

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1156

Introduced by

Judiciary Committee

(At the request of the Board of University and School Lands)

1 A BILL for an Act to amend and reenact subsection 2 of section 47-16-07.1 and section
2 47-30.1-08 of the North Dakota Century Code, relating to reporting security deposits under the
3 Uniform Unclaimed Property Act.

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

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 47-16-07.1 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 2. A lessor may apply security deposit money and accrued interest upon termination
8 of a lease towards:

- 9 a. Any damages the lessor has suffered by reason of deteriorations or injuries to
10 the real property or dwelling through the negligence of the lessee or the
11 lessee's guest.
12 b. Any unpaid rent.
13 c. The costs of cleaning or other repairs which were the responsibility of the
14 lessee, and which are necessary to return the dwelling unit to its original state
15 when the lessee took possession, reasonable wear and tear excepted.

16 Application of any portion of a security deposit not paid to the lessee upon
17 termination of the lease must be itemized by the lessor. Such itemization together
18 with the amount due must be delivered or mailed to the lessee at the last address
19 furnished lessor, along with a written notice within thirty days after termination of
20 the lease and delivery of possession by the lessee. The notice must contain a
21 statement of any amount still due the lessor or the refund due the lessee. A lessor
22 is not required to pay interest on security deposits if the period of occupancy was
23 less than nine months in duration. Any amounts not claimed from the lessor by the

1 lessee within one year of the termination of the lease agreement are subject to the
2 reporting requirements of section 47-30.1-08.

3 **SECTION 2. AMENDMENT.** Section 47-30.1-08 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **47-30.1-08. ~~Deposits held by utilities~~ Security deposits.** A deposit, including any
6 interest thereon, made in advance by a ~~subscriber with a utility~~ person to secure ~~payment or~~
7 ~~any sum paid in advance for utility services to be furnished~~ an agreement for rights or services,
8 less any lawful deductions, that remains unclaimed by the owner for more than one year after
9 termination of the ~~services~~ agreement for which the deposit or advance payment was made, is
10 presumed abandoned.