



SPONSOR: Rep. Harris & Rep. Lambert & Rep. Wilson-Anton &
Rep. Carson & Sen. Pinkney & Sen. Hoffner
Rep. Baumbach

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 241

AN ACT TO AMEND TITLES 25 AND 31 OF THE DELAWARE CODE RELATING TO HOUSING AGREEMENT ADVISORS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Chapter 40, Title 31 of the Delaware code by making deletions as shown by strike through and
2 insertions as shown by underline as follows and by redesignating accordingly:

3 § 4001. Definitions.

4 (15) “Housing agreement advisor” means a person who assists a buyer, prospective buyer, tenant, or prospective
5 tenant during the residential property rental process and who may be present with the buyer, prospective buyer, tenant, or
6 prospective tenant during any pre-rental or pre-purchase home viewing, inspection, rental or purchase negotiation, or other
7 interactions with a landlord, seller, or any agent of a landlord or seller. A housing agreement advisor may be a real estate
8 agent, builder, general contractor, inspector, friend, family member, or other individual selected by the buyer, prospective
9 buyer, tenant, or prospective tenant.

10 § 4004. Powers and duties of the Housing Director.

11 (b) The Housing Director ~~shall:~~ shall do the following:

12 (1) Employ, in the Housing Director’s discretion, planning, architectural and engineering consultants,
13 attorneys, accountants, construction and financial experts and consultants, Superintendents, managers and such other
14 officers, employees and agents as may be necessary in the Housing Director’s ~~judgment;~~ judgment.

15 (2) Call to the assistance of the Council the services of such employees of any federal or state agency as it
16 may require to conduct its investigative powers and as may be available for such ~~purpose;~~ purpose.

17 (3) Delegate any of the Housing Director’s powers and duties, except those of an issuing officer, to employees
18 of ~~DSHA;~~ DSHA.

19 (4) Create and appoint members of advisory ~~boards;~~ boards.

20 (5) Supervise the activities of the ~~Council;~~ Council.

(6) Enter into any and all agreements or contracts on behalf of the State or DSHA, execute any and all instruments and do and perform any and all acts or things necessary, convenient or desirable for the implementation or the purposes of this chapter or to carry out any power or duty given in this ~~chapter~~; chapter.

(7) Make an annual report to the Governor and the General Assembly regarding DSHA's operations and render such other reports as may be required by ~~law~~; law.

(8) Make and enforce regulations to effectuate the purposes of this chapter; provided however, that no such regulation shall extend, modify or conflict with any laws of this State, or the reasonable implications ~~thereof~~; thereof.

(9) Determine the terms and conditions for the allocation and grant of state funds authorized by this ~~chapter~~; chapter.

(10) Coordinate with the federal government to implement and manage federally funded ~~programs~~; programs.

(11) Be the issuing officer for ~~DSHA~~; and DSHA.

(12) Advise the Governor on issues concerning housing and community development.

(13) Maintain on the DSHA website a list of organizations who may provide housing agreement advisors.

Section 2. Amend Chapter 3, Title 25 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 320. Contracts for sale of residential property.

Every contract for the sale of residential property located in this State must include in bold text a confirmation to be signed or initialed by the buyer that the buyer was notified in writing at the time of the first contact between the buyer and seller that the buyer is entitled to have a reasonable number of housing agreement advisors as defined in § 4001 of Title 31, but at all times at least one housing agreement advisor, accompany the buyer at all stages of the property transfer process that involve entering or viewing the property prior to purchase or interacting with the seller or any agent of the seller, and that the buyer was provided with a document containing a link to the portion of the Delaware State Housing Authority (DSHA) website containing a list of organizations who may provide housing agreement advisors.

Section 3. Amend Chapter 53, Title 25 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5318. Landlord obligations regarding tenant advisors.

(a) Landlords who own two or more residential rental units must deliver to prospective tenants, at the time the prospective tenant obtains from a landlord an application for tenancy or otherwise expresses a desire to rent a residential unit from the landlord, written notice of the following:

(1) Tenants have the right to be accompanied by a reasonable number of housing agreement advisors as defined in § 4001 of Title 31, but at all times at least one housing agreement advisor, at all stages of the property rental process, including but not limited to any viewings of the property, rental negotiations, and signing of the rental agreement. Landlords may not discriminate against a potential tenant who chooses to be accompanied by a reasonable number of advisors during the rental process.

(2) The Delaware State Housing Authority (DSHA) maintains on its website a list of organizations who may provide housing agreement advisors. A link to the website must be included on the notice.

(b) The prospective tenant shall acknowledge such delivery by signing a receipt.

(c) A landlord or any agent or representative of the landlord participating in the rental process who fails to provide the required notice under subsection (a) of this section or who denies a potential tenant the right to be accompanied by a reasonable number of housing agreement advisors during any phase of the rental process shall face a civil penalty of \$100 for a first offense and \$1,000 for subsequent offenses. This fine may be in addition to any penalties resulting from discrimination against the tenant or other violations of the Landlord-Tenant Code.

(d) The Department of Justice, through the Consumer Protection Unit, shall enforce this section and any violations thereof.

Section 4. Amend Chapter 51, Title 25 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5123. Required notice to licensed, registered, permitted, or otherwise authorized landlords.

At the time a county or municipality issues or renews a residential rental property permit, license, registration, or issues or renews any other legal authorization to rent a residential property, the county or municipality must provide the owner of the rental property with a written notice of their obligations to comply with the provisions of this Title with respect to housing agreement advisors as defined in § 4001 of Title 31. This notice may be provided in the registration, permit, or license application form completed by the owner of the rental property.

Section 4. Amend Chapter 70, Title 25 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 7006. Requisites for rental of a manufactured home lot.

A landlord shall not rent a lot in a manufactured home community without first delivering to the prospective tenant a copy of the proposed rental agreement, a notice as described in § 7006A of this title, a copy of the rules, standards, and fee schedule of the manufactured home community, a copy of this chapter, and a summary of this chapter written by the Department of Justice and made available to all landlords prior to January 1, 2012, all of which shall be delivered to the

prospective tenant at the time the prospective tenant obtains from the landlord an application for tenancy in the community.
The prospective tenant shall acknowledge such delivery by signing a receipt.

§ 7006A. Landlord obligations to prospective tenants.

(a) A landlord must deliver notice of the following to prospective tenants of residential rental units:

(1) Tenants have the right to be accompanied by a reasonable number of housing agreement advisors as defined in § 4001 of Title 31, but at all times at least one housing agreement advisor, at all stages of the property rental process, including but not limited to any viewings of the property, rental negotiations, and signing of the rental agreement. Landlords may not discriminate against a potential tenant who chooses to be accompanied by a reasonable number of housing agreement advisors during the rental process.

(2) The Delaware State Housing Authority (DSHA) maintains on its website a list of organizations who may provide advisors. A link to the website must be included on the notice.

(3) A statement of the lot rent amount.

(b) A landlord or any agent or representative of the landlord participating in the rental process who fails to provide the required notice under subsection (a)(1)-(2) or who denies a potential tenant the right to be accompanied by a reasonable number of housing agreement advisors during any phase of the rental process shall face a civil penalty of \$100 for a first offense and \$1,000 for subsequent offenses. This fine may be in addition to any penalties resulting from discrimination against the tenant or other violations of the Manufactured Homes and Manufactured Home Community Act.

Section 5. This Act is effective 1 year after enactment.

SYNOPSIS

This Act makes clear that buyers and renters of residential real property have the right to be accompanied by advisors during all phases of the property transfer process, and requires sellers and landlords to provide written notice of this right to prospective buyers and tenants. This Act also provides for a civil penalty for landlords and their agents who fail to comply with this requirement.