



# North Dakota House of Representatives

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## HB 1283 Testimony House Industry, Business and Labor Committee

Good afternoon Chair Lefor and members of the House IBL Committee.

House Bill 1283 is modeled after the successful long-term care ombudsman program that was created within the state Department of Human Services Division of Aging Services. The goal is to provide a neutral party resource to landlords and tenants to assist in the mitigation of legal issues, prevent homelessness and educate individuals on the rights and responsibilities of tenants and landlords.

According to the American Community Service, which is a function of the US Census, 38.67% of North Dakotans rented in 2019, which is 4.67% increase from 10 years prior and approximately 3% higher than the percentage of renters nationally. In Cass County, 53.6% of residents were renters in 2019.

### History of North Dakota Renter Fraction

Date	US	North Dakota
2019	35.89%	38.67%
2018	36.05%	37.54%
2017	36.13%	36.59%
2016	36.88%	36.79%
2015	36.97%	38.32%
2014	36.90%	36.16%
2013	36.50%	35.17%
2012	36.09%	34.97%
2011	35.42%	34.29%
2010	34.65%	33.07%
2009	34.13%	34.00%

<https://www.deptofnumbers.com/rent/north-dakota/>

As the pandemic reared its ugly head in North Dakota, and businesses and various levels of governments made decisions about if and how they could operate, there was significant concerns related to how renters would be able to pay their rents with employer closings or reduced hours. Landlords were concerned with being hit with a wave of tenants who couldn't pay rent, increased vacancies and keeping their employees employed. Fortunately, the state was able to stand up the Emergency Rent Bridge program utilizing CARES Act funds to pay rents directly to landlords in order to mitigate the number of evictions and increase in impacts to the state's social services and non-profit network that address housing. During this time, it was realized that resources and information for landlords and tenants were spread across various agency and nonprofit sites, with some information not having been updated.

As you all know, landlords are not one size fit all, nor are the tenants they rent to. The rights and responsibilities of landlords vary depending on the number of units, whether they are accessing tax credits and what types of accommodations they may or may not be required to provide. On the flip side, renters are not one size fits all, which may impact their rights and responsibilities.

As a Realtor, I have worked with several investor buyers who have many questions related to what they are required to do as a landlord, while balancing their bottom line. To the best of my knowledge, I have yet to find a resource, specific to North Dakota, to aid them in their efforts to provide quality housing, while making a profit. Often, they end up learning through trial and error...which can, at times, be quite an expensive learning curve.

Through the creation of this position as a resource, I am confident that we can save landlords, tenants and taxpayers money by reducing the costs associated with legal issues. As well as the taxpayer and community resources related to healthcare, housing and criminal justice impacts when one of our family, friends or neighbors loses their home. The centralization of resources will help keep the 1/3 of North Dakotans who rent housed and support the nonprofit and for-profit housing industry in the state.

Regarding the direct appropriation associated with HB 1283, according to Legislative Council's analysis of the most recent COVID relief package passed by Congress and signed by President Trump on December 27, 2020, the state is estimated to receive \$200 million in funds to be dedicated to rental assistance programs. This position would be a good use of the funds.

I appreciate the committee's consideration of this legislation and hope that you can assist in developing a solution.

I will try my best to answer any questions committee members may have.