

Ariana Costa

From: bounce@bounce.votervoice.net on behalf of Andre Carew <user@votervoice.net>
Sent: Wednesday, March 18, 2026 10:08 AM
To: House Judiciary Committee
Subject: H8113 OPPOSED - This proposal raises costs for landlords AND tenants

Follow Up Flag: Follow up
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Dear Committee Clerk DiMezza,

This creates more expenses for a very small dollar amount. It also would create additional tax forms and reporting costs for both the landlord and the tenant that would far exceed the very small amount of interest. And add aggravation to both parties.

The proposed amendment mandating landlords with six or more units to place tenants' deposits into interest-bearing federally insured accounts would substantially increase landlords' administrative responsibilities. This would involve managing separate accounts for each tenant, monitoring interest rates, and ensuring compliance with federal rules. These added duties would raise operating costs, likely resulting in higher rents for tenants, especially affecting smaller landlords who lack the resources to efficiently handle these requirements.

Additionally, the provision to pay out accrued interest to tenants within 20 days after lease termination could pose logistical challenges. Promptly calculating and distributing interest might prove difficult, leading to delays and disputes, which would further escalate administrative costs and potentially rents.

It has been noted that in nearby Massachusetts many landlords have opted out of accepting security deposits due to the amount of liability. Instead of bearing the administrative burden, landlords have opted to instead collect additional rent up front as well as increase rental prices to cover any expense a security deposit may have covered. This is less beneficial to the tenant for two main reasons, first being that a security deposit is refundable but rent is not. The second obvious reason that this unintended consequence of increased rents would come at a time when renters are already most vulnerable. We are in a housing crisis and any drastic, additional increase in rent, would be unfortunate. However, property owners will likely choose to protect their interests and avoid unnecessary costs and litigation.

While the goal of benefiting tenants with accrued interest is acknowledged, the burden imposed on landlords by this amendment could outweigh these advantages. Therefore, I oppose this bill due to its adverse impact on housing affordability.

Thank you for your time.

Sincerely,

Andre Carew
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