RE: North Dakota Century Code #47-16-07

01/30/2023
SB 2331

Madam Chair, and members of the Committee, my name is Connie Samuelson from Minot.

I would like to speak in favor of Senate Bill 2331 with Amendments for the following reasons:

There are currently more than 4000 apartment buildings in North Dakota housing families, single parents, young adults and college students that expect shelter, safety and fairness while living in the dwellings they call home.

NDCC 47-16-07.2 states that a landlord and tenant must sign a statement detailing condition of premises at the beginning of the rental agreement. The first taste of independence a young person experiences is moving out on their own and this often requires signing a Lease. In August 2020 my young daughter, a full time college student, took over a 6-month Lease for a 2-bedroom apartment in Minot. Since this was a Transfer Lease, an inspection with the Landlord was not allowed and she had to sign the *Agreement* to accept responsibility for any and all damages that may have been caused by the previous tenant. When my daughter went to the apartment after the original tenant moved out, she noticed a cat had been living in the apartment with the original tenant. When she contacted the property manager to go and inspect the apartment with her she was denied and reminded that her Transfer Lease is not treated as a new rental agreement but is a "transfer of condition" and she is responsible for the apartment with no recourse. The prior tenant's damage security deposit was returned to her in full, and my daughter had to put up her own damage security deposit to cover damage caused by the prior tenant.

At the end of my daughter's lease, the apartment was thoroughly cleaned by her, my husband and me. The keys were promptly dropped off at the management office on January 15, 2022. NDCC 47-16-07.1, states that a Lessor has 30 days in which to provide to the Lessee an itemized statement or full refund of the security deposit. Since neither had been received, my daughter and I went to the Property Management company on February 25th to collect her security deposit, now 10 days delinquent. It was at this time, we were informed that she would not be getting her damage security deposit back, nor would the property manager have to pay statutory interest on this account. The damages listed were normal wear and tear as well as items listed on the original tenant's July 2020 Rental Inspection Checklist. The building owner was billed for painting the unit, which was considered normal wear and tear. My daughter was billed to patch, texture and prepare the unit for this upgrade. She was also charged for professional cleaning to clean after the maintenance personnel and painters had completed their work. My daughter disputed these charges and allegations and proceeded with, and won a Small Claims Court action. The Judge ruled that pursuant to the file and testimony at the hearing, my daughter proved her claim and was awarded her entire damage security deposit along with Court costs.

Had my daughter been offered a move-in inspection with the Property Manager when she signed the rental agreement and post move-out inspection at the expiration date, she would not have had to go through a Court proceeding to prove the damages were normal wear and tear and not her obligation to pay

North Dakota has 11 public colleges and universities with graduating students eager to get on with their careers. I was an advocate for my young daughter but most college students don't have that advantage so they are left to rely on the laws of the state.

There are two Amendments I would like to recommend in Senate Bill 2331:
The first Amendment in Clause 1. It is prudent to clarify that all Leases, including a lease that is transferred from one tenant to another, would require an inspection with Landlord and Tenant at the time of, or shortly after a tenant accepts possession.
The Second Amendment would be to eliminate the final sentence in Clause 2 that states "The tenant's absence is deemed acceptance of the statement created by the landlord." I believe a tenant has a right to dispute any wrongful accusations and inflated charges and this sentence could possibly hinder a chance of bringing a justified Court action against a landlord.

In closing, I suspect if tenants are informed of a face to face inspection with the landlord, they would treat their apartment with respect and present the unit in clean form. This in turn would provide a shortened turn-around time for the landlord to relet the apartment.
I think both Landlords and Tenants would benefit from the fairness of Senate Bill 2331 and I hope you consider a "DO PASS" vote on this Bill with both Amendments.

Thank you for your time and attention regarding this matter.

Respectfully,

Connie Samuelson
Minot, ND