

Security Deposit Disputes: A Tenant's Guide to Action

Vermont law (VSA Title 9, Chapter 137, Section 4461) states that:

A **security deposit** is any advance, deposit or prepaid rent, however named, which is refundable to the tenant at the termination or expiration of the tenancy. The function of a security deposit is to secure the performance of a tenant's obligations to pay rent and to maintain a dwelling unit. A Landlord shall return the security deposit along with a written statement itemizing any deductions to a tenant within 14 days from the date on which the landlord discovers that the tenant has vacated or abandoned the dwelling unit, or the date the tenant vacated the dwelling unit provided the landlord received notice from the tenant of that date.

For guidance on whether your landlord made appropriate deductions from your security deposit, please refer to pages 4-7 in *Renting in Vermont, 2000 Edition* or call **Vermont Tenants at 864-0099**.

If you believe that your landlord made inappropriate deductions, or failed to return your security deposit within 14 days of the date they were notified by you that you had vacated the apartment, here are some steps that you can take.

–Contact your landlord, verbally and in writing, to try to reach an agreement. VTI has a form letter for tenants who have not received their deposit or any notice from their landlord within 14 days of moving out. It is advisable for parties in a dispute to try to resolve the conflict before taking the issue to court. If the landlord still refuses to return your deposit or negotiate a settlement, your next option is small claims court. *** (If the apartment was in Burlington or Barre City, see note below about an alternative to court.) The following steps must be followed in order to take your landlord to small claims court:

1. Pick the proper court. Small claims court is a special part of Vermont Superior Court. Every Vermont county has a Superior Court. Find yours in the phone book under Vermont- State of - Courts.
2. Go to the court to fill out a complaint (which basically asks who, why, and for how much you are suing), and pay a filing fee to the clerk. For claims under \$1000, the fee is \$50, and for claims between \$1000 and \$5,000 (the maximum allowable claim), the fee is \$75. You may have the fee waived by filling out a form called an Application to Proceed *In Forma Pauperis*.
3. Prepare for your hearing.
 - A. Collect any documentation of the condition of your apartment when you moved in and when you moved out. Photographs of any potential area of dispute are always a good idea.
 - B. You may want to contact any individuals who saw the condition of the place when you moved in and when you moved out. These individuals can testify on your behalf at the court hearing.
 - C. Carefully consider the arguments that you will make. Will you argue that the landlord failed to contact you within 14 days, and therefore has forfeited his/her right to keep any of the security deposit, or will you contest specific deductions from the deposit? You may want to write down your arguments ahead of time in order to better prepare for the hearing.
 - D. If you did cause damages in the apartment, it may be wise to take responsibility for them. This demonstrates a desire to seek a fair and equitable resolution to the conflict.

*** If you live in **Burlington or Barre City**, you have an option before going to small claims court. Both cities have established a **Housing Board of Review**. The Housing Board of Review hears security deposit disputes between landlords and tenants. VTI encourages tenants in Burlington and Barre City to utilize this option before they resort to small claims court. There is no filing fee, and the process is often easier and quicker than going to court. Burlington and Barre City also require that security deposits be returned with interest equal to the Vermont Passbook Savings rate.

In Burlington, to request a hearing in front of the Housing Board of Review, call 865-7122.

For Barre's Housing Board of Review, call the City Managers office at 476-0240.

If you have any further questions about security deposits, please call **Vermont Tenants at 864-0099**.

Note: This document is intended to serve as a general guide to tenants and does not constitute a legal opinion or legal advice regarding any specific situation.