

STATE OF NEW YORK

4087

2025-2026 Regular Sessions

IN SENATE

January 31, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to the return of a security deposit by a landlord

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The general obligations law is amended by adding a new
2 section 7-104 to read as follows:

3 § 7-104. Money deposited or advanced for use or rental of any dwell-
4 ing; retention. 1. Definitions. For the purpose of this section:

5 (a) The term "security deposit" shall mean any advance or deposit of
6 money that is subject to the provisions of section 7-103 of this title,
7 and the primary function of which is to secure the performance of a
8 rental agreement for the use or rental of any dwelling or any part ther-
9 eof.

10 (b) The term "landlord" shall mean any person who receives payment
11 from a tenant for the rental or use of any dwelling or any portion ther-
12 eof and has received a security deposit in connection with such rental.

13 (c) The term "tenant" shall mean any person who occupies any dwelling
14 or any portion thereof for which such person pays rent and who, in
15 connection with such rental, has furnished a security deposit.

16 2. A landlord shall, within thirty days after the tenant vacates the
17 dwelling return to the tenant the full security deposit and any accrued
18 interest to which the tenant is entitled.

19 3. A landlord may retain all or a part of a security deposit for
20 nonpayment of rent, use and occupancy, unjustifiable abandonment of the
21 premises prior to the expiration of the lease term, nonpayment of utili-
22 ty charges, repair work or cleaning contracted by the tenant or damages
23 caused by the tenant to the premises. In the event that the landlord
24 retains any portion of the security deposit, such landlord shall provide
25 the tenant with a written statement listing the reasons for the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 retention of such portion of the security deposit. When the statement is
2 delivered it shall be accompanied by payment of the difference between
3 any sum deposited and the amount retained. The landlord shall be deemed
4 to have complied with this section by mailing the statement and any
5 payment required to the tenant's new address, if known by the landlord,
6 or to the last known address of the tenant.

7 4. The willful retention of a security deposit in violation of this
8 section shall render a landlord liable for treble the amount of that
9 portion of the security deposit wrongfully withheld from the tenant,
10 together with reasonable attorney's fees and court costs. In any action
11 brought by a tenant under this section, the landlord shall bear the
12 burden of proving that their withholding of the security deposit or any
13 portion thereof was not willful.

14 5. Any provision of a contract or agreement whereby a person who so
15 deposits or advances money waives any provision of this section is abso-
16 lutely void.

17 § 2. This act shall take effect on the sixtieth day after it shall
18 have become a law.