

SB 681 – Senator Joanne Benson - Real Property - Residential Leases - Fee in Lieu of Deposit

Proposed Sponsor Amendments

Amendment 1

Rationale: Clarifying language that the one-month security deposit cap only applies to situations where a landlord is offering the fee option, and the tenant chooses the security deposit.

Page 3, Line 23 strike everything after subtitle and replace with: **IF A LANDLORD OFFERS THE TENANT THE OPTION OF PAYING A FEE IN LIEU OF A SECURITY DEPOSIT OR A SECURITY DEPOSIT, AND A TENANT CHOOSES TO PAY A SECURITY DEPOSIT; THE SECURITY DEPOSIT MAY NOT BE GREATER THAN ONE MONTH'S RENT.**

Amendment 2

Rationale: Conforming with the current security deposit law, which states a landlord has 45 days to return a security deposit, and the tenant has 45 days to dispute.

Page 5, Line 25 strike “30” and replace with: **45**

Amendment 3

Rationale: Conforms to the security deposit statute, which caps penalties a landlord must pay for violating the section at three times rent, instead of a minimum of two times rent.

Page 7, Line 26, strike everything after damages and replace with: **IN THE AMOUNT OF NO MORE THAN THREE TIMES THE MONTHLY RENT AND REASONABLE ATTORNEY’S FEES AND COSTS.**

Amendment 4

Rationale: Corrects a drafting error that did not include a provision to limit the fee to a reasonable cost of obtaining insurance.

Page 5, Line 19 add: **(II) A LANDLORD MAY NOT CHARGE A FEE THAT IS MORE THAN THE REASONABLE COST OF OBTAINING AND ADMINISTERING SUCH INSURANCE.**