

MAINE STATE LEGISLATURE

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(New Title)
New Draft of: H. P. 507, L. D. 624
FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1603

H. P. 1378

House of Representatives, May 9, 1979

Reported by Mr. Brannigan from the Committee on Business Legislation.
Printed under Joint Rules No. 2.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Protecting Security Deposits.

Be it enacted by the People of the State of Maine, as follows:

14 MRSA § 6038 is enacted to read:

§ 6038. Treatment of security deposit

During the term of a tenancy, a security deposit given to a landlord as part of a residential rental agreement shall not be treated as an asset to be commingled with the assets of the landlord. All security deposits received after October 1, 1979, shall be held in an account of a bank or other financial institution under such terms as will place the security deposit beyond the claim of creditors of the landlord, including a foreclosing mortgagee or trustee in bankruptcy, and as will provide for transfer of the security deposit to a subsequent owner of the dwelling unit. Upon request by his tenant, a landlord shall disclose the name of the institution and the account number where the security deposit is being held. A landlord may use a single escrow account to hold security deposits from all of his tenants. Notwithstanding section 6037, this section shall not apply to any tenancy for a residential dwelling unit owned by a landlord who owns a total of 5 or fewer rental dwelling units.

STATEMENT OF FACT

The purpose of this new draft is to require landlords with more than 5 apartments to hold tenants' security deposits in a separate escrow account.