

TO: Senate Housing & Homelessness Prevention Committee
FROM: Shannon Guernsey, Executive Director, Minnesota NAHRO
DATE: March 8, 2023

RE: Comments on the Proposed Renter Protection Omnibus Bill (SF1298)

On behalf of Minnesota NAHRO and its members, thank you for the opportunity to provide comment on the proposed renter's protections omnibus bill (SF1298) before the Committee today. Minnesota NAHRO members own, manage or administer subsidized rental housing across Minnesota including all public housing plus the administration of the Housing Choice Voucher (HCV)/Section 8 program. In addition, our members work with developers on a regular basis to preserve and develop affordable housing throughout the state.

As housing authorities, it is our mission to provide safe and affordable housing for our residents. We recognize the importance of respecting the privacy of our residents, ensuring timely repairs and helping residents succeed in their tenancy so they maintain safe and stable housing. However, as outlined below, we have numerous comments with the proposal which will impact our ability to effectively serve our residents.

Housing Authorities Governed by Federal Rules & Regulations in These Areas

Many of the issues addressed in these bills may be issues in the open market, but in the area of subsidized housing governed by HUD rules and regulations, the proposed protections are already provided under federal law. As such, housing authorities already provide these protections and should not be subject to a second set of requirements at the state level. By imposing a second set of state requirements, housing authorities would see increased costs and administrative burden while not advancing tenant protections. Our specific concerns are outlined below.

Omnibus Bill Includes Many Protections Already Provided by Housing Authorities

Minnesota NAHRO and its members recognize the value of many of the provisions included in the omnibus renter protection bill because these protections and due process have been a part of our proceedings when addressing a lease violation and/or eviction. Specifically, we see the value and importance of the following provisions included in the bill:

- Require advance notice before entering a unit unless an emergency,
- Establish a minimum heat requirement,
- Require initial and final inspection, and
- Require 14 day notice to tenant of intent to file an eviction action

These provisions will ensure reasonable livability standards and establish a reasonable amount of notice for the tens of thousands of renter households across the state. Thus the impact of these protections are both reasonable and significant.

**Comments regarding Prohibited Fees**

Housing Authorities have seen a dramatic increase in the variety of fees imposed by landlords including:

- Fees that were not included in the lease,
- fees for optional services, or
- nonrefundable fees.

Landlords should be required to provide a list of fees that may be applied so tenants have a clearer sense of what may fees may be imposed during their tenancy. Such transparency should be addressed in addition to the prohibition of fees provision.

Comments regarding Emergency Repairs

This bill significantly expands the emergency repairs remedies available and needs to ensure that landlords can present reasonable defenses. Specifically, with the addition of several elements such as pest infestations, the remedy requires the cooperation of tenants and takes more than 24 hours to address. In addition, with current supply chain and labor issues, it should be noted that some remedies may not be immediately available, especially for properties located in greater Minnesota. As such, the bill should recognize the defenses set forth in 504B.415 as a permissible and sufficient response to a complaint. In addition, the bill should ensure the defendant has the opportunity to outline any reasonable measures taken in response to the emergency as an adequate response to a complaint under this section.

Right To Counsel in Public Housing Eviction for Cause

In contrast, we do not agree with establishing a right to counsel for those in public housing who face an eviction due to a violation of the lease. Our concern with this provision is twofold. First, in the area of public housing, residents currently have due process protections required by HUD rules and regulations. Specifically, before an eviction action can be filed, residents of public housing are provided the opportunity for an informal hearing. This informal hearing is adjudicated by a third-party hearing officer and the tenant is able to present their position.

It is also noteworthy, that these informal hearings most often result in an agreement between the parties to address the issues leading to the breach of the lease. Due to these proceedings, the tenant has the opportunity to address the lease violation and often the housing authority provides supports to help ensure the tenant can resolve the issue. Unfortunately, in some situations, the tenant fails to keep the agreement and further lease violations occur. In these limited circumstances, the housing authority may move forward with an eviction action.

Our second concern with the right to counsel provision is that it fails to identify a funding source for this cost. Proponents should identify a funding source and ensure that housing authorities are not responsible for this expense.

Thank you for the opportunity to submit our comments.