

SB242 INTRODUCED



1 PIBBGR-1
2 By Senator Kelley
3 RFD: Fiscal Responsibility and Economic Development
4 First Read: 25-Apr-23
5
6 2023 Regular Session



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SYNOPSIS:

Under existing law, a residential landlord is prohibited from requiring a tenant to pay a security deposit in excess of an amount equal to one month's rent under a rental agreement.

This bill would remove the limit on the amount that a residential landlord may require a tenant to pay as a security deposit under a residential rental agreement.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Uniform and Residential Landlord and Tenant Act; to amend Section 35-9A-201, Code of Alabama 1975, to remove the limit on the amount that a landlord may require a tenant to pay as a security deposit under a residential rental agreement.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 35-9A-201, Code of Alabama 1975, is amended to read as follows:

"§35-9A-201



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29 ~~(a) A landlord may not demand or receive money as~~
30 ~~security, in an amount in excess of one month's periodic rent,~~
31 ~~except for pets, changes to the premises, or increased~~
32 ~~liability risks to the landlord or premises, for tenant's~~
33 ~~obligations under a rental agreement.~~

34 ~~(b)~~ (a) Upon termination of the tenancy, money held by
35 the landlord as security may be applied to the payment of
36 accrued rent and the amount of damages that the landlord has
37 suffered by reason of the tenant's noncompliance with Section
38 35-9A-301 all as itemized by the landlord in a written notice
39 delivered to the tenant together with the amount due 60 days
40 after termination of the tenancy and delivery of possession.

41 ~~(e)~~ (b) If the landlord does not refund the entire
42 deposit, the landlord, within the 60-day period, shall provide
43 the tenant an itemized list of amounts withheld.

44 ~~(d)~~ (c) Upon vacating the premises, the tenant shall
45 provide to the landlord a valid forwarding address, in
46 writing, to which the deposit or itemized accounting, or both,
47 may be mailed. If the tenant fails to provide a valid
48 forwarding address, the landlord shall mail, by first class
49 mail, the deposit or itemized accounting, or both, to the last
50 known address of the tenant or, if none, to the tenant at the
51 address of the property. Any deposit unclaimed by the tenant
52 as well as any check outstanding shall be forfeited by the
53 tenant after a period of 90 days.

54 ~~(e)~~ (d) The landlord's mailing by first class mail to
55 the address provided in writing by the tenant, within 60 days
56 of the refund or itemized accounting, or both, is sufficient



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57 compliance with this chapter.

58 ~~(f)~~ (e) If the landlord fails to mail a timely refund or
59 accounting within the 60-day period, the landlord shall pay
60 the tenant double the amount of the tenant's original deposit.

61 ~~(g)~~ (f) This section does not preclude the landlord or
62 tenant from recovering other damages to which the landlord or
63 tenant may be entitled.

64 ~~(h)~~ (g) The holder of the landlord's interest in the
65 premises at the time of the termination of the tenancy is
66 bound by this section."

67 Section 2. This act shall become effective on the first
68 day of the third month following its passage and approval by
69 the Governor, or its otherwise becoming law.