

2025 SENATE INDUSTRY AND BUSINESS

SB 2237

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

SB 2237
1/29/2025

A bill relating to the labor commissioner's oversight of certain landlord-tenant disputes.
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11:33 a.m. Vice-Chairman Boehm called the meeting to order.

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

Discussion Topics:

- Tenant rights and protection
- Labor Commission
- Landlord-tenant disputes
- Enforcement ability and staffing
- Department of Labor and Human Rights
- Jurisdiction expansion
- Disciplinary action and unlicensed landlords
- Fiscal explanation

11:33 a.m. Senator Ryan Braunberger, District 10, testified in favor and submitted testimony #31735.

11:37 a.m. Cody Schuler, American Civil Liberties Union, testified in favor and submitted testimony #32440.

11:42 a.m. Jeremy Petron, lobbyist with the ND Apartment Association testified in opposition and submitted testimony #32056.

11:43 a.m. Zachary Greenberg, Interim Commissioner of the ND Department of Labor and Human Rights testified in opposition and submitted testimony #32496.

11:51 a.m. Vice-Chairman Boehm closed the hearing.

Audrey Oswald, Committee Clerk

Good Morning Chairman Barta and members of the Senate Industry and Business Committee,

For the record, my name is Senator Ryan Braunberger, and I represent the district of Fargo. Senate Bill No. 2237 seeks to strengthen tenant protections and streamline the resolution of landlord-tenant disputes. This bill represents a proactive step in ensuring fair treatment for renters across North Dakota and establishing clear expectations for landlords.

Under SB 2237, the Labor Commissioner will be empowered to receive and investigate tenant complaints regarding landlord noncompliance with key provisions of the North Dakota Century Code, specifically sections 47-16-20 and 47-32-02. This bill provides a framework for addressing these disputes, including a mechanism for notifying landlords of violations and allowing them to correct issues before disciplinary action is taken.

In addition to protecting tenants, this legislation promotes fairness by giving landlords a straightforward process for addressing complaints and ensuring compliance. It's a balanced approach that respects the rights and responsibilities of both parties.

However, this measure also recognizes the need for adequate resources to implement it. As detailed in the fiscal note, the Department of Labor and Human Rights will require additional staff and funding to manage the anticipated case increase. While this represents an investment, it is a necessary step toward creating a more transparent and just housing system.

By supporting SB 2237, we demonstrate our commitment to fairness and accountability in the landlord-tenant relationship. I look forward to discussing this bill further and addressing any questions or concerns you may have. Thank you for your attention and dedication to improving North Dakotans' lives.

January 28, 2025

Jeremy Petron
Lobbyist # 209
North Dakota Apartment Association

Re: SB 2237 - opposed

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

We oppose SB 2237. This Bill adds unneeded additional regulation. The determination of landlord's compliance with NDCC 47-16-20 and 47-32-02 is already regulated and overseen by the judge during the eviction proceeding. If the judge determines the statute wasn't followed in serving and filing for the eviction hearing, the eviction gets tossed out. It is already in the landlord's best interest to fully follow the process of the statute.

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



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

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

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

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

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

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

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

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

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

We urge a “do pass” recommendation on SB 2237.

Submitted by:

Cody J. Schuler

Advocacy Manager, ACLU of North Dakota
ND Lobbyist #367
cschuler@aclu.org

69th Legislative Assembly
Regular Session (2025)

S.B. 2237

OPPOSITION

Senate Industry and Business Committee

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

Testimony of Zachary Greenberg

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

January 29, 2025

Chairman Barta and Members of the Committee,

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

Jurisdictional Issues

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

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

Concerns About Disciplinary Action

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

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

Administrative Burden

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

Conclusion

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

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

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

SB 2237
2/3/2025

A bill relating to the labor commissioner's oversight of certain landlord-tenant disputes.
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9:20 a.m. Chairman Barta opened the hearing on SB 2237.

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

Discussion Topics:

- Interim labor commission
- Possible amendment

9:22 a.m. Senator Klein moved a Do Not Pass.

9:23 a.m. Senator Boehm seconded the motion.

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

Motion passed 4-0-1.

Senator Klein will carry the bill.

9:24 Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
SB 2237 ([25.0577.01000](#))

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO NOT PASS** (4 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2237 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.