



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-5333/1
SWB:skw

2021 SENATE BILL 1041

March 9, 2022 - Introduced by Senators LARSON, ROYS, CARPENTER, JOHNSON and WIRCH, cosponsored by Representatives MOORE OMOKUNDE, SHELTON, BROSTOFF, EMERSON, HEBL, SINICKI, CONLEY, GOYKE, CABRERA, ANDRACA, CONSIDINE and SNODGRASS. Referred to Committee on Housing, Commerce and Trade.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT to amend** 66.0104 (2) (e) 1m., 66.0104 (2) (e) 2. a., 66.0104 (2) (e) 2. am.
2 and 704.05 (2); and **to create** 66.0602 (2m) (c) of the statutes; **relating to:**
3 rental property inspection requirements.

Analysis by the Legislative Reference Bureau

This bill makes various changes to the requirements relating to inspections of rental properties. The bill eliminates an existing cap on inspection fees that municipalities and counties may charge for rental property inspections, instead allowing municipalities and counties to charge the actual cost of an inspection or reinspection. The bill eliminates a prohibition on charging an inspection fee to a landlord whose property is found to have a habitability violation, but who corrects the violation within 30 days. Under the bill, regardless of the cause for the inspection of a rental property—whether initiated by complaint or otherwise—the municipality or county may charge an inspection fee if a code violation is found during an inspection. The bill does not change current law that provides that if no violation is found, the municipality or county may not charge a fee.

Under the bill, a landlord is required to allow a municipal or county inspector access to the non-common areas of a rental property for any inspection initiated by a complaint or under a rental inspection program permitted under state law. The bill also eliminates a current law requirement that a tenant grant permission to enter the non-common areas of a property in order for an inspection to be performed. Under the bill, a landlord must provide notice to a tenant of an impending inspection in the same manner the landlord would provide notice under current law to enter for repairs or to show the property to prospective tenants.

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Finally, the bill provides that rental property inspection fees charged by a municipality or county are not subject to deduction from the municipality or county's tax levy.

For further information see the local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.0104 (2) (e) 1m. of the statutes is amended to read:

2 66.0104 **(2)** (e) 1m. A city, village, town, or county may establish a rental
3 property inspection program under this subdivision. Under the program, the
4 governing body of the city, village, town, or county may designate districts in which
5 there is evidence of blight, high rates of building code complaints or violations,
6 deteriorating property values, or increases in single-family home conversions to
7 rental units. A city, village, town, or county may require that a rental property or
8 rental unit located in a district designated under this subdivision be initially
9 inspected and periodically inspected. If no habitability violation is discovered during
10 a program inspection or if a habitability violation is discovered during a program
11 inspection and the violation is corrected within a period of not less than 30 days
12 established by the city, village, town, or county, the city, village, town, or county may
13 not perform a program inspection of the property for at least 5 years. If a habitability
14 violation is discovered during a program inspection and the violation is not corrected
15 within the period established by the city, village, town, or county, the city, village,
16 town, or county may require the rental property or unit to be inspected annually
17 under the program. If a habitability violation is discovered during an inspection
18 conducted upon a complaint and the violation is not corrected within a period of not
19 less than 30 days established by the city, village, town, or county, the city, village,

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1 town, or county may require the rental property or unit to be inspected annually
2 under the program. If, at a rental property or unit subject to annual program
3 inspections, no habitability violation is discovered during 2 consecutive annual
4 program inspections, the city, village, town, or county, except as provided in this
5 subdivision, may not perform a program inspection of the property for at least 5
6 years. No rental property or unit that is less than 8 years old may be inspected under
7 this subdivision. A city, village, town, or county may provide a period of less than 30
8 days for the correction of a habitability violation under this subdivision if the
9 violation exposes a tenant to imminent danger. A city, village, town, or county shall
10 provide an extension to the period for correction of a habitability violation upon a
11 showing of good cause. A city, village, town, or county shall provide in a notice of a
12 habitability violation an explanation of the violation including a specification of the
13 violation and the exact location of the violation. ~~No inspection of a rental unit may
14 be conducted under this subdivision if the occupant of the unit does not consent to
15 allow access unless the inspection is under a special inspection warrant under s.
16 66.0119. A landlord shall allow an inspector for a city, village, town, or county access
17 to the non-common areas of a rental property or unit for any inspection initiated by
18 a complaint or by a rental property inspection program permitted under this
19 subdivision. The landlord shall provide notice to an tenant of a rental property or
20 unit of an impending inspection under this subdivision as required under s. 704.05
21 (2).~~

22 **SECTION 2.** 66.0104 (2) (e) 2. a. of the statutes is amended to read:

23 66.0104 (2) (e) 2. a. The amount of the fee does not exceed ~~\$75 for an inspection~~
24 ~~of a vacant unit under subd. 1m. or an inspection of the exterior and common areas~~
25 ~~of a property under subd. 1m., \$90 for any other initial program inspection under~~

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1 ~~subd. 1m., or \$150 for any other 2nd or subsequent program inspection under subd.~~
2 ~~1m. the actual cost of an inspection or reinspection. Regardless of the cause for an~~
3 ~~inspection, whether initiated by complaint or otherwise, a city, village, town, or~~
4 ~~county may charge an inspection fee if a habitability violation is found during an~~
5 ~~inspection.~~ No fee may be charged for a program inspection under subd. 1m. if no
6 habitability violation is discovered during the inspection ~~or, if a violation is~~
7 ~~discovered during the inspection, the violation is corrected within the period~~
8 ~~established by the city, village, town, or county under subd. 1m.~~ No fee may be
9 charged for an inspection of the exterior and common areas if the property owner
10 voluntarily allows access for the inspection and no habitability violation is
11 discovered during the inspection ~~or, if a violation is discovered during the inspection,~~
12 ~~the violation is corrected within the period established by the city, village, town, or~~
13 ~~county under subd. 1m.~~ No fee may be charged for a reinspection that occurs after
14 a habitability violation has been corrected. No fee may be charged to a property
15 owner if a program inspection does not occur because an occupant of the property
16 does not allow access to the property. Annually, a city, village, town, or county may
17 increase the fee amounts under this subd. 2. a. by not more than the percentage
18 change in the U.S. consumer price index for all urban consumers, U.S. city average,
19 as determined by the federal department of labor, for the previous year or 2 percent,
20 whichever is greater.

21 **SECTION 3.** 66.0104 (2) (e) 2. am. of the statutes is amended to read:

22 66.0104 (2) (e) 2. am. The amount of the fee does not exceed \$150 the actual cost
23 for an inspection under s. 66.0119, ~~except that if a habitability violation is discovered~~
24 ~~during the inspection and the violation is not corrected within a period of not less~~
25 ~~than 30 days established by the city, village, town, or county, the fee may not exceed~~

