January 28, 2021

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Lobbyist # 209
North Dakota Apartment Association

Re: Senate Bill 2194

We (North Dakota Apartment Association), are opposed to SB 2194.

We understand the well-intended premise to limit potential resident disputes in the move-out process, but there are unintended consequences in the details. On Page 1, Line 19, 'Estimated by the lessor and immediately provided to the lessee' works pretty smooth if there are limited and normal move-out items to address, such as minimal extra cleaning and carpet cleaning. However, if there is extensive damage that would require a contractor's estimate, it could be unreasonable for a property owner or property manager to give an accurate estimate immediately on-the-spot. And at times, there can be hidden damages that are masked by the vacating resident at the time of a move-out walk-through, such as odors of pet-urine damage that don't resurface until days later.

On Page 2, Line 17, the term 'must' instead of 'shall' could be used as a technicality by a vacating tenant who may have caused substantial damage and then refuses to sign the move out statement. Do they get a pass on any liability for damages simply by refusing to sign the move out condition statement because it 'must' be signed by the landlord and tenant?

We think the current statute is fine left alone, but if this Committee feels this Bill warrants consideration, we would urge an amendment to the Bill to clarify these scenarios.

Our recommendation would be to add the following language after Line 23 on Page 1: (3) or Itemized by the lessor and delivered or mailed to the lessee if the final walkthrough inspection uncovers substantial damage caused by the lessee, lessee's pet or animal, or the lessee's guest, that would reasonably require a contractor's estimate.

We also urge to strike the word 'must' from Page 2, Line 17, and reinstate the word 'shall', in both sentences.