
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 506 Session of
2023

INTRODUCED BY GUENST, HILL-EVANS, MADDEN, SMITH-WADE-EL,
NEILSON, BURGOS, KRAJEWSKI, OTTEN, McNEILL, CERRATO AND
N. NELSON, MARCH 17, 2023

REFERRED TO COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT,
MARCH 17, 2023

AN ACT

1 Amending the act of April 6, 1951 (P.L.69, No.20), entitled "An
2 act relating to the rights, obligations and liabilities of
3 landlord and tenant and of parties dealing with them and
4 amending, revising, changing and consolidating the law
5 relating thereto," providing for limitations on rent
6 increases; and imposing penalties.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. The act of April 6, 1951 (P.L.69, No.20), known
10 as The Landlord and Tenant Act of 1951, is amended by adding an
11 article to read:

12 ARTICLE V-C

13 LIMITATIONS ON RENT INCREASES

14 Section 501-C. Definitions.

15 The following words and phrases when used in this article
16 shall have the meanings given to them in this section unless the
17 context clearly indicates otherwise:

18 "Duplex." A structure of one or more stories, including any
19 land appurtenant to the structure, in which exactly two units of

1 residential dwelling space are occupied, or are intended to be
2 occupied by two or more persons who live independently of each
3 other.

4 "Dwelling unit." A structure, or a room or group of rooms
5 within a structure, used or intended for use, in whole or in
6 part, for residential purposes.

7 "Percentage change in the cost of living." The term shall
8 include:

9 (1) the percentage change from February 1 of the prior
10 year to February 1 of the current year in the regional
11 Consumer Price Index for the region where the dwelling unit
12 is located, as published by the United States Bureau of Labor
13 Statistics; or

14 (2) any alternative source for determining the
15 percentage change in the cost of living that the secretary
16 deems necessary to effectuate the provisions of this article.

17 "Secretary." The Secretary of Labor and Industry of the
18 Commonwealth.

19 "Single family dwelling unit." A building or structure of
20 one or more stories, including any land appurtenant to the
21 structure, in which exactly one unit of residential dwelling
22 space is occupied, or intended to be occupied, by one or more
23 persons.

24 "Tenancy." The lawful occupation of a dwelling unit to
25 include a lease or sublease.

26 Section 502-C. Limitations on rent increases.

27 (a) Rent increase limitation.--Except as provided in section
28 503-C, residential landlords are prohibited from increasing rent
29 on a dwelling unit by more than 5% plus the percentage change in
30 the cost of living or 10%, whichever is lower, of the lowest

1 rental rate charged for the dwelling unit at any time during the
2 12 months prior to the date when the increase takes effect.

3 (b) Sublease limitation.--A tenant of residential real
4 property subject to this section may not enter into a sublease
5 that results in a rental rate for the dwelling unit that exceeds
6 the allowable rental rate under subsection (a). Nothing in this
7 subsection authorizes a tenant to sublet or assign the tenant's
8 interest where otherwise prohibited.

9 Section 503-C. Exceptions and notice requirements.

10 The following apply:

11 (1) The rent and sublease limitations under section 502-
12 C shall not apply to the following:

13 (i) Nonresidential real property.

14 (ii) A dwelling unit restricted by deed, regulatory
15 restriction contained in an agreement with a government
16 agency or other recorded document as affordable housing
17 for persons and families of very low, low or moderate
18 income.

19 (iii) A dormitory constructed and maintained in
20 connection with an institution of higher education for
21 the use and occupancy of students in attendance at the
22 institution.

23 (iv) A dwelling unit that has been newly constructed
24 and issued a certificate of occupancy within the previous
25 15 years.

26 (v) A single family dwelling unit to which the
27 following apply:

28 (A) A real estate investment trust, as defined
29 in 26 U.S.C. § 856 (relating to definition of real
30 estate investment trust).

1 (B) A corporation.

2 (C) A limited liability company in which at
3 least one member is a corporation.

4 (vi) A duplex in which the landlord occupies one of
5 the units as the landlord's principal place of residence
6 at the beginning of the tenancy.

7 (vii) A new tenancy in which no tenant from the
8 prior tenancy remains in lawful possession of the
9 dwelling unit.

10 (2) The tenant shall be provided written notice that the
11 dwelling unit is exempt from the requirements of section 502-
12 C using the following statement:

13 This property is not subject to the rent limits
14 imposed in section 502-C(a) of Article V-C of the
15 Landlord and Tenant Act of 1951. The landlord is
16 not any of the following: (1) a real estate
17 investment trust; (2) a corporation; or (3) a
18 limited liability company in which at least one
19 member is a corporation.

20 (3) For a tenancy for a single family dwelling unit in
21 existence prior to the first day of the third month following
22 the effective date of this paragraph, the notice required
23 under paragraph (2) is not required to be provided in the
24 rental agreement.

25 (4) For a tenancy for a single family dwelling unit
26 commenced or renewed on or after the first day of the third
27 month following the effective date of this paragraph, the
28 notice required under paragraph (2) must be provided in the
29 rental agreement.

30 Section 504-C. Preemption.

1 The following shall apply:

2 (1) The provisions of this article shall not preempt an
3 ordinance, rule, regulation or other law regarding rent
4 control, rent leveling or rent subsidization adopted by the
5 governing body of a municipality that would result in a lower
6 permitted rent increase on a dwelling unit over the course of
7 a 12-month period.

8 (2) The provisions of this article shall preempt an
9 ordinance, rule, regulation or other law regarding rent
10 control, rent leveling or rent stabilization adopted by the
11 governing body of a municipality that would result in a
12 higher permitted rent increase on a dwelling unit over the
13 course of a 12-month period.

14 Section 505-C. Violations and remedies.

15 (a) Violation.--A violation of this article constitutes an
16 unlawful practice under the act of December 17, 1968 (P.L.1224,
17 No.387), known as the Unfair Trade Practices and Consumer
18 Protection Law, and shall subject the offending landlord to all
19 remedies and penalties available to an aggrieved consumer under
20 the act.

21 (b) Termination of lease.--A tenant may petition a court of
22 competent jurisdiction to terminate a lease containing a
23 provision in violation of this article.

24 (c) Defense to eviction.--A tenant may assert a violation of
25 this article as a defense to an eviction action.

26 Section 506-C. Rules and regulations.

27 The secretary is authorized to promulgate rules and
28 regulations necessary to effectuate the purposes of this
29 article.

30 Section 507-C. Applicability.

1 This article shall apply to rental contracts and rent
2 increases implemented on or after January 1, 2024.

3 Section 2. This act shall take effect in 60 days.