

HB 1901 -- SECURITY DEPOSITS HELD BY LANDLORDS

SPONSOR: Cross

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on General Laws by a vote of 8 to 4. Voted "Do Pass" by the Rules-Legislative Oversight Committee by a vote of 10 to 2.

This bill repeals:

- (1) The requirement that security deposits held by landlords for tenants be held in a trust in a bank, credit union, or depository institution that is insured by an agency of the federal government, in an account in the name of the trustee;
- (2) The provision prohibiting security deposits from being commingled with other funds of the landlord;
- (3) The provision specifying that all interest earned on a security deposit shall be the property of the landlord; and
- (4) The provision that a housing authority created under Section 99.040, RSMo, or any other government entity acting as a landlord shall not be subject to the terms of the above mentioned provisions.

PROPONENTS: Supporters say that landlords should not be restricted in what they do with security deposits from their tenants.

Testifying for the bill were Representative Cross; Missouri Realtors; and the Missouri Apartment Association.

OPPONENTS: There was no opposition voiced to the committee.