

Mr. Chairman and Members of the Committee,

My name is DeAnna Keller. I reside in Dickinson, Stark County, North Dakota. Thank you for considering my testimony today.

I am testifying in support of HB 1272. North Dakota law offers very little to no protection for the 37% of North Dakotans who rent in our legendary state. Countless renters end up in financial ruin, have their credit destroyed, and even end up homeless because ND law supports and protects owners, landlords, and management companies, but leaves renters at the mercy of many of these people who choose to defraud, deceive, manipulate, and lie to maximize profits - ESPECIALLY at the time of moving out.

One way unscrupulous landlords, property owners and management companies defraud renters financially is to avoid and ignore all contact with a renter once the renter gives notice that they are moving out. They refuse to answer emails, texts, or phone calls, and some won't even open their office door when a renter who is moving out comes to finalize the process.

This evasion causes the renter to not have the opportunity for a final walk-through in which they would be able to take photos or video and defend or refute accusations of damages beyond normal wear and tear. When a tenant is denied a final walk-through, they are defenseless and have no recourse whatsoever if they are overcharged, charged for serious damages which did not actually occur, or are charged for normal wear and tear which is not supposed to be billed to the renter.

It seems that ND law allows landlords, property owners, and management companies to pass on all costs of ownership, including normal wear and tear, onto their tenants when they move out. They do this by denying walk-throughs, charging excessive and outrageous fees, updating their properties by lying about damages, and then sending fraudulent bills that renters cannot afford to pay, and for which renters should not even be responsible, to collections agencies.

Landlords, property owners and management companies have deep pockets, and they have "connections" with contractors, flooring companies, painters, etc. They also have a vast number of ND lawyers on retainers.

What chance does a person who can only afford to rent in ND have against these predatory practices and fraudulent charges?

HB 1272 will not prevent landlords, property owners or property managers from collecting fees for true and actual property damage. It simply evens the playing field some by ensuring that every renter who wants a final walk-through, to receive one. A final walk-through is essential and should be required so that renters have a voice when they are charged thousands and thousands of dollars upon move out. If the charges are legitimate,

the renter should pay. But if they are exaggerated or fraudulent, they should have the opportunity to refute the charges and defend themselves from collections, ruined credit, and even homelessness. After the final walk-through, the landlords should be required to follow North Dakota Century Code §47-16-07.1.

Renters who are fraudulently charged thousands of dollars upon move out who didn't have a final walk-through are very vulnerable to suffering long term homelessness because their ruined credit prevents them from finding another place to rent and call home.

This issue has personally touched my family. In fact, at this current moment, my 20-year-old daughter is being sued by a former landlord for monies they claim she owes from 2023. She **did** the walk through and was not informed that she would be liable for any monies. In fact, when she gave her notice, the landlord asked if she could be out as soon as possible because they had a new renter and that she would not be responsible for any rents even though she was a month-to-month renter and had paid rent for that month. She moved out in November 2023. She provided them with a forwarding address in which to correspond with her. They also had her email and phone number. All communication with them was handled via email. In December 2024, she was served with a Summons and Complaint for over \$1,700.00. The management company was provided with a forwarding address prior to her move and yet they **still** attempted to serve her at the apartment she rented from them knowing she had been out more than a year prior and there was a new renter. The Sheriff's office was not provided with the forwarding address or any other contact information for my daughter. The Sheriff's officer left a note on the apartment door. It was the new renter who contacted my daughter's boyfriend and said there was a note left on the door. Prior to this Summons and Complaint, there had been absolutely **no** communication from the landlord that she owed any money. The landlord breached their own lease by violating North Dakota Century Code §47-16-07.1. They failed to provide notice of retaining the security deposit along with an itemization of any money owing to them; nor did they provide information on security deposit monies that should have been returned to her within the 30 days after the termination of lease and her moving out. In my deceased mother's case, the landlord returned her security deposit but did not include the interest from the deposit. She had lived in that apartment for three or four years.

A former landlord of mine also attempted to bully me into paying almost \$4,000.00 for damages that I did not cause. He followed the North Dakota Century Code and sent the letter and the itemization within 30 days. However, he had violated his own lease and some other statutes regarding landlord/tenant numerous times in many other ways which I kept track. Once I informed him of the several violations he backed down. But not all renters have the knowledge on how to respond as I did.

I see this regularly. You see, I am a Paralegal. Over the years, the law office of my retired former employer as well as the one I currently work for have received 100's of phone calls from tenants being sued or for wrongful evictions. Most can't afford to hire an attorney or cannot find one that works with the tenant side of things. The other issue is that the

landlords count on people not responding to these court papers. They proceed with a default judgment and then the process that goes along after a default: file for Writ of Execution to attach to the bank accounts and pull funds to pay the judgment or they garnish wages. Some of these cases are definitely landlords suing for normal wear and tear that should not be the responsibility of the tenants. The landlords are abusing the system to get tenants to pay for needed repairs or updates that the landlords themselves do not want to pay for. The landlord/tenant laws in North Dakota favor the landlord. There is no, or very little, protection for the tenants. I cannot recall one landlord in all of the cases we have worked over the years being held accountable for their breach of North Dakota Century Code §47-16-07.1.

There are many, many changes that should be made within the legal system regarding landlord/tenant rights. This one is a start. This is an ongoing issue, and it will not go away if there are renters and landlords. In my personal experience and from what I have seen, the landlords use the renters to cover expenses they should be taking care of for normal wear and tear. The landlords include those repairs when they file suit. Renters of all income levels deserve just as much protection as the landlords. There needs to be a definitive explanation of “normal wear and tear” so that it is not left up to the landlords/management companies to determine what that is.

North Dakota can do better than this for the 37% of its citizens who rent! The number of renters in North Dakota is gradually increasing because of homeowners being taxed out of their homes. This issue is only going to get worse.

Please Mr. Chairman, and members of the committee, pass HB 1272. It's the humane and right thing to do.

Thank you.