

FIRST REGULAR SESSION

HOUSE BILL NO. 1037

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ENGLUND.

2181L.01I

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Section A. Section 535.300, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 535.300, to read as follows: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 a written itemized list of the damages for which the security deposit or any portion thereof is withheld, along with the balance of the security deposit. The landlord shall have complied with this subsection by mailing such statement and any payment to the last known address of the tenant.

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

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

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

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

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.

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

24 5. **A tenant shall initiate a dispute in the attorney general's office if a landlord**
25 **wrongfully withholds the tenant's security deposit by filing a consumer complaint form,**
26 **and the attorney general shall mediate all such disputes. The attorney general may charge**
27 **a fee to be paid by the losing party to pay for any costs associated with mediating such**
28 **dispute. If multiple consumer complaint forms are filed against the same landlord, all such**
29 **disputes may be grouped together.**

30 6. If the landlord wrongfully withholds all or any portion of the security deposit in
31 violation of this section **and the landlord and tenant are not able to resolve the dispute**
32 **through mediation under subsection 5 of this section,** the tenant shall recover as damages not
33 more than twice the amount wrongfully withheld.

34 [6.] 7. Nothing in this section shall be construed to limit the right of the landlord to
35 recover actual damages in excess of the security deposit, or to permit a tenant to apply or deduct
36 any portion of the security deposit at any time in lieu of payment of rent.

37 [7.] 8. As used in this section, the term "security deposit" means any deposit of money
38 or property, however denominated, which is furnished by a tenant to a landlord to secure the
39 performance of any part of the rental agreement, including damages to the dwelling unit. This
40 term does not include any money or property denominated as a deposit for a pet on the premises.

41 9. **The attorney general shall promulgate rules to implement the provisions of this**
42 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
43 **created under the authority delegated in this section shall become effective only if it**
44 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
45 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
46 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
47 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
48 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2013,**
49 **shall be invalid and void.**

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