103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

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Introduced 2/17/2023, by Rep. Lakesia Collins

SYNOPSIS AS INTRODUCED:

See Index

Creates the Keep Illinois Home Act. Provides that no person shall allow to be occupied, or rent to another for occupancy, or charge, accept, or retain rent for any dwelling unit unless the landlord has registered the dwelling unit with the Illinois Housing Development Authority in the residential rental registry created under the provisions. Includes provisions on the form of registration, failure to register, and the administration and enforcement of registry. Provides that the Illinois Supreme Court shall contract with or enter a memorandum of agreement with an administering entity to administer a right to counsel program for tenants. Provides that the administering entity, within the funding available to it for the right to counsel program, shall fund the provision of legal representation by designated organizations under this Section. Provides that a designated organization may subcontract with a nonprofit or community organization to provide legal representation to a covered individual and to provide tenant outreach and education. Contains other requirements for the program. Contains provisions relating to the Small Rental Property Owner Repairs and Improvement Fund, private enforcement of eviction actions, and a Tenant Bill of Rights. Amends the Illinois Income Tax Act adding a rental property capital improvement credit. Amends the State Finance Act, Code of Civil Procedure, Condominium Property Act, and Rent Control Preemption Act making conforming and other changes. Repeals the Retaliatory Eviction Act. Effective immediately.

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AN ACT concerning government.

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

Section 1. Short title. This Act may be cited as the Keep
Illinois Home Act.

6 Section 5. Findings. The General Assembly finds that:

7 (a) There is a significant shortage of safe, affordable, 8 and healthy rental housing in the State, especially for 9 hundreds of thousands of lower-income renters. One-third of 10 residents, or nearly 1.6 million households, depend on rental 11 housing.

(b) The rate at which rent has increased in the State has continued to outpace the increase in residents' real wages, resulting in an increasing rent burden borne by households, especially vulnerable populations. This growing burden threatens the quality and stability of housing available to renters.

18 (c) Many households that depend on rental housing are 19 low-income and are rent-burdened, meaning that they pay more 20 than 30% of the household income on rent. Additionally, some 21 of these households are severely cost-burdened, meaning that 22 the household must devote more than 50% of the household 23 income to paying rent, leaving little for other household - 2 - LRB103 29999 AWJ 56419 b

necessities such as health care, education, vocational
 training, transportation, or utilities.

3 (d) An inability to find affordable housing negatively 4 impacts tenants' economic stability, health and well-being, 5 and capacity to participate in their communities. A lack of 6 stable housing may limit a parent's ability to maintain 7 employment, a child's capacity to succeed at school, and, for 8 lower-income families, the potential to escape the cycle of 9 poverty.

10 (e) Tenants' inability to find and retain affordable 11 housing results in increased rates of involuntary 12 displacement, eviction, and property turnover, creating 13 additional burdens for landlords and property owners, social service agencies, local governments, and the judicial system, 14 15 as well as renter households.

Section 10. Purpose. The purpose of this Act is to promote the maintenance and expansion of the supply of healthy, accessible, safe, and affordable rental housing, and to establish the rights and obligations of landlords and tenants in the rental of dwelling units in the State. This Act is remedial in its general purpose and shall be construed liberally to achieve its objectives.

23 Section 15. Definitions. As used in this Act:

24 "Administering entity" means the organization contracted

by or party to a memorandum of agreement with the
 Administrative Office of the Illinois Courts to administer the
 Right to Counsel Program in accordance with Section 30.

4 "Area median income" means the median income published
5 annually for each metropolitan and nonmetropolitan area by the
6 U.S. Department of Housing and Urban Development.

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 "Covered individual" means any party to a covered matter 11 who is a tenant, lessee, or occupant, for residential 12 purposes, of any land or building, any apartment in any 13 building, any dwelling unit, any trailer or mobile 14 manufactured home, or any land upon which a trailer or mobile 15 manufactured home is used or stands.

16 "Covered matter" means any notice to quit or notice to 17 terminate tenancy delivered to, or any summary process action 18 instituted against, a covered individual under Article IX of 19 the Code of Civil Procedure or any administrative proceeding 20 against a covered individual necessary to preserve a State or 21 federal housing subsidy or to prevent a proposed termination 22 of the lease.

23 "Designated organization" means any not-for-profit legal 24 services organization that provides legal representation in a 25 covered matter to a covered individual.

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"Dwelling" means any privately owned parcel of real

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property in the State that is assessed and taxed as 1 an 2 undivided whole with one or more dwelling units rented or available for rent for residential use and occupancy on or 3 after the effective date of this Act. "Dwelling" includes a 4 5 dwelling unit within a common-interest community, including a condominium or cooperative building, that is held out for rent 6 7 and not occupied by the owner of record. "Dwelling" does not include a commercial unit in a mixed-use development, hospital 8 9 or skilled nursing facility, transitory dwelling that is not 10 ordinarily occupied by the same tenant for more than 31 days, 11 convent or monastery, extended care facility, asylum or 12 not-for-profit home for the aged, temporary overnight shelter, 13 transitional shelter, dormitory owned and operated by an elementary school, high school, or institution of higher 14 learning, student housing accommodation wherein a housing 15 16 agreement or housing contract is entered into between the 17 student and an institution of higher learning or student housing wherein the institution exercises 18 control or supervision of the student, or student housing owned and 19 20 operated by a tax-exempt organization affiliated with an institution of higher learning. 21

"Dwelling unit" refers to any building, structure, or part thereof, or land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes, together with all common areas and recreational facilities held out for use by the tenant. For the purposes of Sections 20

and 25, "dwelling unit" does not include a subsidized housing unit or unit with rent that is controlled, regulated, or subsidized by any governmental unit, agency, or authority.

4 "Landlord" means an owner of record, agent, lessor, or
5 sublessor, or the successor in interest of any of them, of a
6 dwelling or dwelling unit.

7 "Legal representation" means representation in a covered 8 matter provided by a designated organization to a covered 9 individual, and all legal advice, advocacy, and assistance 10 associated with the representation, subject to and in 11 accordance with the Illinois Rules of Professional Conduct.

"Median area rent" means the median of rent charged for a residential dwelling unit with the same number of bedrooms in each county or the other unit of local government as defined by the Illinois Housing Development Authority.

16 "Person with a disability" has the meaning given to that 17 term in paragraph (2) of subsection 2FF of the Consumer Fraud 18 and Deceptive Business Practices Act.

"Rent" means the consideration demanded or received in connection with the use and occupancy of a dwelling unit. "Rent" does not include a security deposit or other fund held in trust for the tenant but includes other fees, costs, and consideration, regardless of whether they are denominated as rent.

25 "Rental agreement" means an agreement, oral, written, or 26 implied, between a landlord and tenant for use or occupancy of

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1 a dwelling unit and associated services.

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

4 "Tenant" means a person entitled by a rental agreement,
5 subtenancy approved by the landlord, or by sufferance, to
6 occupy a dwelling unit.

7 Section 20. Establishment of Residential Rental Registry.

8 (a) The State hereby establishes the Residential Rental 9 Registry and finds and declares that the rental of a dwelling 10 unit constitutes a business or activity which impacts the 11 public health, safety, and general welfare of the people of 12 the State. The intent of this Section is to protect the public 13 health, safety, and general welfare of the people of the State 14 and to further achieve the beneficial purposes of:

15 (1) protecting the character and stability of 16 residential areas;

(2) augmenting the correction and prevention of housing conditions that adversely affect or are likely to adversely affect the health, life, safety, and general welfare, including the physical, mental, and social well-being of a person occupying a dwelling;

(3) gathering information to enable the State, tenant,
and the public to have a better understanding of and
transparency concerning the State's rental housing stock,
its ownership, and condition; and

1 (4) further educating a landlord regarding the 2 landlord's obligations.

(b) No person shall allow to be occupied, or rent to 3 another for occupancy, or charge, accept, or retain rent for 4 5 any dwelling unit unless the landlord has duly registered the dwelling unit with the Illinois Housing Development Authority. 6 7 Each landlord of one or more dwelling unit, including a 8 condominium and cooperative unit, in the State shall register 9 each dwelling unit by January 15th of each year with the 10 Illinois Housing Development Authority. For a condominium and 11 cooperative, the property required to be registered shall be 12 the individual dwelling unit being rented or offered for rent, 13 and not the entire building or development. Within 15 days after a change in ownership of a dwelling unit, the new 14 15 landlord shall notify the Illinois Housing Development 16 Authority of the change.

17 The Illinois Housing Development Authority shall (C) prepare and make available an Internet registration web form 18 for a landlord to complete that collects information the 19 20 Illinois Housing Development Authority deems desirable and necessary to fulfill the purposes of this Section. The data 21 22 collected pursuant to this Section shall be made publicly 23 available in the form of a searchable and exportable database. The information collected from a landlord includes, but is not 24 25 limited to:

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(1) the street address and property index number of

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the building within which any dwelling unit is located;

2 (2) the number of dwelling units in the building, the 3 number of floors in the building, the floor number and 4 unit number or letter designation for each dwelling unit 5 that is or may be available for rent at any time, and the 6 number of bedrooms in each dwelling unit;

7 (3) the rental rate charged at the time of
8 registration for each dwelling unit;

9 (4) the name, street address, email, and telephone 10 number of the landlord;

11 (5) if the landlord is a corporation, partnership, 12 limited partnership, limited liability company, or other entity, the name, title, street address, telephone number, 13 14 associated website address, if any, and email of a 15 responsible individual partner, member, or officer, and of 16 any partner, member, or officer holding a 20% or greater 17 interest in the entity. If no one person holds 20% or greater interest in the entity, the foregoing information 18 19 for each of the 5 persons holding the most interest in the 20 entity shall be disclosed;

(6) the name, street address, email, associated
website address, if any, and telephone number of the
property manager, if different from the landlord; and

(7) the name, street address, telephone number, and
email of the person or entity the tenant is to contact when
requesting repairs be made to the tenant's dwelling unit,

1 and the contact person's business relationship to the 2 owner.

For purposes of this Section, a post office box or commercial mail receiving service shall not be accepted as the landlord's or property manager's address. The building and dwelling unit being registered shall not be accepted as the landlord's address, unless it is the principal place of business or residence of the landlord.

9 Failure to provide required information or to pay the 10 registration fee shall be grounds for Illinois Housing 11 Development Authority to disallow registration.

12 (d) Unless otherwise provided, any person who violates 13 this Section, or provides false or misleading information to 14 the Illinois Housing Development Authority, or violates any rule adopted hereunder, shall be barred and prohibited from 15 16 filing an eviction action or other action under the Code of 17 Civil Procedure seeking possession of any dwelling unit within the building for which the false or misleading information was 18 provided, and shall be fined \$100 per dwelling unit. Each day 19 that a violation exists shall constitute a separate and 20 distinct offense. If the failure of a landlord to register a 21 22 dwelling unit is willful or a landlord knowingly provides 23 false information in a registration statement, then the State shall, in addition to other remedies, claw back or recover any 24 25 financial benefit given, awarded, or credited to the landlord for the 7 years preceding the landlord's act or omission. 26

Liability for a violation of this Section shall be joint and
 several among owners. The remedies available under this
 Section are cumulative and not exclusive.

The Illinois Housing Development Authority shall 4 (e) 5 administer this Section and shall adopt rules for the effective administration of this Section within 90 days of the 6 effective date of this Act. The Illinois Housing Development 7 8 Authority shall consult and cooperate with other pertinent 9 State departments and agencies in the implementation, 10 administration, and enforcement of the provisions of this 11 Section. The Illinois Housing Development Authority shall 12 establish and maintain the rental registry on a user-friendly, publicly accessible, searchable website, and shall include, in 13 14 addition to the registration forms submitted by an owner, registration violations. This website 15 records of shall 16 maintain public access to these records for 10 years. The 17 Illinois Housing Development Authority shall enforce any provision of this Section through an injunction or any other 18 19 suit, action, or proceeding at law or in equity in a court of 20 competent jurisdiction.

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Section 25. Right to Counsel Program.

(a) There is established the Right to Counsel Program for
the purpose of providing any covered individual with legal
representation at no cost in a covered matter, effective one
year after the effective date of this Act.

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(b) The Judicial Branch shall contract with or enter a 1 2 memorandum of agreement with an administering entity to administer the Right to Counsel Program. The administering 3 entity, within the funding available to it for the Right to 4 fund the provision of 5 Counsel Program, shall legal representation by designated organizations under this Section. 6 7 A designated organization may subcontract with a nonprofit or community organization to provide legal representation to a 8 9 covered individual, and to provide tenant outreach and 10 education. A designated organization shall, at a minimum:

(1) have substantial expertise in housing law and
landlord tenant law and substantial experience furnishing
free legal assistance to an eligible individual;

14 (2) have a demonstrated history of serving the 15 low-income community;

16 (3) identify the geographic area in which the17 organization provides legal representation;

18 (4) have a plan to reach and provide legal
19 representation to an income-eligible person with limited
20 English proficiency; and

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(5) provide appropriate supervision and training.

(c) The administering entity may receive funds or services from the State or federal government, corporations, associations, or individuals to fund:

(1) the provision of legal representation to a covered
 individual in a covered matter;

(2) the administration of the Right to Counsel Program
 for the administering entity and designated organization;
 and

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(3) tenant outreach and education.

5 (d) The Judicial Branch, in consultation with the 6 administering entity and designated organization, shall 7 approve a one-page, plain language notice to inform a tenant 8 of the rights under the Right to Counsel Program. Not later 9 than one year after the effective date of this Act, the notice shall be made available on the Judicial Branch's website and 10 11 available to the public. The notice shall include a phone 12 number for accessing information and applying for assistance.

13 On and after October 1, 2022, an owner, lessor, landlord, 14 legal representative, or agent of an owner, lessor, or 15 landlord, a housing authority, or a housing subsidy program 16 administrator, as applicable, shall attach a copy of the 17 notice described to:

18 (1) a notice to quit delivered to a covered individual
19 pursuant to Article IX of the Code of Civil Procedure;

(2) a summons and complaint for an eviction action
 pursuant to Article IX of the Code of Civil Procedure;

(3) a lease termination notice, including for a publicor subsidized housing unit; and

24 (4) a notice to terminate a State or federal housing25 subsidy.

26 Any court notice scheduling a mediation or hearing that is

1 sent to a self-represented party in a covered matter shall 2 include plain language information about the availability of 3 legal representation through the Right to Counsel Program and 4 a phone number for accessing information and applying for 5 assistance.

6 (e) The administering entity, in consultation with the 7 designated organization, shall determine how to phase in the 8 Right to Counsel Program based on all relevant factors, 9 including, but not limited to:

10 (1) the prioritization of certain groups of 11 individuals by income, zip codes, census tracts, or other 12 priority criteria developed in consultation with the 13 designated organization;

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(2) the availability of program funding;

15 (3) the number of trained legal services attorneys
16 available to provide legal representation; and

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(4) the scope of the need for legal representation.

(f) Nothing in this Section shall be construed to establish any right enforceable by a covered individual against a designated organization or the administering entity.

(g) No later than one year after the effective date of this Act, and annually thereafter, the administering entity shall submit a report to the joint standing committees of the General Assembly having cognizance of matters relating to housing and the Judicial Department. The report shall include: (1) the number of covered individuals provided legal HB3709 - 14 - LRB103 29999 AWJ 56419 b

1 representation pursuant to this Section;

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(2) the extent of legal representation provided;

3 (3) any outcomes achieved, such as the rates of tenant
4 representation, tenant retention of housing, or other
5 appropriate outcome measures; and

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(4) the engagement and education of tenants.

Section 30. Small Rental Property Owner Repairs and
Improvement Fund.

9 (a) The Illinois Housing Development Authority shall 10 establish a fund that provides financial support in the form 11 of grants, zero-interest loans, or low-interest loans, to an 12 owner who owns no more than 12 dwelling units and who seeks to 13 conduct capital improvements or significant repairs that would 14 bring one or more dwelling unit into material compliance with 15 habitability and healthy homes standards. To be eligible to 16 receive financial support through the Small Rental Property Owner Repairs and Improvement Fund, the owner shall not charge 17 rent that exceeds the applicable median area rent. 18

(b) When considering and prioritizing applications for the Small Rental Property Owner Repairs and Improvement Fund, the Illinois Housing Development Authority may prioritize, among other factors, applications from a landlord who:

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(1) has not increased rent within the past 12 months;

24 (2) has registered with the Residential Rental25 Registry;

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- (3) has not received funding from the Small Landlord
 Repairs and Improvement Fund in the 3 years prior to
 submitting the landlord's application;
- 4 (4) has maintained a reserve account for maintenance
 5 and repairs;

6 (5) lacks insurance coverage for the repairs to be 7 conducted;

8 (6) has encountered unexpected repairs that 9 significantly reduce the habitability, health, or safety 10 of the dwelling; or

11 (7) meets other criteria as the Illinois Housing12 Development Authority requires.

13 Section 35. Private enforcement.

(a) A landlord who is found liable in a judicial or administrative proceeding, including an eviction action, to a tenant of a dwelling unit for charging an amount of rent for that dwelling unit in excess of that allowed under this Act shall pay the prevailing tenant damages equal to 3 times the total monthly rent charged, together with the actual damages, the tenant's costs, and reasonable attorney's fees.

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

(c) No landlord may terminate or threaten to terminate atenancy, refuse to renew a tenancy, increase rent, or decrease

services for a dwelling unit on the ground that the tenant has 1 2 complained to the landlord, any governmental authority, 3 community organization, or media organization of a bona fide violation of this Act, or worked collectively to organize a 4 5 tenant association or other group to advocate for the tenant's rights under this Act. Any provision in a rental agreement or 6 other agreement or understanding purporting to waive the 7 8 protection provided by this subsection is void and 9 unenforceable. If a landlord is found to have acted in 10 violation of this subsection, the tenant is entitled to recover damages in the amount of 3 times the monthly rent 11 12 charged, together with the tenant's actual damages, the tenant's costs, and reasonable attorney's fees. In an action 13 brought under this subsection, the tenant may also seek to 14 recover possession of the dwelling unit or terminate the 15 16 rental agreement.

17 Section 40. Tenant Bill of Rights.

(a) The rental of the following dwelling units shall not
be governed by this Act, unless the rental agreement thereof
is created to avoid the application of this Act:

(1) a dwelling unit in a hotel, motel, inn, bedand-breakfast establishment, rooming house, and boarding
house, but only until the dwelling unit has been occupied
by a tenant for 32 or more continuous days and the tenant
pays a monthly rent, exclusive of any period of wrongful

occupancy contrary to agreement with an owner. No landlord shall bring an action to recover possession of the unit or avoid renting monthly in order to avoid the application of this Act. Any willful attempt to avoid application of this Act by an owner may be punishable by a criminal or civil action;

7 (2) a housing accommodation in any hospital, convent, extended facility, 8 monastery, care asylum or 9 not-for-profit home for the aged, temporary overnight 10 shelter, transitional shelter, dormitory owned and 11 operated by an elementary school, high school, or 12 institution higher learning, of student housing accommodation wherein a housing agreement or housing 13 14 contract is entered into between the student and an 15 institution of higher learning or student housing wherein 16 the institution exercises control or supervision of the 17 student, or student housing owned and operated by a tax-exempt organization affiliated with an institution of 18 19 higher learning;

(3) a dwelling unit that is occupied by a purchaser pursuant to a real estate purchase contract prior to the transfer of title to the property to the purchaser, or by a seller of property pursuant to a real estate purchase contract subsequent to the transfer of title from the seller;

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(4) a dwelling unit occupied by an employee of a

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1 landlord whose right to occupancy is conditional upon 2 employment in or about the premises; and

3 (5) a dwelling unit in a cooperative occupied by a4 holder of a proprietary lease.

(b) Identification of owner and agent.

6 (1) A landlord or any person authorized to enter into 7 an oral or written rental agreement on the landlord's 8 behalf shall disclose to the tenant in writing at or 9 before the commencement of the tenancy the name, address, 10 and telephone number of:

11 (A) the owner or person authorized to manage the12 premises; and

(B) a person authorized to act for and on behalf of
the owner for the purpose of service of process and for
the purpose of receiving and receipting for notices
and demands.

17 (2) A person who enters into a rental agreement and
18 fails to comply with the requirements of this Section
19 becomes an agent of the landlord for the purpose of:

20 (A) service of process and receiving and
 21 receipting for notices and demands; and

(B) performing the obligations of the landlordunder this Act and under the rental agreement.

(3) The information required under this Section shall
be kept current and this Section extends to and is
enforceable against any successor landlord, owner, or

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manager.

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2 (4) If the landlord fails to comply with this Section, 3 the tenant may terminate the rental agreement under the notice provisions of paragraph (2) of subsection (e). If 4 5 the landlord fails to comply with the requirements of this Section after receipt of written notice under paragraph 6 (2) of subsection (e), the tenant shall recover one 7 8 month's rent or actual damages, whichever is greater. 9 (c) Landlord's right of access. 10 (1) A tenant shall not unreasonably withhold consent 11 to the landlord to enter the dwelling unit: 12 (A) to make a necessary or agreed repair, 13 decoration, alteration, or improvement; 14 (B) to supply a necessary or agreed service; 15 (C) to conduct an inspection authorized or 16 required by any governmental agency; 17 (D) to exhibit the dwelling unit to a prospective 18 actual purchaser, mortgagee, workman, or or 19 contractor: 20 (E) to exhibit the dwelling unit to a prospective tenant 60 days or less prior to the expiration of the 21 22 existing rental agreement; 23 for practical necessity where repairs or (F) 24 maintenance elsewhere in the building unexpectedly 25 require access; 26 (G) to determine a tenant's compliance with

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provisions in the rental agreement; and

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(H) in case of an emergency.

3 (2) A landlord shall not abuse the right of access or
4 use it to harass the tenant.

5 (3) Except in cases where access is authorized by 6 subsection (f) or (h), the landlord shall give the tenant 7 notice of the landlord's intent to enter of no less than 2 8 days.

9 (A) The notice shall be provided directly to each 10 dwelling unit by mail, telephone, written notice to 11 the dwelling unit, or by other reasonable means 12 designed in good faith to provide notice to the 13 tenant.

(B) If access is required because of repair work
for a common facility or other apartment, a general
notice may be given by the landlord to all potentially
affected tenants that entry may be required.

(C) In a case where access is authorized by
subsection (f) or (h), the landlord may enter the
dwelling unit without notice or consent of the tenant.
The landlord shall give the tenant notice of entry
within 2 days after entry.

(D) The landlord may enter only at a reasonable
time, except in the case of an emergency. Entry
between 8:00 a.m. and 8:00 p.m. or at any other time
expressly requested by the tenant is presumed

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(d) The landlord shall maintain the premises in compliance
with all applicable provisions of the relevant law and shall
promptly make any and all repairs necessary to fulfill this
obligation.

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(e) Tenant remedies.

reasonable.

7 (1) For purposes of this subsection, material 8 noncompliance with subsection (d) includes, but is not 9 limited to, the:

10 (A) failure to maintain the structural integrity
11 of the building or structure or parts thereof;

12 (B) failure to maintain floors in compliance with13 the safe load-bearing requirements;

14 (C) failure to comply with the applicable
15 requirements for the number, width, construction,
16 location, or accessibility of exits;

(D) failure to maintain exit, stairway, fire
escape, or directional signs where required;

(E) failure to provide smoke alarms, smoke
detectors, sprinkler systems, standpipe systems, fire
alarm systems, automatic fire detectors, or fire
extinguishers where required;

23 (F) failure to maintain elevators as required by24 law;

25 (G) failure to provide or maintain in good working
 26 order a flush water closet, lavatory basin, bathtub or

1 shower, or kitchen sink; 2 (H) failure to maintain heating facilities or 3 gas-fired appliances as required by law; (I) failure to provide heat or hot water in such 4 5 amounts and at such levels and times as required by 6 law: 7 (J) failure to provide hot and cold running water as required by law; 8 9 (K) failure to provide adequate hall or stairway 10 lighting as required by law; 11 (L) failure to maintain the foundation, exterior 12 walls, or exterior roof in sound condition and repair, 13 substantially watertight, and protected against rodents: 14 (M) failure to maintain floors, interior walls, or 15 16 ceilings in sound condition and good repair; 17 (N) failure to maintain windows, exterior doors, or basement hatchways in sound condition and repair 18 19 and substantially tight, and to provide locks or 20 security devices as required by law, including deadlatch locks, deadbolt locks, sash or ventilation 21 22 locks, and front door windows or peepholes; 23 (O) failure to supply screens where required by 24 law: 25 (P) failure to maintain stairways or porches in 26 safe condition and sound repair;

(O) failure to maintain the basement or cellar in 1 2 a safe and sanitary condition; (R) failure to maintain facilities, equipment, or 3 chimneys in safe and sound working condition; 4 5 (S) failure to prevent the accumulation of 6 stagnant water; 7 (T) failure to exterminate insects, rodents, or 8 other pests; 9 (U) failure to supply or maintain facilities for 10 refuse disposal; 11 (V) failure to prevent the accumulation of 12 garbage, trash, refuse, or debris as required by law; 13 failure to provide adequate light (W) or 14 ventilation as required by law; 15 (X) failure to maintain plumbing facilities, 16 piping, fixtures, appurtenances, and appliances in 17 good operating condition and repair; (Y) failure to provide or maintain electrical 18 19 systems, circuits, receptacles, and devices as 20 required by law; (Z) failure to maintain and repair any equipment 21 22 which the landlord supplies or is required to supply; 23 or (AA) failure to maintain the dwelling unit and 24 25 common areas in a fit and habitable condition. 26 (2) If there is material noncompliance by the landlord

1 with a rental agreement or with subsection (d) either of renders the premises not reasonably fit 2 which and 3 habitable, the tenant, under the rental agreement, may deliver a written notice to the landlord specifying the 4 5 acts or omissions constituting the material noncompliance 6 and specifying that the rental agreement will terminate on 7 a date not less than 14 days after receipt of the notice by landlord, unless the material noncompliance 8 the is 9 remedied by the landlord within the period specified in the notice. If the material noncompliance is not remedied 10 11 within the period specified in the notice, the rental 12 agreement shall terminate, and the tenant shall deliver possession of the dwelling unit to the landlord within 30 13 14 days after the expiration of the period specified in the 15 notice. If possession is not delivered, then the tenant's 16 notice shall be deemed withdrawn and the lease shall 17 remain in full force and effect. If the rental agreement 18 is terminated, the landlord shall return all prepaid rent, 19 security deposits, and interest recoverable by the tenant under subsection (f). 20

(3) If the landlord fails to deliver possession of the dwelling unit to the tenant in compliance with the residential rental agreement or subsection (d), rent for the dwelling unit shall abate until possession is delivered, and the tenant may:

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(A) upon written notice to the landlord, terminate

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the rental agreement, and upon termination the landlord shall return all prepaid rent and security;

(B) demand performance of the rental agreement by 4 5 the landlord and, if the tenant elects, maintain an 6 action for possession of the dwelling unit against the 7 landlord or any person wrongfully in possession and recover the damages sustained by the tenant. If a 8 9 person's failure to deliver possession is willful, an 10 aggrieved person may recover from the person 11 withholding possession an amount not more than 2 12 months' rent or twice the actual damages sustained by 13 the tenant, whichever is greater.

14 (4) If there is material noncompliance by the landlord 15 with the rental agreement or with subsection (d), and the 16 reasonable cost of compliance does not exceed the greater 17 of \$500 or one-half of the monthly rent, the tenant may recover damages for the material noncompliance or may 18 19 notify the landlord in writing of the tenant's intention to correct the condition at the landlord's expense; 20 21 however, this paragraph is not applicable if the 22 reasonable cost of compliance exceeds one month's rent. If 23 the landlord fails to correct the defect within 14 days 24 after being notified by the tenant in writing or as promptly as conditions require 25 in the case of an 26 emergency, the tenant may have the work done in a

1 workmanlike manner and in compliance with existing law and 2 building regulations and, after submitting to the landlord 3 a paid bill from an appropriate tradesperson or supplier, deduct from the tenant's rent the amount thereof, not to 4 5 exceed the limits specified by this paragraph and not to 6 exceed the reasonable price then customarily charged for 7 the work. A tenant shall not repair at the landlord's expense if the condition was caused by the deliberate or 8 9 negligent act or omission of the tenant, a member of the 10 tenant's family, or other person on the premises with the 11 tenant's consent.

12 Before correcting a condition affecting (A) facilities shared by more than one dwelling unit, the 13 14 tenant shall notify all other affected tenants and 15 shall cause the work to be done so as to create the 16 least practical inconvenience to the other tenants. 17 Nothing herein shall be deemed to grant any tenant any right to repair any common element or dwelling unit in 18 19 a building subject to a condominium regime other than 20 in accordance with the declaration and bylaws of the 21 condominium building, so long as the declaration and 22 bylaws have not been created to avoid the application 23 of this Act.

(B) For purposes of mechanics' lien laws, repairs
 performed or materials furnished under this paragraph
 shall not be construed as having been performed or

1 2 furnished pursuant to the authority of or with permission of the landlord.

3 (5) If there is material noncompliance by the landlord with the rental agreement or with subsection (d), the 4 5 tenant may notify the landlord in writing of the tenant's 6 intention to withhold from the monthly rent an amount 7 which reasonably reflects the reduced value of the premises due to the material noncompliance. 8 Ιf the 9 landlord fails to correct the condition within 14 days 10 after being notified by the tenant in writing, the tenant 11 may, during the time the failure continues, deduct from 12 the rent the stated amount. A tenant shall not withhold 13 rent under this paragraph if the condition was caused by 14 the deliberate or negligent act or omission of the tenant, 15 a member of the tenant's family, or other person on the 16 premises with the tenant's consent.

17 (6) If there is material noncompliance by the landlord 18 with the rental agreement or with subsection (d), the 19 tenant may obtain injunctive relief or recover damages by 20 claim or defense. This paragraph does not preclude the 21 tenant from obtaining other relief to which the tenant may 22 be entitled under this Act.

(7) If there is material noncompliance by the landlord with the rental agreement or with subsection (d), either of which constitutes an immediate danger to the health and safety of the tenant or, if, contrary to the rental

agreement or subsection (d), the landlord fails to supply 1 heat, running water, hot water, electricity, gas, or 2 3 plumbing, the tenant may give written notice to the landlord specifying the material noncompliance or failure. 4 5 If the landlord has, pursuant to this paragraph or in the rental agreement, informed the tenant of an address at 6 7 which a notice to the landlord is to be received, the tenant shall mail or deliver the written notice required 8 9 in this paragraph to that address. If the landlord has not informed the tenant of an address at which a notice to the 10 11 landlord is to be received, the written notice required in 12 this paragraph shall be delivered by mail to the last known address of the landlord or by other reasonable means 13 14 designed in good faith to provide written notice to the 15 landlord. After the notice is delivered, the tenant may, 16 during the period of the landlord's noncompliance or 17 failure:

(A) procure reasonable amounts of heat, running
water, hot water, electricity, gas, or plumbing
service, as the case may be and upon presentation to
the landlord of paid receipts deduct the cost from the
rent;

(B) recover damages based on the reduction in thefair rental value of the dwelling unit;

(C) procure substitute housing, in which case thetenant is excused from paying rent for the period of

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the landlord's noncompliance. The tenant may recover the cost of the reasonable value of the substitute housing up to an amount equal to the monthly rent for each month or portion thereof of noncompliance as prorated;

6 (D) withhold from the monthly rent an amount that 7 reasonably reflects the reduced value of the premises due to the material noncompliance or failure if the 8 9 landlord fails to correct the condition within 24 10 hours after being notified by the tenant; however, no 11 rent shall be withheld if the failure is due to the 12 inability of the utility provider to provide service; 13 or

14 (E) terminate the rental agreement by written 15 notice to the landlord if the material noncompliance 16 or failure persists for more than 72 hours after the 17 tenant has notified the landlord of the material noncompliance or failure; however, no termination 18 19 shall be allowed if the failure is due to the inability 20 of the utility provider to provide service. If the rental agreement is terminated, the landlord shall 21 22 return all prepaid rent, security deposits, and 23 interest thereon in accordance with subsection (f), and tenant shall deliver possession of the dwelling 24 25 unit to the landlord within 30 days after the 26 expiration of the 72-hour period specified in the notice. If possession is not delivered, then the
 tenant's notice shall be deemed withdrawn and the
 lease shall remain in full force and effect.

If the tenant proceeds under this paragraph, 4 the 5 tenant may not proceed under subsection (4) or (5). The 6 tenant may not exercise the tenant's rights under this 7 paragraph if the condition was caused by the deliberate or 8 negligent act or omission of the tenant, a member of the 9 tenant's family, or other person on the premises with the 10 tenant's consent. Before correcting a condition, the 11 repair of which will affect more than the tenant's own 12 dwelling unit, the tenant shall notify all other tenants 13 affected and shall cause the work to be done so as to 14 result in the least practical inconvenience to other 15 tenants.

16 (8) If the dwelling unit or common area are damaged or 17 destroyed by fire or casualty to an extent that the 18 dwelling unit is in material noncompliance with the rental 19 agreement or with subsection (d), the tenant may:

(A) immediately vacate the premises and notify the
landlord in writing within 14 days thereafter of the
tenant's intention to terminate the rental agreement,
in which case the rental agreement terminates as of
the date of the fire or casualty;

(B) if continued occupancy is lawful, vacate anypart of the dwelling unit rendered unusable by the

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fire or casualty, in which case the tenant's liability for rent is reduced in proportion to the reduction in the fair rental value of the dwelling unit; or

(C) if the tenant desires to continue the tenancy, 4 5 and if the landlord has promised or begun work to 6 repair the damage or destruction but fails to carry 7 out the work to restore the dwelling unit or common area diligently and within a reasonable time, notify 8 9 the landlord in writing within 14 days after the 10 tenant becomes aware that the work is not being 11 carried out diligently or within a reasonable time of 12 the tenant's intention to terminate the rental 13 in which case agreement, the rental agreement 14 terminates as of the date of the fire or casualty.

15 If the rental agreement is terminated under this 16 paragraph, the landlord shall return all security deposits 17 and prepaid rent in accordance with subsection (f). Accounting for rent in the event of termination or 18 19 apportionment shall be made as of the date of the fire or 20 casualty. A tenant may not exercise remedies in this 21 paragraph if the fire or casualty damage was caused by the 22 deliberate or negligent act or omission of the tenant, a member of the tenant's family, or a person on the premises 23 24 with the tenant's consent.

25 (f) Security deposits.

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(1) A landlord shall hold all security deposits

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1 received bv the landlord in а federally insured 2 interest-bearing account in a bank, savings and loan 3 association, or other financial institution located in the State. A security deposit and interest due thereon shall 4 5 continue to be the property of the tenant making the deposit, shall not be commingled with the assets of the 6 7 landlord, and shall not be subject to the claims of any creditor of the landlord or of the landlord's successors 8 9 in interest, including a foreclosing mortgagee or trustee 10 in bankruptcy.

11 (2) Notwithstanding paragraph (1), a landlord may 12 accept the payment of the first month's rent and security 13 deposit in one check or one electronic funds transfer, and deposit the check or electronic funds transfer into one 14 15 account, if within 5 business days of the acceptance of 16 the check or electronic transfer, the landlord transfers 17 the amount of the security deposit into a separate account that complies with paragraph (1). 18

(3) The name and address of the financial institution 19 20 where the security deposit will be deposited shall be clearly and conspicuously disclosed in the written rental 21 22 agreement signed by the tenant. If no written rental 23 agreement is provided, the landlord shall, within 14 days of receipt of the security deposit, notify the tenant in 24 25 writing of the name and address of the financial 26 institution where the security deposit was deposited.

1 (4) If, during the pendency of the rental agreement, a 2 security deposit is transferred from one financial 3 institution to another, the landlord shall, within 14 days 4 of the transfer, notify the tenant in writing of the name 5 and address of the new financial institution.

(5) Notwithstanding paragraph (1) of subsection (a), a 6 7 landlord shall not be considered to be commingling the security deposits with the landlord's assets if there is 8 9 excess interest in the account in which the security 10 deposits are deposited. As used in this paragraph, "excess 11 interest" means the amount of money in excess of the total 12 amount of security deposits deposited into the account plus any interest due thereon. 13

14 (6) Except as provided for in paragraph (7), any 15 landlord who receives a security deposit from a tenant or 16 prospective tenant shall give the tenant or prospective 17 tenant at the time of receiving the security deposit a receipt indicating the amount of the security deposit, the 18 19 name of the person receiving it, and, in the case of the 20 agent, the name of the landlord for whom the security deposit is received, the date on which it is received, and 21 22 a description of the dwelling unit. The receipt shall be 23 signed by the person receiving the security deposit. 24 Failure to comply with this paragraph shall entitle the 25 tenant to immediate return of the security deposit.

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(7) Upon payment of the security deposit by means of

an electronic funds transfer, the landlord shall give the 1 2 tenant a receipt that complies with paragraph (6) or an 3 electronic receipt that acknowledges the receipt of the security deposit. The electronic receipt shall set forth 4 5 the date of the receipt of the security deposit, the 6 amount of the deposit, a description of the dwelling unit, 7 and an electronic or digital signature of the person receiving the deposit. 8

9 (8) A landlord who holds a security deposit or prepaid 10 rent pursuant to this subsection for more than 6 months 11 shall pay interest to the tenant accruing from the 12 beginning date of the rental term specified in the rental 13 agreement. The landlord shall, within 30 days after the 14 end of each 12-month rental period, pay to the tenant any 15 interest, by cash or credit, to be applied to the rent due.

16 (9) The landlord shall, within 45 days after the date that the tenant vacates the dwelling unit or within 7 days 17 after the date that the tenant provides notice of 18 19 termination of the rental agreement pursuant to paragraph 20 (5) of subsection (e), return to the tenant the security 21 deposit or any balance thereof and the required interest 22 thereon; however, the landlord, or successor landlord, may deduct from the security deposit or interest due thereon 23 24 for:

(A) any unpaid rent which has not been validly
 withheld or deducted pursuant to State or federal law

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or local ordinance; and

2 (B) a reasonable amount necessary to repair any 3 damage caused to the premises by the tenant or any person under the tenant's control or on the premises 4 5 with the tenant's consent, reasonable wear and tear 6 excluded. In case of such damage, the landlord shall 7 deliver or mail to the last known address of the tenant within 30 days an itemized statement of the damages 8 9 allegedly caused to the premises and the estimated or 10 actual cost for repairing or replacing each item on 11 that statement, attaching copies of the paid receipts 12 for the repair or replacement. If an estimated cost is given, the landlord shall furnish the tenant with 13 14 copies of paid receipts or a certification of actual 15 costs of repairs of damage if the work was performed by 16 the landlord's employees within 30 days from the date 17 the statement showing estimated cost was furnished to 18 the tenant.

19 (10) If there is a sale, lease, transfer of ownership or control, or other direct or indirect disposition of 20 21 residential real property by a landlord who has received a 22 security deposit or prepaid rent from a tenant, the 23 successor landlord of the property shall be liable to that 24 tenant for any security deposit, including statutory 25 interest, or prepaid rent which the tenant has paid to the 26 transferor.

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(11) The successor landlord shall, within 14 days from 1 the date of the transfer, notify the tenant who made the 2 3 security deposit by delivering or mailing to the tenant's known address that the security deposit 4 last was 5 transferred to the successor landlord and that the 6 successor landlord is holding the security deposit. The 7 notice shall contain the successor landlord's name, business address, and business telephone number of the 8 9 successor landlord's agent, if any. The notice shall be in 10 writing.

11 (12) The transferor shall remain jointly and severally 12 liable with the successor landlord to the tenant for the 13 security deposit or prepaid rent, unless and until the 14 transferor transfers the security deposit or prepaid rent 15 to the successor landlord and provides notice, in writing, 16 to the tenant of the transfer of the security deposit or 17 prepaid rent, specifying the name, business address and business telephone number of the successor landlord or the 18 19 successor landlord's agent within 10 days of the transfer.

(13) Subject to paragraphs (14) and (15), if the landlord fails to comply with any provision of paragraphs (1) through (12), the tenant shall be awarded damages in an amount equal to 2 times the security deposit plus interest. This paragraph does not preclude the tenant from recovering other damages to which the tenant may be entitled to under this Act.

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1 (14) If a landlord pays the interest on a security 2 deposit or prepaid rent within the 30-day period provided 3 for in paragraph (8), or within the 45-day period provided for in paragraph (9), whichever is applicable, but the 4 5 amount of interest is deficient, the landlord shall not be 6 liable for damages under paragraph (13) unless: 7 the tenant gives written notice to (A) the landlord that the amount of the interest returned was 8 deficient; and 9 10 (B) within 14 days of the receipt of the notice, 11 the landlord fails to either: 12 (i) pay to the tenant the correct amount of 13 interest due plus \$50; or 14 (ii) provide to the tenant a written response which sets forth an explanation of how the 15 16 interest paid was calculated. 17 (15) If the tenant disagrees with the calculation of the interest, as set forth in the written response, the 18 19 tenant may bring a cause of action in a court of competent 20 jurisdiction challenging the correctness of the written response. If the court determines that the interest 21 22 calculation was not accurate, the tenant shall be awarded 23 damages in an amount equal to 2 times the security deposit 24 plus interest. 25 (g) Tenants' notification of foreclosure action. 26 (1) Within 7 days of being served a foreclosure

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complaint, as defined in Section 15-1504 of the Code of 1 Civil Procedure, an owner or landlord of premises that are 2 3 the subject of the foreclosure complaint shall disclose, writing, to all tenants of the premises that a 4 in 5 foreclosure action has been filed against the owner or 6 landlord. An owner or landlord shall also disclose, in 7 writing, the notice of foreclosure to any other third party who has a consistent pattern and practice of paying 8 9 rent to the owner or landlord on behalf of a tenant.

10 (2) Before a tenant initially enters into a rental 11 agreement for a dwelling unit, the owner or landlord shall 12 disclose, in writing, that the owner or landlord is named in a foreclosure complaint. The written disclosure shall 13 14 include the court in which the foreclosure action is 15 pending, the case name, and case number and shall include the following language: "This is not a notice to vacate 16 17 the premises. This notice does not mean ownership of the building has changed. All tenants are still responsible 18 19 for the payment of rent and other obligations under the 20 rental agreement. The owner or landlord is still 21 responsible for the owner's or landlord's obligations 22 under the rental agreement. You shall receive additional 23 notice if there is a change in owner."

(3) If the owner or landlord fails to comply with this
subsection, the tenant may terminate the rental agreement
by written notice. The written notice shall specify the

date of termination no later than 30 days from the date of the written notice. In addition, if a tenant in a civil legal proceeding against an owner or landlord establishes that a violation of this subsection has occurred, the tenant shall be entitled to recover \$200 in damages, in addition to any other damages or remedies to which the tenant may also be entitled.

8 (h) It is declared to be against public policy of the State 9 for a landlord to take retaliatory action against a tenant, 10 except for violation of a rental agreement or violation of a 11 law or ordinance. A landlord may not knowingly terminate a 12 tenancy, increase rent, decrease services, bring or threaten to bring a lawsuit against a tenant for possession, or refuse 13 14 to renew a lease or tenancy because the tenant has, in good 15 faith:

16 (1) complained of a violation applicable to the 17 premises to a competent governmental agency, elected 18 representative, or public official charged with the 19 responsibility for enforcement of a building, housing, 20 health, or similar requirement;

(2) complained of a building, housing, health, or
similar violation or an illegal landlord practice to a
community organization or the news media;

(3) sought the assistance of a community organization
or the news media to remedy a violation or illegal
landlord practice;

1 2 (4) requested the landlord to make repairs to the premises as required by a building code, health ordinance, other regulation, or the residential rental agreement;

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organization; (6) testified in any court or administrative

(5) becomes a member of a tenant's union or similar

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(7) exercised any right or remedy provided by law.

proceeding concerning the condition of the premises; or

9 If the landlord acts in violation of this subsection, the 10 tenant has a defense in any retaliatory action against the 11 landlord for possession and is entitled to recover possession 12 or terminate the rental agreement and, in either case, recover an amount equal to and not more than 2 months' rent or twice 13 14 the damages sustained by the tenant, whichever is greater, and reasonable attorney's fees. If the rental agreement is 15 16 terminated, the landlord shall return all security deposits 17 and interest recoverable under subsection (f) and all prepaid rent. In an action by or against the tenant, if there is 18 19 evidence of tenant conduct protected herein within one year prior to the alleged act of retaliation, that evidence shall 20 create a rebuttable presumption that the landlord's conduct 21 22 was retaliatory. The presumption shall not arise if the 23 protected tenant activity was initiated after the alleged act of retaliation. 24

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Section 50. Prohibition of waiver. The provisions of this

Act may not be waived, and any term of any rental agreement, contract, or other agreement that purports to waive or limit a tenant's substantive or procedural rights under this Act is contrary to public policy, void, and unenforceable.

5 Section 55. Cumulative rights, obligations, and remedies. 6 The rights, obligations, and remedies set forth in this Act 7 shall be cumulative and in addition to any others available at 8 law or in equity.

9 Section 900. The State Finance Act is amended by adding
10 Section 5.990 as follows:

11 (30 ILCS 105/5.990 new)

12 <u>Sec. 5.990. The Small Rental Property Owner Repairs and</u>
 13 <u>Improvement Fund.</u>

Section 905. The Illinois Income Tax Act is amended by adding Section 234 as follows:

16 (35 ILCS 5/234 new)
 17 Sec. 234. Rental property capital improvement credit.
 18 (a) For taxable years beginning after this amendatory Act
 19 of the 103rd General Assembly, there shall be allowed a tax
 20 credit against the tax imposed by subsections (a) and (b) of
 21 Section 201 equal to 3% of the real property taxes paid by a

1 <u>qualified taxpayer for each dwelling that the qualified</u> 2 <u>taxpayer owns and that contains at least one dwelling unit</u> 3 <u>registered with the residential rental registry. To be</u> 4 <u>qualified to claim this credit, the taxpayer must own no more</u> 5 <u>than 12 dwelling units, and not charge rents that exceed the</u> 6 <u>applicable median area rent.</u>

7 (b) For taxable years beginning after this amendatory Act 8 of the 103rd General Assembly, there shall be allowed a tax 9 credit against the tax imposed by subsections (a) and (b) of 10 Section 201 in an amount equal to the amount of capital 11 improvements to a dwelling that a taxpayer owns and that 12 contains at least one dwelling unit registered with the residential rental registry. The credit allowed under this 13 14 subsection in no case may exceed 25% of the real property taxes paid by the taxpayer for the dwelling for which improvements 15 16 are claimed.

17 (c) A taxpayer may apply for a tax credit under subsection 18 (a) or (b), or both.

19 (d) To obtain a tax credit or tax credits pursuant to this 20 Section, the taxpayer must apply with the Department of Commerce and Economic Opportunity. The Department of Commerce 21 22 and Economic Opportunity shall determine the amount of 23 eligible amounts under subsection (a) or capital improvements 24 under subsection (b). Upon approval of a tax credit, the 25 Department of Commerce and Economic Opportunity shall issue a certificate in the amount of the eligible credits. The 26

1 <u>taxpayer must attach the certificate to the tax return on</u> 2 which the credits are to be claimed. The Department of 3 <u>Commerce and Economic Opportunity may adopt rules to implement</u> 4 this Section.

- 5 (e) The tax credit under subsection (a) or (b), or both,
 6 may not reduce the taxpayer's liability to less than zero.
- 7 (f) As used in this Section:
- 8 <u>"Capital improvements" means capital improvements</u> 9 <u>allowed under Section 263 of the Internal Revenue Code, as</u> 10 codified at Title 26 of the U.S. Code.
- 11 <u>"Dwelling", "dwelling unit", and "median area rent",</u>
 12 <u>have the meanings given to those terms in the Keep</u>
 13 Illinois Home Act.
- 14"Residential rental registry" means the registry15created under Section 20 of the Keep Illinois Home Act.
- Section 910. The Rent Control Preemption Act is amended by changing Sections 5, 6, and 10 as follows:
- 18 (50 ILCS 825/5)
- 19 Sec. 5. Rent control prohibited; exceptions.

(a) A unit of local government, as defined in Section 1 of
Article VII of the Illinois Constitution, shall not enact,
maintain, or enforce an ordinance or resolution that would
have the effect of controlling the amount of rent charged for
leasing private residential or commercial property.

(b) This Act does not impair the right of a unit of local
 government to manage and control residential property in which
 the unit of local government has a property interest.

- 4 (c) The prohibition in subsection (a) does not apply where
 5 voters of a unit of local government have approved a
 6 referendum under Section 6.
- 7 (Source: P.A. 90-313, eff. 8-1-97.)

8 (50 ILCS 825/6 new)

9 <u>Sec. 6. Rent control regulation.</u>

10 (a) Legal voters of a unit of local government may, by 11 petition, propose a referendum to determine whether the unit 12 of local government shall no longer be prohibited from 13 enacting, maintaining, or enforcing an ordinance or resolution that would have the effect of controlling the amount of rent 14 15 charged for leasing private residential or commercial 16 property. Such a petition shall, at least 104 days before an election, be filed in the office of the clerk of such unit of 17 18 local government and contain signatures of not less than 8% of the total votes cast for candidates for Governor in the 19 20 preceding gubernatorial election by the registered voters of 21 the unit of local government. The referendum shall 22 substantially be in the following form: "Shall (unit of local 23 government) be permitted to enact, maintain, or enforce an 24 ordinance or resolution that would have the effect of controlling the amount of rent charged for leasing private 25

1	residential or commercial property?". The referendum shall be
2	submitted to the voters of the unit of local government at the
3	next election at which such referendum may be voted upon.
4	(b) Legal voters of a district, precinct, ward, or other
5	similar subdivision of a unit of local government may, by
6	petition, propose a referendum to determine whether the unit
7	of local government shall no longer be prohibited from
8	enacting, maintaining, or enforcing an ordinance or resolution
9	that would have the effect of controlling the amount of rent
10	charged for leasing private residential or commercial property
11	within that district, precinct, ward, or similar subdivision.
12	Such a petition shall, at least 104 days before an election, be
13	filed in the office of the clerk of such unit of local
14	government and contain the signatures of not less than 16% of
15	the legal voters registered with the board of election
16	commissioners or county clerk, as the case may be, from the
17	district, precinct, ward, or similar subdivision. The
18	referendum shall substantially be in the following form:
19	"Shall (unit of local government) be permitted to enact,
20	maintain, or enforce an ordinance or resolution that would
21	have the effect of controlling the amount of rent charged for
22	leasing private residential or commercial property within
23	(district, precinct, ward, or other similar subdivision)?".
24	The referendum shall be submitted to the voters of the
25	district, precinct, ward, or other similar subdivision of the
26	unit of local government at the next election at which such

1 referendum may be voted upon.

2 (c) The referendum shall be submitted to the voters under 3 subsection (a) or (b) when the petition has been filed in proper form with the clerk. If more than one set of petitions 4 5 are presented to the clerk for submission at the same election, the petition presented first shall be given 6 7 preference; however, the clerk shall provisionally accept any 8 other set of petitions set forth the same (or substantially 9 the same) referendum. If the first set of petitions for a 10 referendum is found to be in proper form and is not found to be 11 invalid, it shall be accepted by the clerk and all 12 provisionally accepted sets of petitions setting for the same (or substantially the same) referendum shall be rejected by 13 14 the clerk. If the first set of petitions for a referendum is found not to be in proper form or is found to be invalid, the 15 16 clerk shall (i) reject the first set of petitions, (ii) accept 17 the first provisionally accepted set of petitions that is in proper form and is not found to be invalid, and (iii) reject 18 19 all other provisionally accepted sets of petitions setting 20 forth the same (or substantially the same) referendum. Notice 21 of the filing of the petition and the result of the election 22 shall be given to the Secretary of State. A return of the 23 result of the election shall be made to the clerk of the unit 24 of local government. If a majority of voters voting upon such 25 referendum vote "YES", the unit of local government shall be exempt from subsection (a) of Section 5 either for the entire 26

<u>unit or for the district, precinct, ward, or similar</u> subdivision stated in the referendum.

3 (d) If a unit of local government chooses to adopt an 4 ordinance or resolution, or enforce an existing ordinance, 5 under this Section that would have the effect of controlling 6 the amount of rent charged for leasing private residential or 7 commercial property, it may also take measures to address the 8 economic impact of such ordinance or resolution upon 9 owner-occupied residential properties of 6 or fewer units.

10 (50 ILCS 825/10)

Sec. 10. Home rule preemption. A home rule unit may not regulate or control the amount of rent charged for leasing private residential or commercial property <u>in a manner</u> <u>inconsistent with this Act</u>. This Section is a denial and limitation of home rule powers and functions under subsection (<u>i)</u> (g) of Section 6 of Article VII of the Illinois Constitution.

18 (Source: P.A. 90-313, eff. 8-1-97.)

Section 915. The Code of Civil Procedure is amended by adding Sections 9-205.5, 9-207.1, 9-209, 9-210, and 9-211 as follows:

22 (735 ILCS 5/9-205.5 new)
23 Sec. 9-205.5. Refusal to renew. In all tenancies or leases

1	for a term of one year or more, after the lease expires, the
2	lessee refuses to renew or extend the rental agreement within
3	14 days after receiving written notice requesting that the
4	lessee renew the tenancy on substantially similar terms as
5	existed under the prior lease, the lessee's tenancy shall
6	terminate not fewer than 30 days after such 14-day decision
7	period expires. To provide the lessor the right to terminate
8	the tenancy under this Section, the written notice must
9	include substantially the following language: "You must notify
10	your landlord of your decision to continue or renew your
11	tenancy within 14 days of the date of this notice. If you do
12	not continue or renew your lease, then your tenancy at the
13	premises now occupied by you, being, etc. (describe the
14	premises), shall terminate 30 days after this date (dated at
15	least 14 days after the date of the notice). If you choose not
16	to renew or continue your lease, nothing in this notice shall
17	affect your obligation to pay rent through (insert date on
18	which the tenancy shall be terminated if the lessee does not
19	elect to renew or continue the lease).".
20	(735 ILCS 5/9-207.1 new)
21	Sec. 9-207.1. Termination of a tenancy for other good
22	cause.
23	(a) Occupation by landlord or qualified relative. The
24	lessor may seek in good faith to recover possession of the
25	premises so that the lessor or the lessor's spouse, domestic

1	partner, child, parent, grandparent, sibling, or grandchild
2	may occupy the premises as that person's principal residence
3	for a period of no fewer than 24 continuous months. The lessor
4	or such qualified relative must move into the premises within
5	3 months after the original lessee vacates the unit. The
6	lessor must provide the lessee with written notice of no fewer
7	than 120 days that the lessor intends to occupy the premises
8	before the lessor may terminate the lease. Such notice shall
9	be dated and shall identify the date, at least 120 days after
10	the notice is served, on which the lessee's tenancy is
11	terminated. Such notice shall also state that the lessee is
12	entitled to relocation assistance in the amount of \$3,000 or
13	3-months' rent, whichever is greater, payable within 14 days
14	before the termination of the lessee's tenancy.
15	(1) If the lessor recovers possession under this

15 <u>(1) If the lessor recovers possession under this</u> 16 <u>subsection, and continuous occupancy by the lessor or the</u> 17 <u>lessor's qualified relative is for fewer than 24 months,</u> 18 <u>the lessor shall be presumed to be in violation of this</u> 19 <u>subsection and liable to the original lessee for twice the</u> 20 <u>relocation assistance due to such tenant prior to</u>

21 (2) If the lessor recovers possession under this 22 subsection, but the lessor or the lessor's qualified 23 relative fails to occupy the premises within 3 months of 24 the expiration of the notice period, the lessor shall be 25 presumed to be in violation of this subsection and liable 26 to the original lessee for twice the relocation assistance

1 due to such tenant prior to such tenant's move from the 2 premises. 3 (3) The lessor may not recover possession of the premises under this subsection if the lessee notified the 4 5 lessor, prior to the lessor's recovery of the premises, that the lessee (A) has a disability, as that term is 6 7 defined under the Americans with Disabilities Act (Section 8 12102(1) of Title 42 of the U.S. Code) or (B) is suffering 9 from a life-threatening illness as certified by the 10 lessee's treating physician. 11 (4) If a substantially equivalent replacement dwelling 12 unit is vacant and available, that unit may be made available to the original lessee at a substantially 13 14 similar rental rate as the lessee's current lease. The 15 lessee may reject this substitute unit without prejudice 16 to the lessee's rights to notice and relocation assistance 17 under this subsection. (b) Significant repairs. If the lessor in good faith seeks 18 to recover possession of the premises: 19 (1) In order to comply with a court or government 20 21 agency's order to vacate, order to comply, order to abate, 22 or any other order that necessitates the vacating of the dwelling unit as a result of a violation of the Housing or 23 24 Building Code or other provision of law. The landlord 25 shall promptly provide the tenant with a notice of vacate 26 within the time mandated by the court or government

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agency,	and	include	а	CODV	Οİ	the	order;	or

2	(2) If the lessor offers the lessee a substantially
3	equivalent replacement unit that is vacant and available
4	and offered at a substantially similar rental rate as the
5	original premises, the lessee may reject the lessor's
6	offer of such replacement unit without prejudicing the
7	lessee's right to relocation assistance. Such notice shall
8	also state that the lessee is entitled to relocation
9	assistance in the amount of \$3,000 or 3-months' rent,
10	whichever is greater, payable within 14 days before the
11	termination of the lessee's tenancy. If the lessee
12	prevails on a claim that the lessor did not act in good
13	faith in seeking to recover possession under this
14	subsection, the lessor shall be liable for twice the
15	relocation assistance that would be due to the lessee has
16	the lessor acted in compliance with the requirements of
17	this subsection, together with the lessee's reasonable
18	attorney's fees and costs.
19	(c) Demolition or removal. If the lessor in good faith
20	intends to recover possession of the premises to demolish or
21	permanently remove the premises from residential use, the
22	lessor must provide the lessee with no less than 90 days'
23	written notice of such intent before the lessor may terminate
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24 <u>the lease. Such notice shall be dated and shall identify the</u> 25 <u>date, at least 120 days after the notice is served, on which</u> 26 <u>the lessee's tenancy is terminated. Such notice shall also</u>

1	state that the lessee is entitled to relocation assistance in
2	the amount of \$3,000 or 3-months' rent, whichever is greater,
3	payable within 14 days before the termination of the lessee's
4	tenancy. If the lessee prevails on a claim that the lessor did
5	not act in good faith in seeking to recover possession under
6	this subsection, the lessor shall be liable for twice the
7	relocation assistance that would be due to the lessee has the
8	lessor acted in compliance with the requirements of this
9	subsection, together with the lessee's reasonable attorney's
10	fees and costs.
11	(d) If relocation assistance due under this Section is not
12	paid within 14 days prior to the date set for termination of
13	the lessee's tenancy, the lessor shall pay to the lessee twice
14	the amount of relocation assistance originally due to the
15	lessee. If the lessee prevails on a claim that the lessor
1 C	failed to many male at increasing the main data this. Or this

16 <u>failed to pay relocation assistance required by this Section,</u> 17 <u>the lessee shall be entitled to recover the lessee's</u> 18 <u>reasonable attorney's fees and costs. Failure to pay such</u> 19 <u>relocation assistance shall constitute a germane affirmative</u> 20 <u>defense and counterclaim to any action initiated under this</u> 21 act.

(e) A landlord of a building of 12 units or fewer who pays a relocation assistance fee pursuant to subsection (a), (b), or (c) may apply to the Illinois Housing Development Authority for reimbursement of up to one-half of the amount paid to the tenant, upon proper documentation of payment, as determined by 1 the Authority. To be eligible to receive reimbursement, the 2 owner must not charge rents that exceed the applicable median 3 area rent, as that term is defined in Section 15 of the Keep 4 Illinois Home Act.

5 (735 ILCS 5/9-209) (from Ch. 110, par. 9-209)

Sec. 9-209. Demand for <u>rent; eviction</u> rent eviction 6 7 action. A landlord or his or her agent may, any time after rent is due, demand payment thereof and notify the tenant, in 8 9 writing, that unless payment is made within a time mentioned 10 in such notice, not less than 5 days after service thereof, the 11 lease will be terminated. If the tenant does not pay the rent 12 due within the time stated in the notice under this Section, the landlord may consider the lease ended and commence an 13 14 eviction or ejectment action without further notice or demand. 15 A claim for rent may be joined in the complaint, including a 16 request for the pro rata amount of rent due for any period that a judgment is stayed, and a judgment obtained for the amount of 17 rent found due, in any action or proceeding brought, in an 18 eviction action under this Section. 19

Notice made pursuant to this Section shall, as hereinafter stated, not be invalidated by payments of past due rent demanded in the notice, when the payments do not, at the end of the notice period, total the amount demanded in the notice. The landlord may, however, agree in writing to continue the lease in exchange for receiving partial payment. To prevent HB3709 - 54 - LRB103 29999 AWJ 56419 b

1 invalidation, the notice must prominently state:

2 "Only FULL PAYMENT of the rent demanded in this notice 3 will waive the landlord's right to terminate the lease under 4 this notice, unless the landlord agrees in writing to continue 5 the lease in exchange for receiving partial payment."

6 <u>Tender</u> Collection by the landlord of past rent due after 7 the filing of a suit for eviction or ejectment pursuant to 8 failure of the tenant to pay the rent demanded in the notice 9 shall not invalidate the suit, provided that the rent then due 10 is tendered prior to trial being had in the suit for eviction 11 <u>or ejectment</u>.

12 (Source: P.A. 100-173, eff. 1-1-18.)

13 (735 ILCS 5/9-210) (from Ch. 110, par. 9-210)

14 Sec. 9-210. Notice to quit. When default is made in any of 15 the material terms of a lease that results in a significant 16 disturbance of the peaceful enjoyment of the property; significant damage to the property caused willfully or 17 18 negligently; use of any part of the property for criminal activity that significantly threatens health, safety, or 19 peaceful enjoyment of the property, or has a significant 20 21 adverse effect on the management of the property; or wrongful 22 denial of access to the premises on 3 or more occasions in a 23 12-month period to persons authorized by the lessor to enter 24 the premises, provided the legal requirements for such entries 25 were observed, it is not necessary to give more than 10 days'

notice to quit, or of the termination of such tenancy, and the 1 2 same may be terminated on giving such notice to quit at any 3 time after such default in any of the material terms of such lease, provided that such notice instructs how the alleged 4 5 default may be cured before the end of the notice period and allows the lessee to meet to discuss the alleged default with 6 the lessor or the lessor's agent that affords the lessee with a 7 meaningful opportunity to remedy the <u>alleged default</u>. Such 8 9 notice may be substantially in the following form:

10 "To A.B.: You are hereby notified that in consequence of 11 your default in (here insert the character of the default) of 12 the premises now occupied by you, being, etc., (here describe the premises) I have elected to terminate your lease, and you 13 are hereby notified to quit and deliver up possession of the 14 15 same to me within 10 days of this date (dated, etc.). You may 16 request to meet with [here identify the lessor's agent] within 17 10 days of (dated, etc.) to discuss this notice and how an eviction action can be avoided. IF YOU DO NOT VACATE OR CURE 18 19 THIS DEFAULT WITHIN 10 DAYS BY (here explain how the alleged 20 default may be cured within the notice period), THEN AN EVICTION ACTION MAY BE FILED AGAINST YOU." 21

The notice is to be signed by the lessor or his or her agent, and no other notice or demand of possession or termination of such tenancy is necessary, provided that the <u>lessee has not timely cured the alleged default</u>.

26 (Source: P.A. 82-280.)

1

(735 ILCS 5/9-211) (from Ch. 110, par. 9-211)

Sec. 9-211. Service of demand or notice. Any demand may be 2 3 made or notice served by delivering a written or printed, or 4 partly written and printed, copy thereof to the tenant, or by 5 leaving the same with some person of the age of 13 years or 6 upwards, residing on or in possession of the premises; or by 7 sending a copy of the notice to the tenant by certified or 8 registered mail, with a returned receipt from the addressee; 9 and in case no one is in the actual possession of the premises, 10 then by posting the same on the premises.

11 Any demand or notice served must be accessible to the 12 tenant, including by being presented in the language the 13 lessor knows or should know is the lessee's primary language; 14 containing an explicit statement of the basis for the notice 15 or demand with sufficient specificity to allow the lessee to 16 prepare a defense; and bearing the following statement: "You may wish to contact a lawyer or local legal aid or housing 17 18 counseling agency to discuss any rights that you may have." (Source: P.A. 83-355.) 19

20 (735 ILCS 5/9-207 rep.)

21 Section 920. The Code of Civil Procedure is amended by 22 repealing Section 9-207.

23

Section 925. The Condominium Property Act is amended by

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1 changing Section 30 as follows:

2

3

(765 ILCS 605/30) (from Ch. 30, par. 330)

Sec. 30. Conversion condominiums; notice; recording.

4 (a) (1) No real estate may be submitted to the provisions 5 of the Act as a conversion condominium unless (i) a notice of 6 intent to submit the real estate to this Act (notice of intent) 7 has been given to all persons who were tenants of the building located on the real estate on the date the notice is given. 8 9 Such notice shall be given at least 30 days, and not more than 10 one year prior to the recording of the declaration which 11 submits the real estate to this Act; and (ii) the developer and acknowledges a certificate which shall be 12 executes 13 attached to and made a part of the declaration and which 14 provides that the developer, prior to the execution by him or 15 his agent of any agreement for the sale of a unit, has given a 16 copy of the notice of intent to all persons who were tenants of the building located on the real estate on the date the notice 17 18 of intent was given.

(2) If the owner fails to provide a tenant with notice of the intent to convert as defined in this Section, the tenant permanently vacates the premises as a direct result of non-renewal of his or her lease by the owner, and the tenant's unit is converted to a condominium by the filing of a declaration submitting a property to this Act without having provided the required notice, then the owner is - 58 - LRB103 29999 AWJ 56419 b

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liable to the tenant for the following:

(A) the tenant's actual moving expenses incurred
when moving from the subject property, not to exceed
\$1,500;

5

(B) 3 months' rent at the subject property; and

6

(C) reasonable attorney's fees and court costs.

7 (b) Any developer of a conversion condominium must, upon 8 issuing the notice of intent, publish and deliver along with 9 such notice of intent, a schedule of selling prices for all 10 units subject to the condominium instruments and offer to sell 11 such unit to the current tenants, except for units to be 12 vacated for rehabilitation subsequent to such notice of intent. Such offer shall not expire earlier than 30 days after 13 14 receipt of the offer by the current tenant, unless the tenant 15 notifies the developer in writing of his election not to 16 purchase the condominium unit.

17 (c) Any tenant who was a tenant as of the date of the notice of intent and whose tenancy expires (other than for 18 19 cause) prior to the expiration of 120 days from the date on 20 which a copy of the notice of intent was given to the tenant shall have the right to extend his tenancy on the same terms 21 22 and conditions and for the same rental until the expiration of 23 such 120-day period by the giving of written notice thereof to the developer within 30 days of the date upon which a copy of 24 25 the notice of intent was given to the tenant by the developer. (d) Each lessee in a conversion condominium shall be 26

informed in writing by the developer at the time the notice of 1 2 intent is given whether his or her tenancy will be renewed or 3 terminated upon its expiration. If the tenancy is to be renewed, the tenant shall be informed of all charges, rental 4 5 or otherwise, in connection with the new tenancy and the length of the term of occupancy proposed in conjunction 6 7 therewith. If the tenancy is to be terminated upon expiration of the notice period, the tenant shall be entitled to 8 9 relocation assistance in the amount of 3 times the rent 10 charged for the unit or \$3,000, whichever is greater, payable 11 to the tenant within 14 days prior to the expiration of the 12 notice period. If the tenancy is to be terminated, the notice of intent shall inform the tenant that relocation assistance 13 14 shall be paid within 14 days prior to the expiration of the 15 notice period. If the relocation assistance is not paid within 16 14 days prior to the expiration of the notice period, then the 17 lessor shall pay to the lessee twice the relocation assistance due to the lessee. If the lessee prevails on a claim that the 18 19 lessor failed to pay relocation assistance required by this 20 Section, the lessee shall be entitled to recover the lessee's reasonable attorney's fees and costs. Failure to pay such 21 22 relocation assistance shall constitute a germane affirmative 23 defense and counterclaim to any action brought under Article 24 IX of the Code of Civil Procedure.

(e) For a period of 120 days following his receipt of thenotice of intent, any tenant who was a tenant on the date the

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notice of intent was given shall be given the right to purchase 1 his unit on substantially the same terms and conditions as set 2 forth in a duly executed contract to purchase the unit, which 3 contract shall conspicuously disclose the existence of, and 4 5 shall be subject to, the right of first refusal. The tenant may exercise the right of first refusal by giving notice thereof 6 7 to the developer prior to the expiration of 30 days from the 8 giving of notice by the developer to the tenant of the 9 execution of the contract to purchase the unit. The tenant may 10 exercise such right of first refusal within 30 days from the 11 giving of notice by the developer of the execution of a 12 contract to purchase the unit, notwithstanding the expiration of the 120-day period following the tenant's receipt of the 13 14 notice of intent, if such contract was executed prior to the 15 expiration of the 120-day period. The recording of the deed 16 conveying the unit to the purchaser which contains a statement 17 to the effect that the tenant of the unit either waived or failed to exercise the right of first refusal or option or had 18 no right of first refusal or option with respect to the unit 19 20 shall extinguish any legal or equitable right or interest to the possession or acquisition of the unit which the tenant may 21 22 have or claim with respect to the unit arising out of the right 23 of first refusal or option provided for in this Section. The foregoing provision shall not affect any claim which the 24 25 tenant may have against the landlord for damages arising out 26 of the right of first refusal provided for in this Section.

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(f) During the 30-day period after the giving of notice of 1 2 an executed contract in which the tenant may exercise the right of first refusal, the developer shall grant to such 3 tenant access to any portion of the building to inspect any of 4 5 its features or systems and access to any reports, warranties, or other documents in the possession of the developer which 6 7 reasonably pertain to the condition of the building. Such 8 access shall be subject to reasonable limitations, including 9 as to hours. The refusal of the developer to grant such access 10 is a business offense punishable by a fine of \$500. Each 11 refusal to an individual lessee who is a potential purchaser 12 is a separate violation.

(g) Any notice provided for in this Section shall be deemed given when a written notice is delivered in person or mailed, certified or registered mail, return receipt requested to the party who is being given the notice.

(h) Prior to their initial sale, units offered for sale in a conversion condominium and occupied by a tenant at the time of the offer shall be shown to prospective purchasers only a reasonable number of times and at appropriate hours. Units may only be shown to prospective purchasers during the last 90 days of any expiring tenancy.

(i) Any provision in any lease or other rental agreement,
 or any termination of occupancy on account of condominium
 conversion, not authorized herein, or contrary to or waiving
 the foregoing provisions, shall be deemed to be void as

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1 against public policy.

2 (j) A tenant is entitled to injunctive relief to enforce
3 the provisions of subsections (a) and (c) of this Section.

4 (k) A non-profit housing organization, suing on behalf of
5 an aggrieved tenant under this Section, may also recover
6 compensation for reasonable attorney's fees and court costs
7 necessary for filing such action.

8 (1) Nothing in this Section shall affect any provision in 9 any lease or rental agreement in effect before this Act 10 becomes law.

(m) Nothing in this amendatory Act of 1978 shall be construed to imply that there was previously a requirement to record the notice provided for in this Section.

14 (Source: P.A. 101-81, eff. 7-12-19.)

15 (765 ILCS 720/Act rep.)

16 Section 930. The Retaliatory Eviction Act is repealed.

Section 999. Effective date. This Act takes effect uponbecoming law.

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