

CHAPTER 97—H.F.No. 1178

An act relating to landlords and tenants; regulating the taking of prelease deposits; providing for a civil penalty; proposing coding for new law in Minnesota Statutes, chapter 504.

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

Section 1. [504.38] PRELEASE DEPOSIT.

Subdivision 1. DEFINITION. For the purpose of this section, "prelease deposit" means payment given to a landlord from a prospective tenant of a residential dwelling unit before the prospective tenant and the landlord have entered into a rental agreement. "Prelease deposit" does not include the payment of a reasonable applicant screening fee used to conduct a background check on the prospective tenant.

Subd. 2. LIMITATIONS. (a) A prelease deposit may be accepted only if the landlord and prospective tenant enter into a conspicuous written agreement that includes:

(1) the circumstances under which it will be returned; and

(2) that the landlord is required to return the prelease deposit within seven days of the occurrence of a circumstance described in clause (1).

(b) "Return" means postmarked within seven days except that upon the prospective tenant's request, a landlord may destroy the payment or hold it for retrieval by the tenant instead of returning it by mail.

Subd. 3. APPLICATION ON ENTRY INTO RENTAL AGREEMENT. If a prospective tenant and landlord do enter into a rental agreement, the prelease deposit must be applied to that tenant's security deposit or rent.

Subd. 4. REMEDIES. In addition to any other remedies, a landlord who violates this section is liable to the payor of the prelease deposit for the amount of the deposit paid, plus one-half of that amount as a penalty. A landlord who enters into a rental agreement with a tenant is not liable under this section unless the landlord failed to comply with subdivision 3.

Presented to the governor April 22, 1999

Signed by the governor April 26, 1999, 1:10 p.m.

CHAPTER 98—H.F.No. 142

An act relating to crime; expanding the definition of "subsequent controlled substance conviction" to include convictions subsequent to a stay of adjudication for a controlled substance crime; amending Minnesota Statutes 1998, section 152.01, subdivision 16a.

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

Section 1. Minnesota Statutes 1998, section 152.01, subdivision 16a, is amended to read:

Subd. 16a. SUBSEQUENT CONTROLLED SUBSTANCE CONVICTION. Notwithstanding section 152.18, subdivision 1, a "subsequent controlled substance con-

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