

Good afternoon, Chairman Louser and House Industry, Business, and Labor Committee members. My name is Julie Wagendorf, and I serve as the Food and Lodging Director for the North Dakota Department of Health and Human Services (Department). I am here to provide neutral testimony for SB 2243 and to propose an amendment.

The Department does not oppose the bill as a solution to meeting the needs of tenants and supporting tenants' rights. The Department proposed amendments to the Senate Industry and Business Committee; these proposals were partially considered in the amended bill.

The bill was amended to change the required fields on the mobile home park license application on Page 1, lines 11 – 15; the Department can accommodate the required fields.

However, SB 2243 as amended, does not fully defray costs impacting the Department if it passes and does account for its current staff and resource limitations. The Department is again proposing amendments to remove the responsibility of regulating N.D.C.C. § 47-10-28, and requesting a correction of a clerical error.

N.D.C.C. Chapter 23-10 authorizes the Department to license and inspect mobile home parks, recreational vehicle parks, and campgrounds. The primary purpose of the inspection by the Department is to evaluate compliance with sanitation and safety standards pursuant to N.D.C.C. § 23-10-07 and N.D.A.C. 33-33-01 and 33-33-02. Disciplinary action, license revocation, and due process following N.D.C.C. Chapter 28-32 are covered under N.D.C.C. § 23-10-12.

SB 2243 broadens this scope substantially by proposing that the Department regulate stipulations of a lease agreement between mobile home park owners and tenants in addition to its current administrative and inspection work.

Furthermore, a clerical oversight when the original bill was amended needs to be addressed. The amended bill would inadvertently affect the Department's authority to take disciplinary action under N.D.C.C. § 23-10-12.

SB 2243 includes disciplinary action for any infraction of N.D.C.C. § 47-10-28, including suspension of the license following proceedings authorized under N.D.C.C. § 23-10-12. However, when the bill was amended, the Department's authority for disciplinary action, including revocation of licensure for violations of chapter 23-10 was completely removed.

The Department's newly proposed amendments would leave the jurisdiction for disciplinary action, including revocation, with the department for violations of chapter 23-10, but vests the authority to take disciplinary action against the license with a district court for violations of N.D.C.C. § 47-10-28.

If the Department's amendments are not considered, SB 2243 broadens the regulatory scope of the Department substantially and without consideration of the additional resources needed to regulate and suspend a license if a landlord is found in violation of N.D.C.C. § 47-10-28 and would require a fiscal note. Currently, the Department licenses 180 mobile home parks statewide, which includes nearly 10,000 tenants in total. This number does not include mobile home parks located in the city of Fargo or mobile home parks located in the counties of Bottineau, Burke, McHenry, McLean, Renville, Sheridan, or Ward since local and district public health units cover these.

The resources needed to investigate each disagreement between landlord and tenant regarding their lease agreement in response to complaints received are difficult to estimate but most certainly would have an impact. Currently, the Food and Lodging Unit employs one licensing administrator. The potential for fielding up to 10,000 complaints would have a noticeable impact on one employee and is an unreasonable expectation. Furthermore, consider the increased length of time for the Director facilitating adjudicating procedures following due process procedures required in N.D.C.C. Chapter 28-32, Department attorney's fees, and even more time, including the appeals process.

Thank you for the opportunity to appear before you today. I would be happy to respond to any questions you may have.