Sixty-ninth North Dakota Legislative Assembly Senate Industry and Business Committee S.B. 2237 January 29, 2025



Chair Barta, Vice Chair Boehm, and members of the Committee:

On behalf of the ACLU of North Dakota, I submit testimony in support of Senate Bill 2237 relating to the labor commissioner's oversight of certain landlord-tenant disputes.

According to the U.S. Census Bureau, approximately 35% of North Dakota's households are renter-occupied and approximately 40% of renter households are cost-burdened, meaning they spend at least 30% of their income on housing expenses. Rental housing plays a significant role in North Dakota's housing landscape, as does the reality that renters face weighty financial challenges across the state leading to housing instability and many living on the brink of eviction and contributing to ongoing issues of homelessness.

Currently the Department of Labor and Human Rights is responsible for receiving fair housing complaints. However, outside of the courtroom, there is no clear pathway or advocate in the state for citizens to raise broader concerns about landlord tenant disputes. Leaving it only to the court system is not tenable nor equitable. According to the Legal Services Corporation, in eviction proceedings in North Dakota in 2022, 97.8% landlords had legal representation while 1% of tenants had representation. This statistic tracks across the nation and with 40% of North Dakota renters considered cost burdened, it is unlikely that tenants can afford legal counsel. Furthermore, with minimal and underfunded legal aid available in the state, it leaves tenants without financial resources for counsel with little to no recourse for challenging or investigating unethical or illegal business practices of landlords outside fair housing channels. This has created an environment lacking in consumer protections for a multi-million dollar business sector in the state.

A housing service provider in Fargo, North Dakota recently shared the following story with the ACLU concerning a family served by their agency.

A few months ago, we assisted a family facing eviction. They had fallen too far behind on rent to catch up, and even when our agency offered to cover the amount owed, the landlord refused. With nowhere else to go, the family vacated peacefully and began sleeping in their car while searching for a new home.

Like many families in crisis, they couldn't move all their belongings immediately. Their children's clothing, toys, and other essentials simply didn't fit in their vehicle. North Dakota law requires landlords to store a tenant's belongings for 28 days before disposal. Yet this landlord gave them only a week, threatening to throw everything away.

We helped the family contact a legal aid organization, but their response was sobering: while the landlord was clearly violating the law, tenants in these situations have little recourse. Courts were not consistently enforcing these protections, and the legal aid organization was overwhelmed, underfunded, and unable to take on another case because of the sheer volume of tenant rights violations that had been brought to them.

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SB 2237 is critical for protecting the rights of tenants and landlords because it establishes legitimate and accountable oversight. Without enforcement, housing protections exist only on paper. Placing responsibility for investigating complaints within the Department of Labor and Human Rights ensures that landlords who violate the law and tenant rights are held to the standard of law and a standard of dignity that all North Dakota citizens deserve. It protects landlords from false accusations and protects their reputation in a competitive business climate. And it gives families with experiences like the one shared in this testimony a fair chance to retain their dignity, stability, and property.

We urge a "do pass" recommendation on SB 2237.

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