



Security Deposit Action Items

At the Rental Services Commission (RSC) work session on security deposits on June 19, Commissioners submitted several action items to be considered as part of recommendation letters from the RSC. The current action item list for consideration is as follows:

- Define structural and non-structural items.
- Clarify what/who determines the length of time for paying in installments.
- Clarify “a month’s Rent” for the security deposit cap.
- Remove reference to first month’s rent. The security deposit cap amount should be determined by if prepaid rent for the last month is required.
- Clarify contiguous area for carpet.
- Define basic cleaning and filth.
- Modify the depreciation table. Sub-standard appliances don’t last 27 years, which could disproportionately impact low-income tenants.
- Concern around requiring landlords to maintain documents going back 27 years.
- Add to ordinary wear and tear, that it will include wear and tear caused by something related to a tenant’s disability.
- Add that ordinary wear and tear for households with pets or children should include ordinary wear and tear for them.
- Concern around defining ordinary wear and tear excessively, which could potentially violate Fair Housing law.
- Modify Condition Reports to account for when property managers correct deficiencies identified in the move-in report.
- Concern that requiring landlords to serve as their own collections agency is unusual.

- Clarify that damage related to a modification for a tenant's disability can be charged, but damage related to an accommodation for a tenant's disability cannot be charged.
- Modify payment of interest from interest-bearing accounts should allow for the landlord to deduct account-associated fees or maintenance costs.
- Modify that in the event a tenant does not complete a Condition Report, and the landlord completes the report, the landlord *shall* complete a Condition Report and provide a copy to the tenant.
- Add that a landlord shall give adequate notice to the tenant of when the final walk-through inspection will occur.
- Add that the landlord shall provide a condition report to the tenant for them to complete, along with instructions describing the condition report process.
- Modify to allow landlords to conduct a condition report prior to move-in to assess before possible move-in related damages.
- Add existing federal language about reasonable accommodations that relate to modifications vs accommodations for their effect on security deposit to maintain legal consistency.