

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Chambliss offered the following:

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3 **Amendment (with title amendment)**

4 Remove lines 41-105 and insert:

5 (1) (a) If a rental agreement requires a security deposit,
6 a landlord may offer a tenant the option to pay a fee in lieu of
7 a security deposit.

8 (b) A landlord may provide a tenant the option of paying a
9 security deposit in monthly installments in an amount that is
10 agreed upon between the tenant and the landlord while
11 participating in the fee program.

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12 (2) (a) If a tenant agrees to pay a fee in lieu of a
13 security deposit, the landlord must notify the tenant within 30
14 days after the conclusion of the tenancy if there are any costs
15 or fees due resulting from unpaid rent, fees, or other
16 obligations under the rental agreement, including, but not
17 limited to, costs required for repairing damage to the premises
18 beyond normal wear and tear.

19 (b) A landlord may not submit a claim to an insurer to
20 recover the landlord's losses associated with unpaid rent, fees,
21 or other obligations under the rental agreement, including, but
22 not limited to, costs required for repairing damage to the
23 premises beyond normal wear and tear until at least 15 days
24 after providing the tenant with the required notice under
25 paragraph (a).

26 1. The landlord must include an itemized list of any
27 unpaid amounts and the dates such amounts were due,
28 documentation supporting any itemized damages and costs of
29 repairs, and a copy of any written objection or report of any
30 communication of objection by the tenant when the landlord
31 submits a claim to an insurer.

32 2. If an insurer pays a claim that was submitted under
33 this subsection to a landlord and the insurer has subrogation
34 rights, the insurer may, within 1 year after the tenancy that
35 was the subject of the claim ends, seek reimbursement from the

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36 tenant for the amounts paid to the landlord. If the insurer
37 seeks reimbursement from the tenant, the following apply:

38 a. The insurer must provide the tenant with all
39 documentation for losses which the landlord provided to the
40 insurer in support of the landlord's claim and a copy of the
41 settlement statement documenting the insurer's payment of the
42 landlord's claim.

43 b. The tenant retains any defenses against the insurer
44 which the tenant would otherwise have against the landlord.

45 3. A landlord may not accept payment from both a tenant
46 and an insurer for amounts associated with the same rent, fees,
47 or damages.

48 (3) If a landlord offers a tenant the option to pay a fee
49 in lieu of a security deposit, the landlord must notify the
50 tenant in writing of all of the following:

51 (a) That the tenant has the option to pay a security
52 deposit instead of the fee at any time.

53 (b) That the tenant may, at any time, terminate the
54 agreement to pay the fee in lieu of the security deposit and
55 instead pay a security deposit as listed in a rental agreement
56 between the landlord and tenant or, if a security deposit was
57 not agreed upon in a rental agreement between the landlord and
58 tenant, in the amount that is otherwise offered to new tenants
59 for a substantially similar dwelling unit on the date that the
60 tenant terminates the agreement.

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61 (c) That the tenant may choose to pay the security deposit
62 in monthly installments in an amount that is agreed upon between
63 the landlord and tenant while participating in the fee program.

64 (d) Whether any additional charges apply for the options
65 provided in paragraphs (a) and (b).

66 (e) The amount of the payments required for each option
67 the landlord offers.

68 (f) That the fee is nonrefundable, if applicable.

69 (g) That the fee is only for securing occupancy without
70 paying a required security deposit.

71 (h) That the fee payment does not limit or change the
72 tenant's obligation to pay rent and fees, if any, under the
73 rental agreement or limit or change the tenant's obligation to
74 pay the costs of repairing damage to the premises beyond normal
75 wear and tear.

76 (i) That if the landlord uses any portion of the fee to
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79 **T I T L E A M E N D M E N T**

80 Remove line 5 and insert:
81 security deposit; authorizing a landlord to offer a
82 tenant the option to pay the security deposit in a
83 specified manner; requiring the landlord to notify the

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