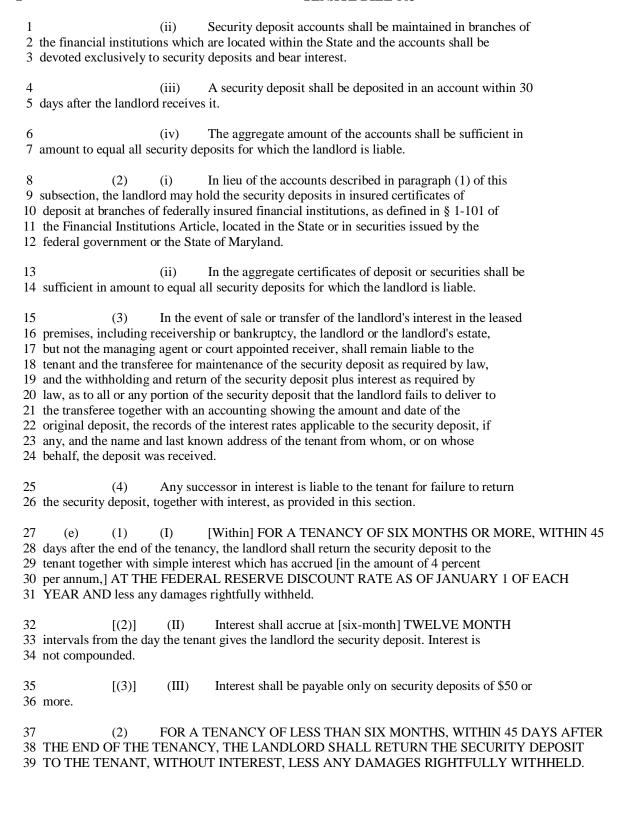
Unofficial Copy N1 2004 Regular Session 4lr3036 CF HB 546

By: Senator Schrader Introduced and read first time: February 23, 2004 Assigned to: Rules A BILL ENTITLED 1 AN ACT concerning 2 Real Property - Residential Leases - Interest on Security Deposits 3 FOR the purpose of altering the interest rate paid on a security deposit under a residential lease; requiring the interest rate for a tenancy for a certain number 4 5 of months to be the Federal Reserve discount rate as of a certain date; requiring 6 a security deposit for a tenancy for a certain number of months to be returned 7 without interest; altering the accrual method for security deposits; providing for 8 the application of this Act; and generally relating to security deposits under 9 residential leases. 10 BY repealing and reenacting, without amendments, Article - Real Property 11 12 Section 8-203(d) Annotated Code of Maryland 13 14 (2003 Replacement Volume and 2003 Supplement) 15 BY repealing and reenacting, with amendments, Article - Real Property 16 17 Section 8-203(e) and (h) 18 Annotated Code of Maryland (2003 Replacement Volume and 2003 Supplement) 19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 20 21 MARYLAND, That the Laws of Maryland read as follows: 22 **Article - Real Property** 23 8-203. 24 The landlord shall maintain all security deposits in federally

25 insured financial institutions, as defined in § 1-101 of the Financial Institutions

26 Article, which do business in the State.

## **SENATE BILL 863**



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