

KIRKLAND & ELLIS

Kirkland Alert

FTC Proposes New Rulemaking for Rental Housing Fees

19 March 2026

In the latest rulemaking activity from the U.S. Federal Trade Commission (FTC), the agency announced last week it has issued an Advance Notice of Proposed Rulemaking (ANPRM) regarding rental housing fees. The proposed rule, which will be open to public comment for 30 days, would impose new requirements on landlords, property management companies and other rental housing providers regarding the disclosure and assessment of fees charged to prospective and current tenants.

Background

The FTC's proposed rulemaking is part of the agency's broader initiative to combat so-called junk fees, i.e., charges that are hidden, misleading or that otherwise inflate the true cost of goods and services, particularly in the rental housing industry.

Summary of the ANPRM

- **Disclosure Requirements.** The proposed rule would require rental housing providers to clearly and conspicuously disclose the total cost of rent and all mandatory fees to prospective tenants before they are required to pay any nonrefundable fees or sign a lease.
- **Prohibition on Hidden Fees.** The proposed rule would prohibit rental housing providers from charging fees that are not disclosed in advance or that are misrepresented as to their nature, purpose or amount. Fees that are deceptive in their description or that do not correspond to a legitimate service provided to the tenant would be subject to enforcement action under the rule.

- **Limits on Certain Fee Practices.** The proposed rule may also address specific fee categories that may be particularly problematic in the FTC's view, including excessive application fees, duplicative administrative charges and fees for services that primarily benefit the landlord rather than the tenant. The FTC has indicated that it is considering whether to impose substantive limits on such fees or to require that they be reasonably related to the cost of the service provided.

Key Takeaways

If adopted, the proposed rule would represent a significant new federal regulatory framework governing fee practices in the rental housing sector, an area that has historically been regulated primarily at the state and local level (whose regulations would still apply in conjunction with the new federal rule), which would have significant compliance ramifications for rental housing providers and other stakeholders. We will continue monitoring for updates and encourage affected companies to reach out for guidance.

Authors

Lucie H. Duvall

Partner / Washington, D.C.

Olivia Adendorff, P.C.

Partner / Dallas / Washington, D.C.

Christopher B. Leach

Partner / Washington, D.C.

Richard H. Cunningham, P.C.

Partner / Washington, D.C.

Related Services

Practices

- Litigation
- Real Estate
- Antitrust & Competition

Suggested Reading

- 20 March 2026 Kirkland Alert District Court Vacates New HSR Rules, Fifth Circuit Denies Motion to Stay Order Pending Appeal, FTC Will Accept Either Form (For Now)
- 19 March 2026 Kirkland Alert FTC Restarts Subscription Rulemaking
- 16 March 2026 Kirkland Alert DOJ Releases First-Ever Department-Wide Corporate Enforcement Policy

This publication is distributed with the understanding that the author, publisher and distributor of this publication and/or any linked publication are not rendering legal, accounting, or other professional advice or opinions on specific facts or matters and, accordingly, assume no liability whatsoever in connection with its use. Pursuant to applicable rules of professional conduct, portions of this publication may constitute Attorney Advertising.

© 2026 Kirkland & Ellis LLP.