

CHAPTER 357—H.F.No. 2672

An act relating to landlords and tenants; changing the interest rate on security deposits; providing for a legislative review; amending Minnesota Statutes 1994, section 504.20, subdivision 2; repealing Laws 1992, chapter 555, article 2, section 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1994, section 504.20, subdivision 2, is amended to read:

Subd. 2. Any deposit of money shall not be considered received in a fiduciary capacity within the meaning of section 82.17, subdivision 7, but shall be held by the landlord for the tenant who is party to the agreement and shall bear simple noncompounded interest at the rate of ~~four~~ three percent per annum until May 1, ~~1997~~ 1999, and ~~5-1/2~~ four percent per annum thereafter, computed from the first day of the next month following the full payment of the deposit to the last day of the month in which the landlord, in good faith, complies with the requirements of subdivision 3 or to the date upon which judgment is entered in any civil action involving the landlord's liability for the deposit, whichever date is earlier. Any interest amount less than \$1 shall be excluded from the provisions of this section.

Sec. 2. REVIEW.

The reversion of the interest rate to four percent in section 1 is subject to review by the legislature in the 1998 session.

Sec. 3. REPEALER.

Laws 1992, chapter 555, article 2, section 2, is repealed.

Sec. 4. EFFECTIVE DATE.

This act is effective the day following final enactment.

Presented to the governor March 19, 1996

Signed by the governor March 21, 1996, 1:55 p.m.

CHAPTER 358—H.F.No. 2532

An act relating to the Minneapolis park and recreation board; providing for the appointment of various employees; amending Laws 1969, chapter 1024, section 1, as amended.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1969, chapter 1024, section 1, as amended by Laws 1983, chapter 130, section 1, is amended to read:

Section 1. **MINNEAPOLIS PARK AND RECREATION BOARD EMPLOYEES.**

New language is indicated by underline, deletions by ~~strikeout~~.