



RHODE ISLAND COALITION OF HOUSING PROVIDERS

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March 14, 2025

The Honorable Representative Robert E. Craven, Sr.
Chair, House Judiciary Committee
Rhode Island State House
Providence, RI 02903
VIA Email: HouseJudiciary@rilegislature.gov

RE: Letter in SUPPORT of House Bill No. 5677

Dear Members of the House Judiciary Committee,

We are writing to you on behalf of the Rhode Island Coalition of Housing Providers ("the coalition"), which represents a diverse group of housing providers throughout the State of Rhode Island, in strong support of House Bill 5677 ("the bill").

The bill would increase the cap on the lawful amount of a security deposit from one month's rent to two. Most states in the nation already allow landlords to collect two months' security deposit or prepaid rent, making Rhode Island's current restriction an outlier that discourages investment in rental housing

Additionally, the bill would clarify that there are no prohibitions against a tenant paying their last month's rent in advance, or any other prepaid rent. The coalition firmly believes that this change would bring benefits to landlords and tenants alike.

Currently, Rhode Island law limits security deposits to one month's rent, which can make it difficult for landlords to approve tenants who may have poor credit, a limited rental history, or other challenges. By allowing landlords the option to collect an additional month's deposit or prepaid last month's rent, this legislation would enable housing providers to take on tenants who might otherwise be denied due to financial or other risk. Many applicants who struggle to qualify under current screening criteria—such as those with prior evictions, inconsistent income, or low credit scores—would have a better chance of securing housing if they could offer additional financial assurances upfront.

For landlords, the ability to increase the amount of a security deposit from the amount of one month's rent to two provides essential financial protections. It ensures that landlords can collect a sufficient deposit to cover the cost of damages. Repair costs have skyrocketed since the pandemic; even relatively simple tasks such as painting often cost well in excess of one month's rent. This is even more relevant when actual damages to the premises have occurred. The cost to repair walls, doors, floors, fixtures, etc., has ballooned to well beyond one month's rent. By allowing for an increased security deposit, the risk to landlords is reduced and can not only increase the care and maintenance of the property but also bring more rental units onto the market.

Importantly, *nothing in the bill requires a tenant to pay a larger security deposit*, and nothing in the bill prevents the parties from agreeing to make the payments in stages or over time. Rather, the bill creates additional flexibility for the parties and will work to strengthen the landlord-tenant relationship. Ultimately, the proposed changes would help balance the interests of both parties. Landlords would be better protected against financial risks, which would foster a healthier rental market, while tenants would benefit from more secure, well-maintained housing options and more housing opportunities.

Thank you for considering these important updates. We encourage the passage of this bill for the benefit of both tenants and landlords.

Sincerely,



Shannon Elizabeth Weinstein
On behalf of the RI Coalition of Housing Providers