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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO PROPERTY -- RESIDENTIAL LANDLORD AND TENANT ACT

Introduced By: Senator Tiara T. Mack

Date Introduced: March 27, 2024

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 34-18-19 of the General Laws in Chapter 34-18 entitled "Residential
2 Landlord and Tenant Act" is hereby amended to read as follows:

3 **34-18-19. Security deposits.**

4 (a) A landlord may not demand or receive a security deposit, however denominated, in an
5 amount or value in excess of one month's periodic rent.

6 (b) Upon termination of the tenancy, the amount of security deposit due to the tenant shall
7 be the entire amount given by the tenant as a security deposit, minus any amount of unpaid accrued
8 rent, the amount due, if any, for reasonable cleaning expenses, the amount due, if any, for
9 reasonable trash disposal expenses and the amount of physical damages to the premises, other than
10 ordinary wear and tear, that the landlord has suffered by reason of the tenant's noncompliance with
11 § 34-18-24, all as itemized by the landlord in a written notice delivered to the tenant. The landlord
12 shall deliver the notice, together with the amount of the security deposit due to the tenant, within
13 twenty (20) days after the later of either termination of the tenancy, delivery of possession, or the
14 tenant's providing the landlord with a forwarding address for the purpose of receiving the security
15 deposit.

16 (1) All security deposits received by a landlord of six (6) or more dwelling units shall be
17 deposited into federally insured deposit accounts earning interest at a rate not less than the
18 prevailing market rate of interest for regular savings accounts as established in § 19-9-2 or another
19 standard adopted by the department of business regulation in concurrence with the department of

1 housing. All interest accrued shall be the property of the tenant. Upon termination of the tenancy,
2 the amount of security deposit due to the tenant shall be the entire amount given by the tenant as a
3 security deposit, plus all interest accrued, minus any amount of unpaid accrued rent, the amount
4 due, if any, for reasonable cleaning expenses, the amount due, if any, for reasonable trash disposal
5 expenses and the amount of physical damages to the premises, other than ordinary wear and tear,
6 that the landlord has suffered by reason of the tenant's noncompliance with § 34-18-24, all as
7 itemized by the landlord in a written notice delivered to the tenant. The landlord shall deliver the
8 notice, together with the amount of the security deposit due to the tenant, within twenty (20) days
9 after the latter of either termination of the tenancy, delivery of possession, or the tenant's providing
10 the landlord with a forwarding address for the purpose of receiving the security deposit.

11 (c) If the landlord fails to comply with subsection (b), the tenant may recover the amount
12 due him or her, together with damages in an amount equal to twice the amount wrongfully withheld,
13 and reasonable attorney fees.

14 (d) This section does not preclude the landlord or tenant from recovering other damages to
15 which he or she may be entitled under this chapter.

16 (e) This section does not preclude any landlord who rents a furnished apartment from
17 demanding or receiving a furniture security deposit if the replacement value of the furniture being
18 furnished by the landlord valued at the time the lease is executed is five thousand dollars (\$5,000)
19 or greater, in which instance the landlord may charge a separate furniture security deposit of up to
20 one month's periodic rent.

21 (f) Upon termination of the tenancy, the amount of furniture security deposit due to the
22 tenant shall be the entire amount given by the tenant as a furniture security deposit, minus the
23 amount due, if any, for reasonable cleaning expenses and repair and the amount of physical
24 damages to the furniture, other than ordinary wear and tear. The landlord shall deliver the notice,
25 together with the amount of the furniture security deposit due to the tenant, within twenty (20) days
26 after the later of either termination of the tenancy, delivery of possession, or the tenant's providing
27 the landlord with a forwarding address for the purpose of receiving the furniture security deposit.

28 (g) In the event the landlord transfers his or her interest in the premises, the holder of the
29 landlord's interest in the premises at the time of the termination of the tenancy is bound by this
30 section.

31 (h) No rental agreement shall contain any waiver of the provisions of this section.

32 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO PROPERTY -- RESIDENTIAL LANDLORD AND TENANT ACT

1 This act would require that residential landlords of six (6) or more dwelling units hold their
2 tenants' security deposits in interest-bearing federally insured deposit accounts and, within twenty
3 (20) days of the end of the tenancy, any remaining interest accrued shall be paid to tenant.

4 This act would take effect upon passage.

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