



Legislation Text

File #: 250045, Version: 0

Amending Chapter 9-800 of The Philadelphia Code, entitled "Landlord and Tenant," to establish requirements related to fees charged by landlords to individuals applying for residential tenancy, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

Section 1. Chapter 9-800 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 9-800. LANDLORD AND TENANT

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§ 9-802. Definitions.

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(5) Unfair Rental Practice. Any act in violation of Section 9-804 or Section 9-809.

(6) *Background Check. A communication of any information by a consumer reporting agency, as defined in 15 U.S.C. § 1681a, which concerns a person's rental or other residential history, employment history, criminal history, character, general reputation, personal characteristics, or mode of living.*

(7) *Credit Check. A communication of any information by a consumer reporting agency, as defined in 15 U.S.C. § 1681a, which concerns an individual's credit worthiness, credit standing, credit capacity, or payment history, including but not limited to a consumer credit report or credit score.*

(8) *Prospective Tenant. An individual who is applying for or otherwise seeking to be considered for residential tenancy in a premises.*

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§ 9-813. Rental application fees.

(1) *For purpose of considering, assessing, or selecting one or more individuals for residential tenancy in a premises, no landlord, owner of a premises, real estate broker, real estate agent, person operating or managing a premises, or employee or agent thereof, shall demand or accept any payment, fee, or charge from, or on behalf of, a prospective tenant other than a fee for conducting a background check and/or a credit check subject to the limitations of this Section.*

(2) *The following limitations shall apply with respect to the background and/or credit check fees that may be charged to a prospective tenant as permitted by Subsection (1):*

(a) No fee shall be charged for a background check or a credit check if a prospective tenant provides a copy of the results of such check that was conducted with respect to the prospective tenant within the prior thirty (30) days. This Subsection shall not preclude a person from conducting an additional background check or credit check on a prospective tenant, provided that any costs associated therewith are not charged to the prospective tenant.

(b) The total charge for any background check and/or credit check shall not exceed the actual cost associated with conducting such check(s), or a total of twenty (20) dollars, whichever is less. In no case shall any fee be charged for a background check or credit check that is not performed.

(c) No landlord or owner of a premises, or employee or agent thereof, shall charge a prospective tenant more than one fee in any 12-month period to conduct a background check and/or credit check in association with applications for tenancy at any of the premises owned by the landlord or owner. In addition, no person operating or managing a premises, or employee or agent thereof, shall charge a prospective tenant more than one fee in any 12-month period to conduct a background check and/or credit check in association with any applications for tenancy at the same premises.

(3) For purpose of considering, assessing, or selecting one or more individuals for residential tenancy in a premises, no landlord, owner of a premises, real estate broker, real estate agent, person operating or managing a premises, or employee or agent thereof, shall perform a credit check that impacts the credit score of the individual who is the subject of the credit check, also known as a “hard pull” credit check.

(4) A landlord, owner of a premises, real estate broker, real estate agent, person operating or managing a premises, or employee or agent thereof, shall provide a copy of any background check and/or credit check that is conducted as permitted by this Section to the individual who is the subject of the check.

(5) All credit checks and background checks carried out as permitted by this Section shall also comply with the requirements of the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., including, if applicable, the requirement to provide a prospective tenant with an adverse action notice.

Section 2. This Ordinance is effective immediately.

Explanation:

Italics indicate new matter added.