

White House Consumer Fee Focus Turns to Rental Housing Fees, Disclosures

July 19, 2023 | [Jay Harris](#)

The White House today brought attention to new state laws and voluntary industry practices that limit fees charged to renters and increase the transparency of those fees, noting the burden such fees impose on American consumers, especially those of modest means. Continuing its industry-by-industry focus on consumer fees, the Biden Administration [release](#):

- Praised new announcements by some Independent Listing Services (ILSs) to "total, upfront cost disclosures" in rental housing advertising,
- Pointed to new Housing and Urban Development (HUD) research into consumer fees; and
- Identified recently enacted and pending state legislation that limits or enhances disclosure or fees paid by renters.

The HUD research, [Transparency in Rental Fees](#), in particular highlighted state and local fee requirements and industry models of interest to property management professionals:

- Caps on housing providers' charges for application and screening costs, or aggregate fees and deposits charged at move-in;
- Enabling rental applicants to provide a screening report when applying, or to re-use a report across multiple applications for no additional cost; and
- Clear disclosure of up-front and monthly "all-in" rental costs in advertising and lease collateral, citing to popular industry model lease forms.

The announcement highlights the limits on the Administration's ability to act unilaterally, the variety of state legislative solutions that complicate multistate property management, and the political popularity of the consumer fee issue in rental housing and other industries.

The release continues an active year for this Administration on tenant screening issues. In February, the White House announced a [Blueprint for a Renter Bill of Rights](#) that

addressed several tenant screening issues. Following a [Request for Information](#) from the Consumer Financial Protection Bureau (CFPB) and Federal Trade Commission (FTC) about tenant screening this Spring, work is underway in the [pre-rule stage](#) at the CFPB on possible new regulation interpreting the Fair Credit Reporting Act (Regulation V, [12 CFR Part 1022](#)) and consumer reporting, including tenant screening. In April, HUD Secretary Marcia Fudge announced the agency is preparing new rules and technical assistance on criminal history in tenant screening conducted by public housing authorities and HUD-subsidized housing providers.

In this dynamic regulatory environment, rental housing providers are encouraged to consult with experienced counsel to review and update tenant screening criteria, disclosures, and results against applicable law. Vendors are advised to think wholistically in devising forward-looking tenant screening product development plans that account for multi-state variations.

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