

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

**Sec. 1. 10 MRSA §9098, sub-§2, ¶B,** as enacted by PL 1987, c. 737, Pt. B, §1 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is further amended to read:

B. A mobile home park operator shall return to a tenant the full security deposit deposited with the landlord by the tenant, ~~plus 4% annual interest~~with interest in accordance with subparagraph (4) or, if there is actual cause for retaining the security deposit or any portion of it, the mobile home park operator shall provide the tenant with a written statement, itemizing the reasons for the retention of the security deposit or any portion of it, within 21 days after the termination of the tenancy or the surrender and acceptance of the premises, whichever occurs first.

(1) The written statement itemizing the reasons for the retention of any portion of the security deposit must be accompanied by a full payment of the difference between the security deposit and the amount retained.

(2) The mobile home park operator is deemed to have complied with this section if the operator mails the statement and any payment required to the tenant's last known address.

(3) Nothing in this section precludes the mobile home park operator from retaining the security deposit for nonpayment of rent or nonpayment of utility charges which the tenant was required to pay directly to the mobile home park operator.

(4) The amount of interest that must be returned to a tenant must be either the amount that the mobile home park operator has earned on the security deposit if deposited in an individual segregated bank savings account or a reasonable amount of annual interest. For purposes of this subsection, "a reasonable amount of annual interest" means interest calculated at the Federal Reserve Bank, secondary market, annual interest rate on a 6-month certificate of deposit for each year in which the deposit has been held calculated as of the first business day of each year.

**Sec. 2. 10 MRSA §9098, sub-§5** is enacted to read:

**5. Security deposits.** During the term of a tenancy, a security deposit given to a mobile home park operator as part of a residential rental agreement may not be treated as an asset to be commingled with the assets of the landlord. All security deposits must be held in an account of a bank or other financial institution under terms that place the security deposit beyond the claim of creditors of the mobile home park operator, including a foreclosing mortgagee or trustee in bankruptcy, and that provide for transfer of the security deposit to a subsequent mobile home park operator. Upon the transfer of the mobile home park, the new operator shall assume all responsibility for maintaining and returning to tenants all security

deposits accounted for and transferred. Upon request by a tenant, a landlord shall disclose the name of the financial institution and the account number where the security deposit is being held. A mobile home park operator may use a single escrow account to hold security deposits from all of the tenants of the mobile home park.'

## **SUMMARY**

This amendment replaces the bill. The bill removed the requirement that a mobile home park operator pay 4% annual interest on security deposits that are returned to tenants. The amendment retains the requirement that interest be paid, but requires that the amount of interest paid must be either the interest amount earned on the deposit if deposited in an individual segregated savings account or a reasonable amount of annual interest, which is defined as the annual interest rate on a 6-month certificate of deposit. The amendment also requires that security deposits not be commingled with the assets of the landlord.