

FISCAL NOTE
SENATE BILL NO. 2237
LC# 25.0577.01000
01/22/2025

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations			\$751,732		\$774,284	

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

The measure would require the Department of Labor and Human Rights investigate complaints by tenants against landlords and to take disciplinary action upon landlords in the event that they are not compliant with North Dakota Century Code.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

The passage of SB 2237 would have a significant fiscal impact on the operations of the Department of Labor and Human Rights (the Department). Currently, the Department faces a backlog of approximately 400 complaints. Expanding its responsibilities to include investigations of landlord-tenant relationships would impose substantial administrative and operational burdens. The Compliance Investigators that are currently staffed at the Department

are not trained for this and currently don't have the capacity to take on additional workload. At present, landlord-tenant disputes fall outside the Department's jurisdiction and are exclusively addressed by private attorneys through the court system. During the last biennium, the Department received 45 inquiries from individuals seeking assistance with such issues. Although it is challenging to quantify the potential increase in demand, the Department anticipates a significant rise in cases if the bill passes and the public becomes aware of this new service.

The increased workload resulting from this bill would primarily impact the Department's Human Rights Director, who would oversee the review and approval of all determinations related to landlord-tenant disputes. This expanded role would require significant time and resources, making it near impossible to manage other essential functions. Additionally, the Department's sole administrative assistant would face increased responsibilities in handling a higher volume of intake processing and managing the backend delivery of disciplinary actions required by the bill.

To address the added burden of processing landlord-tenant dispute claims, the Department estimates the need for five additional full-time employees (FTEs).

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

If SB 2237 is passed, the Department estimates it would require five additional full-time employees (FTEs) to manage the increased workload. This includes four Compliance Investigators (CIs) and one Administrative Assistant (AA). A Compliance Investigator II has a starting cost of \$159,744 per biennium, including benefits, totaling \$638,976 for four investigators. An Administrative Assistant has a starting cost of \$112,756.80 per biennium, including benefits. Combined, these positions would require a total appropriation of \$751,732.80 for 2025-2027. A 3% increase is then estimated for the 2027-2029 biennium for a total of \$774,284.78

Contact Information

Name: Zachary Noah Greenberg

Agency: North Dakota Department of Labor and Human Rights

Telephone: 2047719477

Date Prepared: 01/22/2025