balance that ends on July
8 1, 2021;

9 (6) that within a specified date stated in the notice
10 given under this subsection that is no earlier than 14
11 days following the delivery of the notice, the tenant
12 shall pay the nonpayment balance or notify the landlord
13 that the tenant intends to pay the nonpayment balance by
14 the end of the 6-month grace period described in
15 subsection (f);

16 (7) that failure of a tenant to give notice to the
17 landlord of utilization of the grace period described in
18 subsection (f) may result in a penalty described in
19 subsection (i); and

20 (8) that rent and other charges or fees that come due
21 after the emergency period shall be paid as usual or the
22 landlord may terminate the tenancy.

23 (h) The landlord's notice described in subsection (g) may
24 offer an alternate voluntary payment plan for payment of the
25 nonpayment balance, but the notice shall state that the
26 alternate payment plan is voluntary.

1 (i) If a landlord gives a notice as described in
2 subsection (g), a tenant who has an outstanding nonpayment
3 balance as of the date listed on the landlord's notice as
4 described in paragraph (6) of subsection (g) shall notify the
5 landlord of the tenant's intention to use the grace period
6 described in subsection (f) to pay the nonpayment balance. The
7 tenant's notice under this subsection shall be actual notice
8 or notice given by electronic means, and shall be given to the
9 landlord by the date given in the landlord's notice as
10 described in paragraph (6) of subsection (g).

11 A tenant's failure to give the notice required under this
12 subsection to a landlord entitles the landlord to recover
13 damages equal to 50% of one month's rent following the grace
14 period.

15 (j) If a landlord violates this Section, a tenant may
16 obtain injunctive relief to recover possession or address any
17 other violation of this Section and may recover from the
18 landlord an amount up to 3 months' periodic rent plus any
19 actual damages.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.