

Senate File 2128 - Introduced

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BY DICKEY

A BILL FOR

1 An Act relating to rental deposits by requiring certain
2 disclosures by landlords when withholding rental deposits
3 from tenants.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 562A.12, subsection 3, Code 2024, is
2 amended to read as follows:

3 3. *a.* A landlord shall, within thirty days from the date of
4 termination of the tenancy and receipt of the tenant's mailing
5 address or delivery instructions, return the rental deposit to
6 the tenant or furnish to the tenant a written statement showing
7 the specific reason for withholding of the rental deposit or
8 any portion thereof. ~~If the rental deposit or any portion~~
9 ~~of the rental deposit is withheld for the restoration of the~~
10 ~~dwelling unit, the statement shall specify the nature of the~~
11 ~~damages.~~ The landlord may withhold from the rental deposit
12 only such amounts as are reasonably necessary for the following
13 reasons:

14 (1) To remedy a tenant's default in the payment of rent
15 or of other funds due to the landlord pursuant to the rental
16 agreement.

17 (2) To restore the dwelling unit to its condition at the
18 commencement of the tenancy, ordinary wear and tear excepted.

19 (3) To recover expenses incurred in acquiring possession
20 of the premises from a tenant who does not act in good
21 faith in failing to surrender and vacate the premises upon
22 noncompliance with the rental agreement and notification of
23 such noncompliance pursuant to [this chapter](#).

24 *b.* In an action concerning the rental deposit, the burden
25 of proving, by a preponderance of the evidence, the reason for
26 withholding all or any portion of the rental deposit shall be
27 on the landlord.

28 *c.* A written statement from the landlord informing the
29 tenant that the rental deposit is being withheld as required
30 by paragraph "a" shall not be longer than one page and shall
31 include all of the following:

32 (1) The amount being withheld.

33 (2) The tenant's legal rights.

34 (3) The appeal process available to the tenant if the tenant
35 disagrees with landlord's reasons for withholding the rental

1 deposit.

2 (4) If the rental deposit or any portion of the rental
3 deposit is withheld for the restoration of the dwelling unit,
4 the statement shall specify the nature of the damages.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with
7 the explanation's substance by the members of the general assembly.

8 This bill amends the "Uniform Residential Landlord and
9 Tenant Act" to require a landlord to provide a tenant whose
10 rental deposit is being withheld all of the following: why
11 the deposit is being withheld; how much is being withheld; the
12 legal rights available to the tenant; and appeal process if the
13 tenant disagrees with the reasons behind the rental deposit
14 being withheld. The bill also provides that the written
15 statement shall not be longer than one page.