

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 559 of the Regular Session

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: S3/9/09

A Bill

SENATE BILL 454

5 By: Senator Madison
6 By: Representative Patterson
7
8

For An Act To Be Entitled

10 AN ACT TO CLARIFY THE LAW CONCERNING SECURITY
11 DEPOSITS FOR THE LEASE OF RESIDENTIAL PROPERTY;
12 AND FOR OTHER PURPOSES.
13

Subtitle

14 TO CLARIFY THE LAW CONCERNING SECURITY
15 DEPOSITS FOR THE LEASE OF RESIDENTIAL
16 PROPERTY.
17
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19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 18-16-305 is amended to read as follows:
23 18-16-305. Refund required – Exceptions.

24 (a)(1) Within ~~thirty (30)~~ sixty (60) days of termination of the
25 tenancy, property or money held by the landlord as security shall be returned
26 to the tenant.

27 (2) However, the money may be applied to the payment of accrued
28 unpaid rent and any damages which the landlord has suffered by reason of the
29 tenant's noncompliance with the rental agreement, all as itemized by the
30 landlord in a written notice delivered to the tenant, together with the
31 remainder of the amount due ~~thirty (30)~~ sixty (60) days after termination of
32 the tenancy and delivery of possession by the tenant.

33 (b)(1) The landlord shall be deemed to have complied with subsection
34 (a) of this section by mailing via first class mail the written notice and
35 any payment required to the last known address of the tenant.



1 (2) If the letter containing the payment is returned to the
2 landlord and if the landlord is unable to locate the tenant after reasonable
3 effort, then the payment shall become the property of the landlord *one*
4 *hundred eighty (180) days from the date the payment was mailed.*

5
6 SECTION 2. Arkansas Code § 18-17-501 is amended to read as follows:

7 18-17-501. Security deposits — ~~Prepaid rent.~~

8 ~~(a)(1) Upon termination of the tenancy, property or money held by the~~
9 ~~landlord as security must be returned less amounts withheld by the landlord~~
10 ~~for accrued rent and damages that the landlord has suffered by reason of the~~
11 ~~tenant's noncompliance with this subchapter.~~

12 ~~(2) The tenant shall provide the landlord in writing with a~~
13 ~~forwarding address or new address to which the written notice and amount due~~
14 ~~from the landlord may be sent.~~

15 ~~(3) If the tenant fails to provide the landlord with the~~
16 ~~forwarding or new address, the tenant is not entitled to damages under this~~
17 ~~subsection provided the landlord:~~

18 ~~(A) Had no notice of the tenant's whereabouts; and~~

19 ~~(B) Mailed the written notice and amount due, if any, to~~
20 ~~the tenant's last known address.~~

21 ~~(b) This section does not preclude the landlord or tenant from~~
22 ~~recovering other damages to which he or she may be entitled under this~~
23 ~~chapter or otherwise.~~

24 ~~(c) Subject to the provisions of this subchapter, the holder of the~~
25 ~~landlord's interest in the premises at the time of the termination of the~~
26 ~~tenancy is bound by this section. Section 18-16-301 et seq. shall~~

27 determine:

28 (1) Whether a security deposit is required under this chapter;

29 and

30 (2) The rights, duties, and remedies of a landlord and tenant
31 concerning a security deposit.

32
33 /s/ Madison

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35 **APPROVED: 3/24/2009**