
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 53

Session of
1975

INTRODUCED BY TILGHMAN, MANBECK, FLEMING, HOLL, EWING, LENTZ,
MESSINGER, DOUGHERTY, SWEENEY, ARLENE, SMITH, NOLAN AND
MOORE, FEBRUARY 3, 1975

REFERRED TO CONSUMER AFFAIRS, FEBRUARY 3, 1975

AN ACT

1 Relating to rent control for residential real property;
2 establishing a Rent Control Board and providing for its
3 powers and duties; and prescribing penalties.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Short Title.--This act shall be known and may be
7 cited as the "Rent Control Act."

8 Section 2. Definitions.--As used in this act:

9 "Board" means the Rent Control Board established pursuant to
10 this act.

11 "Lease" means an oral or written agreement, express or
12 implied, regardless of its duration, for the use of a residence
13 and for the use of property or services in connection with the
14 residence, and includes a sublease.

15 "Rent" means the price charged, under a lease, for the right
16 to possession and use of a residence, including any required
17 recurrent charge therefor and any required recurrent charge for
18 the use of services or property in connection therewith.

1 "Residence" means a housing unit, including personal property
2 such as a mobile home or a house boat, when offered for lease as
3 a place of abode rather than as temporary lodging. It also
4 includes real property upon which the housing unit is situated
5 (or is to be situated if that unit is personal property) and
6 which is necessary for the convenient use of the unit, and
7 property owned by the lessor or owner of the unit, which is
8 available for use by the lessee in connection with his use of
9 the unit, and for which he must pay rent under the lease. A
10 hotel or similar establishment may contain both residences and
11 temporary lodging units.

12 Section 3. Rent Control Board.--(a) There is hereby created
13 in the Department of Community Affairs a departmental
14 administrative board to be known as the Rent Control Board
15 composed of nine members appointed by the Governor by and with
16 the consent of two-thirds of all the members of the Senate,
17 three of whom shall represent landlords, three of whom shall
18 represent tenants and three of whom shall represent the general
19 public but shall not be members of any landlord or tenant
20 organization. The term of each member shall be three years and
21 until his successor is appointed and qualified. Of the members
22 first appointed, three shall be appointed for one year, three
23 for two years and three for three years.

24 (b) Five members of the board shall constitute a quorum, and
25 the board shall select from among its members, a chairman, and
26 shall elect a secretary who need not be a member of the board.

27 (c) The members of the board shall receive \$35 per diem,
28 when actually engaged in the transaction of official business,
29 and the secretary shall receive such reasonable compensation as
30 shall be determined by the board, with the approval of the

1 Secretary of Community Affairs.

2 Section 4. Rent Stabilization and Control.--The board shall
3 stabilize rents at levels prevailing on January 1, 1975 and
4 shall control the level of rents in this Commonwealth through
5 the establishment of a cost justification formula for landlords.
6 When applying such formula to any landlord, the board shall take
7 into account the past rates of return on such landlord's
8 capital, the geographic area in which his rental property is
9 located, and such other factors as the board deems relevant.

10 Section 5. Rent Approval and Reduction.--(a) Before
11 increasing his rent, a landlord shall receive the approval of
12 the board, which shall determine, through the use of the cost
13 justification formula, whether any rent increase by such
14 landlord on or after January 2, 1975, results in such landlord
15 having an unreasonably high rate of return on his capital.

16 (b) Whenever the board determines, through the application
17 of the cost justification formula to a landlord, that any rent
18 increase by such landlord on or after January 2, 1975, results
19 in his having an unreasonably high rate of return on his
20 capital, then the board shall order such landlord to reduce his
21 rents to an appropriate level.

22 Section 6. Rules and Regulations.--The board may promulgate
23 such rules and regulations as it deems necessary or appropriate
24 to effectuate the provisions of this act, including regulations
25 to prohibit retaliatory action by any landlord against any
26 tenant who exercises any right under this act or helps any other
27 tenant exercise any such right.

28 Section 7. Exemptions.--This act shall not apply to:

29 (1) any unit subject to controls promulgated by a Federal or
30 State governmental agency;

1 (2) any unit owned by a landlord who owns no more than four
2 rental units;

3 (3) any unit renting for at least \$500 a month on January 2,
4 1975; or

5 (4) any property that is rented for nonresidential purposes.

6 Section 8. Penalties.--Any landlord who violates any
7 provision of this act or any rule, regulation or order of the
8 board shall be guilty of a summary offense and shall, upon
9 conviction, pay a fine of not more than \$500 and, in addition,
10 shall pay to the aggrieved tenant as a penalty a sum three times
11 the amount of the excessive rent.

12 Section 9. Effective Date.--This act shall take effect
13 immediately.