

HOUSE BILL NO. 1192

Introduced by

Representatives Louser, Beadle, Boehning, B. Koppelman

1 A BILL for an Act to amend and reenact section 47-16-07.1 of the North Dakota Century Code,
2 relating to security deposits that may be required for lessees with pets.

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

4 **SECTION 1. AMENDMENT.** Section 47-16-07.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **47-16-07.1. Real property and dwelling security deposits - Limitations and**
7 **requirements.**

8 1. The lessor of real property or a dwelling who requires money as a security deposit,
9 however denominated, shall deposit the money in a federally insured interest-bearing
10 savings or checking account for the benefit of the tenant. The security deposit and any
11 interest accruing on the deposit must be paid to the lessee upon termination of a
12 lease, subject to the conditions of subsection 2. A lessor may not demand or receive
13 security, however denominated, in an amount or value in excess of one month's rent,
14 ~~except if the lessee is housing a pet on the leased premises, the~~

15 2. A lessor may charge a lessee a pet security deposit for keeping an animal that is not a
16 service animal or companion animal required by a tenant with a disability as a
17 reasonable accommodation under fair housing laws. A pet security deposit may not
18 exceed the greater of two thousand five hundred dollars or an amount equivalent to
19 two months' rent.

20 ~~2.3.~~ A lessor may apply security deposit money and accrued interest upon termination of a
21 lease towards:

22 a. Any damages the lessor has suffered by reason of deteriorations or injuries to the
23 real property or dwelling by the lessee's pet or through the negligence of the
24 lessee or the lessee's guest.

1 b. Any unpaid rent.

2 c. The costs of cleaning or other repairs which were the responsibility of the lessee,
3 and which are necessary to return the dwelling unit to its original state when the
4 lessee took possession, reasonable wear and tear excepted.

5 Application of any portion of a security deposit not paid to the lessee upon termination
6 of the lease must be itemized by the lessor. Such itemization together with the amount
7 due must be delivered or mailed to the lessee at the last address furnished lessor,
8 along with a written notice within thirty days after termination of the lease and delivery
9 of possession by the lessee. The notice must contain a statement of any amount still
10 due the lessor or the refund due the lessee. A lessor is not required to pay interest on
11 security deposits if the period of occupancy was less than nine months in duration.
12 Any amounts not claimed from the lessor by the lessee within one year of the
13 termination of the lease agreement are subject to the reporting requirements of section
14 47-30.1-08.

15 ~~3.4.~~ A lessor is liable for treble damages for any security deposit money withheld without
16 reasonable justification.

17 ~~4.5.~~ Upon a transfer in ownership of the leased real property or dwelling, the security
18 deposit and accrued interest shall be transferred to the grantee of the lessor's interest.
19 The grantor shall not be relieved of liability under this section until transfer of the
20 security deposit to the grantee. The holder of the lessor's interest in the real property
21 or dwelling at the termination of a lease shall be bound by this section even though
22 such holder was not the original lessor who received the security deposit.

23 ~~5.6.~~ This section applies to the state and to political subdivisions of the state that lease real
24 property or dwellings and require money as a security deposit.