

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1272

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB1272
1/20/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to move-in and post move-out inspections of leased property; and to amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant security deposits.

2:10 p.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Brown, Christy, Finley-DeVillie, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer. Members Absent: Representative Bahl

Discussion Topics:

- Mandatory inspections
- Current best practice
- Reasonable estimate of costs

2:10 p.m. Representative Jared D. Hendrix, District 10, West Fargo, introduced, testified and submitted testimony #30205 and #30313.

Additional written testimony:

Christine R. Miller, Bismarck, ND, submitted testimony in favor #29917.

Liza PR Andrew, Bismarck ND, submitted testimony in favor #29927.

Charles J. Meno, Fire Inspector/Investigator, Williston Fire Department, submitted testimony in favor #29942.

Mara Erickson, Grand Forks ND, submitted testimony in favor #29946.

Kara Bender-Lloyd, Minot ND, submitted testimony in favor #30017.

Stefani LeGrand, Fargo, ND, submitted testimony in favor #30042.

Austin Schwab, Bismarck, ND, submitted testimony in opposition #30107.

Alan Murray, Grand Forks, ND submitted testimony in favor #30143.

DeAnna G. Keller, Dickinson, ND, submitted testimony in favor #30147.

Ryley N. Lee, Bismarck, ND, submitted testimony in favor #30152.

Cain N. Hanson, Williston, ND submitted testimony in favor #30167.

Kendra Roeder, Bismarck, ND submitted testimony in opposition #30185.

Mary Senger, Axis Property Management, Fargo, ND, submitted testimony in opposition #30189.

Laura L. Roy, Dickinson, ND submitted testimony in opposition #30192.

Tanya J. Keck, Assistant Property Manager, GC Real Estate, submitted testimony in opposition #30214.

2:23 p.m. Chairman Warrey recessed the hearing.

Diane Lillis, Committee Clerk

Good afternoon Mr. Chairman, and members of the Committee. My name is Christine Miller. I live in Bismarck.

I am testifying in favor of HB 1272.

I was fortunate to have a very positive rental experience in ND in the early 2000's, as well as very good rental experiences in NY, MN, WI, and IA. I always got my deposits back minus minimal charges for minor issues like forgetting to clean the inside of the medicine cabinet, or sweep the garage.

I've lived in ND since 2000, but have not rented since 2002. My first inkling that there were serious issues with renting in ND came from meeting newcomers to the state who told me stories of abysmal renting experiences in ND. They were astonished by filthy and poorly maintained units, chronically unreachable management companies, and extremely high move out charges. These newcomers to our state were appalled at the renting situation and lack of protection for renters in ND.

But, what really opened up my eyes was my children growing up and moving out. I want to share with you that I tried helping my daughter, Liza Miller (she also submitted testimony) set up a final walk-through because Valley Rental would not answer her calls or emails. I live just a mile from the management office so I drove to the office multiple times a day and also tried calling and no one would answer the phone and the door was always locked, with shades pulled down, and dark inside. On June 29th or 30th (the month Liza moved out) I arrived at the office and again the door was locked, shades were pulled down, and it was dark inside. But this time I saw another renter coming out of her apartment right next door to the office. We stood in front of the office door talking and she told me that a manager was in there. I was shocked to hear this and I banged loudly on the door. To my surprise, the manager opened the door. I'd knocked loudly before and no one ever answered. Perhaps she figured the renter I was speaking to told me she was in there. I asked her when Liza would get her final walk-through and she lied to me and told me that Valley Rental had repeatedly reached out to Liza and that Liza did not respond. I know this is not true. She told me that it was too late for a walk-through and that they had done it without her. She was enraged that Liza had lost her mailbox key and sternly scolded me about how Liza would be paying for new keys. I agreed that that would be fair. All I wanted was to set up a walk-through since Liza could not get a hold of them. The last thing she said to me was that Liza would get her final bill in 30 days. Liza didn't actually receive it until September, well past the 30 day requirement.

I ask that you pass HB 1272 because this bill effectively protects both sides. Liza, I, and Representative Jared Hendrix discussed the fairness of this bill and we were firmly committed to ensuring that this legislation would not allow renters to damage properties and leave owners and landlords unable to recoup those costs. We want fairness, not retribution or punishment.

Making a final inspection mandatory protects both sides. It is unfair (and frankly unconscionable) that as ND law stands today, property owners and management companies can, and do, ignore renter's attempts to make contact to set up a final inspection. (Many Google reviews and posters in the fb group, Legislative Action for Renters ND, attest to this). Without being present for that inspection, renters are blindsided by sometimes outrageous move out fees with no opportunity to refute them, and no evidence to defend themselves, and property owners get Carte Blanche to charge whatever they want with no accountability. This bill will protect renters from that very unfair practice.

Please understand that many renters in ND are working class people who can barely afford to even rent in our current economy. Many are college students, young adults just starting out on their own, retired military, disabled people, single moms, etc. When people in these financial situations are slammed with thousands of dollars in unfair, and unreasonable charges, they often end up bankrupt, and unable to secure another rental due to ruined credit. Some end up homeless. ND can do better.

On the other side, this bill protects property owners because they can still charge whatever they want if the renter fails to show up for their final inspection, (they should still be fair in their assessments and charges, but some are not), and they can still charge for actual damages if the renter does participate in the final inspection. I see no legitimate reason for property owners to resist a mandatory final inspection, and I believe they should have as much responsibility to schedule one as the renter has.

If it's left solely to the renter to be responsible to schedule an inspection, what prevents ill-intentioned property owners and managers from ignoring their requests, as Valley Rental ignored my daughter? Both parties need to be equally responsible for scheduling the inspection and for showing up to the inspection. There have been reviews by people who said their managers or property owners didn't show up for their inspection.

If property owners intend to be honest and operate with integrity, why does this bill scare them?

All we are asking for is a mandatory final inspection so that renters cannot be ignored and deprived of their right to have that inspection by property owners who use evasion as a way to take advantage of renters. A mandatory move out inspection is fair and beneficial to both renters, and property owners.

This bill is fair to both sides, but if it fails, renters suffer, while owners and landlords are not effected, or worse, are given free reign to continue to take advantage of renters financially. If the responsibility to set up a final inspection lies only with the renter, the renter becomes vulnerable to unscrupulous property owners who ignore their requests. Remember, property owners can charge whatever they want with no evidence if there's no inspection. What motivation do they currently have to ensure that every renter gets a final inspection? When you really ponder it, the only conclusion that makes sense is that fair and reasonable people who are not out to defraud and deceive renters in order to increase profits would have no issues or concerns about a mandatory move out inspection.

I've heard arguments that landlords and property owners won't be able to come up with an estimate at the time of the final inspection. I find that unlikely because property owners tend to work with contractors they trust and have experience with. They frequently hire these contractors to replace flooring, appliances, cabinets, etc., paint, clean, and otherwise repair and maintain their properties. They have a ball park idea of what these things cost. If not, they can easily research it and have those figures on hand. Also, an estimate is an estimate. We are not asking for an exact total on the day of the inspection.

In closing, I ask you to consider the state of renting in ND under current ND law. Can you honestly say that renters have reasonable protection from unscrupulous property owners and management companies? Do working class folks who can't afford to buy a house in our current economy deserve to be vulnerable to financial ruin due to unreasonable, exaggerated, and unfair charges that they have no ability to defend simply because they were denied a final inspection at move out? Isn't our Lendendary state better than that?

Please do pass HB 1272. The fine folks of ND deserve it. Thank you.

My name is Liza Andrew and I started the Facebook group, Legislative Action For Renters North Dakota which quickly rose to over a thousand members in a month. I support HB 1272.

When I was 19 years old I moved out of my family home for the first time and joined the 37 percent of North Dakotans who are renters. Due to the economy in North Dakota and the nation as a whole a lot of us remain renters for long periods of time.

I was just starting out in life so I needed something affordable. I found Valley Rental and moved into one of their apartments in Bismarck in May of 2021. I stayed for a total of two 1 year leases and moved out in June of 2023. I paid a total of 900 dollars in deposits between the move in and a pet deposit.

When I signed the notice to not renew my lease things changed drastically. I had everything moved out of my apartment and the unit cleaned by a professional cleaning service for 10 hours on June 28th 2023. By the time I had finished it was late so I took my pictures and waited to contact Valley Rental until the next day. My now husband and I went back to Minot to rest for the night but I was completely prepared to come back at anytime for the final walk-through. The next day I called multiple times and even tried the "new renters" option on the Fargo number and asked to be transfered to Valley Rental in Bismarck. They still didnt answer. So I sent an email to which there was no reply. My mom also tried numerous times to contact Valley Rental by showing up at the office but the door was always locked until they finally unlocked the door on the 30th when another tenant told my mom that a manager was inside. When my mom asked about a final walk-through, she was told it was too late, and that I would receive my final bill in 30 days.

More than 60 days later I received a notice in my email that I owe \$6,000 dollars in damages minus my \$900 deposit. To say I was shocked would be an understatement. I emailed Valley Rental asking for an itemized report and was directed to my online portal. The portal stated most of the charges were for Flooring Replacement for the amount of \$4200. I emailed Valley Rental asking for explanations and receipts from the repair companies and did not receive a reply until I mentioned I was speaking with an attorney. They had replaced the carpet, vinyl, and underflooring in my apartment. They painted even though the only thing I ever hung on the walls was one curtain rod. I have numerous pictures which show that the condition of the apartment was excellent. There was no damage whatsoever to the linoleum, yet they replaced all of it and charged me for it. There was no evidence of any issues with subflooring. The walls were clean and there were no nail holes other than for that one curtain rod. I hired a cleaning company for 10 hours of work and the place was spotless and odorless. They charged me \$350 for a lost mailbox key.

I fully expected to pay for new carpet because my cats scratched some of it. But Valley Rental charged me for carpet cleaning AND new carpet. They stated on the bill that the reason for carpet replacement was "pet scratched," so why clean it first at my expense.

They claimed that my apartment smelled, but the cleaners said it did not and so did my mom and fiance. They can't prove there's an odor, so it's an easy way to replace flooring at a renter's expense.

I could not afford a lawyer to represent me in court and small claims court was a several months long wait. By that time my charges had been sent to collections. Later when looking at the few pictures that had been uploaded to my rent portal by Valley Rental, I saw that they hadnt even taken pictures of the correct garage. They charged me for "carry out" of a bunch of items in another garage with the garage number, which was not mine, clearly visible in the photo!

I am 23 years old and my credit has been negatively affected by Valley Rental. If it wouldnt have been for my now husband I would have been homeless because very few companies will rent to individuals with low credit.

According to google reviews, my experience with renting in ND is not unusual. I counted 594 1 star reviews on google, and that was from only 20 of the rental companies in North Dakota. A number of the bad reviews were related to unreasonable move out charges, and extreme difficulty in contacting their rental company.

37 percent of North Dakotans are renters, including many military and college students. That 37 percent of our

population is without adequate protection and security when it comes to renting. Im not a bitter renter who destroyed their unit and is just looking to get away with itIm one of many other renters this has happened to. If a renter destroys a property then the landlord deserves compensation but renters also deserve to be protected from financial ruin and homelessness due to unfair and unreasonable move out charges. This bill is protection for both parties. Over 1,000 people gathered together in my facebook group and even if they couldnt all be here today we all want change.

Please pass HB 1272. Thank you.

Mr. Chairman and Members of the Committee,

My name is Charles J Meno I reside in Williston, 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 properties owners and managers who choose to defraud, deceive, manipulate, and lie in order 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.

I have served the City of Williston for over 5 years initially as a firefighter-EMT and now as a Fire Inspector-Investigator. Currently there are a large number of Williston's first responders that reside within my apartment complex because up until recently, we were provided with a significant reduction of rent costs thanks to the STAR fund, which unfortunately ran out of funds causing our rent costs at very short notice to rise roughly 30% (\$700 to well over \$1000 monthly). This is a topic for another time. I have resided within my complex for roughly 4 years now and unless things change, will likely remain here for some time yet. Doing the math, this means that this complex has made at least 30,000 dollars of income from my living here. This is money that i will never see again and that alone is likely enough to fully renovate at least one or two 2 bed 2 bath apartments here.

As a renter, myself and many of my coworkers are extremely concerned financially when it comes to the eventuality of moving out of the complex. When it comes my situation, living within an apartment long term, you are understandably going to have wear and tear. Appliances, carpets, paint, cabinets, etc. get old or fade with time. I also did a lease takeover from another former coworker who had lived here for a few years before me. I was not provided with a pre-inspection of the apartment and they were not given a post-inspection to my knowledge. Not only will I bear the financial responsibility of wear and tear during my stay, but likely theirs as well. I have heard countless stories of people who have paid professional services to clean/repair their apartments prior to moving out in order to save money and not get hit with outrageous fees, just to still be hit with thousands of dollars of fees for the exact cleaning/repairs that were already made to their apartments.

I implore you, help the citizens of our state as well as our states first responders. We make so many sacrifices to help our communities and keep the citizens of North Dakota safe and make just enough money to make ends meet in the economy. We should not have to live in constant fear of trying to move out of apartments to finally find a home just to be hit with 5, 6, or 7+ thousand dollars in fees that could destroy our savings and financial credibility. I ask you to put yourselves in my shoes when considering this bill. Please do the right thing and provide us with this small bit of protection that could potentially save thousands of renters within our state.

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 retainer.

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.

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.

North Dakota can do better than this for the 37% of its citizens who rent!

Please Mr Chairman, and members of the committee, do pass HB 1272. It's the humane and right thing to do. Show your people that you care.

Thank you.

Respectfully,

Fire Inspector Charles Meno

Williston Fire Department

Mr. Chairman and Members of the Committee,

My name is Ms. Erickson, and I reside in Grand Forks. Thank you for allowing me to testify in support of HB 1272.

During my college years in North Dakota, I faced a difficult situation when my landlord unexpectedly gave me a week's notice to vacate my unit. I was unaware of my renter's rights at that time, and this sudden requirement disrupted my studies and work commitments. My landlord claimed the move was necessary for renovations, despite my signing a lease months earlier with plans to stay. I was given strict instructions to clean the unit according to a checklist to avoid losing my security deposit, adding to my stress as I juggled summer courses and multiple jobs.

North Dakota law offers limited protections for the 37% of residents who rent. Many renters fall into financial distress and risk homelessness because current laws favor property owners and management companies. This creates a significant power imbalance, leaving renters vulnerable to deceit, especially during move-out.

I urge you to support HB 1272 and help address the challenges faced by renters. Thank you for your time and consideration.

Chairman and Members of the Committee,

My name is Kara Bender-Lloyd and I reside in Bismarck, North Dakota. Thank you for considering my testimony today.

In March of 2023, I moved out of River Ridge apartments, owned by Centerspace LLC, in South Bismarck. After I had moved out, I received notice that the carpet was being replaced in the apartment I had moved out of, and I was responsible for the cost. I figured this was a mistake, so I spoke to the manager to have it corrected. I was told that after we had done the move-out inspection, where I was present, they brought in a company to do a “black light test” on the carpets. They told me my carpets failed the black light test, so they needed to be replaced. They had kept \$850 of my security deposit to replace the carpets in the unit. They had no record of whether the previous tenant had this test done. I also mentioned that many things glow under black light, including cleaning products, but they refused to give me my deposit. I was also present for the walk-through, where they signed off on my carpets being in perfect condition at the time of move-out.

I took them to small claims court and got my money back because there was nothing in the lease about this black light test, and the judge determined it wasn’t reliable enough to detect pet stains or any other non-visible stains. However, I can’t imagine how many other people were not able to fight this charge or weren’t aware that they could. Had I not had enough money in my security deposit, or had the company ignored my request to take them to court, I could have had my credit destroyed or been unable to rent in the future. This type of thing should not happen to anyone. As housing prices continue to become unaffordable for many, we must protect the good people who need to rent. Please consider HB 1272. Renters' rights are long overdue.

Mr. Chairman and Members of the Committee,

My name is Stefani LeGrand I reside in Fargo, 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 properties owners and managers who choose to defraud, deceive, manipulate, and lie in order 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. I rented from a private landlord who sold the property with photos never a walk through and the new company hit me with everything wrong with this place, it is concerning that I was not offered a walk thru when property changed hands. This company did not know what the unit had wrong and what the previous landlord left in the garage and unit. 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. I was personally told by email I would be receiving my deposit back but then later when I contacted them about it they responded that the girl who told me I would get my deposit back no longer works there so I would not be receiving any money back.

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 retainer. Landlords also work together and make it difficult to correct these issues and when selling property out from under the renter with no notice should not be allowed.

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.

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.

North Dakota can do better than this for the 37% of its citizens who rent!

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

Thank you.

Austin Schwab

In regards to HB 1272.

January 19, 2025

I am writing to express my opposition to House Bill 1272, regarding landlord-tenant procedures for property inspections and security deposit deductions. While I support the spirit of transparency and communication that the bill attempts to address, I believe the proposed language regarding cost estimation and tenant agreement is fundamentally flawed and will create more problems than it solves.

I want to preface my remarks by stating that I have no objection to the requirement for both pre- and post-tenancy walk-through inspections. These are standard practices that I, as a tenant, have experienced with every landlord I have rented from and I agree that they are vital for clear communication. These are also standard practices that I, now as an owner and investor in the great state of North Dakota, know my outstanding landlords follow as it provides an opportunity for both parties to document the condition of the property to an extent, together. However, the first issue I have with HB 1272 is the expectation that landlords, who are typically not qualified professionals, can accurately assess the full extent of damages and provide reliable cost estimations. My second concern lies with the provision mandating that landlords and tenants agree on "a reasonable estimate" of damage costs during the final inspection and sign a statement acknowledging this. This section of the bill is problematic for a few reasons:

1. **Landlords Lack Expertise:** Landlords, in the majority of situations, are not qualified to assess the full extent of damages from a tenant that may be present. Many types of damages such as water, pet, electrical, or plumbing, are not readily apparent to the untrained eye. Relying on a landlord's visual assessment risks missing significant underlying problems and underestimating repair costs.
2. **Need for Professional Assessment:** A true assessment of damages and a fair estimation of costs requires the expertise of licensed and certified professionals. Only licensed contractors can accurately assess the full extent of damage, determine the necessary repairs, and provide realistic cost estimates. These professionals need time to fully assess the situation before providing a reliable estimate. This process cannot happen at the moment of a final walk-through inspection.
3. **Unrealistic Agreement Requirement:** It is unreasonable and unfair to require a tenant to agree to a potentially inaccurate cost estimate at the conclusion of an inspection. The true cost of repairs is a factual matter, it is not something that should be up for negotiation between a landlord and tenant. A tenant should be held liable for the actual cost of the damage they are responsible for, not an arbitrary estimate.

Thank you for your time and consideration of my concerns. I urge you to reject House Bill 1272 in its current form.

Austin Schwab

I am here to express my strong support for HB 1272.

Under current North Dakota law, over 35% of residents who rent, are provided with minimal, if any, protections. This lack of safeguards often leads to renters facing significant financial hardship, damaged credit, and, in some cases, homelessness. The existing laws seem to prioritize the interests of property owners, landlords, and management companies while leaving tenants vulnerable to exploitation. This is especially evident during the moving-out process, when certain property managers and landlords resort to dishonest practices aimed at increasing their profits.

A common scheme involves landlords and property managers completely ignoring tenants who have given notice of their intention to vacate. They refuse to answer emails, texts, and phone calls, and in some cases, even deny renters access to their offices when attempts are made to finalize the move-out process. This deliberate avoidance prevents tenants from conducting a final walk-through of the property. Without this opportunity, renters cannot document the condition of the property with photos or videos, nor can they dispute false claims of damages beyond normal wear and tear.

When renters are denied a final walk-through, they are left defenseless against unwarranted charges. They have no way to challenge exaggerated or fraudulent claims of damages, which can include billing for ordinary wear and tear—something that should never be the tenant's responsibility. North Dakota's laws currently allow landlords to shift the financial burden of property ownership onto renters by denying walk-throughs, inflating charges, and issuing fraudulent bills. These bills often end up with collection agencies, creating a financial nightmare for tenants who are unable to afford the unjustified costs.

Adding to this imbalance is the fact that landlords and property management companies typically have significant financial resources and connections, including relationships with contractors, painters, and legal professionals. In contrast, renters often lack the financial means or legal expertise to combat these predatory practices.

HB 1272 would not prevent landlords or property managers from recovering legitimate costs for real damages. Instead, it introduces a fairer process by requiring landlords to provide a final walk-through for tenants who request one. This step is crucial in ensuring that renters can defend themselves against fraudulent claims and excessive charges. If damages are genuine, renters should pay for them. However, if the charges are unfounded, tenants deserve the chance to contest them and avoid undue financial and credit harm.

Without a final walk-through, renters are at risk of being charged thousands of dollars unfairly, which can lead to credit issues and, in severe cases, homelessness. Damaged credit often prevents these individuals from securing future housing, leaving them in a vulnerable and dire situation.

North Dakota can and must do better for its renters. HB 1272 is a necessary measure that ensures fairness, accountability, and protection for the 37% of North Dakotans who rent their homes.

Mr. Chairman and esteemed committee members, I urge you to support HB 1272. Passing this bill is not only just, but also humane. Thank you for your time and consideration.

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.

Mr. Chairman and Members of the Committee,

My name is Ryley Lee I reside in Bismarck ND. 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 properties owners and managers who choose to defraud, deceive, manipulate, and lie in order to maximize profits - ESPECIALLY at the time of moving out.

When I moved in to my current place I was not able to see my apartment till 2 days after my lease had started. There were damages everywhere in that apartment that had not been noted, when I picked up the keys I was told there was nothing wrong. No one came to the apartment and did a walk through and upon moving in I found not only had the unit not been cleaned, the plumbing that delayed our move it was also not fixed. It is absurd that I was able to move in to an apartment in that condition and its upsetting to think that I still may be framed for these damages even though I promptly took pictures and notified the company.

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 retainer.

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.

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.

North Dakota can do better than this for the 37% of its citizens who rent!

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

Thank you.

Mr. Chairman and Members of the Committee,

My name is Cain Hanson I reside in Williston, ND. 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 properties owners and managers who choose to defraud, deceive, manipulate, and lie in order 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 retainer.

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.

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.

North Dakota can do better than this for the 37% of its citizens who rent!

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

Thank you,
Cain Hanson

Mr. Chairman and Members of the Committee

My name is Kendra Roeder, I work for a small property management company in Bismarck.

I am testifying in opposition of HB 1272 as currently written.

Generally speaking, I am in favor of limited government. Legislation such as this, though having good intentions, have unintended effects on personal lives and businesses of North Dakotans. HB1272, is poorly written and will increase renter move out costs vs helping to lower their move out costs.

Most of this bill could be avoided by renters doing their due diligence before they sign a lease.

1. Rents should choose to live with management companies who will agree to move in/move out walkthroughs. Ask about their policy during the showing and look for the agreement in the lease.
2. Renters need to read their leases before they sign them.
3. Renters need to live in a manner that limits damage to the property. Care for the property like you own it.
4. Renters need to complete all cleaning and repairs that they agreed to complete in the lease.

The goals of this bill (as publicly stated on social media) is to: ensure every tenant has the opportunity to have a move in and move out walkthrough, have the opportunity to take before and after pictures, leave the walkthrough with an estimate so there are no surprise charges and if a disagreement occurs, the ability to take legal action against the landlord.

1. I agree, every tenant should have a move in/out walkthrough. Our business policies on move in/out walkthroughs are stronger than HB1272.
2. Tenants already have the right to take pictures and videos.
3. An estimate before leaving a walkthrough, will lead to increased prices for tenants as this estimate will be at premium prices to ensure coverage of the real hard cost of the materials and labor.
4. Tenants already have the right to take legal action against landlords if there is a dispute.
 - a. The reality is, most renters do not have any evidence on the matter. Tenants often either fail to thoroughly clean the unit or complete repairs, then they are upset about the price of making the unit rent ready. While landlords have pictures, videos, receipts, and written communications as documentation making the tenants' case too weak for most lawyers to take on.

Suggestions from a leasing agent:

1. Section 2.2 “At the conclusion of the inspection, the landlord and tenant shall sign and date the statement acknowledging the inspection under this section has occurred. The statement must include a reasonable estimate, as agreed upon by the landlord and the tenant, of any costs to be withheld from the security deposit as provided in section 47 - 16 - 07.1, plus any additional costs not covered by the deposit. The landlord shall provide a copy of the statement at the conclusion of the inspection.”

I believe this section should be removed as it will cause higher cleaning/repair costs for renters.

- a. “Reasonable estimate”, as a leasing agent, I perform all the move in/out inspections with the tenants. I do not know the cost of labor and material. I do not know how long it will take to patch a hole in the wall. I do not know if that specific refrigerator part is sold in town or if it needs to be ordered or what the shipping and handling costs will be. I can identify damages, but I cannot predict the prices of all labor and materials necessary to make a unit rent ready.
- b. We would comply with HB1272 as written if necessary. We would create a generic price list to cover repairs at ALL rental units, one size fits all. Upon notification of move out, we would send the price list to the tenants along with our checkout procedures. These prices would be based on calculations on past-on-past bills. The tenants would know our prices ahead of time. There would be no disputing the cost, because they would know what the prices are before the move out inspection and they know the damages they caused.
 - i. Please note that all landlords use contractors for something. Landlords cannot control the price of goods and services from contractors. To comply with HB1272, landlords would need to estimate a premium price above and beyond what a contractor may charge to ensure there are no surprise costs to the tenant.
- c. Yes, these prices would be higher than what we currently charge. Currently we do not mark up any of our materials, what we pay is what the tenant pays. Our current practice would be illegal according to HB1272 because we do not know the damages to the unit or the price of materials before the move out walkthrough. With the “not re-enter” clause, it would be illegal for us to complete a pre-move inspection. Such an inspection would allow us to bring a prepared estimate with us. To be legal according to HB1272, we need to make sure every possible expense is anticipated before going to the move out inspection.
- d. I would not be upset with this; it would make my job and billing much easier and hopefully encourage tenants to clean/complete repairs.
 - i. Tenants are required to clean/complete repairs per their lease, but most choose not to and then complain about the cost of cleaning/repairs.

- e. I am looking out for the interest of renters pointing out how this will negatively affect them.
- 2. Section 2.2 “as agreed upon by the landlord and the tenant” what occurs if this amount is not agreed upon? The tenant may disagree for very unreasonable reasons, then what occurs?
 - a. Tenants do not like that we charge \$70 per hour for cleaning and they do not like the number of hours it took to clean the unit.
 - i. We work with a reputable, professional housekeeping company in Bismarck, we cannot control what they charge or how long it takes them to clean.
 - ii. Cleaning is expensive and time consuming, that's why many tenants do not do it themselves.
 - iii. Tenants disagree with that amount all the time, but that is the real cost of cleaning.
 - b. What will occur if they disagree to sign the estimate? Landlords will find other ways to force agreement to the estimate that comply with the law and make disputes difficult.
 - c. This verbiage should be removed or re-written as to state options for if an agreement cannot be reached.
 - i. In current law, if the renter disagrees, they can take their evidence to the legal system.
- 3. Section 2.3 and 2.4 should use the exact same language for the tenant and the landlord. Tenants and landlords should be held to the same standard when it comes to communicating, scheduling and appearing for a move out inspection.

I appreciate your time, effort and consideration on this matter.

Thank you,

Kendra Roeder



01/19/2025

ND State Capitol
Attn: Jim Kasper
Bismarck ND

RE: HB 1272

I am the Director of Operations for Axis Property Management, and we serve the Bismarck, Fargo, and West Fargo communities in North Dakota. I am reaching out in opposition to House Bill 1272 and calling attention specifically to language regarding cost estimation post an inspection. HB 1272 poses significant challenges to property owners/operators, as well as tenant(s) as it relates to the language in the bill on providing/agreeing to "reasonable estimate" of damages.

I have been working in the ND/MN industry for over 25 years. I am confident in my training from the years spent in the Fargo and Bismarck markets. I do believe the language presented will put an undue burden on all parties simply because they are not qualified to assess damages that may be present at the time of inspection. A common issue found in apartments when an animal has been housed is urine which may have penetrated the carpet, pad, and subfloor. This can quickly become a large expense which could negatively impact either party. Other types of damage relating to water, electrical, plumbing, doors/hardware could fall into this category.

It is not reasonable to require a tenant or Owner/Operator to agree to a potentially inaccurate cost estimate at the time of a move out inspection. I would recommend language be updated to consider a process to include communication within the state statute of communicating unknown charges and calling out the general nature of the scope. Additionally, a timely expectation of determining scope and cost. Finally, requiring Owner/Operators to provide copies of such work and scaling of the replacement costs (depreciation and/or proration schedules).

I urge you to consider the broader implications of this bill and vote NO on HB 1272.

Thank you for your years of service to the residents of North Dakota,

Sincerely,

Mary Senger

Mary Senger | Director of Operations
Axis Property Management
2000 44th Street S, Ste 202
Fargo ND 58103
Mary.Senger@axisproperties.com



2068 Prairie Ave #8, Dickinson, ND 58601
Office: 701.483.8020 | Fax: 701.483.6505
www.gcremn.com

January 20, 2025

Members of the North Dakota Legislative Assembly
State Capitol
600 E Boulevard Ave
Bismarck, ND 58505

Dear Members of the North Dakota Legislative Assembly,

I am writing as a Regional Property Manager with over 10 years of experience in the rental industry to express my opposition to House Bill 1272. While I understand the intent to ensure fairness between tenants and landlords, I believe this bill introduces provisions that could create unnecessary complications and hinder the rental process.

The bill's requirement for a move-out inspection before the lease's expiration is unrealistic. Coordinating a mutually agreeable time between tenants and landlords can be difficult, especially when tenants are in the midst of moving. Additionally, allowing landlords to conduct the inspection unilaterally if a tenant misses it could lead to disputes over the security deposit.

The itemization requirement for security deposit deductions, including estimated repair costs, is overly burdensome for landlords, particularly for smaller property owners. This could lead to delays and increased potential for conflicts. Moreover, the provision that penalizes landlords for failing to attend or schedule an inspection places undue responsibility on them, even in cases of legitimate scheduling conflicts.

Finally, the cap on pet deposits at \$2,500 or two months' rent is excessive and could limit housing opportunities for responsible pet owners. This provision could create unnecessary barriers to renting for many tenants.

As a property manager dedicated to fostering fair and collaborative relationships between tenants and landlords, I urge the Assembly to reconsider these provisions and work toward a balanced approach.

Thank you for your time and consideration.

Sincerely,

Laura Roy | Senior Portfolio Property Manager
2068 Prairie Ave #8, Dickinson, ND 58601
Phone: 701.483.8020 | Cell: 701.300.2352
laurar@gcremn.com | www.gcremn.com



Representative Jared Hendrix
House District 10
Testimony for HB 1272

Chairman Warrey & members of the House Industry, Business & Labor Committee.

My name is Jared Hendrix, and I represent District 10 in Fargo in the State House. According to US Census data, approximately 65.7% of North Dakota residents own their homes, and 34.3% live in rental properties. District 10 is about 80% rental properties, including mostly apartments, which obviously makes us incredibly unique in our state. As we all know, the reasons to rent are varied, but include flexibility and ease of relocation, lower upfront costs, lack of maintenance costs, and location quality and access to amenities.

However, the overarching characteristic of most people who choose to rent is simply the fact that they are typically not in a financial position to buy a property. Housing is a basic need, just like food or water. Since it is a need, and home ownership may be temporarily unattainable for various reasons, people who rent are in a sense a captured audience. They can assess their rental options, but ultimately will have to choose somewhere to live.

Before, during and since my campaign, I have heard countless stories of tenants who believe they were taken advantage of and charged for exorbitant costs not actually due to their actions. While many landlords are individuals and families who may only have 1 or 2 properties for passive income, there are a few extremely large companies that operate hundreds or thousands of units. These entities have significant resources, relationships with contractors, and options for legal services far beyond their renters. In the event a tenant faces significant charges from purported property damages, in most cases they are powerless to defend themselves due to the prohibitive cost of litigation and the practical consequences of moving. At the same time, since renters obviously do not have the option of not living somewhere, often illegitimate damage costs are paid to simply maintain credit and the ability to lease another rental.

Of course, there are two sides to every coin. At the same time, many landlords face circumstances in which delinquent renters or others cause considerable damage, and in these circumstances the rights of the property owner must be respected. I have introduced HB 1272 for all the above reasons.

Current best practice for rental agreements includes some sort of inspection of the premises upon the start of the lease, and a similar inspection upon the termination of the lease. However, this practice is inconsistently practiced in North Dakota and not codified in state law. The intent of HB 1272 is to require both parties to meet, identify and itemize issues and damages which need to be addressed upon entry to the lease, and the same upon exit of the lease. HB 1272 does not require an onerous governmental inspector or regulator, but rather simply strengthens the contractual agreement between both parties, which is based upon current best practices in the rental market.

I do have a proposed amendment to eliminate the language referring to a reasonable estimate. While the intention was to provide the tenant with a ballpark estimate to anticipate whether costs would be covered by their security deposit, many landlords would not be able to make a reasonable contractor estimate on their own. The most important part of this legislation is not the specific cost of the damages, but rather the itemization of damages.

Thank you for your time and consideration on HB 1272.

Representative Jared Hendrix
State House - District 10 - Fargo

Dear Stark County representatives,

I am writing to you as a concerned property manager and a constituent to express my strong opposition to HB 1272. While I understand the bill's intent to address tenant rights and housing issues, its provisions pose significant challenges for property owners and managers, making it impractical to implement and ultimately detrimental to the rental housing industry.

As a property manager with years of firsthand experience, I can attest that conducting pre-move-out inspections and accurately estimating potential move-out charges is an inherently difficult task. Tenants often have the ability to conceal damages, mask odors with air fresheners, or temporarily hide other issues during the inspection process. These hidden issues often only become evident after the tenant has vacated the property, when a thorough inspection can be conducted and repairs or cleaning are underway. Requiring landlords to provide a detailed estimate of move-out charges based on a pre-move-out inspection is therefore unrealistic and places an undue burden on property owners and managers.

Additionally, HB 1272 creates opportunities for disputes and confusion between tenants and landlords. Without the ability to account for concealed or unforeseen damages, landlords may be left unable to recover costs associated with restoring a property to a rentable condition. This could result in financial losses that discourage property investment and reduce the availability of quality rental housing.

The rental housing industry is already facing significant challenges, including rising costs, regulatory burdens, and an increased demand for affordable housing. Imposing additional, unworkable requirements on property owners and managers risks exacerbating these issues.

I urge you to reconsider the provisions of HB 1272 and work toward solutions that balance tenant rights with the practical realities faced by landlords and property managers. A collaborative approach that includes input from both tenants and landlords is essential to crafting fair and effective housing policy.

Thank you for your time and consideration. I would welcome the opportunity to discuss this matter further and provide additional insights based on my experience as a property manager.

Sincerely,

Tanya Keck
932 27th St W
Dickinson, ND 58601
tanyak@gcremn.com
701-412-8981

Javed Hendrix

25.0816.02001
Title.

Prepared by the Legislative Council
staff for Representative Hendrix
January 17, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1272

Introduced by

Representatives Hendrix, Hoverson, Ista, S. Olson, Heilman, Kasper

Senators Braunberger, Magrum, Mathern, Paulson, Boschee

1 A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota
2 Century Code, relating to move-in and post move-out inspections of leased property; and to
3 amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant
4 security deposits.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 47-16-07.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **47-16-07.1. Real property and dwelling security deposits - Limitations and**
9 **requirements.**

- 10 1. The lessor of real property or a dwelling who requires money as a security deposit,
11 ~~however denominated~~, shall deposit the money in a federally insured interest-bearing
12 savings or checking account for the benefit of the tenant. The security deposit and any
13 interest accruing on the deposit must be paid to the lessee upon termination of a
14 lease, subject to the conditions of subsection 2. A lessor may not demand or receive
15 security, ~~however denominated~~, in an amount or value in excess of one month's rent,
16 except:
 - 17 a. A lessor may accept an amount or value up to two month's rent, as security, from
18 an individual convicted of a felony offense as an incentive to rent the property to
19 the individual.

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB1272
1/20/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to move-in and post move-out inspections of leased property; and to amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant security deposits.

3:39 p.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chair Ostlie, Vice Chair Johnson, Representatives Brown, Christy, Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer. Member Absent: Representative Bahl.

Discussion Topics:

- Homeless rates on the rise
- Protections for landlords and tenants
- Affordable housing
- Mutually agreed upon time

3:39 p.m. Mike Connelly, Bismarck, ND, testified in favor and submitted testimony #30073.

3:46 p.m. Shannon Roers Jones, District 46, Fargo, ND testified in favor.

3:58 p.m. Connie Samuelson, Minot ND, testified and submitted testimony in favor #30005.

4:05 p.m. Jeremy Petron, Vice President, ND Apartment Association, testified in opposition and submitted testimony #30156.

4:10 p.m. Scott Kautzman, Property Manager, Bismarck ND, testified in opposition and submitted testimony #30183.

4:16 p.m. Chairman Warrey closed the hearing.

Diane Lillis, Committee Clerk

RE: North Dakota Century Code #47-16-07

Mr. Chairman, and members of the Committee, my name is Connie Samuelson from Minot.

I am here to speak in favor of House Bill 1272:

As we are all aware, affordable houses are hard to find in ND thereby forcing many young adults and families to relying on rental units. We have more than 4000 apartment buildings and rental dwellings, housing: families, single parents, seniors, military personnel and college students.

Often the first taste of independence a young person experiences is moving out on their own. This involves signing a Lease and putting down a damage security deposit. NDCC 47-16-07.2 states that a landlord and tenant must sign a statement detailing condition of premises at the beginning of the Rental Agreement. This involves the tenant and property manager performing a move-in inspection by walking through the apartment together at an agreed upon time. Currently, there is no such required move-out inspection form when the lease is terminated. This results in move-out inspections being completed solely by the lessor or property manager. Unfortunately, by the time the lessee gets a Security Deposit Statement, the "repairs" have already been completed, thus providing the lessee no opportunity to prove they were charged for unwarranted, frivolous, or previously documented damages. Or even general improvements to the unit.

North Dakota is blessed with 11 public colleges and universities along with several military bases each full of young adults eager to get on with their careers. These young adults may not have the time, knowledge, or resources to dispute erroneous charges on their security deposits in Court. Many move out of state or even out of the country, so they are left with the clemency of State law.

Many of us have rented vehicles. Insurance companies strongly recommend their clients perform a walk-around with the dealer to assure the condition of the vehicle before taking it off the lot and again when returning it. These simple acts protect all involved.

Landlords and Tenants alike would appreciate House Bill 1272 and I hope you consider a "do pass" vote on this Bill.

Thank you,
Connie Samuelson

Representatives of the House Industry, Business and Labor Committee

I would encourage a DO PASS on HB1272

Capitalism has always been held in high regard in this Republic of ours and has its own set of checks and balances that most of the time work out well if we let them. Since 2015, this has changed quite dramatically as investors, both nationally and internationally, flush with cash have been using valuations to create monopolies and hardships on citizens all over the United States. The hardships have played a significant role in a 26% increase in homelessness in Bismarck in the last 4 years, and a 16% nationwide increase in just the last year.

It was 2017 when I was first made aware of corporate investment companies coming in and buying manufactured home parks and apartments. As a community and citizen advocate at the time, and now a Bismarck City Commissioner since April of 2023, the homeless population is growing in a way that costs every citizen making it obvious that having more protections in place will benefit the health of our communities.

Also, it is important to note that I have been both a renter and a landlord and not everyone are angels, and with the dynamics of people being all over that map, passing of HB1272 will move us in a better path than we are living now. I would set a set of guidelines that both landlords and tenants could have some security in. Right now there is very little security to be found as it seems like in many cases landlords are using deposits and checks as a means to cashflow versus them being an incentive to not end up with damaged property.

Additionally, once someone is evicted, they find it very difficult to rent again. In which case do our communities struggle with the question of where people go? Many investment companies are also introducing questionably legal, possibly illegal lease documents. Add-in rapidly increasing rents, with several modes of tack on fees, it is making it very hard for people to survive, let alone grow into a better life.

The days of relying on the natural checks and balances in relation to capitalism are over as the need for the rule of law has become necessary to maintain having a thriving state, which should be free from being run over by homelessness. Help the citizens by giving them some guidance to help both citizens and landlords by giving them the structure that is both consistent and ethical.

Sincerely,

Mike (Michael) Connelly

January 20, 2025

Jeremy Petron
Lobbyist # 209
North Dakota Apartment Association

Re: HB 1272 - Opposed

Chairman and members of the Committee, My name is Jeremy Petron. I'm a lobbyist with the North Dakota Apartment Association. I have also worked in the apartment rental and property management industry for 20 years. Our Association members are apartment property owners, independent rental owners, property management companies, and employees of those management companies across North Dakota.

NDAA is opposed to HB 1272. This Bill is a bit redundant; there is already language in current statute covering move-in and move-out procedures. NDCC 47-16-07.2 covers inspection of an apartment dwelling prior to a tenant moving in, and agreed to and signed by landlord and tenant. NDCC 47-16-07.1 subsection 3c covers statement of moveout conditions and handling of the security deposit.

To help facilitate the move-in and move-out inspection process, our Association has fillable inspection forms available to members to detail move-in conditions to be signed by both landlord and tenant. The same form has a column for move-out condition, to compare at the time of moveout walk-through, and signed by both parties. As a matter of good business practice, management companies typically already handle this as part of regular procedure to protect both the landlord and the tenant.

In lines 12 & 13 of the Bill, 'remediation plan to repair any damages'; landlords

already have an obligation under NDCC 47-16-13.1 for maintenance of the premises, to comply with codes affecting health and safety, and make repairs necessary for a fit and habitable condition. There are also remedies for Tenants outlined in 47-16-13 if a landlord is non-compliant.

Management companies typically schedule and conduct move-out walk-throughs at the time the resident is turning in keys. However, there is no perfect system for scheduling the move-out walk-through, and one size doesn't fit all. Scheduling conflicts can and do occur for a variety of factors, including staffing resources, quantity of moveouts on the last day of the month (when most moveouts occur), distance to various apartments locations, if other management emergencies arise, or if tenants have other work obligations during regular management office hours.

This Bill would require a pre-moveout inspection. This type of inspection doesn't lend itself to a full determination on all move-out conditions. It is difficult to do a full and complete assessment of final conditions when personal belongings, furniture, and wall hangings are still in the premises. At that time, you can't determine how well the tenant is going to clean the premises until all personal items have been vacated. There can also be masked odors that aren't readily apparent or fully uncovered until all furniture has been removed, and flooring may require black-lighting or carpet to be pulled back to determine pet stains.

Lines 19 & 20 'except as provided in section 47-16-07.3, the landlord may not re-enter the premises until an inspection is conducted'. It is confusing why the part 'may not re-enter' is included here, because NDCC 47-16-07.3 already states clearly the only times when a landlord is allowed to enter an occupied dwelling during the entire tenancy.

Lines 23 & 24 of the Bill requires cost estimates at the time of the [pre-moveout] inspection, and agreed upon by landlord and tenant. As mentioned, some damages may not be immediately apparent. Even if immediately apparent, depending on the severity and type of damage, it may be difficult to properly estimate restoration costs on-the-spot if a contractor estimate would be necessary. It's also possible a landlord and tenant won't agree on the 'reasonable estimate' at that specific time, or that one party fails to appear but claims they communicated reason for the absence. Ultimately, responsible proper documentation is important for both parties if disputes arise.

We urge a do not pass on HB 1272 in its current form.

RE: HB 1272 -- Opposed

Mr. Chairman and Members of the Committee,

My name is Scott Kautzman and I reside in Bismarck and I manage properties in Bismarck, Mandan, Steele, and Center North Dakota. Thank you for considering my testimony today.

I am testifying in opposition of HB 1272 as written. I have been a property manager/landlord for 27 years and I have never seen the industry in such conflict than in the last 3-5 years. Tenants do not honor leases, they leave places filthy, and then they demand their deposits back. If we refuse, they threaten lawsuits and social media and public shaming. They can do all these things because property managers cannot fight back for fear of retribution, especially on social media. If we do, we are falsely sued for discrimination by organizations such as High Plains Fair Housing. We, as property managers, cannot have open communications because tenants and organizations are looking for their quick dollar. Hence that is the reason most property managers will not communicate publicly, especially on social media.

North Dakota laws already provide reasonable protection for North Dakotans that rent. In the North Dakota landlord / tenant's rights handbook, it has been long established that tenants should do a move in and move out inspections with the landlord and document all of the damages including normal wear and tear so not to be charged with it at the end of the lease.

The fact of the matter is, that in the last 3-5 years tenants have not held up their end of the contractual agreement and have left places damages and unclear. I would venture to say that 40% of tenants don't follow the move out instructions given by landlords and property managers. I would venture to guess the number is the same or higher that leave personal property and trash in the rental and don't clean the property when exiting. Once tenants get the final bill, they are shocked, but let me tell you, those charges are not inflated. Those costs are what it takes to get a property back to be rent ready. Labor is not free.

Cleaning labor and expenses add up quickly especially when you must spend hours cleaning appliances, wiping down splatters on walls, and ceilings, etc.. Fixing tenant caused damages often include, but not limited to, broken door, damaged walls, removing abundant screws, bolts, etc. from walls and patching those areas. Not to mention the damages to flooring etc. from improper cleaning, lack of cleaning, lack of care, and abuse.

Why do I mention all of these things?

It's because of how this legislation is written. It requires the leasing agent to know at the time of move out what these items will cost to rectify. Not to be disrespectful to the leasing agents, but they have no idea what the cost of materials are. They do not complete these fixes day in and day out, they do not purchase materials or hire contractors. To ask or expect leasing agents to "agree" to charges at move out is absolutely flawed and absurd to think that is possible.

If there are any change that are needed in the current statute it's to change the 30 days to 60 days. To find, secure, and to get the work completed in thirty days is nearly impossible. Most of the time it's unattainable due to the necessity of hiring contractors.

Today we have tenants who sign leases to a property that is shown and rented as is do to their personal choice. Once they get into the property, they want improvements such as new flooring, walls painted, or there is a chip in the bathtub they want a new bathtub. These things are not doable based on the fact that money doesn't grow on trees and they rented an apartment as shown for the agreed upon rent rate. Our tenants are never charged for these items as we have a move in and move out walkthrough policy, if the tenants marked the damages on their walkthrough, they are not charged. Additionally, we follow the current laws regarding normal wear and tear.

I also take great concern with the suggested revision that the landlord cannot re-enter the apartment until the final inspection once notice is given. I would like to understand why not? A notice could be given the day of move in or anytime after that. To tell a landlord just because notice was given they can't access the apartment is unthinkable. In addition, to think that the landlord and tenant are going to agree on the move in or out inspections and the costs associated with the items is like living in a fairy tale.

While I understand that some landlords may make it impossible to do a final walk out, I feel that our policy of sending a move out check list with instructions on how to schedule a move out walk thru a minimal of one week in advance during normal working hours is an acceptable solution. However, we have ran into issues with tenants not willing to do these during normal working hours. Unfortunately, we don't have staffing available with short or no notice, and on weekends or evenings for move outs. In the past this has never been an issue as when people rent from us, they are shown the property during workings hours and they understand that move outs are done during working hours. To say that landlords and tenants are mutually going to agree on a time is plausible I believe it should be done during normal working hours for the safety of all involved. For tenants or landlords to be late to a scheduled meeting is normal in this industry. More often than not our leasing agents are early or on time and usually are waiting for delayed tenants or prospective tenants.

This is a poorly written bill trying to address a perceived issue that is really not an issue. I believe that tenants have choices in who they rent from and the condition that they return the unit in. I believe, how this bill is worded, you are looking for a lot of conflicts and issues. Tenants know that they need to schedule a move out inspection. Their failure to schedule them accordingly and timely should not be put on the landlords to bend over backwards. Landlords shouldn't be required to wait and not do anything because tenants don't show or communicate. Landlords should be able to access there properties according to there leases whether a move out notice has been garnered or not.

If this bills goes thru as is, property managers will have no option but to publish a list of all possible charges, minimum fees and include that as part of leases. These price lists will not be case by case, it will be one price fits all. If we are forced to publish these lists, you will know right away that the price may be much higher than the actual work that is being done and fixed today.

I ask that you oppose this bill and put the onus back onto the tenants. They must properly do a move in and move inspections with there landlord and document that property before and after with pictures and to keep those in the tenants possession. Landlords already take plenty of pictures as we are aware of what is required to prove excessive wear and tear and damages.

Previous testimony stated landlords don't call tenants back. I would have to disagree but in the end of the day, if a landlord can not get a hold of a tenant, cannot leave a message, tenant has changed their phone number, if the tenant has disabled SMS texting and emails from the landlord, who is ultimately to be blamed? I would state that landlords do their best to communicate with tenants. Tenants have not successfully brought suit against a landlord for non-communication, because the landlords have written evidence of all attempts to communicate, while tenants refuse to receive those communications.

Some say, without a final walk through they are left defenseless. I would say the complete opposite. They have the ability to document the state of the property. They have the ability to take photos and video. They have the ability to refute actual damages beyond normal wear and tear. They just choose not to do so.

Landlords, property owners, and management company do NOT have deep pockets. Most are small investors or investor groups looking for long term diversity. I personally only work with one attorney for evictions, so to say we have a vast number of ND lawyers on retainer is incorrect. The correct answer would be that the lawyers understand that you cannot win a suit when you have caused the damages, when you left a place unclean, when you didn't follow your lease obligations, and when you failed to follow the move out guidelines of your property manager.

HB 1272 how it is written will lead to a lot of disagreements and legal challenges as words matter. Words such as "mutually agreeable", "reasonable estimate, as agreed", and "mandatory", etc.

HB 1272 as written, will make renting more expensive in North Dakota. The onus should be on the tenant to properly document the condition of the apartment on move in and move out, nothing is preventing them from documenting and providing their side of the story if needed in a future judicial hearing. Tenants have choices who they sign leases with.

Please Mr Chairman, and members of the committee, please do NOT pass HB 1272 as written.

Sincerely,

Scott Kautzman

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB1272
2/3/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to move-in and post move-out inspections of leased property; and to amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant security deposits.

4:32 p.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Brown, Christy, Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer. Member Absent: Representative Bahl.

Discussion Topics:

- Hold over tenant flexibility
- Contact information
- Preferential treatment

4:32 p.m. Representative Jared Hendrix, District 10, West Fargo, ND, presented a proposed amendment #34578.

4:38 p.m. Representative Kasper moved to Adopt Amendment LC #25.0816.02002, #34578.

4:38 p.m. Representative Schatz seconded the motion.

Voice vote.

Motion passed.

.

4:42 p.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk
Further Committee Action on 02/05/2025.

25.0816.02002
Title.

Prepared by the Legislative Council
staff for Representative Hendrix
January 28, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1272

Introduced by

Representatives Hendrix, Hoverson, Ista, S. Olson, Heilman, Kasper

Senators Braunberger, Magrum, Mathern, Paulson, Boschee

1 A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota
2 Century Code, relating to move-in and post move-out inspections of leased property; and to
3 amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant
4 security deposits.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 47-16-07.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **47-16-07.1. Real property and dwelling security deposits - Limitations and**
9 **requirements.**

- 10 1. The lessor of real property or a dwelling who requires money as a security deposit,
11 ~~however denominated~~, shall deposit the money in a federally insured interest-bearing
12 savings or checking account for the benefit of the tenant. The security deposit and any
13 interest accruing on the deposit must be paid to the lessee upon termination of a
14 lease, subject to the conditions of subsection 2. A lessor may not demand or receive
15 security, ~~however denominated~~, in an amount or value in excess of one month's rent,
16 except:
- 17 a. A lessor may accept an amount or value up to two month's rent, as security, from
18 an individual convicted of a felony offense as an incentive to rent the property to
19 the individual.

- 1 b. A lessor may demand an amount or value up to two months rent, as security,
2 from an individual who has had a judgment entered against that individual for
3 violating the terms of a previous rental agreement.
- 4 2. A lessor may charge a lessee a pet security deposit for keeping an animal that is not a
5 service animal or ~~companion~~assistance animal required by a tenant with a disability as
6 a reasonable accommodation under fair housing laws. A pet security deposit may not
7 exceed the greater of two thousand five hundred dollars or an amount equivalent to
8 two months' rent.
- 9 3. A lessor may apply security deposit money and accrued interest upon termination of a
10 lease towards:
 - 11 a. Any damages the lessor has suffered by reason of deteriorations or injuries to the
12 real property or dwelling by the lessee's pet or through the negligence of the
13 lessee or the lessee's guest.
 - 14 b. Any unpaid rent.
 - 15 c. The costs of cleaning or other repairs which were the responsibility of the lessee,
16 and which are necessary to return the dwelling unit to its original state when the
17 lessee took possession, reasonable wear and tear excepted.
- 18 4. Application of any portion of a security deposit not paid to the lessee upon termination
19 of the lease under subsection 3 must be itemized by the lessor. ~~Such~~The
20 ~~itemization~~itemized list together with the amount due must be delivered or mailed to
21 the lessee at the last address furnished to the lessor, along with a written notice within
22 thirty days after termination of the lease and delivery of possession by the lessee of the
23 ~~move-out inspection~~ as provided under section 2 of this Act. The itemized list sent to
24 the lessee under this subsection must include the reasonable estimate of damages
25 to the property provided to the tenant at the end of the move-out inspection under
26 section 2 of this Act and the final amount deducted from the security deposit, plus any
27 additional costs not covered by the deposit. The notice must contain a statement of
28 any amount still due to the lessor or the refund due to the lessee. A lessor is not
29 required to pay interest on security deposits if the period of occupancy was less than
30 nine months in duration. Any amounts not claimed from the lessor by the lessee within

1 one year of the termination of the lease agreement are subject to the reporting
2 requirements of section 47-30.2-04.

3 ~~4-5.~~ A lessor is liable for treble damages for any security deposit money withheld without
4 reasonable justification.

5 ~~5-6.~~ Upon a transfer in ownership of the leased real property or dwelling, the security
6 deposit and accrued interest shall be transferred to the grantee of the lessor's interest.
7 The grantor shall not be relieved of liability under this section until transfer of the
8 security deposit to the grantee. The holder of the lessor's interest in the real property
9 or dwelling at the termination of a lease shall be bound by this section even though
10 ~~such~~the holder was not the original lessor who received the security deposit.

11 ~~6-7.~~ This section applies to the state and to political subdivisions of the state that lease real
12 property or dwellings and require money as a security deposit.

13 **SECTION 2.** A new section to chapter 47-16 of the North Dakota Century Code is created
14 and enacted as follows:

15 **Mandatory inspections.**

16 1. Before, at the time of, or shortly after a tenant accepts possession of a leased
17 premises, the landlord and the tenant shall inspect the premises and note on a written
18 statement all damages to the premises and a remediation plan to repair any damages,
19 with normal wear and tear excepted. At the conclusion of the inspection, the landlord
20 and tenant shall sign and date the statement acknowledging the inspection under this
21 section has occurred. The landlord shall deliver the statement to the tenant within a
22 reasonable time following the inspection.

23 2. The landlord and tenant shall conduct a move-out inspection after providing a notice to
24 vacate but before the expiration date or earlier termination of the lease, or in the case
25 of a holdover tenant, on or before the date the holdover tenant vacates the property.
26 Except as provided in section 47-16-07.3, the landlord may not re-enter the premises
27 until an inspection is conducted. The landlord and tenant shall schedule the inspection
28 at a mutually agreeable time by communicating through the known contact information
29 of the landlord and the tenant. At the conclusion of the inspection, the landlord and
30 tenant shall sign and date the statement acknowledging the inspection under this
31 section has occurred and a list of noted damages to the property. The statement

1 ~~must~~may include a reasonable estimate, ~~as agreed upon by the landlord and the~~
2 ~~tenant~~, of any costs to be withheld from the security deposit as provided in section
3 47-16-07.1, plus any additional costs not covered by the deposit. The landlord shall
4 provide a copy of the statement at the conclusion of the inspection.

5 3. If the tenant fails to appear at the scheduled inspection without communicating to the
6 landlord a reason for the absence, the landlord shall conduct the inspection and note
7 any damages to the premises on a written statement. The landlord shall deliver the
8 statement to the tenant by mail or electronic mail. The tenant's absence is deemed
9 acceptance of the statement created by the landlord. The tenant may designate an
10 agent to act on behalf of the tenant for the inspections under this section.

11 4. If the landlord fails to schedule an inspection without communicating to the tenant a
12 reason for the failure, or refuses to communicate with the tenant, or if the landlord fails
13 to appear at the scheduled inspection, the landlord's absence or failure is deemed
14 acceptance of the condition of the premises and full responsibility for all damages and
15 the security deposit and accrued interest must be returned in full to the tenant.

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB1272
2/4/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to move-in and post move-out inspections of leased property; and to amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to tenant security deposits.

2:31 p.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Brown, Christy, Finley-DeVile, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer. Member Absent: Representative Bahl.

Discussion Topics:

- Requirement of the meeting
- Penial to the landlord
- Longer turnovers
- Limit supply
- Burden of expense
- AG Handbook

2:33 p.m. Jonathan Casper, Former Senator, District 27, Fargo, ND, discussed the bill and answered questions.

2:56 p.m. Representative Christy moved a Do Not Pass.

2:56 p.m. Representative Grindberg seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	Y
Representative Landon Bahl	AB
Representative Collette Brown	AB
Representative Josh Christy	Y
Representative Lisa Finley-DeVile	AB
Representative Karen Grindberg	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Mike Schatz	Y
Representative Austin Schauer	Y
Representative Daniel R. Vollmer	Y

House Industry, Business and Labor Committee
HB 1272
02/04/25
Page 2

Motion passed 11-0-3.

2:57 p.m. Representative Christy will carry the bill.

2:57 p.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1272 ([25.0816.02000](#))

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **DO NOT PASS** (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1272 was placed on the Eleventh order on the calendar.