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. <u>If the claim is for civil damages under subsection 9 of section</u> 47-10-28, in the county in which the mobile home park is located.
- 3. Except for an action under subdivision c, e, er-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 "ene" 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:

"<u>11.</u> <u>In</u>"

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