

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1395

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1395
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 landlords and criminal background checks.

3:55 p.m. Chairman Warrey opened the meeting.

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

Discussion Topics:

- Property owner costs
- Rental application process
- Background check fees

3:55 p.m. Representative Jared Hendrix, District 10, West Fargo, ND, introduced and testified.

4:12 p.m. Carol Two Eagle, Entrepreneur, testified in favor.

4:23 p.m. Jeremy Petron, ND Apartment Association, testified in opposition and submitted testimony #33458.

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

Diane Lillis, Committee Clerk

February 2, 2025

Jeremy Petron
Lobbyist # 209
North Dakota Apartment Association

Re: HB 1395 - opposed

Chairman and members of the Committee, my name is Jeremy Petron, lobbyist with the North Dakota Apartment Association.

We oppose HB 1395. This Bill places an unnecessary administrative burden on property owners and property managers, and doesn't appear to have any direct benefit to the property owner or the prospective tenant.

On lines 8-9, 'landlord shall furnish proof of the completed background check'; this part brings a lot of unanswered questions to mind. Does this mean a full copy of the report or just a receipt? Would this be an automatic requirement for all applicants both approved and denied? Would this be electronic communication or by mail? Would this be required only if the prospective tenant makes the request? There could be a large cost associated to the property owner to comply with this requirement with mail costs and administrative personnel to ensure the notifications are sent and within the allotted time.

Companies are already required to provide notification to individuals who are declined or denied based on credit reporting. The notification outlines the person's right to request and obtain a copy of the credit report from the credit reporting company.

We urge a do not pass on HB 1395.

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1395
2/10/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to landlords and criminal background checks.

4:02 p.m. Chairman Warrey opened the meeting.

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

Member Absence: Representatives Christy

Discussion Topics:

- Cost of background check
- Longer than 7 days to retain receipt
- Application fee \$45-\$65

4:03 p.m. Representative Jared Hendrix, District 10, West Fargo, ND, introduced and testified.

4:11 p.m. Jeremy Petron, ND Apartment Association, testified in opposition.

Additional written testimony:

Theresa Wolf, Belcastle Management, Bismarck, ND, submitted testimony in opposition #36274.

Connie Samuelson, Private landlord, Minot, ND, submitted testimony in favor #36530.

Christine R. Miller, Bismarck, ND submitted testimony in favor #36632.

Liza Andrew, Bismarck, ND, submitted testimony in favor #36676

Jill Beck, CEO, ND Association of Realtors submitted testimony in opposition #36755.

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

Diane Lillis, Committee Clerk

Feb. 10th - HB 1395 – Relating to Landlords and criminal background checks.
For the hearing on this HB scheduled for Monday, February 10th, I would like to put forth my testimony as to why I am in opposition of this bill.

Dear Committee,

Regarding providing a copy of the criminal record report we receive when we screen applicants for leasing an apartment with our company:

If a rental prospect is denied and not approved for residency, they have a right to the report we have based our decision on and can get it themselves, free of charge, upon their request to the screening company. We are already required to provide a denial letter which gives the prospect specifics as to why they are denied whether it be from credit check, criminal background check or landlord reference check or d. all of the above. This letter contains the contact information of the screening company we contract with for the screening reports. Again, free of charge to these prospects and it is not "our report".

We do pay a fee for the report to the screening company, which is part of the application fee collected from the prospect. We already have time and paper invested in our course of business. If we are required to send this full criminal report instead of a letter outlining reasons for denial, as well, it could raise our costs, and we would need to pass along to all our applicants. At my company, applicants pay \$50 per person, this is sometimes not enough to cover our costs if they have lived in several states. As this bill has been put forth, it seems we would be required to send it to all applicants. These reports can be extensive and up to 30 pages long. The postage would not be one stamp. It would require a trip to the post office to make sure we have enough postage which would be daily. Minimum an hour. We process 200-300 applications per year. My company has 480 apartments so this will cause the application costs to go up tremendously. It is already expensive for application fees for our prospects. We do not make money from these fees.

This should not be emailed due to sensitive information and private information. In addition, I believe very few individuals would be interested in receiving the report, so to make it a requirement for landlords to provide this within 7 days is burdensome. As I indicated they are already entitled to it from the reporting agency for free. To send to all applicants even those approved for residency is quite unnecessary.

Thank you so much!

HB1395

I am writing in support of HB 1395, a bill that would require landlords to provide proof of a document, a document they require their tenants to blindly pay. For obvious safety reasons, landlords benefit greatly by requesting credit, criminal, background checks, giving peace of mind and security to the patrons they shelter as well as the property managers/owners who have direct contact with the tenants. It is common sense that the document would accompany the invoice and be available to the tenant who is paying for a service that is required by the benefitting party. In my experience, the report is simple and has turn-around-time is 1-2 days. In successful businesses, this service is already being performed by the management company, so there is obviously no additional administrative burden and the costs are extremely minimal, if at all. It is unfortunate that there seems to be a lot of gaslighting from property management companies and rental associations when it comes to invalid problems and potential issues in serving this growing segment of our population.

I respectfully ask for a DO PASS on HB 1395.

Connie Samuelson

Minot ND 58701

Please DO PASS HB 1395.

A Do Pass will require the landlords to provide, to the tenant, copies of their required background, credit, criminal report and proof of payment for the report. Landlords often include the cost for this report with the tenants application fee. It is only right they give proof it was performed and what the actual charge was. Give written testimony up to 1 hour prior to the 3:30 hearing. (You can basically write my above explanation in your testimony). This will be a VERY SMALL step in improving renter's rights in a state in which they have virtually NONE.

Mr. Chairman and members of the committee.

My name is Liza Andrew and I support HB 1395.

We as tenants are expected to pay an application fee which often goes towards the price for background checks, criminal checks, and credit checks. We deserve to see the proof these checks were performed and the price for these actions. We get receipts for almost every action in modern society so why would this not be one of them?

What possible opposition can there be to this bill? Would providing receipts be a hardship? They provide us receipts for other actions while renting. As a consumer we are entitled to see where our money goes and how it is spent.

NDAA wants no burden/work and no cost which is not reasonable with running any business.

"This should be amended to read "a full copy of report and for all applicants both approved and denied and be done automatically". Tenants pay for the report so we should own it and get a copy of it.

Bel Castle opposes this stating "The postage would not be one stamp. It would require a trip to the post office to make sure we have enough postage which would be daily minimum an hour." Every office should already own a cheap postage meter...no trips to post office needed! And most importantly they state they are using a "screening company"...that means they aren't going thru the 3 major reporting credit companies. They are probably using a national data within their associations/ If they were using the 3 credit bureaus then it would not matter how many states an applicant previously lived in.

And they say "This should not be emailed due to sensitive information and private information"....how are they getting their reports...certainly not by mail!!!

And they say "I believe very few individuals would be interested in receiving the report,'....if that is the case than it should not be burdensome to them if they went by at the request of tenant. Last but not least " a tenant should be able to provide their own current and free reports to each place they apply to and then there would be no cost or burden to the apt building" ...that would prevent them from charging a fee or having to provide a copy to tenant or doing the work themselves.

Thank you for your consideration. Please do pass HB 1395.



To advocate for the success of our members in partnership with our local Associations and the National Association of REALTORS®

February 10, 2025

Testimony in Opposition of HB 1395

Chairman Warrey
House Industry, Business and Labor Committee
North Dakota House of Representatives
600 East Boulevard Avenue
Bismarck, ND 58505

Chairman Warrey and Members of the House Industry, Business and Labor Committee, for the record my name is Jill Beck, and I am the CEO representing the North Dakota Association of REALTORS® (NDAR).

The North Dakota Association of REALTORS® membership is made up of more than 2,200 REALTORS® and more than 250 Business Partner members.

We oppose this bill as we find that it is a very time-consuming bill for the landlord/owners. There are many mom-and-pop landlords out there that this could cause an undue burden for as well as for the bigger company managed landlords with a seven-day window.

Currently if a tenant is denied access to a rental due to the results of a credit report they can request a copy of the credit report from the credit report agency. This is explained in the communication regarding the decline in rental due to the credit report.

We urge a DO NOT PASS on House Bill 1395.

My contact info is below if you have any further questions.

Jill Beck, CEO
North Dakota Association of REALTORS®
Jill@ndrealtors.com
701-355-1010

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1395
2/17/2025

A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to landlords and criminal background checks.

10:01 p.m. Chairman Warrey opened the meeting.

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

Member Absence: Representative Christy

Discussion Topics:

- Proof of background checks
- Reasons to deny
- Subscription charge
- Receipt of background check
- Cost of background check
- Flexibility to Commissioner

10:11 a.m. Representative Koppelman moved to amend by changing; 7 days to 14 days and to add "for the purpose of a background check".

10:11 a.m. Representative Kasper seconded the motion.

10:14 a.m. Representative Koppelman amended his motion to include "if requested".

10:14 a.m. Representative Kasper seconded the motion.

Voice vote.

Motion passed.

10:14 a.m. Representative Koppelman move Do Pass as amended.

10:14 a.m. Representative D. Ruby seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	N

Representative Landon Bahl	Y
Representative Collette Brown	AB
Representative Josh Christy	AB
Representative Lisa Finley-DeVille	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

Motion passed 10-1-3.

10:16 a.m. Representative Bahl will carry the bill.

10:16 a.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk

February 17, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1395

Introduced by

Representatives Hendrix, Ista, Finley-DeVille, Heilman, Schneider

Senators Boschee, Braunberger

2-17-25

 1001

- 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 landlords and criminal background checks.

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

- 4 **SECTION 1.** A new section to chapter 47-16 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Proof of background check provided to tenant.**

- 7 If a landlord requires a criminal, credit, or other background check as a prerequisite to
8 executing a rental lease for real property, a prospective tenant may request proof of a
9 completed background check. Upon a prospective tenant's request for proof of a background
10 check, the landlord shall furnish proof ~~of the completed background check to the tenant~~ within
11 ~~seven~~fourteen days of the landlord's receipt of the completed background check. If a landlord
12 fails to timely furnish proof of the background check to the tenant, the landlord shall refund all
13 fees paid by the prospective tenant to complete the background check in attempting to secure a
14 lease.

**REPORT OF STANDING COMMITTEE
HB 1395**

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **AMENDMENTS** ([25.1088.01001](#)) and when so amended, recommends **DO PASS** (10 YEAS, 1 NAY, 3 ABSENT OR EXCUSED AND NOT VOTING). HB 1395 was placed on the Sixth order on the calendar.

2025 SENATE INDUSTRY AND BUSINESS

HB 1395

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1395
3/24/2025

A bill relating to landlords and criminal background checks.
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10:16 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Background check fees and websites
- Individualized receipts and proof of action
- Discrimination based on background checks
- Landlords right to deny housing
- Advertisement of application fee
- Paper applications and elderly landlords
- Additional burdens on landlords

10:16 a.m. Representative Hendrix, District 10, testified in favor and introduced the bill.

10:26 a.m. Ben Kappel, property owner/landlord, testified in opposition and submitted testimony #43514.

Additional written testimony:

Kathrin Volochenko, resident of Kief, ND, submitted testimony #43520 in favor.

10:35 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

Ben Kappel

Rental Property Owner -Mandan/Bismarck

Opposition Testimony – HB 1395

Dear Chairman and Members of the Committee,

My name is Ben Kappel. I am a licensed Realtor and an active landlord in the state. I am writing today in opposition to HB 1395, which proposes requiring landlords to provide proof of completed background checks to prospective tenants upon request—or face refunding fees if that proof is not delivered within 14 days.

While I understand the intent behind the bill, to provide transparency to renters, I believe it places unnecessary and unfair burdens on landlords, particularly small housing providers like myself.

First and foremost, **no one is forced to apply for a rental property**. Applying for a home is a voluntary action. Applicants know upfront that background checks can be part of the process. If they are uncomfortable with that or unwilling to pay an application fee, **they are under no obligation to proceed**.

Furthermore, if landlords **do not clearly advertise an application fee**, we risk being flooded with unqualified applicants—those with serious criminal records, prior evictions, or financial red flags—who are well aware they will likely not pass a screening but have nothing to lose by trying. This clogs the system and costs time and money, not only for landlords but for more qualified renters waiting on decisions.

Personally, **I intentionally price my rentals well below market value** to attract a strong applicant pool. Investment properties are just that, an investment, and they are not easily acquired as they take hard work and years of saving and planning. I work very hard in a search for a highly qualified tenant that will be more likely to take care of the property, as one bad tenant can cause enough damages to wipe out any yearly gains.

The last home I marketed for rent in Bismarck, was a pet friendly, single-family home, with a fenced yard. I received more than 50 online inquiries, half that number showed up to see the property, and I received around 10 applications. Now with this, I would have had to track down at least 9, but likely 18 different people if they applied as a couple, as each adult must apply -- to send proof that the background check was run. With pet friendly rental homes in such extreme short supply; I can see the day when I could have well over 20 applicants. If this passes, I will certainly have to make a change and market my properties at a far stronger price

so I don't have as many applicants. And if other landlords follow that lead, we will see the rental prices climb exponentially.

Additionally, I utilize **Apartments.com** for all rental applications. Applicants pay **directly to the platform** for their credit and background screening. So, under HB 1395, would I still be obligated to provide proof of a background check I neither handled nor received funds for? There are countless of these background check websites online that landlords can use and they are all slightly different. In these cases, the prospective tenant does not pay me, the landlord, anything directly. The bill lacks clarity on this—and sets a precedent where landlords may be penalized for third-party processes beyond our control.

Background checks do cost money. They're not free to landlords, and are a necessity to protect their investments. These costs are steadily rising. Making landlords responsible for refunds because a tenant didn't get selected—or because of an administrative oversight—adds more risk and liability, without addressing the root concern.

In closing, **landlords should not be punished for running a fair and thorough screening process**, especially when no one is being forced to apply. If this bill passes as written, it could deter housing providers from offering affordable rentals altogether, reducing available housing in a market that already needs more supply.

I respectfully urge you to vote a **DO NOT PASS** on HB 1395.

Sincerely,
Ben Kappel

Greetings Mr./Madam Chair, members of the Committee, I'm Kathrin Volochenko

I request that this committee bring **Senate Bill 1395** to the floor with a “**Do Pass**” recommendation with the suggested revisions.

I agree that there needs to be more transparency when it comes to proof of background checks that are conducted by landlords, however I would like to suggest that this bill should include that the landlord must, in addition to showing the prospective tenant “proof” of the background check, that the landlord must also give a copy of that tenants’ background check to that tenant.

This bill is very ambiguous as to what type and in what form of “proof” that background check shall be, and requiring that the landlord must give an actual copy of a background check will remove all doubt as to the validity of the background check, also that tenant does have the right to view and **possess** the contents therein, especially since that tenant had paid the background check fee in advance.

“Proof of background check provided to tenant.”

“If a landlord requires a criminal, credit, or other background check as a prerequisite to executing a rental lease for real property, a prospective tenant may request proof of a completed background check. Upon a prospective tenant's request for proof of a background check, the landlord shall furnish proof within fourteen days of the landlord's receipt of the completed background check. If a landlord fails to timely furnish proof of the background check to the tenant, the landlord shall refund all fees paid by the prospective tenant to complete the background check in attempting to secure a lease.”

However I do understand if my suggested revision is not workable at this time, and with that I conclude if you could please send this bill to the floor with a “**Do Pass**” recommendation.

Thank you for your time and attention.

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1395
3/24/2025

A bill relating to landlords and criminal background checks.
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2:32 p.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Unintended consequences
- Over-restriction and regulation

2:34 p.m. Senator Kessel moved a Do Not Pass.

2:34 p.m. Senator Enget seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

Senator Enget will carry the bill.

2:35 p.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1395 ([25.1088.02000](#))**

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO NOT PASS** (5 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1395 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.