

SECOND REGULAR SESSION

HOUSE BILL NO. 1461

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES WETER (Sponsor), NANCE, McDONALD, COOKSON,
CURTMAN, KOENIG, MEADOWS, CARTER, DENISON, KIRKTON, STILL, JONES (63), WEBB,
NICHOLS AND LAIR (Co-sponsors).

5185L.011

D. ADAM CRUMBLISS, Chief Clerk

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Section A. Section 535.300, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 535.300, to read as follows: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 excess of two months' rent.

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

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

(2) Furnish to the tenant **or renter** a written itemized list of the damages for which the security deposit or any portion thereof is withheld **and the estimated or actual cost for repairing or replacing each item on the list, attaching copies of the paid receipts for the repair or replacement**, along with the balance of the security deposit. **If the estimated cost is given, the landlord shall furnish the tenant or renter with copies of paid receipts or a certification of actual costs of repairs of damage within sixty days from the date of the statement.** The landlord shall have complied with this subsection by mailing such statement, **receipts**, and any payment to the last known address of the tenant **or renter**.

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

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 (1) To remedy a tenant's **or renter's** default in the payment of rent due to the landlord,
16 pursuant to the rental agreement;

17 (2) To restore the **leased** dwelling unit to its condition at the commencement of the
18 tenancy, ordinary wear and tear excepted; or

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

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

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

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

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

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

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

51 **Upon transfer, the successor landlord shall be liable to the tenant or renter for the security**
52 **deposit;**

53 **(2) Provide the tenant or renter at the time of receiving such security deposit a**
54 **signed receipt indicating the date, the amount of such security deposit, the name of the**
55 **person receiving it and, in the case of an agent, the name of the landlord for whom such**
56 **security deposit is received, a description of the leased dwelling unit, and the name and**
57 **address of the bank or other financial institution in which the deposit will be held.**

58 **9. For purposes of this section, a leased dwelling unit is a unit leased and occupied**
59 **by one or more tenants or renters.**

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