SUPPORT HB 4951: Clarify 2017 Changes to Security Deposit Return Act

(House Sponsor: Halpin; Senate Sponsor: Raoul) Passed Both Houses on 5/17/18

HB 4951 clarifies that charges potentially to be deducted from a security deposit be reasonable and for damage beyond normal wear and tear.

Under the Security Deposit Return Act (765 ILCS 710), a landlord with 5 apartments or more must return a security deposit within 45 days after the tenant moves out. Low-income tenants often rely on the return of their security deposit to help them cover the cost of moving and securing their next apartment.

In 2017, House Bill 3001, now Public Act 100-0269, made several changes to the Security Deposit Return Act.

One of those changes allows landlords to specify in a written lease the cost to be deducted from a security deposit for cleaning, repair, or replacement of any component of the leased premises or any component of the building or common areas that, if damaged, will not be replaced.

The purpose of HB 4951 is to clarify that costs specified in a written lease shall be for damage beyond normal wear and tear and reasonable to restore the leased premises to the same condition as at the time the lease began.

HB 4951 addresses concerns by tenant advocates that the recent change in state law could be used by landlords to make deductions from security deposits for ordinary wear and tear, inflate the cost of damages and/or use security deposits to improve the rental unit beyond the condition of the unit at the time the lease began.

HB 4951 does not otherwise limit a landlord's ability to specify in the lease the costs of potential deductions from a tenant's security deposit for damages.

Proposed Change to 765 ILCS 710/1:

"If a written lease specifies the cost for cleaning, repair, or replacement of any component of the leased premises or any component of the building or common areas that, if damaged will not be replaced, the lessor may withhold the dollar amount specified in the lease. <u>Costs</u> <u>specified in a written lease shall be for damage beyond normal wear and tear and reasonable to restore the leased premises to the same condition as at the time the lease began.</u>"

