

LEGAL UPDATE

Bill on good landlordism passed

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On 21 March 2023, the Dutch Senate passed the [bill on good landlordism](#). With this law, the government aims to prevent undesirable letting practices and protect house seekers, tenants and migrant workers. The law is expected to enter into force on 1 July 2023. In this Legal Update, we discuss three key parts of the law.

Basic standard of good landlordism

The law formulates a basic standard for 'good landlordship' through general rules that apply nationwide. These rules include the obligation for landlords to use a clear, transparent and objective selection procedure when selecting tenants, for leases to be drawn up in writing and for tenants to be properly informed of their rights and obligations with regard to the leased property.

Part of the basic standard of 'good landlordship' is the regulation that landlords must provide tenants with a full cost breakdown when settling service charges and refrain from charging service charges other than those regulated by law. This regulation ends the possibility of (indirectly) raising rents by charging certain service charges.

Rental licence

In addition, the law introduces several options for municipalities to impose stricter requirements on landlords, including the power to establish a so-called 'area-based rental licence'. The government has identified certain areas where undesirable landlord behaviour is particularly prevalent, often to the detriment of socio-economically vulnerable tenants. To prevent undesirable landlord behaviour, municipalities can impose requirements on landlords within certain areas and can revoke a licence in case of poor landlord behaviour.

Municipalities are given the option to prescribe a method of working for landlords on how to deal with their tenants. In addition, municipalities are obliged to establish a hotline where undesirable landlord behaviour can be reported anonymously and free of charge.

Municipalities can also institute a rental permit for renting to labour migrants. Municipalities can attach conditions to the permit regarding, for example, the maximum number of persons to whom the house may be rented, provisions for hygiene and provisions for food safety.

Enforcement

The law provides for a number of enforcement options, including an administrative fine for non-compliance with licence regulations, the working method obligation and renting without a landlord's licence. This fine can reach €21,750 (and up to €87,000 for repeated offences). Another (drastic) enforcement measure is the 'occupancy' of the leased property by the municipality. The municipality then takes over the management of the rental of the residential or accommodation space and is authorised to act according to the rights and duties of a landlord.

Do you have questions following the bill on good landlordship? If so, please feel free to contact one of our specialists from the Commercial Tenancy Law team.

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