



Bill No: HB 343 -- Residential Rental Properties and Mobile Home Parks - Security Deposits - Rate of Interest

Committee: Environment and Transportation

Date: 2/8/2022

Position: Favorable

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's Counties.

Currently, the interest rate payable on a residential security deposit resets annually based on the U.S. Treasury Yield Curve Rate for one year on the first business date of the year, or 1.5 percent, whichever is greater. This bill would require a housing provider to calculate interest accrued using only the U.S. Treasury Yield Curve Rate.

AOBA supports this change as it would ensure that the interest rate paid on security deposits more closely reflects the actual yield.

For these reasons AOBA requests a favorable report on HB 343.

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