

Senate Bill 466

By: Senators Butler of the 55th, Henson of the 41st and Orrock of the 36th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 1 of Chapter 7 of Title 44 of the Official Code of Georgia Annotated,  
2 relating to landlord and tenant generally, so as to provide a definition; to provide for  
3 application screening fees; to limit the amount of such fees; to provide for the refund of such  
4 fees under certain circumstances; to provide for certain disclosures to rejected applicants; to  
5 provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 7 of Title 44 of the Official Code of Georgia Annotated, relating to  
9 landlord and tenant generally, is amended by adding a new Code section to read as follows:

10 "44-7-23.

11 (a) As used in this Code section, the term 'application screening fee' means any  
12 nonrefundable payment of money charged by a landlord or his or her agent to an applicant,  
13 the purpose of which is to purchase a consumer credit report or criminal background check  
14 and to validate, review, or otherwise process an application for the rent or lease of  
15 residential rental property.

16 (b) When a landlord or his or her agent receives a request to rent a residential property  
17 from an applicant, such landlord or his or her agent may charge such applicant an  
18 application screening fee to cover the costs of obtaining relevant information about such  
19 applicant. Such information requested and obtained by such landlord or his or her agent  
20 may include, but is not limited to, personal reference checks, criminal background checks,  
21 and consumer credit reports produced by consumer credit reporting agencies.

22 (c) The amount of the application screening fee shall not be greater than the actual  
23 out-of-pocket costs of gathering such relevant information concerning the applicant,  
24 including, but not limited to, the cost of using a tenant screening service, criminal  
25 background reporting agency, or a consumer credit reporting service, and the reasonable  
26 value of time spent by the landlord or his or her agent in obtaining information on such

27 applicant; provided, however, that, in no case shall the amount of the application screening  
28 fee charged by such landlord or his or her agent be greater than \$35.00 per applicant.  
29 (d) Unless the applicant agrees in writing, a landlord or his or her agent may not charge  
30 such applicant an application screening fee when he or she knows or should have known  
31 that no rental unit is available at that time or will be available within seven days of the  
32 application date.  
33 (e) The landlord or his or her agent shall provide, personally or by mail, the applicant with  
34 a receipt for the application screening fee paid by such applicant, which receipt shall  
35 itemize the out-of-pocket expenses and time spent by the landlord or his or her agent to  
36 obtain and process the information about the applicant.  
37 (f) If the landlord or his or her agent does not perform a personal reference check or a  
38 criminal background check or does not obtain a consumer credit report, such landlord or  
39 his or her agent shall refund any amount of the application screening fee that is not used  
40 for the purposes authorized by this Code section to the applicant. If an application  
41 screening fee has been paid by such applicant and if requested by such applicant, the  
42 landlord or his or her agent shall provide a copy of the consumer credit report to such  
43 applicant who is the subject of such consumer credit report.  
44 (g) If a landlord rejects an applicant, the landlord shall advise the applicant in writing of  
45 the basis of such rejection.  
46 (h) This Code section is not intended to preempt any provisions or regulations that govern  
47 the collection of deposits and fees under federal or state housing assistance programs."

48

**SECTION 2.**

49 All laws and parts of laws in conflict with this Act are repealed.