

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

**MR. SPEAKER:**

I move that House Bill 1653 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new paragraph
- 2 and insert:
- 3 "SECTION 1. IC 32-7-5-12 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) Upon
- 5 termination of a rental agreement, all of the security deposit held by the
- 6 landlord shall be returned to the tenant, except for any amount applied
- 7 to:
- 8 (1) the payment of accrued rent **or rent due in the event the**
- 9 **tenant terminates occupancy before the termination of the**
- 10 **rental agreement;**
- 11 (2) the amount of damages that the landlord has or will
- 12 reasonably suffer by reason of the tenant's noncompliance with
- 13 law or the rental agreement; and
- 14 (3) unpaid utility or sewer charges that the tenant is obligated to
- 15 pay under the rental agreement;
- 16 all as itemized by the landlord in a written notice delivered to the
- 17 tenant together with the amount due within forty-five (45) days after
- 18 termination of the rental agreement and delivery of possession. The
- 19 landlord is not liable under this chapter until supplied by the tenant in
- 20 writing with a mailing address to which to deliver the notice and
- 21 amount prescribed by this subsection. Unless otherwise agreed, the
- 22 tenant is not entitled to apply a security deposit to rent.
- 23 (b) If the landlord fails to: ~~comply with subsection (a);~~
- 24 (1) **return the security deposit; or**
- 25 (2) **send the notice required by subsection (a);**
- 26 **the landlord shall immediately return all of the security deposit to**
- 27 **the tenant. ~~may recover all of the security deposit due the tenant and~~**

1 reasonable attorney's fees.

2 (c) If the landlord sends the notice required under subsection  
3 (a), but fails to return the amount of the security deposit due the  
4 tenant after deduction of the itemized damages, the landlord shall  
5 immediately return the remainder of the security deposit due the  
6 tenant as provided in the notice.

7 (d) If the tenant incurs costs or attorney's fees to recover the  
8 security deposit or any part of the security deposit, the landlord is  
9 liable for:

- 10 (1) court costs;  
11 (2) reasonable attorney's fees; and  
12 (3) other reasonable expenses of litigation;  
13 incurred by the tenant.

14 ~~(e)~~ (e) This section does not preclude the landlord or tenant from  
15 recovering other damages to which either is entitled.

16 ~~(f)~~ (f) The owner of the dwelling unit at the time of the  
17 termination of the rental agreement is bound by this section.

18 SECTION 2. IC 32-7-5-14 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. In case of damage  
20 to the rental unit or other obligation against the security deposit, the  
21 landlord shall mail to the tenant, within forty-five (45) days after:

- 22 (1) the termination of occupancy; or  
23 (2) the termination of the rental agreement and delivery of  
24 possession in the case of holdover by the tenant;

25 an itemized list of damages claimed for which the security deposit may  
26 be used as provided in section 13 of this chapter, including the  
27 estimated cost of repair for each damaged item and the amounts ~~and~~  
28 ~~lease on which otherwise due under the rental agreement that~~ the  
29 landlord intends to assess ~~the tenant~~: **against the security deposit and**  
30 **the lease**. The list must be accompanied by a check or money order for  
31 the difference between the damages claimed and the amount of the  
32 security deposit held by the landlord.

33 SECTION 3. IC 32-7-5-16 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) A landlord who  
35 fails to provide a written statement within forty-five (45) days of:

- 36 (1) the termination of occupancy; or  
37 (2) the tenancy or the return of the appropriate security deposit  
38 **termination of the rental agreement and delivery of**  
39 **possession in the case of holdover by the tenant;**

40 is liable to the tenant ~~in an~~ **for the entire** amount ~~equal to the part of~~  
41 the security deposit, ~~withheld by the landlord~~, plus reasonable  
42 attorney's fees and court costs **incurred in collection**.

43 (b) A landlord who:

- 44 (1) provides a written statement of damages within forty-five  
45 (45) days of the termination of occupancy; and  
46 (2) fails to return the appropriate amount of the security  
47 deposit;

48 is liable to the tenant in an amount equal to the part of the security  
49 deposit wrongfully withheld by the landlord, reasonable attorney's  
50 fees incurred in collection, court costs, and other reasonable  
51 litigation expenses incurred in collection."

- 1 Renumber all SECTIONS consecutively.  
(Reference is to HB 1653 as printed February 25, 1999.)

---

Representative HASLER