



A stronger Illinois begins at home



Oppose House Bill 3001: Weakens Security Deposit Return Act (House Sponsor: Robert Rita; Senate Sponsor: Michael Hastings)

Under the Security Deposit Return Act, a landlord with 5 apartments or more must return a security deposit within 45 days after the tenant move 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.

Under existing law, within 30 days after the tenant moves out, landlords must give tenants a written statement describing any damage to the property if they want to deduct repair costs from the security deposit. The landlord must list the actual or estimated cost of repair and give receipts for repairs. Landlords already do not have to provide receipts for their own labor, so the current standard for providing receipts only covers items and services purchased by the landlord.

We are not aware of any compelling reasons and/or widespread problems with existing law that have been provided to weaken the existing minimal protections currently provided for tenants under the Act. We object to the following provisions:

1. Weakens Existing Standard that Landlords Must Attempt to Contact Tenant at Their Last Known Address in Order to Return a Security Deposit

Under current law, once a landlord attempts to contact the tenant at their last known address, the landlord has met their legal obligations to contact the tenant. Based on case law, the last known address includes the address of the property the lease was subject to (i.e., the apartment that the tenant just moved out of). Although it certainly happens infrequently, there are some legitimate reasons why a tenant prefers to have their mail forwarded by the U.S. Postal Service rather than provide their former landlord with their new address (e.g., some sort of dispute between the landlord and the tenant).

2. Allows Landlords to Deduct for Ordinary Wear and Tear

Tenant advocates cite landlords' attempts to deduct for ordinary wear and tear as the most common problem they see with security deposits, and this language would essentially create a statutory mechanism for that abuse. If the damaged property is not replaced, there is no way to substantiate an actual expense for the landlord. For landlords looking to take advantage of a tenant, this would provide a significant incentive to both claim false damages and inflate the cost of damages.

Under existing law, when damaged property is repaired or replaced, a landlord can substantiate the actual expense, and is then required to provide that documentation to the tenant. If the landlord maintains a tenant has liability for something that is damaged but not be replaced and there is a legal basis for the landlord to recover from the tenant, there are other mechanisms for that, such as a small claim suit, which would provide a far more equitable setting to resolve questions of liability and amounts of damages.

3. In the Absence of Receipts Allows Landlords to Provide a "Verified Statement" to Document the Cost of Repairs

Allowing the use of "verified statement" outside a court proceeding is problematic. In the case of most security deposit reductions, it is not going to worth the tenant's time, effort and money to go to court to challenge a landlord's verified statement and attempt to have the court validate the statement. Therefore, from the tenant's point of view, this is not a meaningful protection.

For more information, please contact Bob Palmer at 312-282-3959 (cell) or bob@housingactionil.org.