

HCS HBs 595 & 343 -- LOCAL GOVERNMENT ORDINANCES FOR RENTAL PROPERTY

SPONSOR: Brown (16)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Commerce by a vote of 6 to 3. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 7 to 2.

The following is a summary of the House Committee Substitute for HB 595.

This bill specifies that no county or city can enact, maintain, or enforce any ordinance or resolution that:

(1) Prohibits landlords from refusing to lease or rent certain residential or commercial rental property to a person because the person's source of income includes aid from a federal or other housing assistance program.

(2) Restricts a landlord's ability to use or consider income-qualifying methods, credit reports, eviction or property damage history or criminal history, or to request such information in order to determine whether to rent or lease a property to a prospective tenant;

(3) Limits the amount of security deposit required from a tenant; or

(4) Requires tenants to automatically receive the right of first refusal.

This bill allows the county or city to enter into voluntary agreements with private persons to regulate the amount of rent charged for subsidized rental properties.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that the bill addresses housing shortages. It is necessary to address concerns relating to the Kansas City ordinance which forces landlords to accept Section 8 housing vouchers and limits how landlords screen tenants. The bill is not unsympathetic to Section 8 and other government funded housing voucher renters. It maintains the status quo and leads to more rental opportunities. The vast majority of realtors are small businesses who provide housing opportunities across the State.

They should be able to screen information and afford security to the tenants in the community. Other counties like Clayton, Columbia, Saint Louis and Webster Groves have opposed the Kansas City ordinance as a violation of landlords' property rights.

Testifying in person for the bill were Representative Brown; Missouri Association of Realtors; Associated Landlords Advocating Reasonable Modification; Missouri Apartment Association; David Stokes, Show Me Institute; Great State Strategies; Arnie Dienoff.

OPPONENTS: Those who oppose the bill agree that there is an affordable housing crisis. The Kansas City ordinance makes it easier for voucher holders and families to be able to afford housing. Landlords can screen tenants, but cannot deny rentals on the sole basis of the rent being paid by vouchers or government assisted funding. Kansas City set up a \$1 million risk and mitigation fund for landlords to offset losses.

Testifying in person against the bill were Johnathan Duncan, City of Kansas City; Gavriel Schreiber, City of Kansas City; Mallory Rusch, Empower Missouri.

This bill is similar to HB 2385 (2024).

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.