

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 the individual.