Good morning, Chairman Barta and members of the Senate Industry and Business Committee,

Thank you for the opportunity to speak with you today regarding Senate Bill No. 2235. For the record, my name is Senator Ryan Braunberger representing Fargo's District 10. This bill presents a critical yet straightforward update to section 47-16-20 of the North Dakota Century Code. It focuses on improving clarity and fairness in rental agreements, particularly addressing the application of payments under such contracts.

This proposed legislation aims to create more transparency and consistency between landlords and tenants by defining how rental payments should be applied. Specifically, it establishes that when a tenant's payment is insufficient to cover the full amount owed, it must first be applied to outstanding rental amounts unless the tenant specifies otherwise.

This amendment protects tenants from unintentional late penalties and fosters clear communication between landlords and lessees. By addressing potential ambiguities, the bill promotes fairness while supporting North Dakota's housing industry by creating a balanced and predictable rental process.

Thank you for your time. I will answer any questions that you may have.