

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 697

S.P. 248

In Senate, March 10, 1987

Reference to the Committee on Banking and Insurance suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate  
Presented by Senator BALDACCI of Penobscot.  
Cosponsored by Representative STEVENS of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT Requiring the Payment of Interest on  
Security Deposits.

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3

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

6 Sec. 1. 14 MRSA §6033, sub-§2, as amended by PL  
7 1985, c. 264, is further amended to read:

8 2. Return; time; retention. A landlord shall re-  
9 turn to a tenant the full security deposit deposited  
10 with the landlord by the tenant and all earned  
11 interest or, if there is actual cause for retaining  
12 the security deposit or any portion of it, the land-  
13 lord shall provide the tenant with a written state-  
14 ment itemizing the reasons for the retention of the  
15 security deposit or any portion of it:

1 A. In the case of a written rental agreement,  
2 within the time, not to exceed 30 days, stated in  
3 the agreement; and

4 B. In the case of a tenancy at will, within 21  
5 days after the termination of the tenancy or the  
6 surrender and acceptance of the premises, which-  
7 ever occurs later.

8 The written statement itemizing the reasons for the  
9 retention of any portion of the security deposit  
10 shall be accompanied by a full payment of the differ-  
11 ence between the security deposit and the amount re-  
12 tained.

13 The landlord is deemed to have complied with this  
14 section by mailing the statement and any payment re-  
15 quired to the last known address of the tenant.

16 Nothing in this section may preclude the landlord  
17 from retaining the security deposit to cover the  
18 costs of storing and disposing of unclaimed property,  
19 for nonpayment of rent or nonpayment of utility  
20 charges which the tenant was required to pay directly  
21 to the landlord.

22 Sec. 2. 14 MRSa §6038, as amended by PL 1981, c.  
23 428, §11, is further amended to read:

24 §6038. Treatment of security deposit

25 During the term of a tenancy, a security deposit  
26 given to a landlord as part of a residential rental  
27 agreement shall not be treated as an asset to be com-  
28 mingled with the assets of the landlord. All security  
29 deposits received after October 1, 1979, shall be  
30 held in an interest bearing account of a bank or oth-  
31 er financial institution under such terms as will  
32 place the security deposit beyond the claim of credi-  
33 tors of the landlord, including a foreclosing mortga-  
34 gee or trustee in bankruptcy, and as will provide for  
35 transfer of the security deposit to a subsequent own-  
36 er of the dwelling unit. Upon request by his tenant,  
37 a landlord shall disclose the name of the institution  
38 and the account number where the security deposit is  
39 being held. A landlord may use a single escrow ac-  
40 count to hold security deposits from all of his ten-  
41 ants.

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STATEMENT OF FACT

2           This bill would require landlords to return secu-  
3           rity deposits with interest. Currently, landlords  
4           are required to keep security deposits in separate  
5           banking accounts but they are not required to place  
6           these deposits in interest bearing accounts.

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