

**2023 SENATE INDUSTRY AND BUSINESS**

**SB 2243**

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2243  
2/8/2023

A bill relating to the transferability of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.
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9:01 AM Chairman D. Larsen called the meeting to order. Members present: Chairman D. Larsen, Senator Barta, Senator Klein, Senator Boehm. Members absent: Vice Chairman Kessel.

### Discussion Topics:

- Transfer of licenses
- Tenant rights
- Park community ownership
- Park community management
- Rent increase notices
- Violation penalty
- Requirement regulation

9:02 AM Senator Dever, District 32, North Dakota State Senate, introduced SB 2243 and testified in favor. No written testimony.

9:13 AM Alex Kelsch, Lobbist, ND Association, introduced Kent French.

9:14 AM Kent French, Legislative Committee Chairman, North Dakota Manufactured Housing Association, who testified in favor. #19657

9:34 AM Patrick Pins, Mandan trailer park resident, testified in favor. No written testimony.

9:48 AM Laura Beyer, Mandan trailer park resident, testified in favor. No written testimony.

10:04 AM Mindy Teske, Bismarck trailer park resident, testified in favor of SB 2243. No written testimony.

10:14 AM Laura Beyer, Mandan trailer park resident, answered questions.

10:15 AM Julie Wagendorf, Food and Lodging Director, Department of Health and Human Services, testified neutral on SB 2243. #19686, #19687

### Additional written testimony:

Shelly Lanenga, #19647

10:39 AM Chairman D. Larsen closed the hearing.

*Brenda Cook, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2243  
2/13/2023

A bill relating to the transferability of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.
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3:23 PM Chairman D. Larsen called the meeting to order. Members present: Chairman D. Larsen, Vice Chairman Kessel, Senator Barta, Senator Klein, Senator Boehm.

### **Discussion Topics:**

- Committee work SB 2243

3:23 PM Chairman D. Larsen discussed with committee members SB 2243.  
No action was taken.

3:24 PM Chairman D. Larsen closed the meeting.

*Brenda Cook, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2243  
2/14/2023

A BILL for an Act relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty
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10:22 AM Chairman Larsen called the committee to order. Senators Klein, Boehm, Larsen, Kessel, and Barta were present.

### **Discussion Topics:**

- Publicly traded companies
- Disclosure requirements
- Verification of information

10:32 AM Alex Kelsch, Lobbyist and Lawyer, North Dakota Manufactured Housing Association, answered questions from the committee.

11:03 AM Lacy Anderson, Lobbyist, Haven Park Communities, discussed concerns with the bill.

11:10 AM Chairman Larsen adjourned the committee work on SB 2243

*Dave Owen on behalf of Brenda Cook, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2243  
2/15/2023

A BILL for an Act relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty

8:51 AM Chairman Larsen called the committee work to order.  
Senators Klein, Boehm, Larsen, Kessel, and Barta were present.

### Discussion Topics:

- Amendments
- Tennant rights
- Suspended license

9:05 AM Alex Kelsch, Lobbyist, Manufactured Housing Association, answered committee questions. No written testimony.

9:21 AM Senator Klein moved to adopt amendment #23.0617.01001 #26803

9:21 AM Senator Kessel seconded adopt amendment #23.0617.01001

9:21 AM Roll Call Vote, adopt the amendment.

Senators	Vote
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

9:22 AM Senator Barta moved DO PASS AS AMENDED SB 2243

9:22 AM Senator Boehm seconded DO PASS AS AMENDED SB 2243

9:24 AM Roll Call Vote, DO PASS AS AMENDED SB 2243

Senators	Vote
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Motion passed 5-0-0. DO PASS AS AMENDED SB 2243. Senator Barta will carry

9:24 AM Chairman Larsen adjourned the committee work on SB 2243

*Dave Owen on behalf of Brenda Cook, Committee Clerk*

NOTE: The committee reconsidered actions in the afternoon, February 15, 2023 at 2:58 PM.

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

SB 2243  
2/15/2023

A BILL for an Act relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

2:58 PM Chairman Larsen called the committee work to order. Senators Klein, Boehm, Larsen, Kessel, and Barta were present.

### Discussion Topics:

- Reconsideration
- Committee action

2:58 PM Senator Klein moved to reconsider SB 2243

2:58 PM Senator Boehm moved to reconsider SB 2243

2:59 PM Roll Call Vote, reconsider SB 2243

Senators	Vote
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Motion passed 5-0-0. Reconsider SB 2243

3:01 PM Senator Klein moved an amendment relating to ownership disclosure.  
LC 23.0617.01002

3:02 PM Senator Barta seconded an amendment relating to ownership disclosure.

3:02 PM Roll Call Vote, adopt an amendment relating to ownership disclosure.

Senators	Vote
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Motion passed 5-0-0. Adopt an amendment relating to ownership disclosure.

3:02 PM Senator Klein moved DO PASS AS AMENDED SB 2243.

3:02 PM Senator Barta seconded DO PASS AS AMENDED SB 2243.

3:02 Roll Call Vote, DO PASS AS AMENDED SB 2243

<b>Senators</b>	<b>Vote</b>
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Motion passed 5-0-0. DO PASS AS AMENDED SB 2243.

Senator Barta will carry SB 2243.

3:04 PM Senator Larsen adjourned the committee work.

*Dave Owen on behalf of Brenda Cook, Committee Clerk*

February 15, 2023

BR  
172  
2-15-23

PROPOSED AMENDMENTS TO SENATE BILL NO. 2243

Page 1, line 1, after "23-10-06.2" insert ", 23-10-12,"

Page 1, line 2, after "transferability" insert ", revocation, and suspension"

Page 1, line 12, after the second "the" insert "mobile home park"

Page 1, line 13, remove ", officers, directors, partners."

Page 1, line 13, replace "shareholders" with "any individual possessing more than a twenty percent ownership interest in the entity subject to the license"



Page 1, after line 14, insert:

**"SECTION 2. AMENDMENT.** Section 23-10-12 of the North Dakota Century Code is amended and reenacted as follows:

**23-10-12. Revocation or suspension of license - Penalty for operating without license.**

1. The department may deny an application or take disciplinary action, up to and including suspension of a license for a mobile home park, recreational vehicle park, or campground, and revocation of a license for a recreational vehicle park or campground, against any applicant or licensee upon the failure of the applicant or licensee to comply with this chapter or with any of the rules adopted by the health council and regulations promulgated by the department. A license for the operation of a mobile home park may be revoked only by the appropriate district court of the county where the mobile home park is situated.
2. Before the department takes disciplinary action against a license, the department shall notify the licensee in writing of the reason disciplinary action is being considered and shall provide a reasonable amount of time for correction to be made. Action taken under the authority granted in this section must comply with chapter 28-32. Any person who maintains or operates a mobile home park, recreational vehicle park, or campground without first obtaining a license, or who operates the same after revocation during suspension of the license, is guilty of an infraction."

Page 4, line 10, replace "five" with "ten"

Page 4, line 12, remove "or revoked"

Page 4, line 12, remove the second "or"

Page 4, line 13, remove "revoked."

Page 4, after line 14, insert:

- "10. Notwithstanding section 23-10-02, in a dispute between a landlord and a tenant under this section, the district court of the county in which the dispute arose has original jurisdiction over the dispute."



Renumber accordingly

DR  
272  
2-15-23

**REPORT OF STANDING COMMITTEE**

**SB 2243: Industry and Business Committee (Sen. Larsen, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2243 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 1, after "23-10-06.2" insert ", 23-10-12,"

Page 1, line 2, after "transferability" insert ", revocation, and suspension"

Page 1, line 12, after the second "the" insert "mobile home park"

Page 1, line 13, remove ", officers, directors, partners."

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2. Before the department takes disciplinary action against a license, the department shall notify the licensee in writing of the reason disciplinary action is being considered and shall provide a reasonable amount of time for correction to be made. Action taken under the authority granted in this section must comply with chapter 28-32. Any person who maintains or operates a mobile home park, recreational vehicle park, or campground without first obtaining a license, or who operates the same ~~after~~ revocation during suspension of the license, is guilty of an infraction."

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Page 4, line 13, remove "revoked,"

Page 4, after line 14, insert:

- "10. Notwithstanding section 23-10-02, in a dispute between a landlord and a tenant under this section, the district court of the county in which the dispute arose has original jurisdiction over the dispute."

Renumber accordingly

**2023 HOUSE INDUSTRY, BUSINESS AND LABOR**

**SB 2243**

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/15/2023

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Louser called meeting to order 3:28 PM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

### Discussion Topics:

- Percentage of ownership
- Tenant issue
- Suspension
- Level of violation
- Escrow account

### In Favor:

Senator Dick Dever, District 32, Bismarck ND, proposed amendment #24761

Alex Kelsch, Kelsch Ruff, Kranda, Nagel & Ludwig Law Firm (no written testimony)

Kent French, Legislative Committee Chair, ND Manufactured Housing Association, proposed amendment #25169, #25170

Lacey Bjork Anderson, Representing, Haven Park Communities (no written testimony)

Patrick Pins, manufactured home resident, Mandan, ND (no written testimony)

Laura Baier, manufactured home resident, (no written testimony)

Shelly Lanenga, Parktown resident, Mandan, ND, #25140

### Neutral:

Julie Wagendorf, Food and Lodging Director, ND Department of Health, and Human Services, 25006, and proposed amendment, #25007

Chairman Louser has appointed a subcommittee of Representatives Kasper (to serve as Chairman), Thomas, Koppelman, Boschee.

### Additional written testimony:

Mariah Nelson, #25039

MJ Vukovich, Executive VP, Bellwether Enterprise Real Estate Capital, #24329

Chairman Louser adjourned the meeting 4:53 PM

*Diane Lillis, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/21/2023

### Subcommittee Meeting

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Kasper called meeting to order 10:02 AM

Members present: Chairman Kasper, Representatives Thomas, Koppelman, Boschee.

#### **Discussion Topics:**

- Suspension of rent
- Licenses suspension
- Services provided
- Tenant rights

Todd Kranda, Ruff, Kranda, Nagel & Ludwig Law Firm, proposed amendment LC #23.0617.02003, #26107

Alex Kelsch, Kelsch, Ruff, Kranda, Nagel & Ludwig Law Firm, representing the ND Manufactured Housing Association, proposed amendment, #26106

Allison Hicks, Special Attorney General, ND Office of the Attorney General representing the ND Department of Health and Human Services, #26362

Julie Wagendorf, Food and Lodging Director, ND Department of Health, and Human Services (no written testimony)

Lacey Bjork Anderson, Representing, Haven Park Communities (no written testimony)

Chairman Kasper, the subcommittee will reconvene at 4:00 PM today.

Chairman Kasper adjourned the meeting 11:16 AM

*Diane Lillis, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/21/2023

### Subcommittee Meeting

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Kasper called meeting to order 4:05 PM

Members present: Chairman Kasper, Representatives Thomas, Koppelman, Boschee.

#### Discussion Topics:

- Notification
- Deterrent
- ND parks

Alex Kelsch, Kelsch, Ruff, Kranda, Nagel & Ludwig Law Firm, representing the ND Manufactured Housing Association (no written testimony)

Allison Hicks, Special Attorney General, ND Office of the Attorney General representing the ND Department of Health and Human Services, proposed amendment, #26363

Julie Wagendorf, Food and Lodging Director, ND Department of Health, and Human Services (no written testimony)

Lacey Bjork Anderson, Representing, Haven Park Communities (no written testimony)

Representative Koppelman moved to adopt the amendment language, #26423.  
Representative Thomas seconded.

Roll call vote:

Representatives	Vote
Chairman Jim Kasper	Y
Representative Josh Boschee	Y
Representative Ben Koppelman	Y
Representative Thomas	Y

Motion passed 4-0-0

Representative Koppelman further amends to include language regarding civil penalty \$1,000-\$10,000 and actual damages.  
Representative Boschee seconded.

Roll call vote:

<b>Representatives</b>	<b>Vote</b>
Chairman Jim Kasper	Y
Representative Josh Boschee	Y
Representative Ben Koppelman	Y
Representative Thomas	Y

Motion passed 4-0-0

Representative Boschee moved to adopt the amendment presented by Allison Hicks, #26363

Representative Thomas seconded.

Roll call vote:

<b>Representatives</b>	<b>Vote</b>
Chairman Jim Kasper	Y
Representative Josh Boschee	Y
Representative Ben Koppelman	AB
Representative Thomas	Y

Motion passed 3-0-1

The amendments will be compiled for the committee review. The next subcommittee meeting will be Wednesday, March 22 at 2:30 PM.

Chairman Kasper adjourned the meeting 4:40 PM

*Diane Lillis, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/22/2023

### Subcommittee Meeting

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Kasper called meeting to order 3:19 PM

Members present: Chairman Kasper, Representatives Thomas, Koppelman, Boschee.

#### **Discussion Topics:**

- Legal proceedings
- Attorney fees
- Civil penalties

Alex Kelsch, Kelsch, Ruff, Kranda, Nagel & Ludwig Law Firm, representing the ND Manufactured Housing Association (#26423)

Allyson Hicks, Special Attorney General, ND Office of the Attorney General representing the ND Department of Health and Human Services (no written testimony)

Julie Wagendorf, Food and Lodging Director, ND Department of Health, and Human Services (no written testimony)

Lacey Bjork Anderson, Representing, Haven Park Communities, additional information for subcommittee work and proposed amendment language, #26421, #26422.

Chairman Kasper will reschedule a meeting for Monday.

Chairman Kasper adjourned the meeting 4:18 PM

*Diane Lillis, Committee Clerk*



# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/27/2023

### Subcommittee Meeting

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Kasper called meeting to order 11:05 AM

Members present: Chairman Kasper, Representatives Thomas, Koppelman.  
Member absent: Representative Boschee

#### **Discussion Topics:**

- Civil penalty
- Daily penalty
- Vulnerable tenant
- Rent suspension
- Suspended license
- Suspension terms
- Revoke license

Alex Kelsch, Kelsch, Ruff, Kranda, Nagel & Ludwig Law Firm, representing the ND Manufactured Housing Association, with proposed amendment language #26704

Allison Hicks, Special Attorney General, ND Office of the Attorney General representing the ND Department of Health and Human Services (no written testimony)

Julie Wagendorf, Food and Lodging Director, ND Department of Health, and Human Services (no written testimony)

Chairman Kasper will reschedule a subcommittee hearing for Tuesday, March 28 at 4:00 PM and Wednesday, March 29 at 8:00 AM

Chairman Kasper adjourned the meeting 12:03 PM

*Diane Lillis, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/28/2023

### Subcommittee Meeting

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

Chairman Kasper called meeting to order 4:07 PM

Members present: Chairman Kasper, Representatives Boschee, Koppelman, Thomas

#### Discussion Topics:

- Committee work

Representative Koppelman presented an amendment #27002, LC #23.0617.02005 and moved to approve and recommend to the full committee.

Representative Thomas seconded.

Roll call vote:

Representatives	Vote
Chairman Jim Kasper	Y
Representative Josh Boschee	Y
Representative Ben Koppelman	Y
Representative Thomas	Y

Motion carries: 4-0-0

Chairman Kasper adjourned the meeting 4:22 PM

*Diane Lillis, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Room JW327C, State Capitol

SB 2243  
3/29/2023

Relating to the transferability, revocation, and suspension of licenses for a mobile home park and required disclosures to tenants residing in a mobile home park; and to provide a penalty.
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Chairman Louser called meeting to order 3:38 PM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

### Discussion Topics:

- Committee work

Representative Kasper gave a summary of subcommittee work.

Representative Koppelman moved a do pass on amendment LC #23.0617.02005  
Representative Kasper seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	Y
Representative Josh Christy	Y
Representative Hamida Dakane	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	Y

Motion 14-0-0

Representative Kasper moved do pass as amended.  
Representative Dakane seconded.

Roll call vote:

<b>Representatives</b>	<b>Vote</b>
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	Y
Representative Josh Christy	Y
Representative Hamida Dakane	Y
Representative Jorin Johnson	Y
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	Y

Motion carried 14-0-0

Representative Koppelman will carry the bill.

Chairman Louser adjourned the meeting 4:11 PM

*Diane Lillis, Committee Clerk*

AG  
3-29-23  
(1-3)

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 1, line 1, after the second comma insert "27-08.1-01,"

Page 1, line 3, after "park" insert ", small claims court jurisdiction,"

Page 1, line 11, remove "section 47-10-28 and"

Page 1, line 15, after the underscored period insert "The department may assess a civil penalty not exceeding five thousand dollars for each violation of this section thirty days after issuing a notice of noncompliance. The civil penalty may be assessed without notice and a hearing. The civil penalty must be awarded to the department and deposited into the department's general operating fund for use in regulating compliance with this chapter. A person subject to a civil penalty pursuant to an order issued under this section may request a hearing before the department if a written request is made within ten days after the receipt of the order. Upon receipt of a proper and timely request for a hearing, the department shall conduct an adjudicative proceeding under this section in accordance with chapter 28-32, unless otherwise provided for by law. If the department prevails in an adjudicative proceeding under this section, the department may assess the nonprevailing party for all adjudicative proceeding and hearing costs, including reasonable attorney's fees, investigation fees, and costs and expenses of the action."

Page 1, line 24, remove "A license for the operation of"

Page 2, remove lines 1 and 2

Page 2, after line 9, insert:

**"SECTION 3. AMENDMENT.** Section 27-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**27-08.1-01. Small claims court - Jurisdictional limits - Venue.**

1. All judges of the district courts may exercise the jurisdiction conferred by this chapter, and while sitting in the exercise of that jurisdiction must be known and referred to as the "small claims court". The jurisdiction of this court is confined to cases for recovery of money, a tenant's claim for civil damages under subsection 9 of section 47-10-28, or the cancellation of any agreement involving material fraud, deception, misrepresentation, or false promise, when the value of the agreement or the amount claimed by the plaintiff or the defendant does not exceed fifteen thousand dollars.
2. The proceedings in this court must be commenced:
  - a. If the defendant is a corporation, limited liability company, or a partnership, in any county in which the defendant has a place of business or in any county in which the subject matter of the claim occurred.
  - b. If the claim is for collection of a check written without sufficient funds or without an account, in the county where the check was passed, or in the county of the defendant's residence or place of business.

- c. If the defendant is an individual and the claim is for collection of an open account on which credit has been extended:
- (1) In the county of the defendant's residence or place of business; or
  - (2) If the amount of the claim is less than one thousand dollars and is not from a telephone or mail order transaction, in the county where the transaction occurred or in the county of the defendant's residence or place of business.
- d. If the defendant is an individual and the claim is not made under subdivision b or c, in the county of the defendant's residence.
- e. If the defendant is an individual and the claim arose as the result of the defendant's lease of real property or as the result of a dispute over disposition of earnest money or other money deposit arising from a contract to purchase real property, in the county where the real property is located unless the plaintiff and the defendant consent in writing to a proceeding in a different county.
- f. If the plaintiff is a political subdivision and the claim is for a public utility debt, in the county in which the political subdivision is located.
- g. If the claim is for civil damages under subsection 9 of section 47-10-28, in the county in which the mobile home park is located.
3. Except for an action under subdivision c, e, ~~e-f~~, or g of subsection 2, the defendant may elect to remove the action to a small claims court in the defendant's county of residence. A claim may not be filed by an assignee of that claim. A garnishment or attachment may not issue from this court until after judgment is entered."

Atx  
3-29-23  
(2-3)

Page 4, line 30, overstrike "exceeding"

Page 4, line 30, after "one" insert "less than two thousand five hundred dollars but not exceeding the greater of"

Page 4, line 30, overstrike ", whichever is"

Page 4, line 30, remove "greater"

Page 4, line 31, overstrike "reasonable" and insert immediately thereafter "actual"

Page 4, after the period insert:

"10."

Page 4, line 31, after "license" insert ", issued under chapter 23-10,"

Page 5, line 1, replace "as provided in section 23-10-12" with "by the district court of the county where the mobile home park is situated for a violation of this section"

Page 5, line 1, remove "If a landlord's license is suspended the rental"

Page 5, line 2, replace "obligations of the park tenants are suspended until the license is reinstated" with "The holder of the mobile home park license must be assessed a civil penalty for each day the holder's license remains suspended. The amount of the daily"

penalty is equal to half of the total rent listed on the rent roll for the mobile home park divided by the number of days in that month. The license holder must prove each violation has been remedied and has satisfied all civil penalties assessed before the license holder's license may be reinstated. The district court has discretion over the terms to be satisfied before a license is reinstated. If a license holder fails to comply with the terms of the district court's order, the district court may revoke the holder's license. All park tenants must be allowed to continue to reside in the mobile home park through the duration of the license suspension, unless the department of health and human services takes further disciplinary action against the license under chapter 23-10. During the period of suspension, the license holder or the license holder's agent may not modify the park rules or regulations, modify any tenant's rental arrangement, increase any tenant's rental rate, or terminate any tenant's lease without cause"

AK  
3-29-23  
(3-3)

Page 5, line 3, replace "10. Notwithstanding section 23-10-02, in" with:

"11. In"

Page 5, line 5, after "dispute" insert "relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the license holder or the license holder's agent may not modify the park rules or regulations, modify the tenant's rental arrangement, increase a tenant's monthly rental rate, or terminate a tenant's lease without cause"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2243, as engrossed: Industry, Business and Labor Committee (Rep. Louser, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2243 was placed on the Sixth order on the calendar.

Page 1, line 1, after the second comma insert "27-08.1-01,"

Page 1, line 3, after "park" insert ", small claims court jurisdiction,"

Page 1, line 11, remove "section 47-10-28 and"

Page 1, line 15, after the underscored period insert "The department may assess a civil penalty not exceeding five thousand dollars for each violation of this section thirty days after issuing a notice of noncompliance. The civil penalty may be assessed without notice and a hearing. The civil penalty must be awarded to the department and deposited into the department's general operating fund for use in regulating compliance with this chapter. A person subject to a civil penalty pursuant to an order issued under this section may request a hearing before the department if a written request is made within ten days after the receipt of the order. Upon receipt of a proper and timely request for a hearing, the department shall conduct an adjudicative proceeding under this section in accordance with chapter 28-32, unless otherwise provided for by law. If the department prevails in an adjudicative proceeding under this section, the department may assess the nonprevailing party for all adjudicative proceeding and hearing costs, including reasonable attorney's fees, investigation fees, and costs and expenses of the action."

Page 1, line 24, remove "A license for the operation of"

Page 2, remove lines 1 and 2

Page 2, after line 9, insert:

**"SECTION 3. AMENDMENT.** Section 27-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**27-08.1-01. Small claims court - Jurisdictional limits - Venue.**

1. All judges of the district courts may exercise the jurisdiction conferred by this chapter, and while sitting in the exercise of that jurisdiction must be known and referred to as the "small claims court". The jurisdiction of this court is confined to cases for recovery of money, a tenant's claim for civil damages under subsection 9 of section 47-10-28, or the cancellation of any agreement involving material fraud, deception, misrepresentation, or false promise, when the value of the agreement or the amount claimed by the plaintiff or the defendant does not exceed fifteen thousand dollars.
2. The proceedings in this court must be commenced:
  - a. If the defendant is a corporation, limited liability company, or a partnership, in any county in which the defendant has a place of business or in any county in which the subject matter of the claim occurred.
  - b. If the claim is for collection of a check written without sufficient funds or without an account, in the county where the check was passed, or in the county of the defendant's residence or place of business.
  - c. If the defendant is an individual and the claim is for collection of an open account on which credit has been extended:



- (1) In the county of the defendant's residence or place of business;  
or
  - (2) If the amount of the claim is less than one thousand dollars and is not from a telephone or mail order transaction, in the county where the transaction occurred or in the county of the defendant's residence or place of business.
- d. If the defendant is an individual and the claim is not made under subdivision b or c, in the county of the defendant's residence.
  - e. If the defendant is an individual and the claim arose as the result of the defendant's lease of real property or as the result of a dispute over disposition of earnest money or other money deposit arising from a contract to purchase real property, in the county where the real property is located unless the plaintiff and the defendant consent in writing to a proceeding in a different county.
  - f. If the plaintiff is a political subdivision and the claim is for a public utility debt, in the county in which the political subdivision is located.
  - g. If the claim is for civil damages under subsection 9 of section 47-10-28, in the county in which the mobile home park is located.
3. Except for an action under subdivision c, e, ~~or f~~, or g of subsection 2, the defendant may elect to remove the action to a small claims court in the defendant's county of residence. A claim may not be filed by an assignee of that claim. A garnishment or attachment may not issue from this court until after judgment is entered."

Page 4, line 30, overstrike "exceeding"

Page 4, line 30, after "~~one~~" insert "less than two thousand five hundred dollars but not exceeding the greater of"

Page 4, line 30, overstrike ", whichever is"

Page 4, line 30, remove "greater"

Page 4, line 31, overstrike "reasonable" and insert immediately thereafter "actual"

Page 4, after the period insert:

"10."

Page 4, line 31, after "license" insert ", issued under chapter 23-10."

Page 5, line 1, replace "as provided in section 23-10-12" with "by the district court of the county where the mobile home park is situated for a violation of this section"

Page 5, line 1, remove "If a landlord's license is suspended the rental"

Page 5, line 2, replace "obligations of the park tenants are suspended until the license is reinstated" with "The holder of the mobile home park license must be assessed a civil penalty for each day the holder's license remains suspended. The amount of the daily penalty is equal to half of the total rent listed on the rent roll for the mobile home park divided by the number of days in that month. The license holder must prove each violation has been remedied and has satisfied all civil penalties assessed before the license holder's license may be reinstated. The district court has discretion over the terms to be satisfied before a license is reinstated. If a license holder fails to comply with the terms of the district court's order, the district court may"

revoke the holder's license. All park tenants must be allowed to continue to reside in the mobile home park through the duration of the license suspension, unless the department of health and human services takes further disciplinary action against the license under chapter 23-10. During the period of suspension, the license holder or the license holder's agent may not modify the park rules or regulations, modify any tenant's rental arrangement, increase any tenant's rental rate, or terminate any tenant's lease without cause"

Page 5, line 3, replace "10. Notwithstanding section 23-10-02, in" with:

"11. In"

Page 5, line 5, after "dispute" insert "relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the license holder or the license holder's agent may not modify the park rules or regulations, modify the tenant's rental arrangement, increase a tenant's monthly rental rate, or terminate a tenant's lease without cause"

Renumber accordingly

**TESTIMONY**

**SB 2243**

Sen. [bpaulson@ndlegis.gov](mailto:bpaulson@ndlegis.gov)

Sen. [ddever@ndlegis.gov](mailto:ddever@ndlegis.gov)

Sen. [douglarsen@ndlegis.gov](mailto:douglarsen@ndlegis.gov)

Rep. [kkarls@ndlegis.gov](mailto:kkarls@ndlegis.gov)

Rep. [kkempenich@ndlegis.gov](mailto:kkempenich@ndlegis.gov)

Rep. [slouser@ndlegis.gov](mailto:slouser@ndlegis.gov)

Shelly Lanenga

703 6<sup>th</sup> Ave SE

#D5

Mandan. ND 58554

Old Park Town

SB 2243

A few concerns we have in our Park. Resident of Parktown, Mandan ND 58554

Page 3 NUMBER 8

8. A person that owns or purchases an existing mobile home park may purchase utility services, including water and sewer services on behalf of a tenant, and include the amount in the monthly rental obligation or bill the tenant as a separate charge based on **actual usage**. An owner may not charge a tenant more than the actual cost per unit amount paid by the landlord to the utility service provider, except for a reasonable administrative fee that may not exceed three dollars. An owner may not charge or back charge for the utility services of a tenant paying for the services as a portion of the tenant's monthly rental obligation unless the cost of providing the services increases. If the cost of providing utility services increases, an owner of a mobile home park may charge a tenant a reasonable amount to cover the increased cost of providing the service. The owner shall provide the tenant access to the records of meter readings taken at the mobile home lot of the tenant.

**My question is if the mobile home park owner can take the whole water/garbage bill from the city and divide it between all homes in the park?**

This has been a problem in Mandan for the past 2 years I have lived here. The owners divide the whole bill by 45 or 50 lots and that's our totals for water and garbage. The issue I have with this is that I am 1 person. We have several people that have 1 or two people living in their home and some homes have as many as 11 people in 1 household. So, the ones with only 1 or two people must pay for the rest of the tenant's water. The home with 11 people has kids and run the water all summer long and play in the sprinkler and spray each other with the water hose. The rest of the tenants are helping pay for that

wasted water. This has been a big concern of many of the tenants in Park Town. I think we are call ND communities, parakeet, or another name. But I am sure you all know us as Park Town. South of Stage stop on the right-hand side of the road.

So, I guess my question on the bill is the part where it says that the owner can purchase utility services and include in the lot rent **or** bill as a separate charge based on **ACTUAL usage**. The owner can not charge more then the actual cost per unit amount paid by landlord. **(Is this for each unit or mobile home?)**

On line 7 and 8 it says the property owner shall provide the tenant access to the records of meter readings taken at the mobile home lot of the tenant. **Does this mean Per home?**

Our park does not have a local office, our local office is in Lincoln, ND. We have more then 26 lots in our park. We have a local number to call with issues, but the number is transferred to a out of state company, and they take messages for the manager, and she sometimes gets back to us, but not very often. We do not have an emergency number that I know of for emergencies. We do not even know the name of the company that owns Park Town.

**Testimony in Support of**  
**SENATE BILL NO. 2243**  
**Senate Industry & Business Committee**  
**February 8, 2023**

Chairman Larsen, members of the Senate Industry & Business Committee, for the record my name is Kent French. I am the Legislative Committee Chair for the North Dakota Manufactured Housing Association. Unfortunately, I am unable to attend the hearing in person. However, I will present this testimony and information virtually, if possible. Otherwise, I have asked that a representative from Kelsch Ruff Kranda Nagle & Ludwig Law Firm of Mandan, our lobbyists for the North Dakota Manufactured Housing Association, appear and be available to provide my testimony to you today on behalf of the North Dakota Manufactured Housing Association (NDMHA).

NDMHA is in support of SB 2243, which is in follow-up to 2159, a Bill passed last session, that established certain mobile home tenant rights that are codified in Section 47-10-26 NDCC. At the end of my written testimony is a brief "Summary of Requirements Established Within SB 2243" for your reference.

NDMHA is a state trade association representing all segments of the manufactured housing industry, including: manufactured home builders, suppliers, retailers, community developers, owners and managers, insurers and financial services companies. NDMHA works to promote fair laws and regulations, increase and improve financing options, promote a positive image of manufactured housing, provide technical analysis and counsel, promote industry professionalism and remove zoning barriers to the use of manufactured housing. Through these various programs and activities, NDMHA seeks to promote the use of manufactured housing to consumers, developers, lenders, community operators, insurers, the media and public officials in an effort so more Americans can realize their dream of affordable home ownership.

NDMHA supports SB 2243 for a number of reasons: This Bill is an effort to clarify and fix problems that have been expressed regarding the new mobile home tenant rights law that was passed in 2021, Section 47-10-26 NDCC. The Bill responds to numerous complaints that I received from residents living in mobile home park communities across the state that were purchased by out-of-state corporations. The complaints came from individual residents that have written or called me to express on-going concerns with communication problems and efforts to circumvent the intent and rights passed for park residents last session.

Initially, this Bill attempts to address the on-going problem and complaint about lack of clarity with the identification of the park community ownership and management, as well as reasonable communication opportunities between the residential tenant of a park community and the park community ownership and management.

I personally have been involved with the development of three park communities in North Dakota and have been in the manufactured housing industry for over 50 years. For many of those years, I chose to live in the communities that I managed and in the housing units that I sold. I cared for and respected the residents and I too lived by the rules and the lot rent that was put in place.

I'm promoting SB 2243 on behalf of the NDMHA to address the on-going concerns and complaints of the mobile home park community residents. I ask for your favorable support of SB 2243. Accordingly, on behalf of the NDMHA, I would urge a **DO PASS** recommendation for **SB 2243**. I would be happy to try to answer any questions.

## **Summary of Requirements Within SB 2243**

### **SECTION 1 - On Page 1 - Lines 10 to 14:**

Modifies Section 23-10-06.2 NDCC regarding the issuance and transfer of a license by the Department of Health and Human Services to include a requirement of providing clear details with the identification of the new mobile home park owner.

### **SECTION 2 - On Page 2 - Lines 16 to 18:**

Modifies Section 47-10-28 NDCC regarding the requirement of the new mobile home park community owner to provide, upon request, a mobile home park tenant with the existing lease terms.

### **SECTION 2 - On Page 2 - Lines 19 to 22:**

Modifies Section 47-10-28 NDCC regarding the requirement to provide a mobile home park tenant with the identity and contact information of the legal entity that owns the mobile home park; and the telephone number for the property manager or designated site agent.

### **SECTION 2 - On Page 3 - Lines 25 to 27:**

Modifies Section 47-10-28 NDCC regarding a requirement to provide a minimum of 90 days notice before a rent increase is effective for a month-to-month tenancy.

### **SECTION 2 - On Page 4 - Lines 9 to 14:**

Modifies Section 47-10-28 NDCC regarding the penalty for violation would be \$5,000 or actual damages, and the possible suspension or revocation of the license under Section 23-10-12 with rent suspension until the license is reinstated.



**Senate Bill 2243**  
**Industry and Business**  
**Committee**  
**February 8, 9:00 a.m.**

---

Good morning, Chairman Larsen and Senate Industry and Business Committee members. I am Julie Wagendorf and serve as the Food and Lodging Director for the North Dakota Department of Health and Human Services (Department). I am here to provide neutral testimony for SB 2243 and to propose an amendment.

N.D.C.C. Chapter 23-10 authorizes the Department to license and inspect mobile home parks, recreational vehicle parks, and campgrounds. The primary purpose of the inspection by the Department is to evaluate compliance with sanitation and safety standards pursuant to N.D.C.C. § 23-10-07 and N.D.A.C. 33-33-01.

Currently, program administration of mobile home park license applications for new owners of new parks and change of owners of existing parks includes an application, plan review, and approval process. The license expires on December 31<sup>st</sup> of each year and is renewed annually. The license applicant, or person as defined in N.D.C.C. § 23-10-01-06, means any individual, firm, trust, partnership, public or private association, corporation, or limited liability company. The applicant's signature certifies the park will be operated according to the law. Licenses are not transferred per N.D.C.C. § 23-10-6.2 unless requested in writing and the license application, plan review, and approval process is adhered to. N.D.C.C. § 23-10-12 covers penalties including disciplinary action, license revocation, and due process following N.D.C.C. Chapter 28-32.

SB 2243 would require the Department to regulate requirements mandated in N.D.C.C. 47-10-28 as part of unrelated sanitation and safety regulatory framework. The Department would like to propose an amendment to the bill. The Department recommends removing "section 47-10-28 and" from line 10 on page 1, removing the last sentence on lines 10-14 on page 1, and on page 4, removing 11-14. The Department would welcome the opportunity to work

with the committee and legislative council on revised language to meet intent while avoiding significant fiscal impact on the existing regulatory program.

Thank you for the opportunity to appear before you today. I would be happy to respond to any questions you may have.

## PROPOSED AMENDMENTS TO SENATE BILL NO. 2243

Page 1, line 10, remove "section 47-10-28 and"

Page 1, lines 10 through 14, remove "A new owner applying for a transfer under this section and a person holding a license issued under section 23-10-03, shall provide the name, address, and telephone number for the managers, officers, directors, partners, and shareholders to the department once per calendar year."

Page 4, lines 11 through 14, remove "A mobile home park license may be suspended or revoked as provided in section 23-10-12. If a landlord's license is suspended or revoked, the rental obligations of the park tenants are suspended until the license is reinstated."

Renumber accordingly



Bellwether Enterprise Real Estate Capital  
3001 Brighton Blvd, Ste 633  
Denver, CO 80216

March 13, 2023

Re: North Dakota Senate Bill No. 2243

To Whom It May Concern:

Bellwether Enterprise, as a Lender, has provided over \$550 million in fundings to commercial projects in North Dakota via avenues including Fannie Mae, Freddie Mac, Insurance Company Correspondences as well as a host of other capital sources. For Manufactured Housing, nationwide, my group is the leading Lender of Fannie Mae for the past year (2022) and has been in the top 5 Lenders for both Fannie Mae and Freddie Mac for the past five years.

In looking at Section 47-10-28.9, the suspension of a Landlord's right to collect rent while in process of a license reinstatement would be very problematic for us as a Lender. If a penalty for a license suspension would not allow a Borrower to collect rent and, therefore, not allow the Borrower to make its loan payments, that would greatly increase the risk rating for loans within the state and would likely lead to the greatly reduced ability to lend within the state of North Dakota. This would lead to the severe reduction of asset prices and investment within the state, which would be an unintended consequence of such an action.

As a proponent of North Dakota and one who is active lending in the state on Manufactured Housing, I would strongly suggest that this section be amended or eliminated so as to continue to allow lending capital to be placed on projects within the state.

Sincerely

A handwritten signature in black ink, appearing to be 'MJ Vukovich', written over a light blue horizontal line.

MJ Vukovich  
Executive Vice President  
Bellwether Enterprise

23.0617.02002  
Title.

Prepared by the Legislative Council staff for  
Senator Dever

March 13, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 4, line 31, after "license" insert ", issued under chapter 23-10,"

Page 5, line 1, replace "as provided in section 23-10-12" with "by the district court of the county where the mobile home park is situated for a violation of this section"

Page 5, line 2, replace "until the license is reinstated" with "and the park tenants must be allowed to continue to reside in the mobile home park through the duration of the license suspension"

Renumber accordingly

## PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 1, line 11, after “with” remove “section 47-10-28 and’

Page 1, line 21, after “a” insert “mobile home park,”

Page 1, line 21 after “recreational vehicle park” insert a comma.

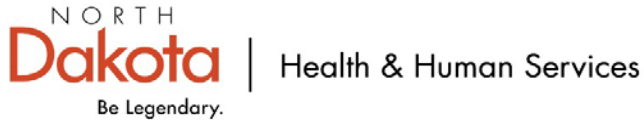
Page 1, line 24 through page 2, line 2, remove “A license for the operation of a mobile home park may be revoked only by the appropriate district court of the county where the mobile home park is situated.”

Page 4, line 31 through page 5, line 1, replace “A mobile home park license may be suspended as provided in section 23-10-12.” with the following language: “A district court may take disciplinary action, up to and including suspension of a mobile home park license upon the failure of the licensee to comply with this chapter.”

Page 5, line 3, remove “Notwithstanding section 23-10-02,”

Page 5, line 3, capitalize “in”

Renumber accordingly



**Senate Bill 2243**  
**House Industry, Business,**  
**and Labor Committee**  
**March 15, 2:00 p.m.**

---

Good afternoon, Chairman Louser and House Industry, Business, and Labor Committee members. My name is Julie Wagendorf, and I serve as the Food and Lodging Director for the North Dakota Department of Health and Human Services (Department). I am here to provide neutral testimony for SB 2243 and to propose an amendment.

The Department does not oppose the bill as a solution to meeting the needs of tenants and supporting tenants' rights. The Department proposed amendments to the Senate Industry and Business Committee; these proposals were partially considered in the amended bill.

The bill was amended to change the required fields on the mobile home park license application on Page 1, lines 11 – 15; the Department can accommodate the required fields.

However, SB 2243 as amended, does not fully defray costs impacting the Department if it passes and does account for its current staff and resource limitations. The Department is again proposing amendments to remove the responsibility of regulating N.D.C.C. § 47-10-28, and requesting a correction of a clerical error.

N.D.C.C. Chapter 23-10 authorizes the Department to license and inspect mobile home parks, recreational vehicle parks, and campgrounds. The primary purpose of the inspection by the Department is to evaluate compliance with sanitation and safety standards pursuant to N.D.C.C. § 23-10-07 and N.D.A.C. 33-33-01 and 33-33-02. Disciplinary action, license revocation, and due process following N.D.C.C. Chapter 28-32 are covered under N.D.C.C. § 23-10-12.

SB 2243 broadens this scope substantially by proposing that the Department regulate stipulations of a lease agreement between mobile home park owners and tenants in addition to its current administrative and inspection work.

Furthermore, a clerical oversight when the original bill was amended needs to be addressed. The amended bill would inadvertently affect the Department's authority to take disciplinary action under N.D.C.C. § 23-10-12.

SB 2243 includes disciplinary action for any infraction of N.D.C.C. § 47-10-28, including suspension of the license following proceedings authorized under N.D.C.C. § 23-10-12. However, when the bill was amended, the Department's authority for disciplinary action, including revocation of licensure for violations of chapter 23-10 was completely removed.

The Department's newly proposed amendments would leave the jurisdiction for disciplinary action, including revocation, with the department for violations of chapter 23-10, but vests the authority to take disciplinary action against the license with a district court for violations of N.D.C.C. § 47-10-28.

If the Department's amendments are not considered, SB 2243 broadens the regulatory scope of the Department substantially and without consideration of the additional resources needed to regulate and suspend a license if a landlord is found in violation of N.D.C.C. § 47-10-28 and would require a fiscal note. Currently, the Department licenses 180 mobile home parks statewide, which includes nearly 10,000 tenants in total. This number does not include mobile home parks located in the city of Fargo or mobile home parks located in the counties of Bottineau, Burke, McHenry, McLean, Renville, Sheridan, or Ward since local and district public health units cover these.

The resources needed to investigate each disagreement between landlord and tenant regarding their lease agreement in response to complaints received are difficult to estimate but most certainly would have an impact. Currently, the Food and Lodging Unit employs one licensing administrator. The potential for fielding up to 10,000 complaints would have a noticeable impact on one employee and is an unreasonable expectation. Furthermore, consider the increased length of time for the Director facilitating adjudicating procedures following due process procedures required in N.D.C.C. Chapter 28-32, Department attorney's fees, and even more time, including the appeals process.



Thank you for the opportunity to appear before you today. I would be happy to respond to any questions you may have.

I am testifying regarding my concerns around SB 2243.

Page 2 starting at line 16. It references that a park must designate a local office. I believe this language is ambiguous. I believe it should be clear. Many parks have an office located within. Is that the requirement? Does local designate a certain distance? Within the same town/county? Or within North Dakota. Again, I believe clarity would be beneficial.

Page 5 lines 3-5 reference that disputes are under the jurisdiction of the district court. Does that mean that if a park violates any requirements of the bill that the violation should be reported to the district court? What is the process? If there is a process in place can it be referenced here? I believe it would be appropriate for reporting to be at no cost to the reporter. I heard several people indicate that as they have had difficulties with the owners of mobile home parks that they have had trouble hiring a lawyer or navigating the legal process.

Thank you for your time.

Sen. bpaulson@ndlegis.gov

Sen. ddever@ndlegis.gov

Sen. douglarsen@ndlegis.gov

Rep. kkarls@ndlegis.gov

Rep. kkempenich@ndlegis.gov

Rep. slouser@ndlegis.gov

Shelly Lanenga

703 6th Ave SE

#D5

Mandan. ND 58554

Old Park Town

SB 2243

I approve this bill.

A few concerns we have in our Park. Resident of Parktown, Mandan ND 58554

Page 3 NUMBER 8 line 26

8. A person that owns or purchases an existing mobile home park may purchase utility services, including water and sewer services on behalf of a tenant, and include the amount in the monthly rental obligation or bill the tenant as a separate charge based on actual usage. An owner may not charge a tenant more than the actual cost per unit amount paid by the landlord to the utility service provider, except for a reasonable administrative fee that may not exceed three dollars. An owner may not charge or back charge for the utility services of a tenant paying for the services as a portion of the tenant's monthly rental obligation unless the cost of providing the services increases. If the cost of providing utility services increases, an owner of a mobile home park may charge a tenant a reasonable amount to cover the increased cost of providing the service. The owner shall provide the tenant access to the records of meter readings taken at the mobile home lot of the tenant. Our water bill for the last 2 months has been 93 dollars and the past has been 68-70. We have a leak somewhere and everyone has called about this and they will not do anything about it. The water bill says that 1 unit is 749 gallons. or 100 cubic feet. I use 1179 units of water per month. I have a water meter on my house to see how much water I use. So we are all being over charged for water.

My question is if the mobile home park owner can take the whole water/garbage bill from the city and divide it between all homes in the park?

This has been a problem in Mandan for the past 3 years I have lived here. The owners divide the whole bill by 49 lots and that's our totals for water and garbage. The issue I have with this is that I am 1 person. We have several people that have 1 or two people living in their home and some homes have as many as 11 people in 1 household. So, the ones with only 1 or two people must pay for the rest of the tenant's water. The home with 11 people has kids and run the water all summer long and play in the sprinkler and spray each other with the water hose. The rest of the tenants are helping pay for that wasted water. This has been a big concern of many of the tenants in Park Town.

We are not even sure what our park is called ND communities, parakeet, or Park town . We get notices for all 3 names. But I am sure you all know us as Park Town. South of Stage stop on the right-hand side of the road. So, I guess my question on the bill is the part where it says that the owner can purchase utility services and include in the lot rent or bill as a separate charge based on **ACTUAL usage**. The owner can not charge more then the actual cost per unit amount paid by landlord. **(Is this for each unit or mobile home?)**

On line page 3 lines 7 and 8 it says the property owner shall provide the tenant access to the records of meter readings taken at the mobile home lot of the tenant. **Does this mean Per home?**

Our park does not have a local office, our local office is in Lincoln, ND. We have 49 lots in our park. **What is concerided local?** We have a local number to call with issues, but the number is transferred to a out of state company, and they take messages for the manager, and she sometimes gets back to us, but not very often. We do not have an emergency number that I know of for emergencies. The company that owns us is out of Florida.

This big corporations come in and take over our communities and if we are late on rent on and have made arrangements with them they still send evcition notice.

We have people that have been evicited in our state and are living in their cars. This is not the way our North Dakota hard working people should be treated. We are afraid of loosing our homes if we rock the boat, If someone wants to stand up to the big companys. They have a target on our backs. Everyone is scared of looing these homes. We will have more homeless in North Dakota if the big companys are not held accountable.

What happens if the park loose they licence or its revoked? Can the city evcit us?

Who do we call to enforce the law in our parks? I feel that the fee should be more then 10 thousand fine.

We own or home and want to loose them. We are hard working people on North Dakota that are being pressured by big companys. I would like them to be held accountable.

Thanks for your time.

**Summary of Requirements Within Engrossed SB 2243**  
**with the Proposed Amendments**

SECTION 1 - On Page 1 - Lines 11 to 15:

Modifies Section 23-10-06.2 NDCC regarding the issuance and transfer of a license by the Department of Health and Human Services to include a requirement of providing clear details with the identification of the new mobile home park managers and owners with greater than 20% interest.

SECTION 2 - On Page 1 - Lines 20 to 22, and 24 & Page 2, Lines 1 to 2:

Modifies Section 23-10-12 NDCC regarding reference to the authority of the Department of Health and Human Services to suspend a license and adds that there is jurisdiction at the district court in the county where the mobile home park is situated.

SECTION 3 - On Page 3 - Lines 4 to 10:

Modifies Section 47-10-28 NDCC regarding the requirement to provide a mobile home park tenant with a copy of the existing lease, any modifications within 10 days fo a request, to provide the identity and contact information of the legal entity that owns the mobile home park; and to provide the telephone number for the property manager or designated site agent.

SECTION 3 - On Page 4 - Lines 14 to 16:

Modifies Section 47-10-28 NDCC regarding a requirement to provide a minimum of 90 days notice before a rent increase is effective for a month-to-month tenancy.

SECTION 3 - On Page 4 - Line 30 to 31 & Page 5, Lines 1 to 5:

Modifies Section 47-10-28 NDCC regarding the penalties for violation of 47-10-28 to include up to a \$10,000 fine or actual damages, whichever is greater, and the possible suspension of the license issued under Chapter 23-10 as an additional penalty available at the discretion of the district court. This also provides that tenants' rental obligations are suspended and clarifies that tenants are allowed to continue living in the mobile home park through the duration of any license suspension.

**Testimony in Support of**  
**ENGROSSED SENATE BILL NO. 2243**  
**House Industry Business & Labor Committee**  
**March 15, 2023**

Chairman Louser, members of the House Industry Business & Labor Committee, for the record my name is Kent French. I am the Legislative Committee Chair for the North Dakota Manufactured Housing Association. Unfortunately, I am unable to attend the hearing in person. However, I will present this testimony and information virtually, if possible. Otherwise, I have asked that a representative from Kelsch Ruff Kranda Nagle & Ludwig Law Firm of Mandan, our lobbyists for the North Dakota Manufactured Housing Association, appear and be available to provide my testimony to you today on behalf of the North Dakota Manufactured Housing Association (NDMHA).

NDMHA is in support of Engrossed SB 2243, along with the Proposed Amendments, which legislation is in follow-up to 2159, a Bill passed last session, that established certain mobile home tenant rights that are codified in Section 47-10-28 NDCC. At the end of my written testimony is a brief "Summary of Requirements Established Within Engrossed SB 2243" with the Proposed Amendments as mentioned for your reference.

NDMHA is a state trade association representing all segments of the manufactured housing industry, including: manufactured home builders, suppliers, retailers, community developers, owners and managers, insurers and financial services companies. NDMHA works to promote fair laws and regulations, increase and improve financing options, promote a positive image of manufactured housing, provide technical analysis and counsel, promote industry professionalism and remove zoning barriers to the use of manufactured housing. Through these various programs and activities, NDMHA seeks to promote the use of manufactured housing to consumers, developers, lenders, community operators, insurers, the media and public officials in an effort so more Americans can realize

their dream of affordable home ownership.

NDMHA supports Engrossed SB 2243 with the Proposed Amendments for a number of reasons: This Bill is an effort to clarify and fix problems that have been expressed regarding the new mobile home tenant rights law that was passed in 2021, Section 47-10-28 NDCC. The Bill responds to numerous complaints that I received from residents living in mobile home park communities across the state that were purchased by out-of-state corporations. The complaints came from individual residents that have written or called me to express on-going concerns with communication problems and efforts to circumvent the intent and rights passed for park residents last session.

Initially, this Bill attempts to address the on-going problem and complaint about lack of clarity with the identification of the park community ownership and management, as well as reasonable communication opportunities between the residential tenant of a park community and the park community ownership and management.

I personally have been involved with the development of three park communities in North Dakota and have been in the manufactured housing industry for over 50 years. For many of those years, I chose to live in the communities that I managed and in the housing units that I sold. I cared for and respected the residents and I too lived by the rules and the lot rent that was put in place.

I'm promoting Engrossed SB 2243 with the Proposed Amendments on behalf of the NDMHA to address the on-going concerns and complaints of the mobile home park community residents. I ask for your favorable support of Engrossed SB 2243 with the Proposed Amendments. Accordingly, on behalf of the NDMHA, I would urge the adoption of the proposed amendments and then a **DO PASS** recommendation for **SB 2243 as amended**.

I would be happy to try to answer any questions.

**PROPOSED AMENDMENTS TO  
ENGROSSED SENATE BILL NO. 2243**

Page 5, line 5, after “dispute” insert “relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the landlord may not modify the park rules or regulations, modify the tenant’s rental arrangement, increase a tenant’s monthly rental rate, or terminate a tenant’s lease without cause”



23.0617.02003  
Title.

Prepared by the Legislative Council staff for  
Representative Kasper  
March 20, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 1, line 1, after the second comma insert "27-08.1-01,"

Page 1, line 3, after "park" insert ", small claims court jurisdiction,"

Page 1, line 11, remove "section 47-10-28 and"

Page 1, line 15, after the underscored period insert "The department may assess a civil penalty of not more than five thousand dollars for each violation of this section. The civil penalty must be awarded to the department and deposited in the department's general operating fund for use in regulating compliance with this chapter."

Page 1, line 24, remove "A license for the operation of"

Page 2, remove lines 1 and 2

Page 2, after line 9, insert:

**"SECTION 3. AMENDMENT.** Section 27-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**27-08.1-01. Small claims court - Jurisdictional limits - Venue.**

1. All judges of the district courts may exercise the jurisdiction conferred by this chapter, and while sitting in the exercise of that jurisdiction must be known and referred to as the "small claims court". The jurisdiction of this court is confined to cases for recovery of money, a tenant's claim for civil damages under subsection 9 of section 47-10-28, or the cancellation of any agreement involving material fraud, deception, misrepresentation, or false promise, when the value of the agreement or the amount claimed by the plaintiff or the defendant does not exceed fifteen thousand dollars.
2. The proceedings in this court must be commenced:
  - a. If the defendant is a corporation, limited liability company, or a partnership, in any county in which the defendant has a place of business or in any county in which the subject matter of the claim occurred.
  - b. If the claim is for collection of a check written without sufficient funds or without an account, in the county where the check was passed, or in the county of the defendant's residence or place of business.
  - c. If the defendant is an individual and the claim is for collection of an open account on which credit has been extended:
    - (1) In the county of the defendant's residence or place of business; or
    - (2) If the amount of the claim is less than one thousand dollars and is not from a telephone or mail order transaction, in the county

where the transaction occurred or in the county of the defendant's residence or place of business.

- d. If the defendant is an individual and the claim is not made under subdivision b or c, in the county of the defendant's residence.
  - e. If the defendant is an individual and the claim arose as the result of the defendant's lease of real property or as the result of a dispute over disposition of earnest money or other money deposit arising from a contract to purchase real property, in the county where the real property is located unless the plaintiff and the defendant consent in writing to a proceeding in a different county.
  - f. If the plaintiff is a political subdivision and the claim is for a public utility debt, in the county in which the political subdivision is located.
  - g. If the claim is for civil damages under subsection 9 of section 47-10-28, in the county in which the mobile home park is located.
3. Except for an action under subdivision c, e, ~~e~~-f, or g of subsection 2, the defendant may elect to remove the action to a small claims court in the defendant's county of residence. A claim may not be filed by an assignee of that claim. A garnishment or attachment may not issue from this court until after judgment is entered."

Page 4, line 31, after "license" insert ", issued under chapter 23-10."

Page 5, line 1, replace "as provided in section 23-10-12" with "by the district court of the county where the mobile home park is situated for a violation of this section"

Page 5, line 1, after "suspended" insert "by the district court"

Page 5, line 2, replace "until the license is reinstated" with "and the park tenants must be allowed to continue to reside in the mobile home park through the duration of the license suspension"

Page 5, line 3, replace "Notwithstanding section 23-10-02, in" with "In"

Page 5, line 5, after "dispute" insert "relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the landlord may not increase a tenant's monthly rental rate"

Renumber accordingly

Introduced by

Senators Dever, Larson, Paulson

Representatives Karls, Kempenich, Louser

1 | A BILL for an Act to amend and reenact sections 23-10-06.2, 23-10-12, 27-08.1-01, and  
2 | 47-10-28 of the North Dakota Century Code, relating to the transferability, revocation, and  
3 | suspension of licenses for a mobile home park, small claims court jurisdiction, and required  
4 | disclosures to tenants residing in a mobile home park; and to provide a penalty.

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

6 |       **SECTION 1. AMENDMENT.** Section 23-10-06.2 of the North Dakota Century Code is  
7 | amended and reenacted as follows:

8 |       **23-10-06.2. License transferability.**

9 |       The department shall transfer a license without charge if the proposed new owner applies in  
10 | writing for a transfer of the license and certifies that the mobile home park, recreational vehicle  
11 | park, or campground will be operated in accordance with ~~section 47-10-28 and~~ this chapter. A  
12 | new owner applying for a transfer under this section and a person holding a license issued  
13 | under section 23-10-03, shall provide the name, address, and telephone number for the mobile  
14 | home park managers and any individual possessing more than a twenty percent ownership  
15 | interest in the entity subject to the license to the department once per calendar year. The  
16 | department may assess a civil penalty of not more than five thousand dollars for each violation  
17 | of this section. The civil penalty must be awarded to the department and deposited in the  
18 | department's general operating fund for use in regulating compliance with this chapter.

19 |       **SECTION 2. AMENDMENT.** Section 23-10-12 of the North Dakota Century Code is  
20 | amended and reenacted as follows:

21 |       **23-10-12. Revocation or suspension of license - Penalty for operating without license.**

22 |       1. The department may deny an application or take disciplinary action, up to and  
23 | including suspension of a license for a mobile home park, recreational vehicle park, or  
24 | campground, and revocation of a license for a recreational vehicle park or

1            campground, against any applicant or licensee upon the failure of the applicant or  
2            licensee to comply with this chapter or with any of the rules adopted by the health  
3            council and regulations promulgated by the department. ~~A license for the operation of~~  
4            ~~a mobile home park may be revoked only by the appropriate district court of the county~~  
5            ~~where the mobile home park is situated.~~

6            2. Before the department takes disciplinary action against a license, the department shall  
7            notify the licensee in writing of the reason disciplinary action is being considered and  
8            shall provide a reasonable amount of time for correction to be made. Action taken  
9            under the authority granted in this section must comply with chapter 28-32. Any person  
10           who maintains or operates a mobile home park, recreational vehicle park, or  
11           campground without first obtaining a license, or who operates the same ~~after-~~  
12           ~~recreation~~ during suspension of the license, is guilty of an infraction.

13           **SECTION 3. AMENDMENT.** Section 27-08.1-01 of the North Dakota Century Code is  
14           amended and reenacted as follows:

15           **27-08.1-01. Small claims court - Jurisdictional limits - Venue.**

16           1. All judges of the district courts may exercise the jurisdiction conferred by this chapter,  
17           and while sitting in the exercise of that jurisdiction must be known and referred to as  
18           the "small claims court". The jurisdiction of this court is confined to cases for recovery  
19           of money, a tenant's claim for civil damages under subsection 9 of section 47-10-28, or  
20           the cancellation of any agreement involving material fraud, deception,  
21           misrepresentation, or false promise, when the value of the agreement or the amount  
22           claimed by the plaintiff or the defendant does not exceed fifteen thousand dollars.

23           2. The proceedings in this court must be commenced:

24           a. If the defendant is a corporation, limited liability company, or a partnership, in any  
25           county in which the defendant has a place of business or in any county in which  
26           the subject matter of the claim occurred.

27           b. If the claim is for collection of a check written without sufficient funds or without  
28           an account, in the county where the check was passed, or in the county of the  
29           defendant's residence or place of business.

30           c. If the defendant is an individual and the claim is for collection of an open account  
31           on which credit has been extended:

- 1 (1) In the county of the defendant's residence or place of business; or  
2 (2) If the amount of the claim is less than one thousand dollars and is not from  
3 a telephone or mail order transaction, in the county where the transaction  
4 occurred or in the county of the defendant's residence or place of business.
- 5 d. If the defendant is an individual and the claim is not made under subdivision b  
6 or c, in the county of the defendant's residence.
- 7 e. If the defendant is an individual and the claim arose as the result of the  
8 defendant's lease of real property or as the result of a dispute over disposition of  
9 earnest money or other money deposit arising from a contract to purchase real  
10 property, in the county where the real property is located unless the plaintiff and  
11 the defendant consent in writing to a proceeding in a different county.
- 12 f. If the plaintiff is a political subdivision and the claim is for a public utility debt, in  
13 the county in which the political subdivision is located.
- 14 g. If the claim is for civil damages under subsection 9 of section 47-10-28, in the  
15 county in which the mobile home park is located.
- 16 3. Except for an action under subdivision c, e, ~~or f, or g~~ of subsection 2, the defendant  
17 may elect to remove the action to a small claims court in the defendant's county of  
18 residence. A claim may not be filed by an assignee of that claim. A garnishment or  
19 attachment may not issue from this court until after judgment is entered.

20 **SECTION 4. AMENDMENT.** Section 47-10-28 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **47-10-28. Mobile home park - Ownership - Transfer of ownership - Tenant rights -**  
23 **Penalty.**

- 24 1. A person that owns or purchases an existing mobile home park shall:
- 25 a. Obtain an annual license under section 23-10-03;
- 26 b. Designate an official local office, except if the mobile home park contains fewer  
27 than twenty-six lots, which must be operational on the fifth business day after the  
28 change of ownership;
- 29 c. The mobile home park shall:
- 30 (1) Have a designated telephone number manned on weekdays between the  
31 hours of eight a.m. and five p.m.;

- 1           (2) Have an operational emergency contact number manned at all times;
- 2           (3) Designate at least one individual for the property who has the authority to
- 3                 make decisions on behalf of and perform, or direct the performance of,
- 4                 duties imposed on the owner; and
- 5           (4) Provide a tenant with the contact information of the individual under
- 6                 paragraph 3;
- 7           d. Provide written notice to a tenant of the mobile home park regarding the change
- 8                 of ownership within five business days after the change of ownership becomes
- 9                 effective. The written notice must include the information required under
- 10                 subdivision c; ~~and~~
- 11           e. Acknowledge receipt of tenant inquiries or complaints regarding the park,
- 12                 pursuant to section 23-10-10.1, within two business days of receiving the inquiry
- 13                 or complaint;
- 14           f. Provide to each tenant, upon a written request by the tenant or the tenant's
- 15                 agent, a copy of the existing lease terms along with any modifications or
- 16                 amendments, within ten business days of receipt of a written request;
- 17           g. Provide each tenant with the name, address, and telephone number of the legal
- 18                 entity that owns the mobile home park; and
- 19           h. Provide the telephone number of any existing property manager or designated
- 20                 site agent.
- 21           2. A person that owns or purchases an existing mobile home park may not require a
- 22                 tenant who owns a mobile home located on the property to sell or transfer ownership
- 23                 of the home to the owner of the mobile home park, except as otherwise provided by
- 24                 law.
- 25           3. A person that owns or purchases an existing mobile home park shall provide a tenant
- 26                 advance written notice of any modifications to park rules or regulations at least thirty
- 27                 days before the date the modifications take effect. Except for the rules and regulations
- 28                 under subsections 4 and 5, upon the effective date of modifications to park rules and
- 29                 regulations, an owner shall provide a tenant who owns a dwelling unit that fails to
- 30                 comply with the park rules and regulations written notice of the failure to comply and
- 31                 provide the tenant three months to remedy the failure or vacate the premises before

- 1 initiating an action for eviction against the tenant. During the three-month period the  
2 tenant shall comply with the park rules and regulations that were in effect before the  
3 modifications became effective, including the payment of rent and any other financial  
4 obligations under the terms of the lease. During the three-month period, if the tenant  
5 provides the owner a signed document from a person in the business of relocating  
6 mobile homes declaring it is not possible to relocate the tenant's dwelling unit within  
7 the three-month period, the three-month period must be extended to a date when the  
8 dwelling unit can be relocated or the date that is two months after the end of the  
9 three-month period, whichever date occurs first.
- 10 4. A person that owns or purchases an existing mobile home park shall provide a tenant  
11 advance written notice of any modifications to park rules and regulations addressing  
12 sanitation and safety concerns at least thirty days before the date the modifications  
13 take effect.
- 14 5. A person that owns or purchases an existing mobile home park shall provide a tenant  
15 advance written notice at least thirty days before implementing a rule or regulation  
16 regarding the removal of a tongue hitch, or any other modification to the dwelling unit  
17 to comply with state or federal housing or financing requirements.
- 18 6. Mobile home park rules in effect on the date advance written notice regarding  
19 modifications is provided to a tenant remain in effect until the date the modified rules  
20 or regulations take effect.
- 21 7. A person that purchases an existing mobile home park may not increase the monthly  
22 tenant rental obligation for six months if the rental amount was increased within the  
23 sixty-day period before the date the new owner acquired ownership of the park. Any  
24 month-to-month tenancy agreement must provide a minimum of ninety days' notice to  
25 the tenant before any rent increase is effective.
- 26 8. A person that owns or purchases an existing mobile home park may purchase utility  
27 services, including water and sewer services on behalf of a tenant, and include the  
28 amount in the monthly rental obligation or bill the tenant as a separate charge based  
29 on actual usage. An owner may not charge a tenant more than the actual cost per unit  
30 amount paid by the landlord to the utility service provider, except for a reasonable  
31 administrative fee that may not exceed three dollars. An owner may not charge or

1 back charge for the utility services of a tenant paying for the services as a portion of  
2 the tenant's monthly rental obligation, unless the cost of providing the services  
3 increases. If the cost of providing utility services increases, an owner of a mobile home  
4 park may charge a tenant a reasonable amount to cover the increased cost of  
5 providing the service. The owner shall provide the tenant access to the records of  
6 meter readings taken at the mobile home lot of the tenant.

7 9. A person that violates a provision of this section is subject to a civil penalty not  
8 exceeding ~~one~~ten thousand dollars or actual damages, whichever is ~~less~~greater, plus  
9 reasonable attorney's fees and costs. A mobile home park license, issued under  
10 chapter 23-10, may be suspended as provided in section 23-10-12by the district court  
11 of the county where the mobile home park is situated for a violation of this section. If a  
12 landlord's license is suspended by the district court the rental obligations of the park  
13 tenants are suspended until the license is reinstatedand the park tenants must be  
14 allowed to continue to reside in the mobile home park through the duration of the  
15 license suspension.

16 10. ~~Notwithstanding section 23-10-02, in~~In a dispute between a landlord and a tenant  
17 under this section, the district court of the county in which the dispute arose has  
18 original jurisdiction over the dispute relating to the suspension of a license. For the  
19 recovery of civil damages under subsection 9, the tenant may elect to commence the  
20 action in small claims court or district court. If an action between a landlord and tenant  
21 is commenced, the tenant shall continue paying rent and comply with all park rules  
22 and regulations in effect at the time the action was commenced. During a pending  
23 action under this section, the landlord may not increase a tenant's monthly rental rate.





STATE OF NORTH DAKOTA  
**OFFICE OF ATTORNEY GENERAL**  
www.attorneygeneral.nd.gov  
(701) 328-2210

Drew H. Wrigley  
ATTORNEY GENERAL

**MEMORANDUM**

**TO:** Chairman Kasper, Subcommittee on SB 2243, House Industry, Business, and Labor Committee, 68th Legislative Assembly

**FROM:** Allyson M. Hicks, Assistant Attorney General, General Counsel for Food and Lodging Division of NDDHHS

**RE:** Section 1 of Amendment 23.0617.02003

**DATE:** March 21, 2023

**QUESTION PRESENTED**

Whether Section 1 of the 23.0617.02003 amendment of Senate Bill 2243, 68<sup>th</sup> Legislative Assembly, allows the North Dakota Department of Health and Human Services, Food and Lodging Division (hereinafter “Department”), to assess a civil penalty without a hearing.

**CONCLUSION**

The language in Section 1 of 23.0617.02003 amendment of Senate Bill 2243, 68<sup>th</sup> Legislative Assembly, currently requires that the Department hold a hearing under North Dakota Century Code (N.D.C.C.) chapter 28-32 prior to assessing a civil penalty.

**ANALYSIS**

Under N.D.C.C. § 23-10-12, the Department is required to process any disciplinary action against an applicant or licensee through the Administrative Agencies Practices Act set forth in N.D.C.C. 28-32:

**23-10-12. Revocation of license - Penalty for operating without license.**

The department may deny an application or take disciplinary action, up to and including revocation, against any applicant or licensee upon the failure of the applicant or licensee to comply with this chapter or with any of the rules adopted by the health council and regulations promulgated by the department. Before the department takes disciplinary action against a license, the department shall notify the licensee in writing of the reason disciplinary action is being considered and shall provide a reasonable amount of time for correction to be made. Action taken

under the authority granted in this section must comply with chapter 28-32. Any person who maintains or operates a mobile home park, recreational vehicle park, or campground without first obtaining a license, or who operates the same after revocation of the license, is guilty of an infraction.

As currently written, the civil penalty against the applicant for failure to provide the information requested by the application would be a disciplinary action taken by the Department against an applicant. All disciplinary actions for violations of N.D.C.C. ch. 23-10, unless otherwise specified by the Legislature, are governed by N.D.C.C. § 23-10-12. Because the language in Section 1 of 23.0617.02003 amendment of Senate Bill 2243, 68<sup>th</sup> Legislative Assembly, does not specify a different procedure, the Department is bound by N.D.C.C. § 23-10-12, which requires the Department to follow the process set forth in N.D.C.C. ch. 28-32 prior to assessing a civil penalty.

## PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 1, after line 15, after the period, insert “Thirty days after issuance of a notice of noncompliance, the department, without notice and hearing, may assess a civil penalty of not more than five thousand dollars for each violation of this section. The civil penalty shall be awarded to the department and deposited into the department’s general operating fund for use in regulating compliance with this chapter. A person aggrieved by an order issued under this section may request a hearing before the department if a written request is made within ten days after the receipt of the order. An adjudicative proceeding under this section must be conducted in accordance with chapter 28-32, unless otherwise specifically provided herein. If the department prevails in an adjudicative proceeding pursuant to this section, the department may assess the nonprevailing person for all adjudicative proceeding and hearing costs, including reasonable attorney’s fees, investigation fees, costs, and expenses of any investigation and action.”

Renumber accordingly

“For every thirty-day period an owner’s license to operate a mobile home park, recreational vehicle park, or campground is suspended, the [district court or department] shall impose a civil penalty totaling fifty percent of the monthly site rent and home rent charges found on the current rent roll for the subject property. The civil penalty shall be collected by the department of health and human services to be used to facilitate the North Dakota Rent Help program.”



Bellwether Enterprise Real Estate Capital  
3001 Brighton Blvd, Ste 633  
Denver, CO 80216

March 22, 2023

Re: North Dakota Senate Bill No. 2243

To Whom It May Concern:

As a follow up to my previous letter of concern dated March 13, 2023, I have reached out to multiple other lenders on SB2243 and they all share similar concerns to myself. Each of these lenders have done and would like to continue to do business in North Dakota, but may reconsider if the bill we have been discussing would be passed as it is written. Those lenders are including but not limited to:

- First Interstate Bank
- First Secure Bank
- Vanderbilt Mortgage
- Northmark
- Independent Financial
- Starwood Mortgage
- Bank of America
- Barclays

I hope that the solutions that we provided would be helpful to achieve the aims that we all want (good actors in the state as MHC owners) without having a negative impact on the lending space.

Sincerely

A handwritten signature in black ink, appearing to be 'MJ Vukovich', written over a light blue horizontal line.

MJ Vukovich  
Executive Vice President  
Bellwether Enterprise

**PROPOSED AMENDMENTS TO  
ENGROSSED SENATE BILL NO. 2243**

Page 5, line 5, after “dispute” insert “relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the landlord may not modify the park rules or regulations, modify the tenant’s rental arrangement, increase a tenant’s monthly rental rate, or terminate a tenant’s lease without cause”

## PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 4, line 29, after “penalty” insert “of”

Page 4, line 30, overstrike “exceeding” and insert immediately thereafter “less than two thousand five hundred dollars but not exceeding the greater of”

Page 4, line 30, overstrike “whichever is”

Page 4, line 30, remove “greater”

Page 4, line 30, overstrike the second comma

Page 4, line 30, replace “reasonable” with “actual”

Page 4, line 31, after “costs.” insert “A mobile home park license, issued under chapter 23-10, may be suspended by the district court of the county where the mobile home park is situated for a violation of this section. The holder of the mobile home park license shall be assessed a civil penalty of not less than fifty percent of the entire monthly site rent and home rent charges found on the current rent roll for the subject property for each day that person’s license remains suspended with the civil penalty payable to the named plaintiffs in the action that resulted in the license suspension. Prior to the license being reinstated, the holder of the mobile home park license must remedy each violation and provide proof of the same and must satisfy all civil penalties assessed as part of the court action. The district court shall have discretion as to what additional terms and conditions must be met before a license is reinstated. The park tenants must be allowed to continue to reside in the mobile home park through the duration of the licence suspension.”

Renumber accordingly

The intent is to have 47-10-28(9) read as follows:

A person that violates a provision of this section is subject to a civil penalty of not less than two thousand five hundred dollars but not exceeding the greater of ten thousand dollars or actual damages, plus actual attorney’s fees and costs. A mobile home park license, issued under chapter 23-10, may be suspended by the district court of the county where the mobile home park is situated for a violation of this section. The holder of the mobile home park license shall be assessed a civil penalty of not less than fifty percent of the entire monthly site rent and home rent charges found on the current rent roll for the subject property for each day that person’s license remains suspended with the civil penalty payable to the named plaintiffs in the action that resulted in the license suspension. Prior to the license being reinstated, the holder of the mobile home park license must remedy each violation and provide proof of the same and must satisfy all civil penalties assessed as part of the court action. The district court shall have discretion as to what additional terms and conditions must be met before a license is reinstated. The park tenants must be allowed to continue to reside in the mobile home park through the duration of the licence suspension.

23.0617.01001  
Title.

Prepared by the Legislative Council staff for  
Senator Larsen  
February 14, 2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2243

Page 1, line 1, after "23-10-06.2" insert ", 23-10-12,"

Page 1, line 2, after "transferability" insert ", revocation, and suspension"

Page 1, line 12, after the second "the" insert "mobile home park managers, and the"

Page 1, line 13, after the third underscored comma insert "and"

Page 1, line 13, replace "and shareholders" with "possessing more than a twenty percent ownership interest in the entity subject to the license."

Page 1, after line 14, insert:

**"SECTION 2. AMENDMENT.** Section 23-10-12 of the North Dakota Century Code is amended and reenacted as follows:

**23-10-12. Revocation or suspension of license - Penalty for operating without license.**

1. The department may deny an application or take disciplinary action, up to and including suspension of a license for a mobile home park, recreational vehicle park, or campground, and revocation of a license for a recreational vehicle park or campground, against any applicant or licensee upon the failure of the applicant or licensee to comply with this chapter or with any of the rules adopted by the health council and regulations promulgated by the department. A license for the operation of a mobile home park may be revoked only by the appropriate district court of the county where the mobile home park is situated.
2. Before the department takes disciplinary action against a license, the department shall notify the licensee in writing of the reason disciplinary action is being considered and shall provide a reasonable amount of time for correction to be made. Action taken under the authority granted in this section must comply with chapter 28-32. Any person who maintains or operates a mobile home park, recreational vehicle park, or campground without first obtaining a license, or who operates the same ~~after~~ revocation during suspension of the license, is guilty of an infraction."

Page 4, line 10, replace "five" with "ten"

Page 4, line 12, remove "or revoked"

Page 4, line 12, remove the second "or"

Page 4, line 13, remove "revoked."

Page 4, after line 14, insert:

- "10. Notwithstanding section 23-10-02, in a dispute between a landlord and a tenant under this section, the district court of the county in which the dispute arose has original jurisdiction over the dispute."



Renumber accordingly

23.0617.02005  
Title.

Prepared by the Legislative Council staff for  
Representative Koppelman  
March 28, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2243

Page 1, line 1, after the second comma insert "27-08.1-01,"

Page 1, line 3, after "park" insert ", small claims court jurisdiction,"

Page 1, line 11, remove "section 47-10-28 and"

Page 1, line 15, after the underscored period insert "The department may assess a civil penalty not exceeding five thousand dollars for each violation of this section thirty days after issuing a notice of noncompliance. The civil penalty may be assessed without notice and a hearing. The civil penalty must be awarded to the department and deposited into the department's general operating fund for use in regulating compliance with this chapter. A person subject to a civil penalty pursuant to an order issued under this section may request a hearing before the department if a written request is made within ten days after the receipt of the order. Upon receipt of a proper and timely request for a hearing, the department shall conduct an adjudicative proceeding under this section in accordance with chapter 28-32, unless otherwise provided for by law. If the department prevails in an adjudicative proceeding under this section, the department may assess the nonprevailing party for all adjudicative proceeding and hearing costs, including reasonable attorney's fees, investigation fees, and costs and expenses of the action."

Page 1, line 24, remove "A license for the operation of"

Page 2, remove lines 1 and 2

Page 2, after line 9, insert:

**"SECTION 3. AMENDMENT.** Section 27-08.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**27-08.1-01. Small claims court - Jurisdictional limits - Venue.**

1. All judges of the district courts may exercise the jurisdiction conferred by this chapter, and while sitting in the exercise of that jurisdiction must be known and referred to as the "small claims court". The jurisdiction of this court is confined to cases for recovery of money, a tenant's claim for civil damages under subsection 9 of section 47-10-28, or the cancellation of any agreement involving material fraud, deception, misrepresentation, or false promise, when the value of the agreement or the amount claimed by the plaintiff or the defendant does not exceed fifteen thousand dollars.
2. The proceedings in this court must be commenced:
  - a. If the defendant is a corporation, limited liability company, or a partnership, in any county in which the defendant has a place of business or in any county in which the subject matter of the claim occurred.
  - b. If the claim is for collection of a check written without sufficient funds or without an account, in the county where the check was passed, or in the county of the defendant's residence or place of business.

penalty is equal to half of the total rent listed on the rent roll for the mobile home park divided by the number of days in that month. The license holder must prove each violation has been remedied and have satisfied all civil penalties assessed before the license holder's license may be reinstated. The district court has discretion over the terms to be satisfied before a license is reinstated. If a license holder fails to comply with the terms of the district court's order, the district court may revoke the holder's license. All park tenants must be allowed to continue to reside in the mobile home park through the duration of the license suspension, unless the department of health and human services takes further disciplinary action against the license under chapter 23-10. During the period of suspension, the license holder or the license holder's agent may not modify the park rules or regulations, modify any tenant's rental arrangement, increase any tenant's rental rate, or terminate any tenant's lease without cause"

Page 5, line 3, replace "10. Notwithstanding section 23-10-02, in" with:

"11. In"

Page 5, line 5, after "dispute" insert "relating to the suspension of a license. For the recovery of civil damages under subsection 9, the tenant may elect to commence the action in small claims court or district court. If an action between a landlord and tenant is commenced, the tenant shall continue paying rent and comply with all park rules and regulations in effect at the time the action was commenced. During a pending action under this section, the license holder or the license holder's agent may not modify the park rules or regulations, modify the tenant's rental arrangement, increase a tenant's monthly rental rate, or terminate a tenant's lease without cause"

Renumber accordingly