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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1879

02/25/2014 Authored by Mullery

The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act  
1.2 relating to housing; residential tenants rights; return of security deposit;  
1.3 amending Minnesota Statutes 2012, section 504B.178, subdivision 3, by adding  
1.4 a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 504B.178, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 2a. **Lease terms.** A residential lease shall not provide the terms and conditions  
1.9 under which the security deposit may be returned to the tenant, except that the lease may  
1.10 contain the following language: "The landlord may withhold some or all of the tenant's  
1.11 security deposit for the reasons stated in Minnesota Statute 504B.178." A landlord who  
1.12 violates this subdivision is liable to the tenant for punitive damages in the amount of \$500.

1.13 **EFFECTIVE DATE.** This section is effective for tenancies commencing on or  
1.14 after January 1, 2015.

1.15 Sec. 2. Minnesota Statutes 2012, section 504B.178, subdivision 3, is amended to read:

1.16 Subd. 3. **Return of security deposit.** (a) Every landlord shall:

1.17 (1) within three weeks after termination of the tenancy; or

1.18 (2) within five days of the date when the tenant leaves the building or dwelling due  
1.19 to the legal condemnation of the building or dwelling in which the tenant lives for reasons  
1.20 not due to willful, malicious, or irresponsible conduct of the tenant,

1.21 and after receipt of the tenant's mailing address or delivery instructions, return the deposit  
1.22 to the tenant, with interest thereon as provided in subdivision 2, or furnish to the tenant  
1.23 a written statement showing the specific reason for the withholding of the deposit or

2.1 any portion thereof. Such written statement shall contain: an itemized list of damages,  
2.2 including precise details about the nature of the damages; the repairs necessary to correct  
2.3 each damage; and any written evidence to support the amount withheld for the damage  
2.4 and repairs, including estimates, bills, receipts, and invoices.

2.5 (b) It shall be sufficient compliance with the time requirement of this subdivision if  
2.6 the deposit or written statement required by this subdivision is placed in the United States  
2.7 mail as first class mail, postage prepaid, in an envelope with a proper return address,  
2.8 correctly addressed according to the mailing address or delivery instructions furnished by  
2.9 the tenant, within the time required by this subdivision. The landlord may withhold from  
2.10 the deposit only amounts reasonably necessary:

2.11 (1) to remedy tenant defaults in the payment of rent or of other funds due to the  
2.12 landlord pursuant to an agreement; or

2.13 (2) to restore the premises to their condition at the commencement of the tenancy,  
2.14 ordinary wear and tear excepted.

2.15 (c) In any action concerning the deposit, the burden of proving, by a fair  
2.16 preponderance of the evidence, the reason for withholding all or any portion of the deposit  
2.17 shall be on the landlord.