

By Mr. Scalli of Boston, petition of Robert H. Quinn (Attorney General) and Anthony J. Scalli that security deposits given to lessors who own or operate four or more residential dwelling units be placed in an interest bearing escrow account. Commerce and Labor.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy.

AN ACT REQUIRING THAT SECURITY DEPOSITS GIVEN TO LESSORS WHO OWN OR OPERATE FOUR OR MORE RESIDENTIAL DWELLING UNITS BE PLACED IN AN INTEREST BEARING ESCROW ACCOUNT.

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. Chapter 186 of the General Laws is hereby
2 amended by inserting after section 15B the following sec-
3 tion:—

4 *Section 15C.* All monies given as a security deposit pur-
5 suant to the renting of a residential dwelling unit shall be
6 placed by the lessor in an interest bearing escrow account, the
7 interest therefrom to accrue to the benefit of the tenant who
8 tendered the security deposit.

1 SECTION 2. All monies given as a security deposit pursuant
2 to the renting of a residential dwelling unit, together with
3 accrued interest shall be returned or accounted for to the
4 tenant who tendered the security deposit within thirty days of
5 the termination of the lease or period of occupancy.

1 SECTION 3. Any lessor who fails in connection with this
2 section, to refund or account for a security deposit within
3 thirty days as provided by subsection two of this section shall
4 be liable in an amount equal to twice the amount of the se-
5 curity deposit, except that the liability under this clause shall
6 not be less than one hundred dollars nor more than one thou-
7 sand dollars, and in the case of any successful action to en-

8 force such liability, a reasonable attorney's fee as determined
9 by the court, but a lessor may not be held liable in any action
10 brought under this subsection, if he shows by a preponderance
11 of evidence that such violation was not intentional and re-
12 sulted from a bona fide error.

1 SECTION 4. This section shall apply only to lessors who
2 own or operate four or more residential dwelling units.

1 SECTION 5. The provisions of section fifteen C of chapter
2 one hundred and eighty-six of the General Laws inserted by
3 this act, shall not apply to leases executed before the effective
4 date of this act.