



SPONSOR: Sen. Pinkney

DELAWARE STATE SENATE
152nd GENERAL ASSEMBLY

SENATE AMENDMENT NO. 1
TO
HOUSE SUBSTITUTE NO. 2
FOR
HOUSE BILL NO. 212

1 AMEND House Substitute No. 2 for House Bill No. 212 on line 17 by deleting "The Office of the Manufactured
2 Housing Ombudsperson" and substituting in lieu thereof "The Department of Justice".

3 FURTHER AMEND House Substitute No. 2 for House Bill 212 on line 19 by deleting "The Office" and replacing
4 it with "DOJ".

5 FURTHER AMEND House Substitute No. 2 for House Bill 212 by deleting Line 42 in its entirety and substituting
6 in lieu thereof the following:

7 "currently receiving a lot rental assistance credit, the amount of lot rental assistance credit received, the
8 number of homeowners who previously received the credit who".

9 FURTHER AMEND House Substitute No. 2 for House Bill 212 after line 44 and before line 45 by inserting the
10 following:

11 "(8) On or before January 31st each year, DEMHRA shall submit a report to the General Assembly on the
12 number of homeowners statewide that received lot rental assistance credit in the previous year, the amount of lot
13 rental assistance credit received, the number of homeowners previously receiving the credit who became ineligible
14 for the credit during the previous year, and the reason such homeowners became ineligible.".

15 FURTHER AMEND House Substitute No. 2 for House Bill 212 on line 46 by adding "or the preceding year under
16 a multi-year lease" between "renewal" and ", the homeowner".

17 FURTHER AMEND House Substitute No. 2 for House Bill 212 by deleting lines 61 through 69 in their entirety
18 and substituting in lieu thereof the following:

19 "regardless of the term of the tenancy or the term of the rental agreement.".

20 FURTHER AMEND House Substitute No. 2 for House Bill 212 by deleting lines 77 through 82 in their entirety
21 and substituting in lieu thereof the following:

22 "c. ~~Demhra~~ DEMHRA.".

23 FURTHER AMEND House Substitute No. 2 for House Bill 212 after line 82 by inserting the following:

24 “§ 7052A. Rent increase; justified base rent increase calculations.

25 (c) (1) a. For purposes of this section, “24-month CPI-U” means the average annual increase of the CPI-U
26 for the most recently available preceding 24-month period.

27 b. The Delaware State Housing Authority shall monitor updates to the CPI-U and within 5 days after new
28 CPI-U data is released, calculate the 24-month CPI-U and report the 24-month CPI-U to DEMHRA.

29 (2) A community owner may increase rent in an amount that does not exceed the following:

30 a. If the 24-month CPI-U is equal to or below ~~7%~~ 6.1%, by 3.5% of the rent plus 50% of the 24-
31 month CPI-U up to an amount that does not exceed ~~7% of the 24-month CPI-U.~~ 6.1%.

32 b. If the 24-month CPI-U exceeds ~~7%~~ 6.1%, by the 24-month CPI-U.

33 (3) Notwithstanding paragraphs (1) and (2) of this subsection, in periods of extremely high inflation,
34 community owners are further restricted from increasing rent in a single year as follows:

35 a. If the calculation under paragraph (2) of this subsection would result in a rent increase
36 between 6.1% and 8%, a community owner must limit the rent increase to 6.1%.

37 b. If the calculation under paragraph (2) of this subsection would result in an increase greater
38 than 8%, a community owner must limit the rent increase to 6.1% plus 50% of the 24-month CPI-U
39 above 6.1%.

40 (4)a. If the community owner must reduce the rent increase due to paragraph (3) of this subsection, the
41 community owner may apply the difference between the percentage increase calculated under paragraph (2) of this
42 subsection and the amount applied under paragraph (3) of this subsection in the next 12-month rent increase period
43 so long as it would not cause the rent to increase beyond the limits contained in paragraph (3) of this subsection.

44 b. A community owner may continue to carry forward any rent increase percentage not applied under
45 paragraph (4)a. of this subsection until such rent increase percentage has been applied in a future year.”.

SYNOPSIS

This Amendment makes changes to how the rent increases are calculated including the percentages related to restricted rent increases in a single year. It also moves the relevant language to the section of the code currently related to rent increase calculations. Additionally, it clarifies the agency providing homeowner education and requires DEMHRA give a report on lot rental assistance to the General Assembly annually.

Author: Senator Pinkney