

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1242

2001 HOUSE TRANSPORTATION

HB 1242

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1242

House Transportation Committee

Conference Committee

Hearing Date January 25, 2001

Tape Number	Side A	Side B	Meter #
1	x		2,843
Committee Clerk Signature <i>Laurie L. Fink</i>			

Minutes: Rep. Weisz - Chairman opened the hearing on HB 1242; A BILL for an Act to create and enact a new section to chapter 23-10 of the North Dakota Century code, relating to mobile home security deposits.

Rep. Maragos appeared as sponsor in support of HB 1242. As a comment on this series of bill; when these events took place in Minot this past summer with regard to our mobile home park and -- it became apparent to these mobile home residents, that they did not know where to turn for assistance. We came to the realization, there were not many laws that pertain to the aspects of their situation. We checked around to see with other states, to see what they did and understanding that one shoe does not fit all -- these bills are introduced as a starting point, so you can see that as you weed out the ones that are not appropriate --- or were sort of misdirected --- so having said that I will just allow the process to continue. We wanted this committee know that we had checked with the other states to see what they had in legislation. We used those to pattern

--- to model our proposals to affect some legislation. So you now know the genesis of the process of bringing these bills forward.

Rep. Mahoney: (3005) This looks like a good idea. It seems like there is mandatory interest.

There doesn't seem to be any reason the lease payments should be increased anytime the tenants is there. Is this what you are after?

Rep. Maragos: Yes anything I would say is likely to be redundant with what the people have to say.

Rep. Dosch: I am representative of district 32 which encompasses south Bismarek. There are 7 mobile home courts in my district. I appear in support of these bills today. When we look at these parks we find that many of the tenants have been there 5, 10, 15 or more years. For someone to come in after the tenants have been living there for that length of time --- and to all of a sudden request in increase in the security deposit --- we don't feel that is realistic or fair -- so we urge you to support this bill.

Rep. Thoreson: What does the security deposit cover -- what kinds of damages?

Rep. Dosch: I believe to cover any kind of damages which might remain once a tenant has moved out of a park.

Rep. Schmidt: What is the amount of these deposits, typically?

Rep. Dosch: I would like to redirect that question, but I understand that security deposit cannot exceed one months rent-- I know that is the case for apartment dwellers. I am not certain that is the case for mobile home dwellers.

Kent French: (3356) I am appearing in support of this bill.

Rep. Thoreson: (3397) Could you answer my question, what a security deposit covers?

Kent French: It is kind of an all encompassing thing. You have a person who resides in your park and it doesn't do anything until they leave. When they leave we have a situation where you have a lot to clean up, the individual who moves may not move everything out. Actually, we support this bill because we can't charge enough to cover the problems we can have. For on months rent of \$220; I can have \$600 up to a \$1000 worth of problems. To me this really doesn't make a difference.

Bill Delmore: (3560) Again, I am with the Kelseh Law firm representing the Manufactured Housing Association. Before the bill was even introduced I was giving a seminar talking about this issue. Most of them went back to law and felt that it was unclear. Most of them live with what they have in the lease. But they can renegotiate a new lease and rewrite the lease. As Rep. Doseh said there is no need to go back after a person has lived there for ten years to raise the deposit. It just not good business. So for that reason the Association is supporting this bill to clarify something that is unclear.

Rep. Mahoney: (3663) It seems like a good idea, shouldn't this bill apply to apartment rentals too ?

Bill Delmore: Our Association has talked about this at length and we think it is a good thing.

Rep. Weisz - Chairman (3707) Say a person has a low initial deposit then later he wants to bring in a dog -- would this bill discourage an owner from raising the deposit to cover the damage the dog may do?

Bill Delmore: Good, question. It certainly could be the case that people have an initial deposit and some new coming in will have a different deposit but if there is significant change the owner

should protect himself by providing in the lease a chance to change the deposit to cover the situation.

Rep. Thoreson: (3820) So everybody could have a different security deposit in the same mobile Park?

Bill Delmore: That is quite possible.

Rep. Mahoney: If I have a deposit of say \$250 and the mandatory interest causes it to grow to a \$1000, can that entire amount go to mitigate damages?

Bill Delmore: My reading of the law is that the amount of the security deposit is the dollar amount of that was deposited.

Jim Odegard: I am from Minot and I am representing myself. I support HB 1242. My experience last year was, the mobile park is was living in was sold to a Montana man. They wrote us a letter prior to the sale telling us that everything was going to stay the same. No changes. Our security despot had been \$95 and our monthly rent was \$135. Two days later we received a letter from the same people telling us our rent was being increased by \$140 per month to \$275 and our security deposit was being increased by \$180 bringing that up to \$275. The security deposits can not be used for the operation of the park. They are to be held until the last day that tenant is in the park. After the tenant leaves the lot the lot is checked. Any necessary cleanup is done. The time it takes to cleanup a lot is withheld and the balance plus the interest is refunded. The story we are told about the rising costs of cleaning up a lot is, in my opinion is false. As a former park manager, I know from experience that if a lot a total wreck, one good man can clean it up in two hours. I am talking about clean up--- I am not talking about damages to water pipes, etc. Which very seldom

happens. I would think the \$95 would be more than sufficient to pay a man for two hours of work. I am furnishing copies of that letter. A copy of the letter is attached.

Rep. Delmore: I am a sponsor on the bill and I appear in support. I just wanted to come to this committee to offer my support. I urge a 'Do Pass' on this bill.

Rocky Gordon: (4330) Again - - I am not appearing in opposition the bill, rather Rep. Mahoney had a question or comment about should this work for apartments a well. If I may I would like to address that. -- One of the reasons it doesn't is that a couple of sessions ago, we passed a law that says -- if a tenant got a pet we could raise the security deposit actually in excess of one months rent. That stipulation is there now and I would hate to see us legislate that away.

Rep. Weisz - Chairman : Is it your interpretation that if we pass this, it would eliminate that?

Rep. Mahoney: These two statues could co-exist. You don't typically raise lease on people do you?

Rocky Gordon: No we don't.

Rep. Ruby: (4574) If a customer owns a trailer in one of the parks you manage, is that a separate from what the mobile home park lease would be? Do you have yet another tenants lease for the rent of that trailer house? Do you have the right to raise the rent on that trailer you manage?

Rocky Gordon: We are talking about rent on a single mobile home.

No others appeared in support. No one appeared to oppose HB 1242. Chair man Weisz closed the hear for testimony on HB 1242. (47 20).

Note: Several persons who did not testify in person but were present furnished the committee written statements. Copies if these are attached.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1242 b

House Transportation Committee

Conference Committee

Hearing Date January 25, 2001

Tape Number	Side A	Side B	Meter #
2	x		1,464
Committee Clerk Signature <i>Laverne L. Kirk</i>			

Minutes: In working session, Rep. Weisz - Chairman opened the discussion on HB 1242.

Rep. Jensen: Moved a 'Do Pass' for HB 1242.

Rep. Thorpe: I second the motion.

On a roll call vote the motion carried. 12 yeas 1 nay 1 absent

Rep. Jensen was assigned to carry HB 1242 on the floor.

Date: January 25, 2001
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1242

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Jensen Seconded By Rep. Thorpe

Representatives	Yes	No	Representatives	Yes	No
Robin Weisz - Chairman		✓	Howard Grumbo	✓	
Chet Pollert - Vice Chairman	✓		John Mahoney	A	
Al Carlson	✓		Arlo E. Schmidt	✓	
Mark A. Dosch	✓		Elwood Thorpe	✓	
Kathy Hawken	✓				
Roxanne Jensen	✓				
RaeAnn G. Kelsch	✓				
Clara Sue Price	✓				
Dan Ruby	✓				
Laurel Thoreson	✓				

Total (Yes) 12 No 1

Absent 1

Floor Assignment Rep. Jensen

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 25, 2001 12:55 p.m.

Module No: HR-13-1610
Carrier: Jensen
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1242: Transportation Committee (Rep. Weisz, Chairman) recommends **DO PASS**
(12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1242 was placed on the
Eleventh order on the calendar.

Paul Weisz

2001 SENATE TRANSPORTATION

HB 1242

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1242

Senate Transportation Committee

Conference Committee

Hearing Date: 3-15;3-16

Tape Number	Side A	Side B	Meter #
1	x		49.8- End
1		x	0.0-6.7
2	x		18.6-24.4
3-16	1	x	17.9-20.1
Committee Clerk Signature <i>Suzette Schaffer</i>			

Minutes: **HB 1242** relates to mobile home security deposits.

Rep. Mark Dosch: (District 32; Supports) This is a good business bill. Situation in Minot prompted this bill. Basically, if you have a good renter in a mobile home park for 10-15 years, your landlord won't say that you need an extra security deposit. Many of these people are living on fixed incomes. Mobile home folks have no problem with this bill.

Rep. Andy Maragos: (District 3; Supports) We did have a problem in Minot. This bill would level the playing field. It's a good bill

Senator O'Connell: If you put a deposit down 15 years ago, who gets the interest?

Rep. Maragos: I believe the interest goes to the people who made the deposit.

Senator Trenbeath: Is this bill intended to by law modify an existing lease that allows this sort of thing that we see here? It'd be helpful to see a copy of a lease.

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Senate Transportation Committee
Bill/Resolution Number HB 1242
Hearing Date 3-15;3-16

Rep. Maragos: My understanding is that most mobile home leases are month to month. It's a very unusual situation. A person who rents in a mobile home park is so exposed. I think this is bringing into uniformity with the renter's code also.

Milton Bowen: (Owner/Operator of Milt's Mobile Home Service in Minot; Supports) See attached testimony.

Senator O'Connell: Does the Health Department still enforce the laws in mobile home parks? Yes, they have gotten kind of lax on it though.

Susan Ternes: (resident of Jefferson Mobile Home Community in Minot; President of the Minot Mobile Home Tenant Association; Supports) See attached testimony.

Hearing closed.

Committee reopened on 3-15-01.

Senator Bercier motions to Do Not Pass. Seconded by Senator Mutch. Roll call taken. 4-2-0.

Floor carrier is Senator Mutch.

Committee closed.

Committee reopened on HB 1242 on 3-16-01.

Senator Trenbeath moves to Reconsider. Seconded by Senator Espgaard. Voice vote shows all in favor. Senator Trenbeath motions to Do Pass. Seconded by Senator Mutch. Roll call taken. 5-0-1.

Floor carrier is Senator O'Connell.

Committee closed.

315

Date:
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1242

Senate Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Bercier Seconded By Mutch

Senators	Yes	No	Senators	Yes	No
Senator Stenchjem, Chairman		X	Senator O'Connell		X
Senator Trenbeath, Vice-Chair	X		Senator Bercier	X	
Senator Mutch	X				
Senator Espegard	X				

Total (Yes) 4 No 2

Absent 0

Floor Assignment Mutch

If the vote is on an amendment, briefly indicate intent:

