

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

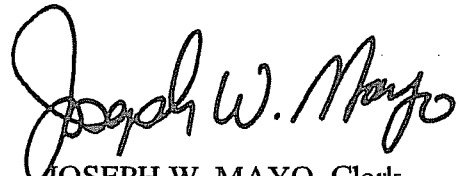
No. 1213

H.P. 898

House of Representatives, April 8, 1993

An Act Concerning Limits on Security Deposits.

Reference to the Committee on Legal Affairs suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative STEVENS of Orono.
Cosponsored by Representatives: ADAMS of Portland, BOWERS of Washington, CATHCART of Orono, OLIVER of Portland, TREAT of Gardiner, Senators: CONLEY of Cumberland, O'DEA of Penobscot.

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

4 **Sec. 1. 14 MRSA §6031, sub-§2,** as enacted by PL 1977, 359, is amended to read:

6 **2. Security deposit.** "Security deposit" means any advance
8 or deposit, regardless of its denomination, of money, the primary
10 function of which is to secure the performance of a rental
12 agreement for residential premises or any part thereof. Rent
14 that is collected for a rental period, other than the rental
16 period beginning immediately after the collection of rent, is
18 part of the security deposit. For purposes of this subsection, a
20 rental period may not exceed one month.

16 **STATEMENT OF FACT**

18 This bill specifies that an advance rent payment is part of
20 the tenant's security deposit, since it is held to secure
22 performance of the rental agreement. The collection of advance
24 rent is limited by the current law, which limits a security
26 deposit to 2 months' rent. Under this bill, advance rent does
not include rent collected for the next upcoming rental period,
such as rent collected on the last day of a month to pay for the
upcoming month. For the purposes of this definition, a "rental
period" may not exceed one month.