

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: [CS/CS/HB 365](#)

TITLE: Rent of Affordable Housing Dwelling Units

SPONSOR(S): Tendrich

COMPANION BILL: [CS/SB 382](#) (Bernard)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Housing, Agriculture & Tourism](#)

17 Y, 0 N, As CS



[Civil Justice & Claims](#)

15 Y, 0 N, As CS



[Commerce](#)

SUMMARY

Effect of the Bill:

The bill prohibits a landlord from increasing the rent of a dwelling unit during the term of a rental agreement if:

- The unit qualifies as affordable housing; and
- The landlord has received federal, state, or local funding or tax incentives because of the unit's status as affordable housing.

However, the bill does not prohibit such landlords from increasing the rent when the tenant is renewing the rental agreement or when such increase is required to comply with federal laws, rules, or regulations.

The bill only applies to rental agreements with a term of 13 months or less that are entered into on or after July 1, 2026.

Fiscal or Economic Impact:

The bill has an indeterminate impact on the private sector.

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ANALYSIS

EFFECT OF THE BILL:

Prohibition on Rent Increases

The bill amends the [Florida Residential Landlord and Tenant Act](#). Under the bill, a landlord of a dwelling unit that qualifies as [affordable housing](#), who has received [federal, state, or local funding or tax incentives](#) because of the unit's status as affordable housing, may **not** increase the rent of such unit during the term of a rental agreement. (Section [1](#).)

In effect, the bill protects tenants who live in affordable housing units, whose landlords receive funding or incentives because of the unit's status as affordable housing, from any increases, whether anticipated or not, in the amount to pay for rent during the term of a rental agreement. (Section [1](#).)

Scope of the Prohibition

The bill expressly provides that the prohibition on rent increases does not apply when the tenant is renewing his or her rental agreement. This means the landlord could only increase the rent for an affordable housing unit when the rental agreement is up for renewal. At that point, the landlord and tenant could enter into negotiations for any increase in rent. (Section [1](#).)

The bill only applies to rental agreements with a term of 13 months or less that are entered into on or after July 1, 2026. (Section [1](#).)

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The bill provides that the prohibition on rental increases does not apply to a landlord when he or she is required to increase the rent of a dwelling unit in order to comply with federal laws, rules, or regulations. (Section [1](#))

The effective date of the bill is July 1, 2025. (Section [2](#).)

FISCAL OR ECONOMIC IMPACT:

PRIVATE SECTOR:

The bill has an indeterminate impact on the private sector. The bill eliminates the ability of a landlord that rents out an affordable housing unit, and who receives public assistance for the unit's status as affordable, to increase the rent for such unit during the term of a rental agreement. Tenants who rent such units would be shielded from any increases in the amount to pay for rent during the term of a rental agreement.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Florida's Residential Landlord and Tenant Act](#)

The Residential Landlord and Tenant Act¹ (Act) governs the rental of dwelling units and the relationship between landlords² and tenants³ in Florida.⁴ Significant provisions in the Act include those relating to unconscionable rental agreements and provisions,⁵ the duration of the rental agreement and the tenancy,⁶ prohibited provisions in rental agreements,⁷ maintenance obligations of landlords and tenants,⁸ a landlord's access to a dwelling unit,⁹ terminations of tenancies and rental agreements,¹⁰ and actions for damages.¹¹

The Act defines "dwelling unit" as:

- A structure or part of a structure that is rented for use as a home, residence, or sleeping place by one person or by two or more persons who maintain a common household.
- A mobile home rented by a tenant.
- A structure or part of a structure that is furnished, with or without rent, as an incident of employment for use as a home, residence, or sleeping place by one or more persons.¹²

Rent Regulation Policies

¹ The Florida Residential Landlord and Tenant Act (Act) is codified in ch. 83, part II, F.S. Nonresidential tenancies and all tenancies not otherwise governed by the Act are governed by pt. I of ch. 83, F.S. [s. 83.001, F.S.](#)

² "Landlord" means the owner or lessor of a dwelling unit. [S. 83.43\(9\), F.S.](#)

³ "Tenant" means any person entitled to occupy a dwelling unit under a rental agreement. [S. 83.43\(17\), F.S.](#)

⁴ [S. 83.41, F.S.](#)

⁵ See [s. 83.45, F.S.](#)

⁶ See [s. 83.46, F.S.](#)

⁷ See [s. 83.47, F.S.](#)

⁸ Landlords have an obligation to maintain the premises and the dwelling unit, whereas tenants only have an obligation to maintain the dwelling unit. See [ss. 83.51, F.S.](#) and [83.52, F.S.](#)

⁹ See [s. 83.53, F.S.](#)

¹⁰ For terminations of rental agreements, see [s. 83.56, F.S.](#) For terminations of tenancies without a specific term, see [s. 83.57, F.S.](#) For termination of tenancies with a specific duration, see [s. 83.575, F.S.](#)

¹¹ See [s. 83.55, F.S.](#)

¹² [S. 83.43\(5\), F.S.](#)

Rent regulation policies can protect tenants from dramatic increases in housing costs.¹³ Jurisdictions adopt rent regulations for several reasons, one of which is ensuring stability for tenants in rent-stabilized¹⁴ units and promoting the overall affordability of rental housing.¹⁵

The goals of rent regulation policies, however, can compete with each other.¹⁶ For example, maintaining the affordability of existing housing might discourage new housing construction.¹⁷ Meanwhile, protections for current tenants might make it harder for future tenants or those living in unregulated units to remain in and afford housing.¹⁸

With only a few exceptions, local governments in Florida are prohibited from imposing price controls upon a lawful business activity that is not franchised by, owned by, or under contract with, an agency of the local government.¹⁹ Any local government ordinance or rule that has the effect of imposing such price controls is preempted by the state.²⁰

Currently, Florida law does not impose any statewide limits on how much a landlord can raise the rent for a dwelling unit, provided the landlord does not increase the rent for discriminatory reasons.²¹

Affordable Housing

Housing is considered affordable when monthly rents or monthly mortgage payments, including taxes, insurance, and utilities, do not exceed 30 percent of that amount which represents the percentage of the median adjusted gross annual income for extremely-low-income households,²² very-low-income households,²³ low-income households,²⁴ or moderate-income households.^{25, 26} Over 2.4 million low-income Florida households pay more than 30% of their incomes towards housing, which is the maximum amount considered affordable by experts.²⁷ Over

¹³ Local Housing Solutions, *Rent Regulation*, Mar. 2021, <https://localhousingsolutions.org/housing-policy-library/rent-regulation/> (last visited Mar. 25, 2025).

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ [S. 166.043\(1\)\(a\), F.S.](#) See also Hemlane, *Florida Rent Control Laws*, Mar. 2024, <https://www.hemlane.com/resources/florida-rent-control-laws/> (last visited Mar. 2, 2025).

²⁰ [S. 83.425, F.S.](#)

²¹ See [s. 83.64\(1\), F.S.](#) It is unlawful under Florida law for a landlord to discriminatorily increase a tenant's rent primarily because the landlord is retaliating against the tenant.

²² [S. 420.0004\(9\), F.S.](#) "Extremely-low-income persons" means one or more natural persons or a family whose total annual household income does not exceed 30 percent of the median annual adjusted gross income for households within the state. Florida Housing Finance Corporation may adjust this amount annually by rule to provide that in lower income counties, extremely low income may exceed 30 percent of area median income and that in higher income counties, extremely low income may be less than 30 percent of area median income.

²³ [S. 420.0004\(17\), F.S.](#) "Very-low-income persons" means one or more natural persons or a family, not including students, the total annual adjusted gross household income of which does not exceed 50 percent of the median annual adjusted gross income for households within the state, or 50 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within the county in which the person or family resides, whichever is greater.

²⁴ [S. 420.0004\(11\), F.S.](#) "Low-income persons" means one or more natural persons or a family, the total annual adjusted gross household income of which does not exceed 80 percent of the median annual adjusted gross income for households within the state, or 80 percent of the median annual adjusted gross income for households within the MSA or, if not within an MSA, within the county in which the person or family resides, whichever is greater.

²⁵ [S. 420.0004\(12\), F.S.](#) "Moderate-income persons" means one or more natural persons or a family, the total annual adjusted gross household income of which is less than 120 percent of the median annual adjusted gross income for households within the state, or 120 percent of the median annual adjusted gross income for households within the MSA or, if not within an MSA, within the county in which the person or family resides, whichever is greater.

²⁶ [S. 420.0004\(3\), F.S.](#)

²⁷ Florida Housing Coalition, *2024 Home Matters Report*, p. 2. <https://flhousing.org/wp-content/uploads/2024/08/FHC-2024-Home-Matters-Report.pdf> (last visited Mar. 25, 2025).

half of these households, or 1.3 million low-income households, spend more than 50% of their income towards housing costs.²⁸ This makes it difficult for those households to save for retirement or emergencies and difficult to afford other necessities such as food and childcare.²⁹

Eligibility to participate in Florida's state and federally-funded housing programs is determined by area median income (AMI) or statewide median family income, which is published annually by the United States Department of Housing and Urban Development (HUD).³⁰ In Florida, the current statewide AMI for a family of four is \$88,600 (as family size changes, the income range also varies). Additionally, the 2024 income limits for a family of four are as follows:³¹

- Extremely-low-income – earning up to 30 percent AMI (at or below \$26,600);³²
- Very-low-income – earning from 30.01 to 50 percent AMI (\$26,601 to \$44,300);³³
- Low-income – earning from 50.01 to 80 percent AMI (\$44,301 to \$70,900);³⁴ and
- Moderate-income – earning from 80.01 to 120 percent of AMI (\$70,901 to \$106,320).³⁵

As of 2024, Florida had only 24 affordable and available rental units for every 100 extremely low-income renters.³⁶ In addition, there were no communities in Florida that could provide enough housing to support this group of renters, which is primarily made up of low-income workers, retirees, and people with disabilities.³⁷

Public Assistance for Affordable Housing Rentals

The Section 8 housing choice voucher (HCV) program is the federal government's primary program for assisting very low-income families, the elderly, and persons with disabilities in affording decent, safe, and sanitary housing in the private market.³⁸ HVCs are administered locally by public housing agencies (PHAs) that receive federal funds from HUD.³⁹

First, HUD provides the funds to allow PHAs to make housing assistance payments on behalf of HCV tenants.⁴⁰ HUD also pays the PHA a fee for the costs of administering the program. HUD monitors PHA administration of the program to ensure program rules are properly followed.⁴¹

Then, the PHA administers the HCV program locally and provides an HCV tenant with the housing assistance.⁴² The PHA must examine the tenant's income and household composition, and ensure that their housing unit meets minimum housing quality standards.⁴³ The PHA then enters into a contract with the landlord to provide housing assistance payments to the landlord on behalf of the family.⁴⁴

²⁸ *Id.*

²⁹ *Id.*

³⁰ See U.S. Dept. of Housing and Urban Development: Office of Policy Development and Research, *Income Limits*, https://www.huduser.gov/portal/datasets/il.html#documents_2024 (last visited Mar. 25, 2025).

³¹ U.S. Dept. of Housing and Urban Development: Office of Policy Development and Research, *FY 2024 State Income Limits: Florida*, https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn?inputname=STTLT*1299999999%2BFlorida&select_type=county&stname=Florida&statefp=12.0&year=2024 (last visited Mar. 25, 2025).

³² *Id.* See also [s. 420.0004\(9\), F.S.](#)

³³ *Supra* note 26. See also [s. 420.0004\(17\), F.S.](#)

³⁴ *Supra* note 26. See also [s. 420.0004\(11\), F.S.](#)

³⁵ *Supra* note 26. See also [s. 420.0004\(12\), F.S.](#)

³⁶ Florida Housing Coalition, *2024 Home Matters Report*, p. 2. <https://flhousing.org/wp-content/uploads/2024/08/FHC-2024-Home-Matters-Report.pdf> (last visited Mar. 25, 2025).

³⁷ *Id.*

³⁸ U.S. Dept. of Housing and Urban Development, *Housing Choice Voucher Fact Sheet for Landlords*, May 2021, <https://files.hudexchange.info/resources/documents/PIH-HCV-Landlord-Fact-Sheet.pdf> (last visited Mar. 25, 2025).

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.*

Another federal program that indirectly provides support for landlords who provide affordable housing rental units include the U.S. Department of the Treasury's Emergency Rental Assistance (ERA) program, which has collectively provided communities over \$46 billion to support housing stability for eligible renters throughout the COVID-19 pandemic.⁴⁵

Florida Housing Finance Corporation

In addition to public assistance for landlords who rent out affordable housing units, the Florida Housing Finance Corporation (Corporation) administers federal and state resources that assist developers in financing the development of safe, decent affordable housing. Created in 1997 as a public-private entity,⁴⁶ the Corporation is held by the state and housed within the Department of Commerce.⁴⁷

The following programs are administered by the Corporation:

- **State Apartment Incentive Loan Program:** This program provides developers with low-interest loans as gap financing to leverage mortgage revenue bonds or Low-Income Housing Tax Credit resources needed to construct or rehabilitate affordable rental units.
- **Multifamily Mortgage Revenue Bonds:** This program uses both taxable and tax-exempt bonds to provide below market rate loans to nonprofit and for-profit developers who set aside a certain percentage of their apartment units for low-income families.
- **HOME Investment Partnerships Program:** This program provides non-amortizing, low-interest rate loans to developers of affordable rental housing, particularly in more rural areas of the state.
- **Low Income Housing Tax Credits:** This program provides for-profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition, substantial rehabilitation, or new construction of low- and very-low-income rental housing units.
- **Special Needs Housing:** This program enhances the ability of extremely low-income households with special needs to access and retain affordable rental housing in their communities by offering incentives to developers who set aside a portion of their housing units for special needs households.⁴⁸

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee	17 Y, 0 N, As CS	3/18/2025	Curtin	Fletcher
THE CHANGES ADOPTED BY THE COMMITTEE:	Narrowed the scope of the bill's application to rental agreements with a term of 13 months or less that are entered into on or after July 1, 2026.			
Civil Justice & Claims Subcommittee	15 Y, 0 N, As CS	3/27/2025	Jones	Leshko
THE CHANGES ADOPTED BY THE COMMITTEE:	Provided that the prohibition on rental increases does not apply to a landlord when he or she is required to increase the rent of a dwelling unit in order to comply with federal laws, rules, or regulations.			
Commerce Committee				

⁴⁵ U.S. Dept. of the Treasury, *Emergency Rental Assistance Program*, <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program> (last visited Mar. 25, 2025).

⁴⁶ See ch. 97-167, Laws of Fla.

⁴⁷ [S. 420.504\(1\), F.S.](#)

⁴⁸ Florida Department of Commerce, *Affordable Housing Planning*, <https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/affordable-housing-planning#:~:text=Low%20Income%20Housing%20Tax%20Credits%20%2D%20The.and%20very%20low%20income%20rental%20housing%20units> (last visited Mar. 25, 2025).

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.
