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## **OLR Bill Analysis**

### **sSB 943**

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

#### **SUMMARY**

This bill generally shortens the deadline for landlords to return a tenant's security deposit and interest on deposits under certain circumstances.

Under current law, after a tenancy terminates, landlords must return the tenant's security deposit, or the deposit balance if any, plus accrued interest, within the greater of (1) 30 days or (2) 15 days after receiving written notification of the tenant's forwarding address. The bill reduces this 30-day deadline to 15 business days. Under existing law and unchanged by the bill, any landlord that violates this requirement is liable for twice the security deposit amount (or, if the landlord fails only to deliver the accrued interest, the greater of twice the accrued interest or \$10).

The bill also makes a similar change to a statutory provision requiring landlords to pay interest annually on tenants' security deposits. Under current law, a landlord must pay their tenant the accrued interest within 30 days after (1) the tenancy is terminated before its anniversary date or (2) he or she returns all or part of a security deposit before the tenancy's anniversary date. The bill reduces this deadline to 15 business days.

By law, any landlord who knowingly and willfully fails to pay all or part of a security deposit when due is subject to a fine of up to \$250 for each offense, or \$100 per offense for failing to pay accrued interest (CGS § 47a-21(k)).

EFFECTIVE DATE: October 1, 2023

**COMMITTEE ACTION**

Housing Committee

Joint Favorable Substitute

Yea 10 Nay 5 (02/28/2023)