

FIRST REGULAR SESSION

SENATE BILL NO. 426

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAMPING.

Read 1st time March 1, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1783S.02I

AN ACT

To repeal section 535.300, RSMo, and to enact in lieu thereof one new section relating to security deposits.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 535.300, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 535.300, to read as follows:

535.300. 1. A landlord may not demand or receive a security deposit in
2 excess of two months' rent.

3 2. Within thirty days after the date of termination of the tenancy, the
4 landlord shall:

5 (1) Return the full amount of the security deposit; or

6 (2) Furnish to the tenant a written itemized list of the damages for which
7 the security deposit or any portion thereof is withheld, along with the balance of
8 the security deposit. The landlord shall have complied with this subsection by
9 mailing such statement and any payment to the last known address of the tenant.

10 3. The landlord may withhold from the security deposit only such amounts
11 as are reasonably necessary for the following reasons:

12 (1) To remedy a tenant's default in the payment of rent due to the
13 landlord, pursuant to the rental agreement;

14 (2) To restore the dwelling unit to its condition at the commencement of
15 the tenancy, ordinary wear and tear excepted; or

16 (3) To compensate the landlord for actual damages sustained as a result
17 of the tenant's failure to give adequate notice to terminate the tenancy pursuant
18 to law or the rental agreement; provided that the landlord makes reasonable
19 efforts to mitigate damages.

20 4. The landlord shall give the tenant or his representative reasonable

21 notice in writing at his last known address or in person of the date and time
22 when the landlord will inspect the dwelling unit following the termination of the
23 rental agreement to determine the amount of the security deposit to be withheld,
24 and the inspection shall be held at a reasonable time. The tenant shall have the
25 right to be present at the inspection of the dwelling unit at the time and date
26 scheduled by the landlord.

27 5. If the landlord wrongfully withholds all or any portion of the security
28 deposit in violation of this section, the tenant shall recover as damages not more
29 than twice the amount wrongfully withheld.

30 6. Nothing in this section shall be construed to limit the right of the
31 landlord to recover actual damages in excess of the security deposit, or to permit
32 a tenant to apply or deduct any portion of the security deposit at any time in lieu
33 of payment of rent.

34 7. As used in this section, the term "security deposit" means any deposit
35 of money or property, however denominated, which is furnished by a tenant to a
36 landlord to secure the performance of any part of the rental agreement, including
37 damages to the dwelling unit. This term does not include any money or property
38 denominated as a deposit for a pet on the premises.

39 8. A landlord of twenty or more dwelling units that are leased to
40 tenants or renters shall:

41 (1) Hold all security deposits received in a federally insured
42 account, separate and apart from the landlord's own funds, but the
43 landlord shall receive any interest earned on such account. The
44 security deposit shall continue to be the property of the tenant or
45 renter making such deposit and shall not be subject to the claims of any
46 creditor of the landlord, including a foreclosing mortgagee or trustee
47 in bankruptcy. In the event of a sale, transfer, or other direct or
48 indirect disposition of residential real property, other than to the
49 holder of a lien interest in such property, by a landlord who has
50 received a security deposit, the landlord shall transfer such security
51 deposit to the successor landlord and notify the tenant or renter who
52 made such security deposit by delivering or mailing to the tenant's or
53 renter's last known address the successor landlord's name, address, and
54 telephone number. Upon transfer, the successor landlord shall be liable
55 to the tenant or renter for the security deposit;

56 (2) Provide the tenant or renter at the time of receiving such

57 security deposit a signed receipt indicating the date, the amount of
58 such security deposit, the name of the person receiving it, and, in the
59 case of an agent, the name of the landlord for whom such security
60 deposit is received, a description of the leased dwelling unit, and the
61 name and address of the bank or other financial institution in which
62 the deposit will be held.

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