



**HOUSE OF REPRESENTATIVES**  
**FOURTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**  
**FIRST REGULAR SESSION, 2004**

**PUBLIC LAW NO. 14-65**  
**H. B. No. 14-81, HD1**

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**AN ACT**

To require refunds for security deposits to be issued in a timely manner.

**BE IT ENACTED BY THE FOURTEENTH NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE:**

**Section 1. Findings.** The Legislature finds that there are businesses in the Commonwealth that require security deposits prior to the leasing or renting of property. Although the Legislature agrees with the purpose of security deposits, certain businesses take an unusually long time to issue a refund to depositors. This practice deprives the depositor the rights to the use of his or her money and unjustly benefits the business establishment through accrued interest derived from withholding funds from depositors. The Legislature, therefore, sees the need to correct this problem by requiring businesses to issue refund to depositors within ten (10) business days after the rent-leased property is returned.

**Section 2. Timely Refund Requirement.** Businesses in the Commonwealth that require security deposits as a condition for the renting or leasing of property shall refund the balance of the security deposit within ten (10) business days after the property is returned.

**Section 3. Regulatory Authority.** The Enforcement and Compliance Division of the Department of Commerce shall adopt regulations to implement the provisions of this act.

**Section 4. Penalties.** Any business found in violation of this Act shall be assessed a court fine of up to \$1,000 per violation.

**Section 5. Severability.** If any provisions of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

**Section 6. Savings Clause.** This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation, or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

**Section 7. Effective Date.** This Act shall take effect upon its approval by the Governor, or becoming law without such approval.

**CERTIFIED BY:**

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**BENIGNO R. FITIAL**  
SPEAKER OF THE HOUSE

**ATTESTED TO BY:**

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**EVELYN C. FLEMING**  
HOUSE CLERK

**APPROVED on this 2nd day of MAY 2005**

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**JUAN N. BABAUTA**  
GOVERNOR  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS