

**HOUSE . . . . . No. 649**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***F. Jay Barrows***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to advance rent and security deposits.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>F. Jay Barrows</i>	<i>1st Bristol</i>
<i>Kimberly N. Ferguson</i>	<i>1st Worcester</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>Susan Williams Gifford</i>	<i>2nd Plymouth</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>
<i>Shawn Dooley</i>	<i>9th Norfolk</i>
<i>Joseph D. McKenna</i>	<i>18th Worcester</i>
<i>Bradford R. Hill</i>	<i>4th Essex</i>
<i>Hannah Kane</i>	<i>11th Worcester</i>
<i>Peter J. Durant</i>	<i>6th Worcester</i>
<i>Brian Murray</i>	<i>10th Worcester</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>
<i>James J. Lyons, Jr.</i>	<i>18th Essex</i>
<i>Jonathan D. Zlotnik</i>	<i>2nd Worcester</i>
<i>Kate D. Campanale</i>	<i>17th Worcester</i>

**HOUSE . . . . . No. 649**

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By Mr. Barrows of Mansfield, a petition (accompanied by bill, House, No. 649) of F. Jay Barrows and others relative to rent, landlords and security deposits. Housing.

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**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninetieth General Court  
(2017-2018)**  
\_\_\_\_\_

An Act relative to advance rent and security deposits.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Section 15B of chapter 186 of the General Laws as appearing in the 2014  
2 official edition is hereby amended by striking out paragraph (a) of subsection 2 by inserting in  
3 place thereof the following paragraph:-

4           (2)(a) Any lessor or his agent who receives, at or prior to the commencement of a  
5 tenancy, rent in advance for the last month of the tenancy from a tenant or prospective tenant  
6 shall give to such tenant or prospective tenant at the time of such advance payment a receipt  
7 indicating the amount of such rent, the date on which it was received, its intended application as  
8 rent for the last month of the tenancy, the name of the person receiving it and, in the case of an  
9 agent, the name of the lessor for whom the rent is received, and a description of the rented or  
10 leased premises, and a statement indicating that the tenant is entitled to the amount of interest as  
11 has been received from the bank where the deposit has been held payable in accordance with the  
12 provisions of this clause, and a statement indicating that the tenant should provide the lessor with

13 a forwarding address at the termination of the tenancy indicating where such interest may be  
14 given or sent.

15 Any lessor or his agent who receives said rent in advance for the last month of tenancy  
16 shall, beginning with the first day of tenancy, pay the amount of interest as has been received  
17 from the bank where the deposit has been held. Such interest shall be paid over to the tenant as  
18 provided in this clause; provided, however, that in the event that the tenancy is terminated before  
19 the first anniversary date of such tenancy, the tenant shall receive all accrued interest within  
20 thirty days of such termination. Interest shall not accrue for the last month for which rent was  
21 paid in advance. Such lessor shall give or send to the tenant from whom rent in advance was  
22 collected a statement which shall indicate the amount payable by such lessor to the tenant, within  
23 thirty days of receiving the tenant's request therefor. The lessor shall at the same time give or  
24 send to such tenant the interest which is due or shall notify the tenant that he may deduct the  
25 interest from the next rental payment of such tenant.

26 SECTION 2. Said section 15B is hereby further amended by striking out paragraph (b) in  
27 subsection 2, renumbering the current paragraph 2(c) as paragraph 2(b), and renumbering the  
28 current paragraph 2(d) as paragraph 2(c).

29 SECTION 3. Said section 15B is hereby further amended by striking out subsection 3  
30 and inserting in place thereof the following subsection:-

31 (3)(a) Any security deposit received by such lessor shall be held in a separate, interest-  
32 bearing account in a bank, under such terms as will place such deposit beyond the claim of  
33 creditors of the lessor, including a foreclosing mortgagee or trustee in bankruptcy, and as will  
34 provide for its transfer to a subsequent owner of said property.

35 (b) A lessor of residential real property who holds a security deposit pursuant to this  
36 section for a period of one year or longer from the commencement of the term of the tenancy  
37 shall, beginning with the first day of the tenancy, pay the amount of interest as has been received  
38 from the bank where the deposit has been held payable, to the tenant upon demand no more than  
39 once per year or at the end of the tenancy. Such interest shall be paid over to the tenant as  
40 provided in this clause, provided, however, that in the event that the tenancy is terminated before  
41 the first anniversary date of the tenancy, the tenant shall receive all accrued interest within thirty  
42 days of such termination. Such interest shall be beyond the claims of such lessor, except as  
43 provided for in this section. The lessor shall within thirty days of the tenant's request give or  
44 send to each such tenant the interest which is due or a notification that the tenant may deduct the  
45 interest from the tenant's next rental payment. If, after thirty days the tenant has not received  
46 such payment, the tenant may deduct from the next rent payment the interest due.

47 SECTION 4. Said section 15B is hereby further amended by striking out subsection 6  
48 and inserting in place thereof the following subsection:-

49 (6) The lessor shall forfeit his right to retain any portion of the security deposit for any  
50 reason, or, in any action by a tenant to recover a security deposit, to counterclaim for any damage  
51 to the premises if the lessor:

52 (a) fails to deposit such funds in an account as required by subsection (3);

53 (b) fails to furnish to the tenant within thirty days after the termination of the occupancy  
54 the itemized list of damages, if any, in compliance with the provisions of this section;

55 (c) uses in any lease signed by the tenant any provision which conflicts with any  
56 provision of this section and attempts to enforce such provision or attempts to obtain from the  
57 tenant or prospective tenant a waiver of any provision of this section;

58 (d) fails to transfer such security deposit to the lessor's successor in interest or to  
59 otherwise comply with the provisions of subsection (5) after succeeding to an interest in  
60 residential real property; or,

61 (e) fails to return to the tenant the security deposit or balance thereof to which the tenant  
62 is entitled after deducting therefrom any sums in accordance with the provisions of this section,  
63 together with any interest thereon, within thirty days after termination of the tenancy.

64 SECTION 5. Said section 15B s hereby further amended by striking out subsection 7 and  
65 inserting in place thereof the following subsection:-

66 (7) If the lessor or his agent knowingly and willfully fails to comply with clauses (a), (d),  
67 or (e) of subsection 6, and upon a finding that the lessor failed to comply within thirty  
68 days of receiving the tenant's demand for compliance, the tenant shall be awarded actual  
69 damages.