

MINUTES

HOUSE JUDICIARY, RULES & ADMINISTRATION COMMITTEE

DATE: Monday, February 21, 2022

TIME: 3:00 P.M.

PLACE: Room EW42

MEMBERS: Chairman Chaney, Vice Chairman Hartgen, Representatives Kerby, Amador, Ehardt, Scott, Marshall, Troy, Young, Nate, Cannon, Erickson, Skaug, Gannon, McCrostie, Ruchti, Nash

**ABSENT/
EXCUSED:** Representative(s) Ehardt, Skaug

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Chaney called the meeting to order at 3:14 p.m.

Chairman Chaney welcomed everyone and provided instructions on how to registered to testify.

MOTION: **Rep. Cannon** made a motion to approve the January 25, January 27, January 31, February 9, and February 11, 2022, meeting minutes. **Motion carried by voice vote.**

H 596: **Rep. Ruchti** continued his presentation of **H 596** from the February 15, 2022 committee meeting. He explained that Idaho code 49-2415 is obsolete, and the Supreme Court has determined it unconstitutional. This legislation simply removes 49-2415 from Idaho's statutes and reduces confusion. The question raised at the February 15 meeting has been investigated; there was a slight change made to this statute in the late 1980s; it was only the addition of legal note and is inconsequential to this legislation.

MOTION: **Rep. McCrostie** made a motion to send **H 596** to the floor with a **DO PASS** recommendation.

Reps. Cannon, Ruchti, and Chaney declared a rule 80 stating a potential conflict of interest.

VOTE ON MOTION: **Motion carried by voice vote.** Rep. Ruchti will sponsor the bill on the floor.

H 617: **Rep. Ruchti** presented **H 617** explaining that this legislation is intended to protect renters or potential tenants from the unscrupulous business practices of landlords or property management companies concerning renter application fees. He explained that there is a housing shortage in today's housing market in Idaho, the Treasure Valley, especially for rentals. With demand exceeding supply, it is alleged that the practice of charging rental application fees is being taken advantage of, and **H 617** would set some parameters on when and how rental application fees could be charged and collected.

MOTION: **Rep. Kerby** made a motion to send **H 617** to the floor with a **DO PASS** recommendation.

Committee members express concerns over the absence of an enforcement mechanism in the proposed legislation. There was discussion about whether an enforcement mechanism was necessary or if the legislation could be applied in connection with the Consumer Protection Act.

Lisa Sanchez, Andrew Masser, Pam Roemer, Lori Dicaire representing themselves and **Johnathan Baldauf**, Baldauf Masser LLP spoke **in opposition** to **H 617**. Some testified that the rental regulations currently in place are adequate. And other individuals testified that this legislation is needed to protect renters from paying hundreds of dollars in application fees, and property managers are allegedly taking many applications, even hundreds, for one available property. This particular legislation does not have an enforcement mechanism. While its intent is good, it needs to be improved to actually protect the right of renters who cannot afford legal representation.

Alison Rabe, Angelica Moran, Nikki Eytchison, Kristen Pooley representing themselves; **Spencer Henderson**, Realty Management Associates Inc & NARPM SW Idaho; **Cassandra Swanson**, SW Idaho NARPM; **Doug Taylor**, Lobbyist, Idaho Apartment Association; **Christine Pisani**, Idaho Council on Developmental Disabilities; **Paul Smith**, Idaho Apartment Association; and **Denise Caruzzi**, Boise/Ada County Homeless Coalition spoke **in support** of **H 617**. Some testified that the bill would be better with an enforcement mechanism, but because it is a step in the right direction, they do support **H 617**. Others said the bill is very helpful in its current form. It does set parameters for property managers, and if used in connection with the Consumer Protection Act, it should be sufficient to protect renters.

SUBSTITUTE MOTION:

Rep. Gannon made a substitute motion to send **H 617** to general orders to have an enforcement mechanism added.

ROLL CALL VOTE ON SUBSTITUTE MOTION:

Substitute motion failed by a vote of 2 AYE, and 12 NAY. Voting in favor of the motion: **Reps. Scott and McCrostie. Voting in opposition** to the motion: **Reps. Hartgen, Kerby, Marshall, Troy, Young, Nate, Cannon, Erickson, Gannon, Ruchti, Nash, and Chaney.**

ROLL CALL VOTE:

Motion carried by a vote of 10 AYE, and 4 NAY. Voting in favor of the motion: **Rep. Hartgen, Kerby, Marshall, Troy, Erickson, Gannon, McCrostie, Ruchti, Nash and Chaney. Voting in opposition** to the motion: **Rep. Scott, Young, Nate, and Cannon.** Rep. Ruchti will sponsor the bill on the floor.

Committee members expressed concern about time with the number of items still remaining on the agenda.

MOTION:

Rep. Kerby made a motion to adjourn the meeting. **Motion carried by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 5:00 p.m.

Representative Chaney
Chair

Andrea Blades
Secretary