<u>69th Legislative Assembly</u> Regular Session (2025)

S.B. 2237

OPPOSITION

Senate Industry and Business Committee

Sen. Jeff Barta, Chairman Sen. Keith Boehm, Vice Chairman

Testimony of Zachary Greenberg

Interim Commissioner of Labor N.D. Department of Labor and Human Rights

January 29, 2025



Chairman Barta and Members of the Committee,

Thank you for the opportunity to testify today regarding SB 2237. My name is Zachary Greenberg, and I am the interim Commissioner of the North Dakota Department of Labor and Human Rights. I appreciate the Legislature's commitment to addressing tenant and landlord issues; however, I have serious concerns about the jurisdictional, legal, and administrative implications of this bill. For the following reasons, I request that the Committee recommend a do not pass on Senate Bill 2237.

Jurisdictional Issues

The Department of Labor and Human Rights is tasked with adjudicating disputes related to state and federal labor, employment, and discrimination laws. This bill, however, would expand the Department's authority into the realm of landlord-tenant disputes, specifically evictions, which are civil matters traditionally handled by district courts under Title 47 of the North Dakota Century Code.

Additionally, if the Department were to take enforcement actions against landlords, there is a significant risk of conflicting orders between the Labor Commissioner and the courts. Because this bill does not remove the courts' jurisdiction over evictions and rental disputes, landlords could face competing directives, creating uncertainty and legal challenges.

Concerns About Disciplinary Action

The bill directs the Labor Commissioner to take "disciplinary action" against landlords for failing to comply with sections 47-16-20 and 47-32-02. However, "disciplinary action" is a term typically used in licensing contexts. The Department of Labor does not license or register all landlords in the state, and without a license, there is nothing to take disciplinary action against.

For comparison, licensing boards in other industries have clear statutory authority to impose sanctions against a professional's license. In contrast, this bill grants the Labor Commissioner enforcement powers that do not align with existing regulatory frameworks, raising legal and procedural concerns.

Administrative Burden

Finally, this bill would place a significant administrative burden on the Department. Investigating tenant complaints, issuing notices, and enforcing disciplinary actions would require substantial new resources, including additional staff as outlined in the fiscal note. The bill does not provide funding or establish a process for handling the expected increase in workload, which would divert resources from the Department's main priority of reducing our over 400 case backlog related to alleged violations of labor, employment, and discrimination laws, regulations, or rules.

Conclusion

For these reasons, I urge the Committee to carefully reconsider the implications of this bill and recommend a DO NOT PASS for Senate Bill 2237. If the Legislature intends to strengthen tenant protections, alternative approaches should be explored through the numerous other landlord-tenant bills that have been proposed to address these issues.

I appreciate the opportunity to share these concerns and will stand for questions.