Sixty-fifth Legislative Assembly of North Dakota

HOUSE BILL NO. 1220

Introduced by

Representatives Kading, Hogan, Lefor, McWilliams, Schneider

- 1 A BILL for an Act to amend and reenact subsection 1 of section 47-16-07.1 of the North Dakota
- 2 Century Code, relating to lessor security deposit limitations.

3 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

4 SECTION 1. AMENDMENT. Subsection 1 of section 47-16-07.1 of the North Dakota

- 5 Century Code is amended and reenacted as follows:
- 6 1. The lessor of real property or a dwelling who requires money as a security deposit,
- 7 however denominated, shall deposit the money in a federally insured interest-bearing
- 8 savings or checking account for the benefit of the tenant. The security deposit and any
- 9 interest accruing on the deposit must be paid to the lessee upon termination of a
- 10 lease, subject to the conditions of subsection 2. A lessor may not demand or receive
- 11 security, however denominated, in an amount or value in excess of one month's rent,
- 12 except a lessor may accept an amount or value up to two month's rent, as security,
- 13 from an individual convicted of a felony offense as an incentive to rent the property to
- 14 <u>the individual</u>.