



General Assembly

January Session, 2023

Raised Bill No. 943

LCO No. 3087



Referred to Committee on HOUSING

Introduced by:
(HSG)

***AN ACT CONCERNING THE RETURN OF SECURITY DEPOSITS
UPON THE TERMINATION OF TENANCY.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 47a-21 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2023*):

4 (d) (1) Not later than the time specified in subdivision (2) of this
5 subsection, the person who is the landlord at the time a tenancy is
6 terminated, other than a rent receiver, shall pay to the tenant or former
7 tenant: (A) The amount of any security deposit that was deposited by
8 the tenant with the person who was landlord at the time such security
9 deposit was deposited less the value of any damages that any person
10 who was a landlord of such premises at any time during the tenancy of
11 such tenant has suffered as a result of such tenant's failure to comply
12 with such tenant's obligations; and (B) any accrued interest. If the
13 landlord at the time of termination of a tenancy is a rent receiver, such
14 rent receiver shall return security deposits in accordance with the
15 provisions of subdivision (3) of this subsection.

16 (2) Upon termination of a tenancy, any tenant may notify the landlord
17 in writing of such tenant's forwarding address. Not later than [thirty]
18 ten days after termination of a tenancy or fifteen days after receiving
19 written notification of such tenant's forwarding address, whichever is
20 later, each landlord other than a rent receiver shall deliver to the tenant
21 or former tenant at such forwarding address either (A) the full amount
22 of the security deposit paid by such tenant plus accrued interest, or (B)
23 the balance of such security deposit and accrued interest after deduction
24 for any damages suffered by such landlord by reason of such tenant's
25 failure to comply with such tenant's obligations, together with a written
26 statement itemizing the nature and amount of such damages. Any
27 landlord who violates any provision of this subsection shall be liable for
28 twice the amount of any security deposit paid by such tenant, except
29 that, if the only violation is the failure to deliver the accrued interest,
30 such landlord shall be liable for ten dollars or twice the amount of the
31 accrued interest, whichever is greater.

32 (3) (A) Any receiver who is authorized by a court to return security
33 deposits and to inspect the premises of any tenant shall pay security
34 deposits and accrued interest in accordance with the provisions of
35 subdivisions (1) and (2) of this subsection from the operating income of
36 such receivership to the extent that any such payments exceed the
37 amount in any escrow accounts for such tenants. (B) Any rent receiver
38 shall present any claim by any tenant for return of a security deposit to
39 the court which authorized the rent receiver. Such court shall determine
40 the validity of any such claim and shall direct such rent receiver to pay
41 from the escrow account or from the operating income of such property
42 the amount due such tenant as determined by such court.

43 Sec. 2. Subsection (i) of section 47a-21 of the general statutes is
44 repealed and the following is substituted in lieu thereof (*Effective October*
45 *1, 2023*):

46 (i) On and after July 1, 1993, each landlord other than a landlord of a
47 residential unit in any building owned or controlled by any educational
48 institution and used by such institution for the purpose of housing

49 students of such institution and their families, and each landlord or
50 owner of a mobile manufactured home or of a mobile manufactured
51 home space or lot or park, as such terms are defined in subdivisions (1),
52 (2) and (3) of section 21-64, shall pay interest on each security deposit
53 received by such landlord at a rate of not less than the average rate paid,
54 as of December 30, 1992, on savings deposits by insured commercial
55 banks as published in the Federal Reserve Board Bulletin rounded to the
56 nearest one-tenth of one percentage point, except in no event shall the
57 rate be less than one and one-half per cent. On and after January 1, 1994,
58 the rate for each calendar year shall be not less than the deposit index,
59 determined under this section as it was in effect during such year. On
60 and after January 1, 2012, the rate for each calendar year shall be not less
61 than the deposit index, as defined in section 36a-26, for that year. On the
62 anniversary date of the tenancy and annually thereafter, such interest
63 shall be paid to the tenant or resident or credited toward the next rental
64 payment due from the tenant or resident, as the landlord or owner shall
65 determine. If the tenancy is terminated before the anniversary date of
66 such tenancy, or if the landlord or owner returns all or part of a security
67 deposit prior to termination of the tenancy, the landlord or owner shall
68 pay the accrued interest to the tenant or resident not later than [thirty]
69 ten days after such termination or return. Interest shall not be paid to a
70 tenant for any month in which the tenant has been delinquent for more
71 than ten days in the payment of any monthly rent, unless the landlord
72 imposes a late charge for such delinquency. No landlord shall increase
73 the rent due from a tenant because of the requirement that the landlord
74 pay on interest the security deposit.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	47a-21(d)
Sec. 2	<i>October 1, 2023</i>	47a-21(i)

Statement of Purpose:

To require landlords to return any security deposit due to a tenant not later than ten days after the termination of tenancy.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]