

Transcript Prepared by Clerk of the Legislature Transcribers Office
Judiciary Committee February 20, 2025
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BOSN: Good afternoon, everyone. We're going to get started. Welcome to the Judiciary Committee. I am Senator Carolyn Bosn from Lincoln, representing the 25th Legislative District. And I serve as chair of the committee. The committee will take up the bills in the order posted. This public hearing is your opportunity to be part of the legislative process and to express your position on the proposed legislation before us. If you are planning to testify today, please fill out one of the green testifier sheets that are on the table at the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets on the back table for each bill. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone, telling us your first and last name and spelling them both to ensure we get an accurate record. We will begin each bill hearing today with the introducer's opening, followed by proponents, then opponents, and finally anyone wishing to speak in the neutral capacity. We will finish with a closing statement by the introducer if they wish to give one. We will be using a three-minute light system for all testifiers. I'm going to be pretty strict on that today at the request of my colleagues. When we begin your testimony, the light on the table will be green. When the light comes yellow-- turns yellow-- excuse me-- you will have one minute remaining. And the light-- the red light indicates that you need to wrap up your final thought and stop. Questions from the committee may follow. Also, committee members may come and go during the hearing-- and please know this has nothing to do with the importance of the bills being heard. It is just part of the process, as senators may have bills to introduce in other committees. A few final items to facilitate today's hearing. If you have handouts or copies of your testimony, please bring up at least 12 copies and give them to one of our pages. Please silence or turn off your cell phones. Verbal outbursts or applause are not permitted in the hearing room, and such behavior will be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on a bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at nebraskalegislature.gov. Written position letters will be included in the official hearing record, but only those testifying in person before the committee will be included on the committee statement. So

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that you know, you may submit a position comment for the record or you may testify in person, but not both. I will now have the committee members with us today introduce themselves, starting with my far left.

HALLSTROM: Bob Hallstrom, Legislative District 1, representing Otoe, Johnson, Nemaha, Pawnee, and Richardson Counties in southeast Nebraska. Welcome.

STORM: Good afternoon. Jared Storm, District 23: Saunders, Butler, Colfax County.

STORER: Good afternoon. I'm Senator Tanya Storer. I represent District 43, 11 counties, including Dawes, Sheridan, Cherry, Brown, Rock, Keya Paha, Boyd, Garfield, Loup, Blaine, and Custer.

HOLDCROFT: Rick Holdcroft, District 36: west and south Sarpy County.

DeBOER: Good afternoon, everyone. My name is Wendy DeBoer. I represent District 10 in beautiful northwest Omaha.

ROUNTREE: Good afternoon. I'm Senator Victor Rountree. I represent District 3, which encompasses Bellevue and Papillion.

BOSN: Thank you. Also assisting the committee today: to my far left is our leg-- excuse me. To my left is our legal counsel, Denny Vaggalis; and to my far right is our committee clerk, Laurie Vollertsen. The pages for our committee today are Ruby Kinzie, Alberto Donis, and Ayden Topping, all from UNL. With that, we will begin today's hearing with LB17 and Senator Cavanaugh. And just before you get started, can I see a show of hands how many individuals are planning to testify in some capacity on this bill? OK. Keep them high so I can count because the people after you-- 2, 4, 6, 8, 10, 12, 14, 15. OK. So please be mindful that if someone said something that you are going to just repeat, you can always say, I'd like to echo the comments of this person, out of respect for the committee members' time. And with that, you may begin.

J. CAVANAUGH: Thank you, Chair Bosn and members of the Judiciary Committee. I'm looking at the-- so I've got three bills to introduce today and-- those are my comments for my other bill. All right. Thank you, Chair Bosn, members of Judiciary Committee. My name's Senator John Cavanaugh, J-o-h-n C-a-v-a-n-a-u-g-h. And I represent the 9th Legislative District in midtown Omaha. And I'm here introducing LB17, which prohibits hidden and predatory fees under the Uniform Residential Landlord and Tenant Act. Specifically, LB17 limits

application fees and return check fees to actual cost and prohibits charging of application fees when no rental unit is available or charging a different application fee for the same unit if a different prospective tenant applies. Late fees are capped at 5% of the payment past due or \$50, whichever is less. Landlords are required to give notice if a prospective tenant is denied, stating the reason for the denial, and providing a copy of any consumer report to the applicant. Optional fees for other services are still allowed with the tenant's informed consent, but these fees must be outlined in a rental agreement and the tenant must be given the opportunity to opt out. Violation of the bill would be enforced through the Consumer Protection Act. My goal with LB17 is not to punish landlords. You're going to hear opponents say that they don't charge predatory fees. The experience of tenants around Omaha, Nebraska-- as you'll hear from those behind me-- is quite different. Finding affordable housing is difficult enough for many Nebraskans, forcing them to pay fees just to apply for a unit, even if the landlord has no unit available or no intention of renting to the tenant, makes it even more difficult. The purpose of LB17 is to set an upper limit on fees that can be charged to tenants and more transparency in the fees that are charged. It's not my intent to limit legitimate fees that may be charged to residents so long as they, they reflect the actual cost to the landlord and are specifically enumerated in the rental agreement. If an amendment is needed to further clarify that, I'd be happy to work with the committee to do so. I'm-- I hope to be available for close, but as I said, I have two other bills in two other committees to introduce. I may have to step out. I'd ask for your support of LB17. I'm happy to take any questions. And just-- I guess-- I saw the online comments. And so in response to some of them, I think there is a little bit of a legitimate amendment to be made about the clarity of whether you could have multiple applicants at the same time. Certainly open to clarifying that part. And there's, you know, some concern about the limitation on the fee amount for late fees. I think that was a pretty consistent one. I mean, I'm obviously open to make reasonable, good faith changes to the bill that still adhere to the intentions of creating transparency and making sure that fees actually reflect what they're being charged for, and that if you charge a fee, you provide whatever that service is that you're charging a fee for, so. Happy to take any questions.

BOSN: Thank you. Any questions for Senator Cavanaugh? All right.

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J. CAVANAUGH: And I'll stick around. But if I dip out, it's not against you guys or anybody in the room. It's because they want me in one of the other three committees.

BOSN: All right. No problem. Thank you, sir. First proponent. Welcome.

JASMINE HARRIS: Good afternoon, Chair Bosn and members of the Judiciary Committee. My name is Jasmine Harris, J-a-s-m-i-n-e H-a-r-r-i-s. I am the Director of Public Policy and Advocacy at RISE. And I request that this testimony be included as part of the public hearing record that shows RISE is in support of LB17. RISE is the largest nonprofit organization in Nebraska focused solely on rehabilitative programming in prisons and reentry support. Our inside/out model bridges incarceration to the community and considers all the critical steps in that journey. Our mission is to break generational cycles of incarceration. I want to thank Senator Cavanaugh for introducing this bill. RISE currently has a little over 300 of our in-prison program graduates who have reentered back into communities. Our reentry services team has consistently seen that housing assistance is one of our most provided reentry services. This is anywhere from helping find a home to rental assistance. While working with individuals to help find a place to stay, what our community navigators and participants have run into are the denials of housing and having to pay exorbitant amounts on rental application fees. What we are faced with is that individuals we work with do not have the necessary resources to expend on multiple application fees initially coming out of incarceration. When they are denied a rental, they then have to apply at another rental property. This begins to add up, and they are being denied based on their previous convictions in which they served their sentence for. What individuals have also run into is that many of these rental properties are either operated by the same property management company or they all use the same consumer reporter-- reporting agency. We also see where there are application fees with a nonrefundable admin fee. We do not oppose landlords and property owners their right to do background checks. What we want to see is an intentional approach to ensure that people aren't being taken advantage of. LB17 helps get to a starting point. We would also like to have everyone take into consideration solutions that include an individual who is looking for a home to rent to be able to purchase their consumer report and use it for a specific time period that is recognized as legitimate for landlords and property owners. That way, the background check is from a reputable company and within a time frame that shows their background. Decisions can then be made without someone having to shell out hundreds of dollars that can go towards

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their first month's rent and security deposit. For these reasons, RISE supports LB17 and asks that committee members vote this bill out of committee to General File. Thank you.

BOSN: Thank you. Any questions for this testifier? Senator Holdcroft.

HOLDCROFT: Thank you, Chairwoman Bosn. Thank you, Jasmine, for being here. You know I'm a big fan of RISE.

JASMINE HARRIS: Yes. Thank you, Senator Holdcroft.

HOLDCROFT: I just curious, though. Now, if they're coming out on parole, don't they have transitional housing already while being on parole, or is this-- are this--

JASMINE HARRIS: Everyone doesn't get transitional housing while on parole. As we work with individuals, we work on their reentry plan. Some include transitional housing. Some include that they're going to parole to families. Some people aren't qualify for transitional housing. So it just all depends on what's available and if their background, whatever conviction they may have isn't accepted at the transitional housing. There are some transitional houses, just like landlords, who don't take specific convictions. And so we battle with a lot of that.

HOLDCROFT: So do you-- what's-- what, what do you think is the percentage then of folks that are not getting parole-- transitional housing through parole?

JASMINE HARRIS: That I don't know. I would have to look at that and get for you.

HOLDCROFT: Thank you very much for being here.

JASMINE HARRIS: Yes.

BOSN: Any other questions? Thank you very much for being here.

JASMINE HARRIS: Thank you.

BOSN: Next proponent. Good afternoon.

SCOTT MERTZ: Good afternoon. Thank you. My name is Scott Mertz. That's S-c-o-t-t M-e-r-t-z. Director of Legal Aid Nebraska's Housing Justice Project. I come with over 15 years experience representing low-income

tenants in Nebraska. Want to thank Chairperson Bosn and the committee for providing me the opportunity to appear today in support of LB17. And I also want to thank Senator Cavanaugh for both introducing this bill and inviting Legal Aid of Nebraska to testify. I, I want to skip to the part of my remarks that just gets right to some firsthand experience that we have with tenants who are going to be impacted by this bill. What I anticipate-- expect on the opponent's side a lot of characterization about the kind of fees in their lease agreements and what is typical. And I want to cite some very specific examples regarding numbers of tenants that we've helped ju-- just in the last year. It's not uncommon for us at Legal Aid Nebraska to see clients with late fees amounting to \$10 a day, which can accumulate into 30% at least of their monthly rent before a case ever even escalates to a courtroom. We had one individual where the lease required her to pay a \$50 late fee on the fifth day of the month, but that was then followed by an escalation of \$11 a day subsequent to the \$50 fee. Another client had an automatic 10% penalty once late, but then that also followed with an additional \$20 a day accruing on her lease. In another instant, a lease imposed \$50 a day as a penalty. This results in a 100% increase in one's monthly rent by the time this matter reached court. These excessive and compounding fees trap tenants in a cycle of debt and increased the likelihood of eviction and homelessness. And in addition to late fees, we have clients forced to absorb additional costs even when they pay rent on time. One of our elderly clients had an initial lease transition to a month to month agreement-- the end of one year term. Unbeknownst to her, the transition triggered an additional \$300 a month, or a "month-to-month" fee. This amounted to a 40% increase in her rental obligation until she agreed to sign a new lease. This is an individual who's rent-burdened in the initial rental amount even before that fee is applied. So LB17 provides fairness. It provides reasonableness to our residential leases. It will not prohibit landlords from charging late fees or recouping out-of-pocket expenses. It ensures fees are applied in a fair, transparent, uniform manner. And for these reasons, Legal Aid of Nebraska supports LB17. I thank you for the opportunity today. And I'm happy to answer any questions from the committee.

BOSN: Thank you. Any questions of this testifier? Seeing none. Thank you for being here. Next proponent.

KEN SMITH: Good afternoon, Chairperson Bosn, members of the Judiciary Committee. My name is Ken Smith. That's spelled K-e-n S-m-i-t-h. I'm the Director of the Economic Justice Program at Nebraska Appleseed. I'm also here today on behalf of Collective Impact Lincoln, which is a

partnership between Appleseed and Civic Nebraska that works for better housing quality, more affordable housing, and fair rental practices for low-paid Lincolniters. We support LB17 because it ensures that tenants are informed about the actual cost of a rental and are not ambushed by hidden and predatory fees. LB17 prohibits hidden predatory fees while still permitting security deposits, returned check fees to cover actual costs, late fees, application fees, and fees for optional goods and services. It also caps late fees and provides requirements for application fees. In prohibiting predatory fees, LB17 recognizes the unequal bargaining power between landlords and tenants when they enter into a, a rental agreement. Tenants have-- often have no meaningful opportunity to make changes to the proposed agreement even if additional fees beyond rent are included. And importantly, LB17 also accounts for predatory fees that are not included in the lease agreement. The testifier before me gave some examples. Another example that we encountered during-- at eviction court during the COVID-19 pandemic was administrative fees that were charged and that were tacked on by landlords for alleged additional costs associated with the landlord collecting emergency rental assistance funds. In addition to administrative fees, we've seen tenants can find themselves required to pay facilities fees, fees for resident benefit packages, utility-related fees, convenience fees, insurance fees, high-risk fees, and just a myriad of additional fees, which the-- kind of the key point of this-- and I think the reason LB17 is so important is it takes what is now of this sort of labyrinth of fees that are often not transparent, not, not made apparent to the tenant and tries to remedy that. These fees can obscure the cost-- the actual cost of renting and lure tenants into unforeseen and undisclosed obligations. So because hidden, predatory fees like this are rampant in Nebraska's rental market, LB17 ensures that the actual cost of renting is clear. And for that reason, we support the bill. Happy to answer any questions you may have.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

KEN SMITH: Thank you.

BOSN: Next proponent. Last chance for proponents. Welcome.

BEATRIZ GARCIA: Hello. Thank you. Hello. My name is Beatriz Garcia, B-e-a-t-r-i-z G-a-r-c-i-a. As a person who was directly impacted by this, I kind of-- just want to say that I'm married to a felon, and we kind of had to settle for a home in north Omaha after being homeless

for quite amount of time. And-- I guess I'm just more speaking up for it because it was more of not knowing that, you know, there was resources and that there was help there for my husband, who is a felon. And we have five children that, you know, we were trying to house into, you know, a welcome, loving home. And I guess just hearing everybody kind of testify on behalf of it, I was directly impacted at one point in time with COVID because of my kids not being able to get daycare. So everything kind of just snowballed, in fact, into, you know, being evicted and being homeless and having to get up-- give up my children and, you know, do what's best for them. So I guess-- when I think about this, I think more of, like, the people that are in poverty that aren't aware that there is resources or that we have our backs up against the wall because there's felons that are coming out. And my husband, when he was reintroduced to, you know, getting out of incarceration, he was offered to go to a halfway house, but that, you know, affected our family, like, directly because we couldn't stay the night with him. We couldn't, you know, build that family rapport that we have now. And mind you, our house is, you know, in poverty. We live in north Omaha. And it, it's as good as it's going to get, but we made it a home. But it was just the fact of we were kind of forced to kind of make that decision without, like, having, you know, the assistance of knowing that there was RentWise or knowing that there was, you know, MACCH or whatever the case was to help with deposits and to help with things. Like, you go out to west Omaha and, you know, people were planning on, you know, unexpected expenses. They were given that privilege to have sick kids and be able to stay home from work with your husband. And, you know, it's just kind of a turmoil effect on, like, I guess, in a sense, poverty, because that did-- comes down to not knowing that-- you know, we weren't taught as younger people with being in the system or growing up, as my husband-- husband says, African American. And, you know, everybody-- he feels like, you know, everybody's against you, so you just kind of have to do what you have to do. So I guess in a sense, it's just-- boils down to, like, not knowing and-- yeah. That's pretty much it. Thank you.

BOSN: Well, let's see if there's any questions. Thank you very much for sharing your story. Are there any questions from the committee for this testifier? Thank you very much for being here. Oh, I'm sorry. I apologize. I didn't see your hand.

ROUNTREE: It's OK. [INAUDIBLE].

BOSN: Senator Rountree.

ROUNTREE: Thank you so much, Chairwoman Bosn. So as you have gone forward now, how did you become aware of the support agencies and the assistance that was available for you? I know I might have come a little bit too little, too late, but how did you become aware of that so we can get out front and ensure everybody else has that awareness?

BEATRIZ GARCIA: As unfortunate as it sounds, I got lucky. I went to go apply for rental assistance and to go apply for a deposit to help us get out of this predicament because-- I am very family-oriented, so all I wanted was to give my kids-- into one home and cook family dinners and put them and tuck them into bed at 8:00 at night, you know. I was very strict on being family-oriented, so I got lucky when I ran into a rental assistance, which was who I work for now, ironically. And they gave me the chance of, you know, you can work for-- a lot of people don't understand that-- I grew up in foster care, so it's just the fact that I wasn't taught how to build your credit at a young age. I wasn't taught how to cook family dinners. These are things that I had to teach myself, that I teach my husband out of being incarcerated because it's very triggering from, you know, going to survival to being in the comfort of your home and having a routine with your kids, because that's all foreign to us because we-- I got lucky and taught myself, you know what I'm saying? So it was just the fact of being in the right places, right time, and you get lucky. And not everybody gets lucky, you know what I'm saying? So it's just, I guess, the luck of the draw.

ROUNTREE: All right. Thank you. I appreciate it.

BOSN: Thank you. Any other questions? Thanks for being here.

BEATRIZ GARCIA: Thank you.

BOSN: Next proponent. Anyone else wishing to testify in support? If you guys want to make your way up so you're ready when it is your turn, that'd be awesome. Welcome.

AARON WEAVER: Welcome. I'd like to thank members of the committee for allowing me to testify here as a support for, for LB17. My name is Aaron Weaver, A-a-r-o-n W-e-a-v-e-r. And I'm the Executive Director of an organization in the metro area of Omaha called Reimagine. Reimagine specifically was created from folks who have experienced being homeless, experiencing that homelessness, and also from folks who have a lot of frontline experience working with folks who experience that homelessness and also housing instability. It's what we do every day,

is talk to folks who are unfortunately in a situation where they need help, even if it's just a one-time assistance to make sure that they're not going to be experiencing homelessness and entering the homelessness response system. And primarily what I want to talk about is we try to help people on a daily basis by offering financial support to be able to move into new housing or to stabilize the housing which they currently have. This can be very, very difficult to do when we are experiencing a situation where we have someone who-- we've just paid for their application fee, they're asked to then go see, go see the-- well, usually they're asked to go see the place first. Then they pay the application fee. We think that we're going to help them with an upfront deposit and first month's rent of \$650 or \$850. We get through this process. We're about ready to help them with that financial piece to make sure that they are stabilized and that they are safe with a roof over their head. And then the lease signing comes and we find out that there are fees for trash, there are fees for cleaning, there are fees for, you know, a multitude of different reasons. And then all of a sudden that rent goes from \$650 a month to they're actually paying \$975 a month. So we've just spent a lot of resources and time and, and man-hours to make sure that this person may be able to move into a place with a specific budget-- it's a fixed-income situation-- and then all of a sudden they're not able to afford that place. So we've wasted money on the application fee, which is nonrefundable. And then now we're in a situation where we have to do all of it over again and to try to find a place. Not asking for landlords to not charge these fees or to not get the things that they need out of their properties, but rather to just be transparent and upfront about what those costs are so that way we know who, who and where we can make sure that people are getting assistance. Thank you.

BOSN: Thank you very much. Any questions for this testifier? Senator Storer.

STORER: Thank you, Chairman Bosn. And thank you for coming today.

AARON WEAVER: Yeah. Thank you.

STORER: I just want to sort of clarify. And as I'm-- have read the bill and, and its intent versus what I'm hearing you say, what you're really asking for is just to know those fees upfront before you--

AARON WEAVER: Yeah. Just-- yeah.

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STORER: --before you enter in-- like you said, to put a deposit down and make the commitments to try and fill out the application, the time, all of that, [INAUDIBLE] deposit. Did that-- am I hearing you correctly?

AARON WEAVER: Yes. The, the transparency is one of the, the key points. And, you know, there's also a lot of inconsistency about how much someone's paying for those application fees, how much they're paying for the background checks. And so being able to have a consistency in that, as well as transparency upfront, helps from an organizational perspective to know the amount of dollars that we're needing for each person that we're trying to help.

STORER: Thank you.

BOSN: Just a clarification question. So if I go in to apply to stay at an apartment complex and I have to do a background check, can I then take a copy of that and take it to the next place if they deny me so that I don't have to pay for it twice, or no?

AARON WEAVER: You know, you would think that it would be a yes, but I've actually never heard of that situation. And maybe that's because we've never asked that question.

BOSN: OK.

AARON WEAVER: But as far as I know, it's a no. They're going to charge you for that same background check at each place.

BOSN: In case your criminal history changes from today to tomorrow?

AARON WEAVER: You never know.

BOSN: OK. Thank you for being here.

AARON WEAVER: Thank you.

BOSN: Yeah. Next proponent. Welcome.

ALICIA CHRISTENSEN: Hello. How are you?

BOSN: Good.

ALICIA CHRISTENSEN: Good afternoon. My name is Alicia Christensen, A-l-i-c-i-a C-h-r-i-s-t-e-n-s-e-n. And I'm here on behalf of Together, an organization dedicated to ensuring everyone has access to healthy

food and a safe, affordable home. I have a lot to say about this bill, because this is a really-- one that affects our mission a lot, but I think-- generally, we can all agree that everyone's better off when consumers are protected from unfair and deceptive treatment. And this is really a consumer protection bill. We support LB17 because it would provide consumer protections without overburdening landlords. We're not asking them not to charge the fees. And I think to clarify in your question, Senator Storer, that what we mean about being upfront, I think traditionally those-- trash fee or water fee or something that, in my experience, were incorporated into the rent and-- it has been kind of pieced out in an effort to-- I think sometimes rent goes up and it looks, you know, not as favorable in comparison, but I think it contributes to kind of race to the bottom, where people-- other landlords who want to be transparent can't because their rent doesn't look competitive when compared to a comparable unit. So you have a one-bedroom here that has all the fees included in your rent, and it's \$900. But you see this one here that's \$700. And you say, I'm going to obviously apply to that one. But by the time you go sign, sign the lease and everything like that, it's the same price as the one that you would have maybe wanted-- preferred in the first place. So what this would do is, for tenants and for people who assist tenants, would allow us to have that information upfront so we can make the best decision about what the household needs are and what place best fits those needs and what fits their budget appropriately. I thought about-- I, I think the-- I could anticipate maybe some arguments for the validity of lease provisions that create tenant responsibilities and then impose fines for not fulfilling them. And I think a lot of those are arguably unenforceable penalty clauses, but assuming even that they're legitimate as liquidated damages, those fines still remain problematic just because they're unilaterally imposed by a landlord in a non-negotiable lease. So a tenant might be on the hook for a \$25 charge for a noise complaint or \$150 for not turning in their move-in packet on time, but there's no sort of reciprocity in those kind of obligations and fines. Tenants are limited to statutory remedies-- remedies-- I don't know why I pronounced it like that-- and the outcomes are not necessarily desirable. And they have to go through court. And those are only available in limited circumstances, usually when the landlord's act or omission affects material affects health and safety. I think there's also some important provisions that address some of the tenant screening report accuracy pieces that you-- we talked about at the last landlord-tenant day. And they can prevent fraud and abuse. But I think-- there's a lot that I could say about this, so if you have any questions, please feel free

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to ask me. And I've given you some examples of some of those penalties that are in the lease and some-- just some information about application fees across the state and other states that have enacted similar provisions.

BOSN: Thank you. Any questions for this testifier? Thank you for being here.

ALICIA CHRISTENSEN: Thank you.

BOSN: Next proponent.

MINDY RUSH CHIPMAN: Good afternoon, Chairwoman Bosn and the Judiciary Committee. My name's Mindy Rush Chipman, M-i-n-d-y R-u-s-h C-h-i-p-m-a-n. I'm the Executive Director of the ACLU of Nebraska. And here in support of LB17. We all know housing is much more than housing. It encompasses all aspects of our life. And the reason that I'm here today testifying in support of LB17 is not only the housing justice aspect that ACLU cares about so deeply, but I also have significant experience representing both landlords and tenants. I'm a landlord myself. Been a tenant for many years. But I also have experience with fair housing discriminatory complaints that do sometimes encompass different treatment in the way that fees are assessed and collected and the transparency behind those fees. LB17 as we heard sets in stone some commonplace, good business practices. And I want to echo the prior testimony about, you know, why it is important to have consistency and transparency on those fees. But I also wanted to just highlight the fact that LB17 also requires landlords to provide prospective tenants a copy of their background check. So, Senator Bosn, I love the scenario that you outlined because oftentimes when tenants are denied-- their applications are denied for housing, they are left not knowing what the reason is. And so LB17 goes a step further. And the, the landlord who's denying the tenant's application will have to state the reason for that denial in writing. That is a invaluable asset for that tenant. And speaking from my experience investigating fair housing complaints, it's an invaluable asset to our local antidiscrimination agencies to know the reasons behind different treatment of tenants. Without protections like LB17, oftentimes our community members are experiencing housing discrimination, but there's no evidence, and it's very difficult to prove. We also know that in Nebraska and across the country that there is disparate treatment in the way that tenant-- prospective tenants of color are treated during the application process when they are searching for housing. Ultimately, for the commonsense practices and

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the ability to stop and-- identify and stop housing discrimination, ACLU of Nebraska supports LB17. We ask the committee to advance it to General File. And I would love to answer any questions that the committee might have from any of my perspectives.

BOSN: Thank you very much for your testimony. Questions? Senator DeBoer.

DeBOER: We're talking a lot about this transparency piece-- thank you for being here, by the way-- and I assume that what we're going to hear is that folks are already being transparent, that they're already telling everyone what their fees are. Do you have any evidence that that is not the case? Do you know?

MINDY RUSH CHIPMAN: So I would just have anecdotal evidence from my direct representation of tenants. So I had my own solo practice, so I primarily represented landlords in those situations, and you all know why-- because tenants who are facing eviction very rarely have the opportunity to pay for council to represent them. So you heard some fantastic attorneys already testifying about nonprofit representation. So the most of-- the most of my tenant representation is coming in the form of limited scope representation with the Tenant Assistance Project. And what that entails is lawyers volunteer their time to show up to eviction court, and they provide vital representation for tenants who are at risk of forced dis-- displacement or being evicted at, at the eviction hearing that day. And so in that limited scope re-- representation, the attorneys try to identify these issues and these defenses to the eviction. And through that identification, I have experienced a landlord having multiple tenants that they're trying to evict the same time the hearings are set at, you know, the same time, same day and the leases having different fees included in the lease, even though the leases were signed around the same period of time. I've experienced the inability for the tenant and the landlord to reach an agreement to allow the tenant and their family to stay in the home simply over late fees. You heard plenty of examples about how those late fees can be extremely exorbitant-- sometimes more than the past due rent. And the tenants had no idea that the fees were accumulating. Sometimes it is embedded in the lease terms. Sometimes it's not clear. And I think you heard Attorney Mertz talk about fees are duplicative often and a tenant has no idea that there's a daily fee and there's also a, a percentage fee regarding the late fees. And so the, the, the tenant oftentimes can get up to-- be current with their back rent, but the-- there's just an inability to pay this

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outrageous late fee, and that prevents the, the tenant and their family from staying in their home.

DeBOER: So I guess my question is-- you-- I think you kind of alluded to it, that there's maybe somewhere that the fees are listed but it's not in a way that's actually getting that information across to the tenants. Is that kind of--

MINDY RUSH CHIPMAN: If you're talking about late fees, that-- sometimes they are included in the lease. Even if they are included in the lease and spelled out, the tenants are oftentimes not understanding the trajectory of how those late fees build up and the additional charges that are associated with those late fees. Now, there's certainly been times where there are fees that were not listed out in the lease that are also added. They're found in the petition and other documents, but not in the lease.

DeBOER: How can they enforce a fee that wasn't in the rental agreement?

MINDY RUSH CHIPMAN: The-- so the limited scope representation at Tenant Assistance Project does not get into-- it's just the writ of restitution, and it just deals with whether or not the tenant can physically say-- stay in the unit. And so damages are assessed later. And oftentimes, because the tenants might not have the ability to pay the late fee, the landlord might not come back for the last hearing. But those hearings oftentimes have parties unrepresented.

DeBOER: I think I'm asking a different question. I'm asking, how could there be a fee that isn't in the contractual rental agreement?

MINDY RUSH CHIPMAN: There should not be, Senator DeBoer, but oftentimes there is not a fee in a lease that is included in a petition. Or during negotiation. So a lot of times the tenant's attorney tries to negotiate with the landlord or their attorney beforehand, and it comes down to a dollar amount a lot of times. And so there will be a lot of fees tacked on that the tenant had no idea. For example, oftentimes there is an eviction fee of \$300 to \$500 to thousands of dollars that was not included in the lease, and things of that nature. So I'm not speaking to the validity of that process, but I'm speaking to the real-life experience that tenants have no idea-- it was not included in the lease but it's being asked for in the negotiations. And I think the, the, the crux of that is the negotiation to keep the tenant in their home. There's a significant

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power imbalance, and the tenants oftentimes agree to fees that were not included in the lease and wouldn't be enforceable to collect. But the risk of being displaced from their home oftentimes encourages tenants to agree to pay fees that they would not be forced to pay by the court.

DeBOER: OK.

BOSN: Thank you for that explanation. Any other questions of this testifier? Thank you. That was very informative.

MINDY RUSH CHIPMAN: Thank you.

BOSN: I appreciate your time.

MINDY RUSH CHIPMAN: Thank you so much.

BOSN: Next proponent. Welcome.

SUMMER LEWIS: Hello.

BOSN: Hi.

SUMMER LEWIS: Good afternoon, members of the Judiciary Committee. Thank you for the opportunity to testify today. And I thank Senator Cavanaugh for bringing this bill forward. My name is Summer Lewis, S-u-m-m-e-r L-e-w-i-s. And I bring a unique perspective to housing issues informed by both professional experience and lived experience. I am currently working directly with individuals facing housing instability in Omaha, Nebraska for Together Omaha. I help community members apply for Threshold rental assistance, the rental assistance program that was mentioned earlier. The last little bit of funding from COVID. My professional background also includes five years having worked with Seldin Company in affordable housing property management. I was able to manage on ten different sites across Omaha. And I also have personally experienced eviction in 2021. All of my experience, both professionally and personally, has made plain the challenges facing tenants: the vital role landlords play and the urgent need for greater transparency and fairness in rental practices. I am very grateful to serve the Omaha community at the Housing Stability Clinic off of Leavenworth Street. Working directly with the public, I meet anywhere between five to eight people a day. And I take a look over ledgers. I review their income. And with alarming frequency, I see ledgers where there are charges not supported anywhere in any lease documents, addendums. I'll help the tenant call the landlord, dispute

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the charges. Sometimes I am able to talk them into taking it off, especially having the carrot of rental assistance. Sometimes I'm not. And I've seen tenants get charged for normal wear and tear items. I've seen them get charged water, sewer, trash, billed 30 days retroactively, get charged fees for admin fees, landlord liability, seven-day notice [INAUDIBLE]. And there's really no way for these tenants. They don't have much recourse other than somebody like me who's going to reach out to the landlord. They don't have the time to, to fight this. So oftentimes they just end up paying it instead. LB17's sensible interventions would ensure tenants have accurate rental cost information, enabling informed housing choices, and would just offer greater consumer protections for tenants in general. I'm also very-- I also did want to speak about the, the credit reporting and the transparency regarding that. Having worked in leasing for affordable property management, we could only charge what it cost us to run the screening. I think it was \$17.50 two or three years ago per adult. But often we would not dis-- you know. We don't give them a copy. If they are denied for credit, they are denied for credit. If they're denied for criminal, we tell them, you're denied for credit, just to avoid any pushback.

BOSN: Thank you very much for your testimony. Any questions for this testifier? Senator Holdcroft.

HOLDCROFT: Thank you, Chairman Bosn. Did you say that you were evicted?

SUMMER LEWIS: Yes, sir. I was in 2021.

SUMMER LEWIS: 2021. What was the reason for the eviction?

SUMMER LEWIS: Lots of things. COVID, certainly. Had really put my husband and I under a lot of stress. We went through a separation. I lost my work to take care of my health. And I couldn't pay for my home, so I was evicted. And also, my landlord had charged-- they told me I had, had to have MUD on in my name, but then towards the end there, they said it was actually supposed to be Black Hills Energy for gas the whole time, and they charged me \$500 for it. And that was on my ledger when I was evicted. And I had no way to dispute that because I had no way to pay the rest of it. So I was evicted.

HOLDCROFT: All right. Thank you.

SUMMER LEWIS: [INAUDIBLE] answers. Yeah.

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BOSN: Thank you for sharing your story. Any other questions for this testifier? Senator Rountree.

ROUNTREE: Thank you, Chairwoman Bosn. I appreciate your testimony today and walking with you. Back to-- and this may be for somebody that's going to come after you-- but when we look at running that background check, credit reports, is there within the rental leasing-- I'm going to say complex-- for whatever repository they go to-- is there something that could be there for a period of time-- let's say I need to apply to multiple places, but if I go to this apartment complex, they run, the credit report is there. I get denied. But if I applied with this particular complex in the next five, six days that they can go-- it doesn't cost me anything but the report is still there. Is there anything that everybody can look at the same--

SUMMER LEWIS: Oh, no.

ROUNTREE: Nothing [INAUDIBLE] something like that?

SUMMER LEWIS: No, no, no. Properties and various property management companies use a variety of different softwares to run those reports. Those softwares can come back with, like, a bunch of different results, something-- and varying results at that. Some properties just-- who gets accepted? You know, they could have a credit score of 550. They could have a credit score of 700. It depends per property. But even within, like, one-- Seldin Company, you had to pay a separate application fee per property that you applied at. And depending on where you're applying, that could be, you know-- affordable property is \$17.50 per adult and a market rate could be \$150 admin fee plus \$50 per adult.

ROUNTREE: Thank you.

SUMMER LEWIS: Yes.

BOSN: Any other questions? Thank you for being here.

SUMMER LEWIS: Yeah. Thank you.

BOSN: Next proponent. We'll move on to opponents. Is there anyone here who wishes-- are you a proponent?

CLARICE DOMBECK: Proponent.

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BOSN: OK. No, no. You're all right. Come on up. If there are other proponents, if you want to make your way up just so I don't do that again. Thank you for being here.

CLARICE DOMBECK: Yeah. Thank you. Good afternoon, Chair Bosn and members of the committee. My name is Clarice Dombeck, and I'm the Senior Campaign Organizer for the Redress Movement in Omaha. The Redress Movement is a nonprofit organization that partners with communities across the country to remediate racial segregation. We work to repair the harm that the federal government, the state of Nebraska, local governments, and many in the real estate industry cause through intentional efforts to discriminate against black people and other people of color. Those discriminatory policies created the huge racial homeownership gap that still exists today and explains why 68% of black Omahans are renters compared to 37% of their white counterparts. The very least thing we could do now is bring some stability and fairness to renting in our state so that households who rent are not nicked-and-dimed by hidden fees and can actually save towards a down payment. These basic protections ensure that fees can only be used to cover actual cost rather than become income-- rather than become an entire income stream for landlords. I hope you will support LB17 and begin to repair the harms of our past and create a more stable and equitable future for everyone. Thank you.

BOSN: Before you go, could I have you spell your first and last name for the record?

CLARICE DOMBECK: Oh, yeah. Clarice, C-l-a-r-i-c-e; Dombeck, D-o-m-b-e-c-k.

BOSN: Thank you. Now let's see if there's any questions from the committee. Seeing none. Thank you very much for being here. Any other proponents? All right. Anyone wishing to testify in opposition to this bill?

PIERCE CARPENTER: Yeah, I, I have a handout. This is a little bit confusing. I'm an individual. And, and I have my--

BOSN: Can I have you sit down so we can get you on the mic so we can transcribe you?

PIERCE CARPENTER: I'm an individual, but I actually have a handout from Lynn Fisher who runs the State Property Owners Association.

BOSN: OK.

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PIERCE CARPENTER: So my name is--

BOSN: Can I have you state and spell-- yeah. Sorry.

PIERCE CARPENTER: My name is Pierce Carpenter. I'm at 4832 South-- or, 4832 Farnam in Omaha, Nebraska. And I'm actually one of John's constituents, although he-- don't believe he's representing me today. But I will read some of this. And then when we get to-- the red light, I have one minute left or--

BOSN: Yellow you have one minute left.

PIERCE CARPENTER: OK. When I get to the red light, I'm going to start paraphrasing with my opinions, but I'm going to read Lynn's stuff here. The first paragraph just basically says that government regulations are 35% of the cost of renting. And I'm-- he has it on every one of his documents, so I'm not going to read that. OK. We oppo-- we are opposed to LB17. LB17 is a special harm to rental housing providers. First is it limits late rent fees to \$50, which is a ridiculously low amount. The point of a late fee is to incentivize renters to pay on time. The renters who don't pay on time-- the renters who pay on time benefit from building a good rental history and can get them preferential treatment in renting and buying a home in the future. If this limit on late fees were to become law, rents would most certainly have to increase immediately. Some tenants would consider a \$50 late fee a way to not pay rent-- some later date and treat it like a payday loan, which-- I've experienced that. That's factual. Regarding the processing of applications and application fees, rental housing providers must be free to choose the most qualified applicant in order to reduce risk of lost rents and assure steady income. We always consider multiple applications as a group and choose the most qualified applicant and give them first choice for the unit being offered. If the second applicant-- second-place applicant is qualified as well then, we try to place them in another available unit, and so on. The application not only covers the cost of a consumer credit report but also the time it takes to gather the full picture of an applicant's rental history. So there's a lot more work than just getting a report. Of course, if we already have a commit-- to rent to a vacant unit to a previous applicant, then we give the new applicant the choice of a refund to apply for another unit. We already send adverse letter to applicants who are declined. We understand this is already a law. Some points by the members of-- this is SPOA. Definition of fees is very broad-- includes charges, reimbursements, and any remuneration however denominated. So penalties under the lease

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would be included. We use penalties in our lease to assist in making sure all tenants have peaceful enjoyment of the leasehold. For example, we rarely ever charge a tenant a noise fee. Allowing such a fee in the lease being able to threaten a tenant who is repeatedly making noise that disturbs others should be allowed. There are significant labor costs incurred when the tenant pays rent with a check that fails to clear and the tenant is screened after the tenant applies. There is no good reason these labor costs should not be paid for by the tenant. OK. I'm going to impart some of my own opinions, but the document is free for you folks to read. My experience and from talking to the--

BOSN: I'm going to have you wrap it up there since the red light is on. Let's see if there's any questions for you. Because we-- we'll, we'll read this for sure, but let's see if there's any questions before you go, OK? Any questions for this testifier? None? OK. Thank you very much for being here.

PIERCE CARPENTER: I was going to make some of my own comments beyond what was written in the document.

BOSN: Well, we've got to, got to keep the trains moving. I--

PIERCE CARPENTER: Is-- the red light is the end of it then?

BOSN: Yeah. Yep.

PIERCE CARPENTER: Oh, I thought you said I had a minute. I'm sorry.

BOSN: Nope. The yellow is when you have a minute. Sorry.

PIERCE CARPENTER: Thank you for listening.

BOSN: You're welcome. Yes. Thank you for being here. Next opponent. Please. Welcome.

TARA HOLTERHAUS: Good afternoon, Chairmember Bosn. My name is Tara Holterhaus, T-a-r-a H-o-l-t-e-r-h-a-u-s. I am here today on behalf of the Apartment Association of Nebraska and the Nebraska Association of Commercial Property Owners. Together, these associations' members include more than 436 apartment communities, more than 67,000 apartment units, and over 95 owner or management companies. I'm also here as a private practice attorney who specializes in real estate, specifically the multifamily housing industry. Every year, property owners and landlords come down here to oppose nearly a dozen new bills

that are introduced, some of which repeat year over year. For the most part, the landlord-tenant bills almost always seek to implement new regulations and requirements for landlords. Nearly every bill that imposes new regulations and requirements increases operating costs for housing providers. When these operating costs are increased, rent must also increase. And of course, the primary question we face when we come down here is, how can we have more affordable housing? Simply put, we cannot do that if all-- if every year our operating costs are increasing based on new regulations. LB17 will limit rent fees and other administrative or utility fees under the lease agreement with what appears to be zero justification for doing so. It also limits a landlord on charging or processing fees for rental applications. I want to kind of debunk some of what was currently-- or, previously testified to. In terms of giving tenants a reason for a denial, the Fair Credit Reporting Act, the FCRA, already requires that an adverse action report be given to a tenant who is denied on their rental application. And our clients, which you'll hear more from, are already providing an adverse action letter to tenants if they're being denied. Specifically, this bill would require that the landlord give the tenant a copy of their credit report, which our client cannot do because they're a third party that is pulling that report. And that report would need to come from the credit bureau themselves. So there's some logistical problems about how a third-party property management company is required to pull a report on their own and then provide a copy of that to the tenant. With respect to fees, any fees that are going to be charged to a tenant must be outlined in the lease agreement. Just like a property owner, in any housing situation, you have a mortgage. That is your baseline cost of the housing. But in addition, you must pay additional housing expenses like utilities, taxes, insurance, trash, maintenance, repair, lawn care, snow removal. The same is true in this situation. All of our lease agreements outline what the late fees are going to be. There are utility services addendums which identify the utility services and other charges that are co-- costing under the lease agreement. For various reasons, sometimes those utility charges are not specified directly in the lease agreement because there are certain formulations for how you can bill back utilities in a multifamily housing complex-- I see I'm out of time. I'm happy to provide more information on any of that if there any questions.

BOSN: Thank you. Let's see if there's questions. Senator Rountree.

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ROUNTREE: Thank you, Chairman Bosn. And thank you for your testimony. If you could go ahead and finish quickly, then I have an-- a question for you, a couple of questions.

TARA HOLTERHAUS: So some-- certain fees, like utilities, or electricity, sewer, gas, water, certain utilities may outline a specified monthly payment amount in the lease. They may also say something to the effect of a prorated amount based on square footage and occupants. And that's based on a-- what's called a RUBS formula. And I did have to bring my phone up here because I always forget what it-- this stands for. But it's a ratio utility billing system for utilities. So it, it-- you take a total utility bill for an entire apartment complex and you bill by a factor based on square footage and number of occupants within a unit. So if the total utility bill for a, a, a large property-- the property then takes how many occupants you have and square feet per unit and charges something like \$10 to \$15 for that unit for water. So it's, it's a-- formulaic in the sense that it is 30 days postdated because, you know, you get your bill and then you have to go through this formula to charge it back to the tenant. So certain fees are specifically outlined in a lease agreement. Other fees, when they're based on a formula, state that in the lease. But again it still has to be within the lease agreement that allows a tenant-- or, allows a landlord to charge that cost back to the tenant.

BOSN: Any questions?

ROUNTREE: Yes, ma'am. Thank you. So in the case when you're using RUBS, you can be very frugal but still yet pay a lot more than what you're using depending upon the totality of the space, numbers and so forth. You would think that it will equal out, but if you're a frugal person maybe not using a lot of the utilities, you could still end up paying for more than you have. So that's, that's fine on that particular one. And--

TARA HOLTERHAUS: It's a possibility that you could be. But again, you're-- you know that upfront when you're signing your lease agreement. So this, this big question about transparency-- are lease agreements sometimes long? Of course. Are they sometimes filled with what might be looking like unnecessary language? Of course. But the-- this whole idea of there's no transparency in fees is not the case. It's in the lease. A tenant has to read the lease.

ROUNTREE: So in a case then I'm going to come in and apply one of your properties. I'm going to go through the background check. Is there a

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possibility-- is it online or would I be able to get a copy of the lease so I can read through that for the property that I'm applying for? Does a tenant have that full knowledge?

TARA HOLTERHAUS: Of course. The tenant always has a copy of their lease, whether it's through the property's digital platform-- oftentimes that is the case nowadays, is that there's a digital portal that they can log into to see their documents, like their lease. But if they were to request a physical copy of their lease, of course. I, I don't see any reason why landlords are withholding that information from the tenant. And at the very least, a tenant is signing their lease at the beginning of their tenancy.

ROUNTREE: OK. So I'm not talking about a signed lease, but a lease for that property. Let's say there's a unit that has \$1,500 a month. Would I be able to pull a lease down-- that's an example-- and also what those fees would be for that particular unit? Because some of those would be known fees.

TARA HOLTERHAUS: I don't know the answer to that question. I'm sure that there will be folks who are on the operations side who might have a better idea of how that works in operations.

ROUNTREE: Because, I mean, that's part of that transparency as well. If we can see that and know that this is how it's going to be, water and-- these things are not included in that, and here's what an average based upon your RUBS. You could put some of those out there and a person could have an idea about what those might be.

TARA HOLTERHAUS: When we're talking about water, sewer, utilities, these are additional charges in the amount of, like-- some of them as low as \$2.50 a month for sewer charges, up to, like, \$15 for some of those utilities. And they are each their own line item on a ledger. But in terms of transparency, if-- this bill does more than provide transparency. It, it seeks to regulate and limit. And if we just want transparency, why not something that requires a cover sheet of all charges? I mean, this does way more than require transparency. This limits to hard costs, which we all know is not the real limit because we have labor, time. We have overhead expenses. There is way more than hard costs that landlords are-- and property owners are paying to do these things. So if we just want transparency, this doesn't do it.

ROUNTREE: All right. Thank you so much. Mm-hmm.

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BOSN: Any other questions? Thank you for being here. Oh, I'm sorry.

STORER: Sorry.

BOSN: I didn't see your hand.

STORER: I was slow. Thank you, Chairman. And thank you. I, I'm just going to follow up a little bit on Senator Rountree's questions. So the-- a lot of-- it's become fairly commonplace I think that a tenant or a applicant has to pay an application fee. Is that generally refundable no matter whether that tenant is approved or not? Or is that a non--

TARA HOLTERHAUS: It is generally nonrefundable, at least for the folks that I represent. And the reason for that is the property owners utilize screening services and, you know, have relationships with credit bureaus to pull those reports. Every time they enter a tenant's personal identifying information to pull those reports, they are incurring the hard costs associated with that software in addition to the labor costs and time for doing so. So again, it's not just about limiting it to hard costs, but they are nonrefundable specifically because, you know, it's not as simple to go to another property managed by the same company, because ownerships are different. So this owner is experiencing additional hard costs by pulling the same information that this owner just experienced by pulling the same information.

STORER: Thank you. No-- I guess-- so to follow up on that. So it's nonrefundable. What I was hearing expressed before about the transparency issue was access to a total of all fees that would be charged prior to submitting an application fee. Is that--

TARA HOLTERHAUS: My understanding is that is fully transparent. And, and-- now, of course, there are good landlords and not good. And I think that 95% of all landlords are good and providing transparent information of a total application fee of \$95, which is nonrefundable, and then it doesn't exceed that amount.

STORER: Right.

TARA HOLTERHAUS: So I think it is transparent.

STORER: Right. Not so much what the cost of the, the application fee is, but that they have access to know a total of rent plus any

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additional fees that would be charged, so that they can know that prior to applying and submitting their application.

TARA HOLTERHAUS: I, I'm going to refer to some folks with the operations side-- again, because I'm not sure how that works logistically if prior to submitting an application somebody has an opportunity to see a sample lease, let's say, to see if they even want to apply.

STORER: OK. Thank you.

TARA HOLTERHAUS: I think there will be somebody who can provide that information.

STORER: Thank you.

TARA HOLTERHAUS: OK.

BOSN: Thank you for being here.

TARA HOLTERHAUS: Thank you.

BOSN: Next opponent. I appreciate that you're all very ready. Noted. We'll go one, two, three [INAUDIBLE].

DENNIS TIERNEY: Good afternoon, senators. My name is Dennis, D-e-n-n-i-s; Tierney, T-i-e-r-n-e-y. Senators, LB17 is rife with problems. Senator Cavanaugh ha-- would have us revert 30 years in how we run our business by demanding multiple times the provision of the bill be in writing. Rental agreement has to be in writing. The cost of optional goods and services has to be in writing. The total cost of rent has to be in writing. The reason for denial of adverse action on an application has to be in writing. All of this at a time when we're trying to bring landlord-tenant communications into the 21st century via LB185, allowing optional electronic agreements and, and, and notifications between landlords and tenants. Senator Cavanaugh would ha-- have landlords handcuffed in their decisions about to whom they would rent by only allowing landlords to decide one at a time to whom they will rent. Many time, landlords have several prospective tenants that they want to look at-- them side by side rather than one at a time in order to determine who best fits the property. That would be like telling an employer they have to consider prospective applicants for a job one at a time rather than putting them side by side to see who best fits their company. It's an unreasonable regulation that impairs a landlord's ability to run their business. I, I gave them a,

a, a list of the states that regulate fees. It-- for you guys to have. But there are currently 18 states and the District of Columbia that regulate late fees for all businesses. 32 states, including Nebraska, have no late fees for all-- for businesses. Senator Cavanaugh would have you restrict a landlord's business by placing a regulation on late fees that a landlord and only a landlord could charge on the business and leaves out all other Nebraska businesses. Why is he singling out landlords for this abuse? Why doesn't he include all other Nebraska businesses with this overregulation of their business? In addition, the low late fee-- placing-- places no incentive for tenants to get their rent in on time. Senators, please reject LB17. Thank you.

BOSN: Thank you very much for being here. Are there any questions for this testifier? Senator DeBoer.

DeBOER: Thank you. Thanks for being here. So-- I'm sorry. Are you saying that you do a lot of this now electronically? You don't even-- I used to rent apartments years ago, and, you know, we had to sit down. And they had-- I had to go through it, then they signed it, and I gave them the next paper and they signed it. Are you saying that that doesn't happen anymore, now it's electronic?

DENNIS TIERNEY: We-- a lot of, of the rental agreements are sent out electronically to the tenants, yes. And, and that's why we want LB185 to go through because it brings us up to the 21st century. So yeah, a lot of management companies do have all their rental agreements electronically.

DeBOER: So in that instance, does the-- whoever the landlord designates, the landlord himself or herself or the, the person who works for them, do they not sit down with the person and kind of go through everything? I remember that was always a-- when we had a lease signing, it took a while and you sat down with them and you explained this and that and the other thing. Does that not happen anymore?

DENNIS TIERNEY: Explain to the tenant, you mean, when they put in the application?

DeBOER: No, when they-- when they're signing their lease.

DENNIS TIERNEY: I think we're on the phone with them all the time. I mean, you may do it electronically, you know, to, to do the actual signing electronically, but, you know, there any questions or problems

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or considerations, they are-- they can always-- they're always talking on the phone or texting back and forth.

DeBOER: It's changed a lot since, since I did it in, like, 2000, so.

DENNIS TIERNEY: We said we want to be in the 21st century now.

DeBOER: If this were just a bill that said-- or, the portion of the bill that's really aimed at transparency that says you have to have an itemized, this is what everything's going to cost-- here's everything from the late fee to the eviction fee to the dog fee to the, the whatever, all the, you know, whatever the costs are-- and you put it on a piece of paper-- I know, at least back in those days, you used to have to hand multiple pieces of paper so that they sort of went through and signed everything. If this were a bill that said all the upfront cost-- all the costs on one sheet of paper-- or two if it takes it-- would, would you object to that? Is that something--

DENNIS TIERNEY: Absolutely not. I mean, it, it's silly for a landlord to try to rent to somebody and find out that their fees will, will take them over their limit on, on what they would, would be able to pay. You know, it's a waste of a landlord's time and the tenant's time if the tenant doesn't know how much it, it's going to cost. You, you have to be upfront and transparent with them as to how much the total cost is going to be. Otherwise, you know, they, they end up being evicted because they can't afford to, to be there in the first place. And so it'd be silly for the landlord to waste their time--

DeBOER: So you wouldn't--

DENNIS TIERNEY: --without being transparent.

DeBOER: You wouldn't object to something that would require you to, upon application, give the full sort of "this is what this unit will cost" kind of sheet to them? That wouldn't, that wouldn't be a problem for you? I'm just trying to--

DENNIS TIERNEY: Not at all.

DeBOER: OK. Good. Good to know. All right. Thank you for your answers to my questions.

DENNIS TIERNEY: OK.

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BOSN: I have a quick question for you, though, before you go, if you're, if you're willing. OK. So on this handout that you-- oh. On this handout that you just provided us on the back--

DENNIS TIERNEY: Yeah.

BOSN: --it gives some recommendations-- this must be a landlord's website that you found this on because it gives some recommendations for landlords saying you should do these things: transparency in contract agreements, invoice notifications, reminder communications. Are you doing those?

DENNIS TIERNEY: Sure.

BOSN: OK. All right. That's-- sounds great. Thank you. Next opponent. Are you OK?

BEN MURASKIN: Yeah. I'm OK.

BOSN: Welcome.

BEN MURASKIN: Thank you, Chair and committee members. My name is Ben Muraskin, M-u-r-a-s-k-i-n. And I am the owner operator of Nebraska Lifestyles. We manage single-family homes in Omaha, Nebraska. I am here to oppose LB17. I think some of the comments that were just made I think were, were good. I will say that almost-- I, I, I, I don't know of anybody in this business that will not allow a tenant to take a look at a lease before they sign. It's just standard. If they request it, it's available. They have it, obviously, to read before they sign it. What-- you can get it before you apply if you ask for it. So I don't know of anybody, but I'm not saying it's impossible. But you can ask for it. I would also say that the late fees again-- we manage homes that rent for \$3,000 to \$4,000 a month. So a \$50 late fee is not much of a disincentive to not pay your rent timely. And what happens when you have people not paying their rent on time? Well, people would-- the home-- the homeow-- the property owner has obligations too. Now they're going to be late on their mortgage. And you just have a system that spirals pretty badly out of control. So having policies incentivizing prompt payment I think is a good thing. And I-- any kind of cap on late fees I think doesn't really make a lot of sense. I understand there may be landlords out there who charge, you know, a, a, a, a late fee and then \$10 every day and so forth. That is out there. I have seen that. But tenants have so many options out there in terms of there's so many different leases and different

landlords and, and property managers. If you're not happy with the lease that you review, go someplace else. So again, I don't think there's-- I've heard a lot about unfair and imbalanced leverage out there. I mean, nobody's forcing anybody to enter into a lease today, you, you know. Most people, the vast majority of people have lots of options. There may be some that, that don't, but most do. I would also say there's, in this bill, a lot of things about fees that don't make sense. Prohibitions on fees. There are all kinds of fees out there. And I'll just give you a few examples. We have a property that has five units but one water meter. So the way it works is the owner of the property pays for the water bill and then has to request a payment from a tenant to, to cover their share. This bill says you have to give a tenant the ability to opt out of any kind of optional fee like that. I mean, does it make sense to have a system where the tenant can say, I don't want to pay my water bill? I mean, it's the only way it can be done. You have five units and one meter. So the tenants can't pay their own water bill. The owner has to pay it, and then the tenants would then reimburse the owner. This bill would not allow for that. I would also say-- a lot I've heard on application fees and, and NSF fees. Again, the direct costs are allowed in this bill, but direct costs today are a very small portion of what we incur any time somebody applies or any time somebody bounces a check. So--

BOSN: I'm going to have to ask you to kind of wrap up your final thought there.

BEN MURASKIN: Yeah. So that, that's-- again, I would say, you know-- I've heard people say we were allowing in this bill actual cost. That's not the fact. Today, the actual costs are a lot higher than that.

BOSN: Thank you. Let's see if there's any questions from the committee. Senator DeBoer, followed by Senator Rountree.

DeBOER: Thank you. Let me talk to you about what you were just talking about there with the direct costs. Is that maybe the wrong term? Is there a better term that would, would aptly describe the cost that you're actually incurring in providing whatever particular service the fee purports to provide?

BEN MURASKIN: Yeah. So in the case of, of NSF, that's when somebody pays and then their, their payment doesn't clear because they didn't have enough money or some other reason, right?

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DeBOER: Sure.

BEN MURASKIN: And the costs that we incur-- there is a lot of labor involved in trying to collect that. It's mostly labor. So what we do and most people do is they estimate, you know, kind of what does it cost on average to deal with that. And that's what we charge, if that makes any sense. And--

DeBOER: So-- because the labor would be the folks in the office, let's say.

BEN MURASKIN: Correct. Yeah. It's basically, it's basically time that people-- and, and, and there's also-- if, if, if your check didn't clear, there's usually a fee associated with that at your bank or, you know, where you're-- where, where the money was being deposited. So it's, it's a, it's a direct-- I call it the direct cost. And then there is the indirect or overhead type costs that go into it. But a lot of times today the labor and the, and the overhead are a lot more than the direct costs.

DeBOER: If we could find a way to capture that concept and say you can only recover reasonably associated costs or whatever the term is, if we could capture that concept-- which I'm not at all confident we can, but let's say we can.

BEN MURASKIN: Yeah.

DeBOER: If we could do that, would you object to having a cap of whatever that was, reasonably associated costs or something like that?

BEN MURASKIN: Yeah. So that's a good question. When I, when I saw this bill, I, I started looking out there to try to find, you know, where else are-- is government trying to sort of limit the costs of things. And I would say there are some examples, but there's not many. Like, you know--

DeBOER: That's the entire TNT Committee, I will tell you. The Transportation and Telecommunications Committee, which I and Senator Bosn and Senator Storer also serve on--

BEN MURASKIN: Yeah.

DeBOER: --that is-- most of that committee is where the government says, OK. You have to be sort of within a horizon of this area.

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BEN MURASKIN: And I think that's what I found. Like in the banking industry, for example--

DeBOER: Sure.

BEN MURASKIN: --they talk about overdraft fees and things like that, right? And-- but they do-- they, they talk about it in the terms of an estimate to cover your costs, all of your costs, OK? And I know they may not be right or perfect on it, but at least they're attempting. In this case, this bill is saying, no, we're not even going to make that attempt. We're just going to say, this is, this is the-- what we're going to do is the direct cost. And again, that's a very small part of the overall cost today. And so it's essentially asking us to perform a service at below cost. And nobody's going to like that.

DeBOER: Yeah. If we could get that part corrected and it now said on all of your-- all the fees that they talk about, whatever the term is, actual costs, appropriate costs, whatever, something like that, would you be more comfortable with his bill then? Would that take away your objection?

BEN MURASKIN: I mean, that would help. There's a lot of problems with this bill. And I would say the, the question previously was if, if-- you had a question about late fees, I think-- or, no, no. Transparency. The question about transparency. If, if we're-- you know, if you required a, you know, a piece of paper-- we try to do that. I mean, we try to make sure every tenant knows what they're getting into. And so I wouldn't have any objection to that. Obviously, you know, more regulation, I'm never happy with that, but, I mean, that's a fair and reasonable approach to making sure people aren't surprised. We try to do that already. Same thing here. I mean, if you're trying to get to the reasonable cost of this-- pretty hard to do. And everybody's is different. My labor costs, for example, are going to be different than the next guy's. The, the industry is so decentralized that, that-- I go to get my credit information and my criminal information from somebody, but somebody goes someplace else and so their costs are going to be different than my costs. And so it's not going to be that easy to figure that out, but that is obviously a better approach.

DeBOER: OK. Thank you. You've been helpful.

BEN MURASKIN: You're welcome.

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BOSN: Any other-- oh. Senator Rountree. Sorry.

ROUNTREE: Thank you so much, Chairman Bosn. And, and thank you for that. That's been helpful as well. So I'm going to put you at a little bit of a disadvantage here. I'm going to read something that came in to me. But since we have all the experts here, so if everybody will listen. There's going to be a couple of things. I'm gonna ask about AppFolio. I didn't get a chance to ask the prior gentleman about AppFolio-- I read down. So if anybody wants to talk about AppFolio, we can come back. But this statement came in to me this morning, and it said-- we recently had a family that came to us asking for assistance with an application fee in an area in my district that was close to \$400-- was the application fee. And if the apartment complex did not approve them, they will only get back the \$140 application fee and lose the \$260 in processing fees. It seemed to be really kind of high for what I've heard everyone talk about. So I said, I'm putting you at a disadvantage, but I wanted to state that-- is that normal for those, those amounts? Is that normal for us across the business? Now, I know you can have a \$5,000 a month home that this might be for, but if it's an apartment, is this a normal type thing? And this is what we see as far as that. And plus another part of this was adding a 10% charge to the balance that was due. So if one month rent is \$1,200 and is late, then you have a late fee assessed of \$120. And if they can't pay that, then the next month is \$1,320, plus that month's \$1,200, so they start to charge a fee of \$252 on that. So these are just industry processes and amounts that I'm asking about.

BEN MURASKIN: So, so-- again, I think the question is everybody's lease is different, so, so I can't answer the specifics of this situation without understanding what that lease said.

ROUNTREE: Right.

BEN MURASKIN: But let me just say App-- AppFolio, we set our own-- we set our own application fees, and everybody else does. I use AppFolio, for example. So I, I go to AppFolio and AppFolio charges me a certain amount of money for the direct costs-- the, the actual credit information, the criminal information, and so forth. OK? I then look at that and I say, OK, how much time does it take, you know, my people to sort of do this process? And there's a lot of time that goes into, you know, getting applications to a lease-- some more than others. Just depends on the tenant. But, but I think your question was the amount of the application fee. So, so I'm just going to-- you know, mine currently today is \$65 per adult. I don't know how many adults

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were in this situation, but \$400 for an application fee sounded high to me. OK. It's \$65-- for a single-family home, it's \$65 per adult that's going to be living in the home. But sometimes you may have, you know, a four-bedroom home and four adults. And so it could be, you know, \$260. And I don't know if that answers your question, but, but I would also say that once-- the, the, the application fee is all-- is nonrefundable. Once they, once they give it to me and I pull the trigger and I say, give me credit reports, OK, I don't give back any application fee. The, the, the one thing I will say-- and I think there was a question about it earlier-- was, can somebody then go to the-- my competitor across the street and bring that-- you know, the results of their application to them and, and, and then not have to pay it again? And we're all going to different providers. But one-- what I will say-- and I do know in the industry is not uncommon-- is, for example, if someone comes in and they're denied, I will-- or they don't get chosen, I will let them use that same application fee to pick any other house or any other property that I have available in the next 60 days. So they don't have to-- they don't have to be charged again if they wanted to find something that I have. Does that make sense?

ROUNTREE: It makes all the sense. That makes sense. Especially for the number of adults. That makes sense. And those things will be known. And finally, as I close this-- this is the last thing-- just personal experience. I cosigned with another individual for a rental property down in my district as well. \$65. \$65. Three weeks, four telephone follow-ups-- it's on the supervisor's desk. It's on the supervisor's desk. And I say, great. So I went ahead and called my credit card. No service is provided. \$65 back. They called. \$65 back. And then the phone call comes. Oh, we're sorry. So. But I appreciate you. Thanks so much for the information.

BEN MURASKIN: Thank you so much. Thank you.

BOSN: Any other questions for this testifier? Thank you for being here.

BEN MURASKIN: Thank you.

BOSN: Next opponent.

KYLE HANTEN: I had some documents. It's actually from AppFolio, if that helps. It was an adverse action, but [INAUDIBLE]. Yeah. Hello. First and foremost, I'd like to thank the committee for allowing me to

speaking. My name is Kyle Hanten, K-y-l-e H-a-n-t-e-n. And I'm here representing NP Dodge Management Company, opposing LB17. We provide homes for nearly 4,000 families, multifamily, in which a quarter of our portfolio is dedicated to low-income or government assistance. And I am boots-on-the-ground leasing, managing. I'm currently a regional manager, so I'd be happy to answer any of your operational questions. I'd like to touch on the application process. First and foremost, depending on how we receive the application-- if it's online, it's difficult to regulate if there's one unit-- we receive four applications overnight. We refund every single applicant. If the first application is approved, the other three are refunded immediately. Additionally, I'd like to add with the applications: before anyone applies, we offer them our leasing requirements that outline, you know, the, the do's and don'ts that would disqualify you from living in one of our communities. And if we receive an application sight unseen-- meaning that we do not meet the prospect, we did not provide them a tour-- we call the applicant and we explain to them the-- first and foremost, thank you for choosing our community, but we also provide them additional information regarding rent, specifics about the unit, additional charges and fees. And then we explain the application process before we process the application. Our application fee for conventional is a flat \$40 per application. And for our low income tax credit, it's a flat \$18. We make it a mission in our industry and our profession to serve the tenant. However, we do need to make sure that we are in a position to fulfill our financial obligations so that we can continue to provide these prospects and residents with good homes. Any questions?

BOSN: Any questions for this testifier? Senator Storer.

STORER: Thank you, Chairman Bosn. Thank you. I'm just going to follow up again with the question I had from-- to one of the previous testifiers regarding-- and what I'm hearing you say is you do provide all the information in detail about what fees there would be in addition to rent before an applicant would give you an application fee, right?

KYLE HANTEN: Absolutely. In fact, we call it our welcome home letter. It welcomes them to the community prior to their lease signing. And it is-- it explicitly outlines every single fee associated with that unit and that property. For example, one of our communities, aside from their rental amount, we have two flat service monthly charges: one is for monthly pest control, flat rate of \$2.50; trash service, flat rate of \$7.50. Additionally, for some allocated expenses that are included

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with that property, the water and sewer. Previously mentioned-- you know, it's based on an allocation square footage and occupants. But I would like to touch on the other side where, you know, some people imply that, why don't we, you know, submeter every unit? And that does make sense. That way, each resident is only paying for their usage. However, it's not a feasible or a reasonable expense for the landlord when you have 50 apartments in one community. That expense would, you know, kind of destroy the landlord-- or, the landlord and they, they would be out of business, unfortunately. So allocation sometimes is the only method.

STORER: So just to follow up on that, would-- you'd probably agree it's possible there's always a bad actor out there, there's somebody that maybe has not or doesn't traditionally provide that-- those fees-- itemized fees ahead of time. Would you, would you have any-- would it be acceptable to you that, that, that-- because it sounds like it's common practice-- that, that just be part of-- so everybody's on the same, same page-- that all landlords provide that upfront?

KYLE HANTEN: Absolutely. I, I, I think this bill has the best intentions and is looking out for the tenant. And it's my job to look out for the tenant as well. I think it's a little misguided, though. I think a bill maybe proposed to require the landlord to provide in writing, you know, upon touring the property or applying outlining those fees rather than just limiting or removing the fees. That would provide a, a burden to the landlord where we may have to inflate the rental prices to compensate for some of those fees. And, you know, that could punish good tenants who pay on time versus bad tenants who, you know, are a little more-- less mindful to those requirements.

STORER: Thank you.

KYLE HANTEN: Yeah.

BOSN: Senator DeBoer.

DeBOER: Thank you. I, I think I heard you call it the welcome home letter.

KYLE HANTEN: Yeah.

DeBOER: So that letter-- it sounds like it happens after application but before lease signing. Is that right?

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KYLE HANTEN: So everything that's on the welcome home letter is discussed ei-- either during a tour-- which is prior to the application process-- well-- I'm going to correct myself. Not entirely. There are times that applicants will apply. And then we'll call them, say thank you, and then we'll offer them to tour the unit prior to screening the application. If they come in for the tour, every single fee is outlined for them in person. If they choose to proceed with the application process prior to coming in and meeting with us, we outline-- bless you-- everything that's in the welcome home letter with, with the prospect or applicant.

DeBOER: So I'm wondering, if it makes sense-- and it may not, so let's walk through this and see--

KYLE HANTEN: Yeah.

DeBOER: --if it makes sense to ask y'all to provide the breakdown of costs prior to accepting the application fee. So a piece of paper that says, here are all the costs that you may incur, some of which you may never incur-- the late fee, the eviction fee, the whatever fee-- whatever. Noise penalties, whatever-- all of the things on there-- and to have them go before they give you the money for their application. Would that be a feasible way of doing things?

KYLE HANTEN: I think that is reasonable. It outlines, you know, expectation to the tenant. I, I don't see why then anyone would oppose that--

DeBOER: OK.

KYLE HANTEN: --at all.

DeBOER: Thank you.

KYLE HANTEN: Yeah.

BOSN: Thank you very much for being here.

KYLE HANTEN: Of course.

BOSN: I apprecia-- oh. I'm sorry.

STORER: I got just one. Thank you.

BOSN: Senator Storer.

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STORER: Just for clarification, it-- right now, is it possible that somebody could actually apply online without you even-- like, you could the next morning wake up and-- do you take digital applications, I guess is my question.

KYLE HANTEN: Absolutely. Most of our application process, at least for my firm, is done online.

STORER: OK.

KYLE HANTEN: But generally they come in and see us before and then we provide them, you know, all of the details we discussed in person and then they apply online.

STORER: So it is possible they could apply without asking for-- without giving you the opportunity to give them that information. I mean, there-- I can just see where there might be a caveat where--

KYLE HANTEN: Well, absolutely I understand where you're going with this. They may apply. However, we will not process their application prior to discussing all of those elements. And the, the-- they find them agreeable.

STORER: So there's not like an online payment option where all of a sudden they've, they've app-- sent you their application and paid-- sent you their application fee without you first--

KYLE HANTEN: They 100% pay upfront. However, we do not-- we don't run that application. So that fee's not assessed to our ownership. So we refund the application fee should they not proceed.

STORER: OK.

KYLE HANTEN: Does that make sense?

STORER: Yeah, I think so.

KYLE HANTEN: OK.

BOSN: Yeah. Because I think-- I, I guess what I'm understanding is-- let's say you've got a student who's going to college at UNL from Texas. There's a chance that they may fill out their entire application, never even come to Nebraska until they have to move-- the day they move into one of your facilities--

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KYLE HANTEN: Yeah.

BOSN: --that would have to do it all online. But we could-- you're saying, yes, we could still work through that and accommodate something similar to what Senator DeBoer was proposing online before you would run that credit card for the fee?

KYLE HANTEN: Are you referring to the application fee?

BOSN: Right.

KYLE HANTEN: 100% of the time prior to running an application, we have that conversation with a prospect, whether they are local, abroad even. We ha-- I mean, we have foreign exchange students coming over. That-- it's good practice to have that in place. And I think that the-- although this bill has the best intentions, perhaps a bill outlining the good practices such as outlining those fees accompanying-- you know, or prior to any application may be a better fit.

BOSN: Thank you very much for your testimony. Any other questions in light of that? Thank you for being here.

KYLE HANTEN: Thanks.

BOSN: Next opponent. Welcome.

RYAN NORMAN: Thank you. Excuse me. Good morning-- I guess it's afternoon. Good afternoon, members of the Judiciary Committee. My name's Ryan Norman. That's R-y-a-n N-o-r-m-a-n. I'm an attorney in Lincoln who represents rental property owners and managers. And I'm also the head of the Legislative Committee for the Apartment Association in Nebraska. I have this nice, written testimony, and I'm probably not going to read all of it because we're having a different discussion now. I love the bill that all of you are describing. That's not the one that's in front of us. So I kind of want to talk about that one. There's a lot of public policy concerns with this bill. I'm sure that you've heard about those in the written testimony and from other testifiers. I'm going to talk about some more practical problems with the actual language of this bill. I read this bill really in-depth and I don't know what it means. And what I mean by that is I think there's a big confusion about whether this is just about application fees and late fees or whether this is about hidden fees in leases and whether or not those are also covered in this bill or whether they're not, and I'm not sure from the language of the bill.

It says in the language of the bill that landlords can charge rent, but then it limits some things with other fees that they can charge. But then in other parts of the landlord-tenant statutes, rent is defined as all fees in a lease. So I don't know how that works together. I don't, I don't understand if, if we're talking about-- I mean, things like utility charges. Is that covered in this bill? I don't know. If it is, there should be a carve-out for things like utilities. A second issue that I have with the language as this bill is drafted, it's fully unclear for the late fee limitation whether it resets each time there's a new rental payment due or if it-- if that late fee limitation is only for one month. And if that-- like, can we only charge a late fee once, period, even if the person is three months late? Does that \$50 limit reset every month? How does that work? And-- it's not clear in the bill. There's a lot of things in this bill like that. I'm just highlighting two of them. I, I think that the overall-- I, I think that there is a, a discussion to be had about late fees and about application fees and how the industry can do a better job of making those more transparent. I think we've had some of those discussions here, and I think there's some great ideas floating around. Unfortunately, I don't think that's what this bill is. I, I, I see some issues with what we've been talking about in terms of-- like, for example, utilities. Some, some landlords charge utilities based on what the actual utility cost is. So how do we be upfront about that? Can we just describe that in, in that initial application? I don't know. Anyway, I, I just think as drafted this, this bill is inconsistent. And it, it's really impossible to understand how it would be applied in practice. And so I just urge the committee on behalf of the Apartment Association to oppose LB17. Happy to answer any questions.

BOSN: Thank you. Any questions for this testifier? Senator DeBoer.

DeBOER: So the carve-out for utilities that you mentioned is kind of interesting to me because I think we could require a listing of what utilities must be covered by the, the tenant, and maybe even it would be good practice for folks to say it's been roughly in this range or other units like this are roughly in this range or something to give-- I mean, that would just be good practice for you all so that you don't get someone in there who can't pay the utilities. But if we did carve out the utilities, everything else should be a fixed cost, right?

RYAN NORMAN: Well-- again, I'm-- I'm going to be careful. I'm not a landlord--

DeBOER: OK.

RYAN NORMAN: --so I want to be careful with saying everything else can be a fixed cost. I don't know. I think most things could. And I think if-- the questions you keep asking-- you always ask great questions. So sometimes I actually get worried when you start asking questions because you ask good questions. But I think the questions that you're asking about being more upfront prior to the application process, prior to when that person hands in an application fee, if that was the bill, I think the Apartment Association would be behind that bill. I think that would be-- like, that makes a lot of sense for everyone involved. And so if there's a way that we can work through that and make that a law, sure. I think we're, we're for that. And we can talk about carve-outs for things like utilities and, and other costs that might not be fixed in, in that conversation. I think that's a great idea. And so if we can transform this bill into that, yeah. I think the Land-- the Apartment Association would be behind that idea. I, I'm just telling you as, as, as set out here, I, I, I don't exactly know--

DeBOER: Understood.

RYAN NORMAN: --bill means.

DeBOER: Let me ask you another thing.

RYAN NORMAN: Sure.

DeBOER: Because that's the easy part. I think--

RYAN NORMAN: Yeah.

DeBOER: I think there's kind of a meeting of the minds with most people on that.

RYAN NORMAN: Yeah.

DeBOER: That sounds like-- and I'll wait. Maybe somebody will tell me otherwise or send me an email. If you-- yeah. If you don't like this idea and you're in the room, send me an email. I'm the only Wendy in the Legislature. It's easy to find me. But-- now let's talk about the late fee caps that I was talking about with somebody. And I'm sorry I can't remember who it was. But I was talking with somebody about, is there a way-- not the late fee cap. Sorry. The, the other fees.

RYAN NORMAN: Application fees.

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DeBOER: Well, the application fees or the returned check fees or something like that, to come up with a word that would describe--

RYAN NORMAN: Well--

DeBOER: --actual-- real costs or actual costs or have a horizon of, you know-- I don't know. I-- we do this in TNT all the time, so I'm thinking of ways we do it there.

RYAN NORMAN: I'm going to talk like a lawyer now, unfortunately. So in Nebraska and under the landlord-tenant statutes, there's already some limitations with, with this stuff that we haven't really talked about, but there are. So a landlord can only charge actual damages that they incur.

DeBOER: For the eviction.

RYAN NORMAN: Well, for-- any time they're collecting fees on the back end, they, they are only supposed to be charging for actual damage incurred. And so all of the fees in a lease are supposed to be based on their actual time in doing whatever process they have to do. OK? So there's actually already something in the statutes and there's also case law that says those fees have to be reasonable. What does that mean? I don't know. I'm a lawyer. I, I don't even know what reasonable means. It's-- you know. So I, I would say that there is already some, some things that do that now. There are always going to be bad actor landlords, just like there are, you know, going to be bad actor tenants.

DeBOER: Sure. But--

RYAN NORMAN: My concern, I guess, with what you're talking about is I think what happens is-- I, I, I actually think that the reason that the system is the way it is now is because landlords, in a good faith way, were trying to make things more transparent. So listing out things like what the utilities cost and, and these fees, what it used to be was we just wrapped all those into rent. And so-- and what we're talking about here, I think, is that if we make it more difficult to do that and make it transparent, rent is-- everyone's just going to throw that into rent and rent is going to go up.

DeBOER: So I think what I understand you saying is if we were to, let's say, make it workable, clean up this bill, whatever, and cap all the fees in the way that you're saying, you'll just say it's not a fee and you'll just charge your rent higher.

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RYAN NORMAN: Whoa, whoa, whoa. I won't do that. I'm saying--

DeBOER: A, a person.

RYAN NORMAN: Landlords, I believe--

DeBOER: A person would be incentivized to--

RYAN NORMAN: Correct.

DeBOER: OK.

RYAN NORMAN: And so I don't think that that necessarily fixes the problem that we're trying to fix. Because I just think that what's going to happen is those fees are going to get rolled into rent and, and--

DeBOER: But then they'll be amortized about-- over everyone, right? So what you're saying is instead of having a fee for evictions, let's say, everyone will just charge a little bit higher rent and then everybody has to pay a little bit higher rent regardless if they're ever going to be evicted.

RYAN NORMAN: Right. And so that--

DeBOER: And it'll become a cost of doing business.

RYAN NORMAN: Yeah. And so unfortunately that's going to then affect every tenant instead of just the people going through an eviction. And, you know, I-- we're always talking about low-cost housing. And any time we do something like this, we've got to look at those long-term effects for everyone else that's not necessarily affected by those things.

DeBOER: OK. I think I got it. Thanks.

BOSN: Thank you very much.

RYAN NORMAN: Thank you.

BOSN: Next opponent.

STEPHEN HIPPLE: Well, hello, everyone.

BOSN: Welcome.

STEPHEN HIPPLE: I got a feeling this is going to be a 9:00 evening departure. My name is Stephen Hipple, S-t-e-p-h-e-n; Hipple, H-i-p-p-l-e. I don't want to waste a lot of time, so I'll make this very brief. I think a, a, a lot of what this bill is asking is satisfactory. For example, we list late fees, bad check fees, application fees. You-- all, all our tenants, future tenants will know that before they ever sign the lease. It's not a surprise to anyone. One issue that I am having problem with: the wording need-- should be changed is paragraph 11. It's one sentence long: landlord must disclose the total cost of rent in writing to a tenant before the tenant submits the application for a dwelling unit. Well, of course they should. And we do that. Now we have a comma-- this is the issue-- including an itemization of any mandatory or optional fees with the description of frequency of such fees. That doesn't work for utilities. We meter everybody's water separately. And the amount of water that you use each month will be added to your rent bill. It's very simple. And I can't tell you what that's going to be because a single person probably is going to use \$35 worth of water. A family of five is going to use a lot more water. Now, we had-- now, I'll give you a real-life example. We had a family move in, and they bought one of these great, big, giant swimming pools, above-ground swimming pools. They filled it up and they came to me and they said, my water bill's \$200. Well, I know why. You bought that great, big, above-ground tub. So it's things like this that need to be changed and addressed.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you very much for being here.

STEPHEN HIPPLE: That was easy. Thank you.

BOSN: You bet. Next opponent. Welcome.

KORBY GILBERTSON: Good-- I think we're still afternoon-- Chairwoman Bosn, members of the committee. For the record, my name is Korby Gilbertson. It's spell K-o-r-b-y G-i-l-b-e-r-t-s-o-n. Appearing today as a lobbyist on behalf of the Nebraska Realtors Association, the Nebraska State Home Builders Association, Home Builders Association of Lincoln, and Metro Omaha Builders Association in opposition to LB17. I will try to save you as much time as I can. One comment that I came up with as my hair went up on the back of my neck is my law degree's probably a little older than Senator DeBoer's. But the-- trying to determine what is reasonable or appropriate costs and trying to have this bill be a one-size-fits-all where everyone has to disclose

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everything when you have, you know, Joe Schmo that has one house that they rent and they just charge a flat fee. They don't charge any additional fees like that. You-- and then you have very sophisticated fee-- or, leases at the other end. Trying to make all leases somehow fit the same mold is-- raised concerns with my clients. Again-- and it was brought up by another testifier, so I won't go into it. But the drafting issues and the different uses of language throughout the act causes some questions. So as far as I can tell it, the unresolved question here, based on questions I've heard from the committee, is whether or not rent and other charges could be disclosed prior to the application process. And the only concern I would have of that is if there would be some type of requirement to publish those publicly, that-- if people would have to share their contracts publicly or online or something like that. It shou-- that concerns me a little bit about-- that the landlords might have a problem showing their contracts, because they might use those to benefit themselves, that they can compete in this industry. So that was my only thought on that. But I don't see-- I think, based on what othe-- the other folks said before me, I think that's a very reasonable ask. I just get concerned when-- I don't want us to take the next step and say, it has to be published publicly.

BOSN: Any questions for this testifier? Senator DeBoer.

DeBOER: So your concern is that we would say you have to publicly display all your costs and fees. Your concern is not that we would say you have to disclose those to potential renters.

KORBY GILBERTSON: Right.

DeBOER: OK. OK.

KORBY GILBERTSON: Absolutely.

DeBOER: Can you-- I-- and we'll have to compare our law degrees at some point because mine's older than it should be.

KORBY GILBERTSON: '96.

DeBOER: '99. So what did you mean by the one-size-fits-all comment that you made? I wasn't totally following everything you said.

KORBY GILBERTSON: So in the bill-- obviously, having a cap on fees does not fit for every different type of rental agreement. If you ha-- are renting a house that rents for \$5,000 a month-- one of the other

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testifiers said it-- a \$50 charge is nothing. So there needs to be still some ability for the property owner to be able to recoup their costs and have the right to contract with people how they see fit. That's why you-- we tend to think of one type of rental agreement or one type of rental situation where it's a multi-- comp-- a multiunit complex instead of a number of different rental agreements that take place.

DeBOER: OK. All right.

BOSN: Senator Storer.

STORER: Thank you, Chairman Bosn. This is, this-- maybe going to be a redundant question, but it-- does it seem reasonable-- I understand the concern about disclosing things just on a website with "more about us" sort of link or something. But once someone has requested an application or-- I-- it-- there would have to be some sort of trigger there that would say, OK. We have a potential applicant. Now we provide them with a list of, you know, fees, rent, and any other fees so then they can decide to move forward or not. Is that--

KORBY GILBERTSON: And based on the folks that are on the ground actually doing this saying that they don't think this should be a problem, I would assume we would agree with them. But obviously I don't do this every day. I don't manage property, thank God. So that's, that's my only caveat. Obviously-- I think that's where we are based on what I've heard from the committee.

STORER: But there's some protection of that--

KORBY GILBERTSON: Absolutely.

STORER: --of that. But certainly, once somebody-- I mean, it-- what I'm hearing is everybody is, is sort of in agreement that, hey, we agree. Before somebody submits a \$50 or-- whate-- whatever the application fee is-- that, that they know upfront. Because it seems like it does save everybody time if--

KORBY GILBERTSON: Right.

STORER: --the applicant potentially-- gosh, I didn't know there was those fees. And it makes it more exp-- too expensive for them, then that's not only a waste of their time and money, it's a waste of [INAUDIBLE].

KORBY GILBERTSON: Absolutely.

STORER: Yeah.

KORBY GILBERTSON: Yep.

STORER: Thank you.

BOSN: Thanks for being here.

KORBY GILBERTSON: Thank you.

BOSN: Yep. Next opponent. Anyone wishing to testify in the neutral capacity? All right. Well, since Senator Cavanaugh has successfully introed and closed on another bill, we'll welcome you back to close on this one. While you're making your way up, though, I will note for the record, LB17 had 57 proponent letters submitted, 44 opponent letters submitted, and no neutral letters submitted for the record. Welcome back.

J. CAVANAUGH: Thank you, Chair. I'll try and be brief. I did miss a lot of the comments. The parts I did catch, I-- I mean, obviously I appreciate everybody being here in, in the affirmative and I do appreciate the folks being here in the negative with their constructive suggestions. A lot of them seem like they're very workable into the bill. I will ask Ms. Gilbertson to show me that \$5,000 rental. I'm-- just out of curiosity, not out of any other reason. But-- yeah. So I, I-- as I started out saying, I saw on the com-- online comments I think there were some really reasonable requests. I've heard some things that I think will be "accommodatable" here. So I don't really have anything else to add to it unless there were, were questions that I could answer.

BOSN: Thank you. Senator DeBoer.

DeBOER: Thank you. Senator Cavanaugh, we were talking in your absence about-- part of the objection was the, the, the words you use to describe what costs are-- the, the direct costs, I think, was the word in the bill that folks were having trouble with. Direct fees, sorry. Direct fees. And the-- the fees?

BOSN: Mm-hmm.

DeBOER: And so we were trying to brainstorm-- obviously not the best thing to do in the middle of a hearing-- what might be the, the

appropriate way to get at what-- of concern was, which was that folks say sometimes there are indirect costs as well as the ind-- as well as the direct costs that go into the makeup of their fees. Would you be open to a discussion about how we would word that and-- so that it isn't just the direct costs of your fees but-- so an application fee may not just be the cost of whatever vendor you're using but also the person on your end in your office who has to do the work of going through them all and that sort of thing.

J. CAVANAUGH: I, I certainly think that there's room for the-- the real costs, I suppose. Cos-- actual cost of doing something and whether those are paying to a service or if there is some amount of labor. And I guess I don't know what other things folks are saying or doing. And the other-- really, the, the point of this bill-- and I think you all figured it out, it seemed like-- is to make it so when somebody applies for an apartment, one, that there's actually an apartment available-- and, you know, certainly willing to clarify the language that you can take multiple applications for one unit at the same time. But that-- and, two, that-- there aren't a bunch of hidden costs. And I did walk in-- the last gentleman said that that would just essentially raise the rent. But I think you said-- hit on it, Senator DeBoer, that that makes it-- it, it might-- they roll those into the rent, but then do you actually know what you're paying when you pile the application fee? So I'm willing to work on any of that kind of stuff to clarify and make it workable for folks. And really, the intention is just to make sure that when people are applying for apartments, one, they have a real chance of getting it, and, two, they're only applying for places they can actually afford and don't--

DeBOER: So there was a--

J. CAVANAUGH: --have a bait and switch.

DeBOER: There was a lot of discussion while you were gone, and there seemed to be widespread assent to the idea-- at least amongst those who are here-- that there could be a requirement that they publish the full costs and fees to an individual-- not to everyone-- Ms. Gilbertson's concerned-- but to the prospective rental-- renters prior to the application fee being processed. So you get that breakdown. Here's all the fees, here's everything-- prior to the application fee being processed. Would that, would that get to the transparency issue that you were trying to, to get to?

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J. CAVANAUGH: I, I think if it's done in a way where the individual who's applying for the apartment is not out any of the money before--

DeBOER: Right.

J. CAVANAUGH: --before they find out what they would actually be on the hook for, essentially. Because-- I'm trying to remember the gentleman's name who testified from one of the service providers. I appreciated-- shoot. I wrote it down, his name. But anyway. He's right there-- and talking about how they put out money for folks to apply for these places, and then when they come to sign the lease and there are those extra fees, and then that basically means they're out the application money. So that-- yes.

DeBOER: So the idea, I think, was that the application fee money cannot be charged until the full amount of the fees and the, the rent and everything is disclosed.

J. CAVANAUGH: That might be workable. I, I'm certainly willing to look at the language and, and think, think about that. But it does-- it's-- in, in principle sounds like it serves the intention.

DeBOER: OK. Thank you.

BOSN: I think you're referring to Mr. Weaver.

J. CAVANAUGH: Yes. Thank you.

BOSN: Any other questions? Senator Hallstrom.

HALLSTROM: Just had a technical question, Senator. And I'm looking at this. I may have to think through this a little bit more. But in the, in the limitation on the checks or the payments returned for insufficient funds, we're talking about cost charged to the landlord for insufficient funds. Typically, I write a bad check or I write-- and, and I get charged by my bank for insufficient funds rather than the depositor. So that may be something we'll have to, have to look at. I've written a bad check and my bank is going to charge me for that check coming back. So it, it-- this may be the, the terminology that we may have to clear up.

J. CAVANAUGH: Yeah. Well-- and, and thank you for this question, Senator Hallstrom. And-- so you're talking about as you might be the tenant and you'd write a bad check, you'd get charged.

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HALLSTROM: Yeah.

J. CAVANAUGH: Yeah. And this is-- this would be-- obviously, your bank can still charge you that, but your landlord then has a bounced check that they deposited into their account, and if there's any fee associated with that is what that is attempting to address.

HALLSTROM: Yeah. And it, and it--

J. CAVANAUGH: So a cost incurred by the landlord they can charge back to you.

HALLSTROM: Yeah. It may be the terminology that-- I haven't, I haven't submitted check for insufficient funds. The person that wrote it did, so. We, we can work that out.

J. CAVANAUGH: Oh.

HALLSTROM: Yeah.

J. CAVANAUGH: I gotcha.

HALLSTROM: Yep. Thank you.

J. CAVANAUGH: Oh, yes. So you-- when somebody writes you a bad check you're talk--

HALLSTROM: Yeah.

J. CAVANAUGH: Yeah. And that's what that's intending to cover.

HALLSTROM: OK.

BOSN: Any other questions? Thank you very much for being here.

J. CAVANAUGH: Thank you.

BOSN: That concludes LB17. And next, we will take up the other Cavanaugh. OG. Sorry. OK. Fine.

M. CAVANAUGH: He's the other Cavanaugh.

BOSN: He's the other-- he's the, the freshman-ish.

M. CAVANAUGH: I mean, junior. He even has junior in his name, so.

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BOSN: Oh, does he really?

M. CAVANAUGH: Yes.

BOSN: OK. Oh, that's right. You did say that today, that your dad is also John.

M. CAVANAUGH: Yes.

BOSN: Because he hates fireworks.

M. CAVANAUGH: My-- I don't-- I, I don't know if my dad hates them or not. I don't want to be permanently on the record. I--

BOSN: OK.

M. CAVANAUGH: I'm not an attorney. What I said is I think he does, but I'm not positive.

BOSN: OK.

M. CAVANAUGH: If he's wise, he would dislike them, so. Good afternoon.

BOSN: Welcome.

M. CAVANAUGH: My name is Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h. I represent District 6 in west central Omaha, Douglas County. And I am here today to introduce LB469, which requires the Nebraska Judiciary to compile a publicly accessible list of tenant resources, which will be attached to all residential eviction notices. This list will include information on legal assistance and how to report housing discrimination. I am offering AM301, which is bef-- I believe being distributed. Yes-- before you. The, the amendment clarifies language from the original bill. After my office had discussions with the State Court Administrator and housing advocates, we removed the, quote, financial resources from the bill, as the availability of those rese-- resources fluctuates. Housing advocates are better suited to provide that information when tenants seek assistance. I'd like to briefly discuss the legislative history of the Uniform Residential Landlord and Tenant Act, adopted by the Legislature in 1973. The act was initially drafted by the National Conference of Commissioners of Uniform State Laws and contained provisions that were considered fair to both landlords and tenants. However, the act adopted by Nebraska deviated significantly from the proposed legislation, stripping out many tenant protections that

remain-- remained intact in the 20 state-- other states that adopted it. LB469 is a simple yet meaningful step toward restoring balance in Nebraska's landlord-tenant laws. An added benefit is that there is no fiscal impact on this legislation. As someone who's in the other room looking at fiscal impacts, that's important. You may hear opposition arguing that landlords should not be responsible for informing tenants about available resources. However, the power imbalance in eviction proceedings is already heavily skewed in favor of landlords. In 2024, data from the Nebraska Judicial Branch showed that only 23% of tenants had legal representation in eviction cases, compared to 76% of landlords. This bill helps level the playing field and supports Nebraska's most vulnerable residents, whom we all have a deep-- a duty to uplift. The Tenant Assistance Project-- one of the organizations testifying today-- provides on-site legal services for low-income tenants, 70% of whom in 2023 had incomes at or below 30% of the median income. Another argument you may hear is that tenant resources are already available online, making a physical list unnecessary. However, those with experience in eviction proceedings will tell you that most tenants arrive at their hearings unaware of the assistance available to them. Given the severe consequences of eviction, including financial hardship, housing instability, and negative impacts on mental and physical health, tenants should be infor-- informed of their legal options and their rights. If LB469 helps even one tenant access the support they need, it is worthwhile policy. You will hear from testifiers today who can speak to legal assistance available to tenants and the importance of ensuring they receive this information. I urge you to advance LB469 with AM301. AM301, I think. Yes. And the page also passed out a copy of the-- our Legislative Research Office's Getting the Boot: The Policy and Process of Residential Evictions. And I think it is something that was delivered to everyone's offices, but I wanted to make sure that you all had a copy, especially on landlord-tenant day. How fun. We can all learn. And I also just like to promote our own departments and divisions. And Legislative Research Office does a lot of great work, so. With that, I will take any questions.

BOSN: Thank you. Any questions for Senator Cavanaugh? Are you staying to close?

M. CAVANAUGH: I am going to step out and come back for close.

BOSN: Thank you.

M. CAVANAUGH: Yes.

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BOSN: Before we call our first proponent, can I see a show of hands of how many individuals are testifying in some capacity on this bill? 2, 4, 6, 7. OK. Thank you. First proponent. If I could also have the proponents come up to the front so that we kind of have an idea of how many of you there are. There's lots of seats in the front row for proponents. Welcome back.

SCOTT MERTZ: Thank you.

BOSN: You bet.

SCOTT MERTZ: Thank you, Chairperson Bosn, members of the committee. My name is Scott Mertz, S-c-o-t-t M-e-r-t-z. I'm Director of Legal Aid Nebraska's Housing Justice Project. 15 years of experience representing low-income tenants in Nebraska. And I thank you for providing me with the opportunity to appear today in support of LB469. I also want to thank Senator Cavanaugh for introducing the bill and inviting Legal Aid of Nebraska to testify today. At Legal Aid, our staff fields calls, online applications every single day. 2024, we received 4,608 individual requests for assistance that were related to housing, and of those requests our staff closed 3,687 cases with some level of assistance provided. It's our goal in Housing Justice to provide meaningful assistance to every person who contacts our office and qualifies for our services. But unfortunately, due to the short timeframe between an application for services and a scheduled court date, we are often unable to provide the highest level of service possible. LB469 would help address this problem by ensuring that any Nebraskan with an eviction notice has access to crucial legal assistance well before their case escalates to a court hearing. By connecting with an attorney at the earliest possible stage in an eviction process, tenants will have the greatest potential to even avoid that eviction and preserve housing. Early intervention not only benefits tenants, but also helps stabilize communities and reduce the economic strain that evictions place on local services. Currently, Nebraska law includes similar notice requirements for judgment debtors, ensuring that they are fully informed of their rights and of legal resources available to them. These notices play a critical role in educating the citizens and ensuring legal protections that are already in place are accessible and utilized by those that the laws are intended to protect. Furthermore, by connecting tenants to Legal Aid of Nebraska and our intake unit, we have the potential to connect tenants to other available resources, including financial resources, depending on factors such as location, income level, the household composition. Some tenants may be eligible for financial aid that could

help them maintain their housing. And our intake unit, our AccessLine, is often informed of the most up-to-date resources available to our client population. And our office will provide direct referrals to other partner organizations, which can further support those tenants in maintaining their housing stability. I'll wrap up. Legal Aid Nebraska supports LB469. I do thank you for the opportunity. And I'm happy to answer any questions committee may have today.

BOSN: Thank you. Any questions of this testifier? Thanks for being here. First propo-- next proponent. Excuse me. Good afternoon.

RACHEL TOMLINSON DICK: Good afternoon. My name is Rachel Tomlinson Dick, R-a-c-h-e-l T-o-m-l-i-n-s-o-n D-i-c-k. I am a licensed attorney, and I serve as the Director of the Housing Justice Clinic at the University of Nebraska College of Law. I'm testifying today in my personal capacity as a legal practitioner with extensive experience representing tenants facing eviction and also as a Nebraska renter myself. Evictions move very quickly. I know this committee is ware-- is aware of that fact, but it bears repeating. There is a notice period which varies based on the type of eviction action, but then once the action is filed, the summonses are generally issued that same day. And then the first and only trial is set for 10 to 14 calendar days from the date that summons was issued. Then it must be served on the tenant within three judicial days, excluding weekends. So it's very realistic that a tenant can get served with process-- which is the mechanism that informs them that an eviction action has actually been filed-- with less than one week until the trial. And depending on the type of action they receive notice for, it could be, you know, eight days after they've received the notice then that the action gets filed. In contrast, most other civil actions, a defendant can file an answer within 30 days of the date they were served with a summons, and then the case does not proceed to trial immediately. There's generally a period of discovery, and typically, per the Supreme Court rules governing case progression, cases in county court are generally resolved within six to nine months that are on the civil nonjury docket. This is often kind of seen as the appropriate time frame for defendants to be able to procure legal counsel and appropriately respond to, to what's, what's in front of them in a legal action. Because the time frame, as Mr. Mertz said, is so much quicker for evictions, for tenants to be able to procure legal representation or reach out to legal resources in as much-- as far in advance as possible is incredibly important for them. Opponents of this bill would likely argue that the only thing at issue is whether the tenant paid rent or not, so they don't need access to legal help, or that

tenants know that they are behind on rent. And that gives them, you know, plenty of time to prepare from, from the, the moment that they fell a little bit behind. As I note in the written testimony you've received, there are multiple rounds of action, multiple grounds upon which eviction actions can be based. All of those have various affirmative defenses. Additionally, sometimes the, the truth of the matter being asserted, whether in the notice or then in the complaint that's filed, the tenant wishes to, to oppose that. They don't agree with that. For tenants to be able to access legal counsel as soon as possible gives them the best chance to be able to raise those defenses, which we want tenants to be able to report discrimination. We want them to be able to affirmatively raise discrimination when it is happening. And we want tenants to be able to raise issues with habitability, which they really need access to legal resources to be able to do that in the eviction context. May I finish this thought?

BOSN: Yes.

RACHEL TOMLINSON DICK: It also will free up court resources by allowing cases to be settled before they actually reach the point of, of the hearing, so. I am happy to answer any questions the committee has at this time.

BOSN: Thank you very much for your testimony. Any questions for Ms. Tomlinson Dick? Thank you very much for being here. Appreciate it. Next proponent. Welcome back.

MINDY RUSH CHIPMAN: Thank you, Senator Bosn. My name is Mindy Rush Chipman, M-i-n-d-y R-u-s-h C-h-i-p-m-a-n. Again, I'm the Executive Director of the ACLU of Nebraska, here in strong support of LB469. As you heard from the prior two testifiers, eviction has long-lasting impacts on the individual and their family that experiences the forced displacement. We do strongly believe that connecting tenants facing eviction with legal assistance will go a long way to prevent some of the negative ramifications that exi-- that eviction causes in our communities. I'm also here again as someone who is a landlord, and so I can affirmatively say that if, if I need to proceed forward with eviction actions, I would want my tenant to have representation. Like we discussed earlier, oftentimes tenants cannot afford to secure their private counsel, and so having information about legal organizations that can provide that information and representation is vital. Attorney Mertz spoke about that these type of informational handouts that are provided to folks that are exper-- facing litigation are happening in other contexts-- if you're experiencing creditor issues

or collection actions, and other examples if you're in immigration court. And so it's-- when, when Nebraskans are facing these type of litigated actions without legal assistance, it's been recognized that having representation makes for judicial efficiency, but it also helps prevent the social issues with forced displacement. Ms. Tomlinson Dick also talked about the importance of representation in eliminating housing discrimination. There's been an increase in discriminatory eviction actions across the country, but also in Nebraska. Some statistics: black renters only account for 18% of all renters in Nebraska, but they account for 51% of those threatened with eviction and 43% of the people that actually are evicted. There are significantly higher percentage rates for women who are threatened with eviction, 16% higher than their male counterparts that are identical in terms of their financial ability to pay rent. Black women are evicted at nearly twice the rate of white women. And so I, I wanted to provide an anecdote about Tenant Assistance Project origin. When the pandemic-- pandemic started and evictions continued, even though a lot of the other actions stopped, tenants were just not showing up to eviction. And if you don't show up to your hearing on the writ of restitution, the first part of the eviction action, like Ms. Tomlinson talked about, you're automatically evicted. And so we-- there is a groundswell of grassroots activity to try to get tenants the information that they needed to not just contact Legal Aid or representation, but to know that you have to show up and what your rights and responsibilities are. We-- I see my time is up. I can continue the thought and I can also answer any questions.

BOSN: If you'd like to just finish your last thought, that would be helpful.

MINDY RUSH CHIPMAN: Thank you, Senator Bosn. So the Tenant Assistance Project volunteers would actually go to the residence of the tenant that is facing eviction. Most of the tenants did not know that they were actually being served with eviction papers. I did bring an example of a summons. It's just a one-page piece of paper with a lot of legal information, with the time and date of your hearing kind of embedded in the text. And so having those conversations with the tenant about what this actually means and what are the consequences of not showing up to the hearing made all the difference. We were able to increase the appearance of tenants significantly and we were able to connect them with representation. I do believe that Senator Cavanaugh's bill would allow for that information to be provided in another manner. And obviously, we cannot personally go to every tenant's house to give them that information. But since we know every

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tenant is being served a summons and that information about how to access legal information would be included in the summons, then we can more confidently understand at least there is one piece of information that the tenant can use to get the information they need to stay in their home.

BOSN: Thank you. Any questions for this testifier? Senator Storer, followed by Senator DeBoer.

STORER: Thank you, Chairman Bosn. So if I understand you right, you said part of the problem that you see as a landlord and representation of them is that, is that the tenant does not understand that the eviction notice is indeed an eviction notice?

MINDY RUSH CHIPMAN: Correct.

STORER: And, and I don't want to sound like Negative Nancy or-- I mean-- because I fully agree that education is power and information and, you know, good communication. But, but if, but if these are folks that are not reading the eviction notice, how do we have confidence that providing them additional information for access to resources is going to result in-- if they're not going to read one sheet, what is the odds they're going to read the additional information?

MINDY RUSH CHIPMAN: Right. That's a valid point. I think the difference is this form is going to be an easy to understand information and really point people to the agencies that can provide that legal information and advice on what they received means. What are the consequence of the summons and the complaint that they, they just received?

STORER: But is there some legitimate concern that if they don't understand that's an eviction notice, then the, the information providing them with resources to help with the eviction won't connect-- I mean, that there really is not a meaningful connection there if they don't realize they're being evicted?

MINDY RUSH CHIPMAN: Right. I think what Attorney Tomlinson Dick described is the crux of the issue. We are all socialized to think we understand the way the court proceedings work. We think that we're served and then we have 30 days to file an answer. And so a tenant very likely could know that they're facing eviction because the landlord has to provide a notice and then they're served with a summons. So they could know that they're facing eviction. I think the

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gap is they don't understand that they're going to have to show up at that hearing in a short period of time before they have to file an answer. And if they don't show or if they're not able to represent themselves in that hearing, that they will be evicted. So I think that, you know-- and, and again, all that information cannot be put in a form that's easy to understand. But what can be put in a form that's easy to understand is there are free legal resources available to support you. Call them now. You know? And so I think that-- your, your question is completely valid. It's really hard to communicate that nuanced difference in, in eviction actions, but communicating the need for legal assistance and the fact that exists is what-- is, is the importance that I see.

STORER: Thank you.

BOSN: Se-- Senator DeBoer was next. And then we'll go to Senator Hallstrom.

DeBOER: Thank you. So the information that you want provided is limited to legal information, is that what I'm understanding now with the amendment, is that we're just going to say that there are legal resources to you available?

MINDY RUSH CHIPMAN: So the amendment does strike the language financial resources-- or, or, or referrals. I can't remember the exact word. And so what we're left with is the legal assistance opportunities and housing discrimination assistance, the ways to report housing discrimination. Both vital. And the-- I believe the "impetance" to the amendment was that each county or geographic area in Nebraska has different access to financial resources for tenants facing eviction, and that would be very difficult to keep a form up-to-date with constantly changing and different financial resources available.

DeBOER: But isn't that part of the problem? Right? Is it part of the problem that we're not able to connect tenants who maybe haven't gotten an eviction filed yet but who are, are sliding down towards that path and wanting to get the resources connected with them earlier--

MINDY RUSH CHIPMAN: Right.

DeBOER: I mean, isn't that part of the problem?

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MINDY RUSH CHIPMAN: Right. I mean, ideally we don't want to wait until the summons to connect tenants who need final-- financial assistance with those resources. But what I can say as being a former Legal Aid of Nebraska attorney is that is one of the first pieces of information that somebody gets when they call, is referrals. So if there is a financial need, Legal Aid of Nebraska is able to provide up-to-date financial resources based upon that person's geographic location and other demographics.

DeBOER: Are you a-- how is, how is this phy-- piece of paper physically getting to the tenant?

MINDY RUSH CHIPMAN: Oftentimes it's served through, you know, personal service. Sometimes it's construction-- constructive service.

DeBOER: No, I'm talking about the, the new-- you know, what [INAUDIBLE]--

MINDY RUSH CHIPMAN: Oh, the form.

DeBOER: --the bill. How is that going to get to them? Is that-- whose responsibility is it to give to them? Is it the courts? Is it the bailiff? Is it the landlord? Whose responsibility?

MINDY RUSH CHIPMAN: Another testifier can correct me if I'm, if I'm not accurate here, but I do believe that the form is going to be provided with the summons. So when the tenant who's facing eviction is served the complaint, the summons is included with the hearing date and time, and then the form would be attached to that, that would provide information about how to access legal and housing discrimination resources.

DeBOER: So this is not something that the landlord really has any responsibilities to provide or--

MINDY RUSH CHIPMAN: That's correct, Senator DeBoer. And also, I believe that the form will be available online on the Nebraska Supreme Court website, I believe. And so that's just another area where tenants who are looking for legal information or help could access that information as well. But I, I think the-- what Senator Cavanaugh during introduction pointed out is that there's no fiscal impact here because it sounds to me as if it would just be attached and served in the normal service process.

DeBOER: OK. Thank you.

BOSN: Now Senator Hallstrom.

HALLSTROM: Thank you. It just-- you, you testified about a easily understood-- understandable form. And you've talked about forms throughout. The, the amendment says a list of resources. We've gone from a form in the original bill to a list of resources, and I, I, I view those as two potentially significantly different documents, particularly when you described it as an easily understood form. I mean, questions arise like, are-- if I give a list of resources, does that mean I'm, I'm just giving the names of the entities that can be contacted? Is there or is there not, in your opinion, addresses that are required to make it easier to contact? Would it be a, a website link, something of that nature? It doesn't seem like anything of that nature is addressed in the bill.

MINDY RUSH CHIPMAN: I, I agree that the more information about how to contact those resources, the better. And so, as Attorney Mertz pointed out, other litigation-- litigated matters have these type of resources available to litigants. And it is usually not just the name of the organization that can help. It's their contact information in a variety of different ways. So not just-- you-- a website, but it's going to have the address and phone number. And I, I hear your point about using the word "form," and-- the-- maybe those resources could be automated and included in the summons. I'm not sure. The point is to get the, the referral information to the tenant who's facing eviction.

HALLSTROM: And can you enlighten me as to the, the connection between an eviction notice of someone who's in housing and the need to provide information regarding housing discrimination?

MINDY RUSH CHIPMAN: Can you repeat the question?

HALLSTROM: What, what's the connection in an eviction notice from somebody that's in housing and receiving a notice that they have maybe done something or maybe not done something that justifies an eviction and requiring some information regarding housing discrimination?

MINDY RUSH CHIPMAN: Correct. So there-- if someone is, is receiving that eviction notice based upon a characteristic about themselves that they can't change, then that would be something that they could contact antidiscrimination agency. So like the NEOC, Lincoln Commission on Human Rights, Omaha Human Rights and Relations Department. And if a discrimination complaint is filed based upon the

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allegation of discriminatory eviction, there are certain legal actions that a tenants-- a tenant can take to pause the eviction action to let that investigation continue while the tenant and their family remains in the home. So I think that is the urgency about getting the tenant the assistance and the connection to the resource as soon as possible. Because like I mentioned before, discriminatory evictions do happen. They happen in Nebraska. But if you're, if you're forcibly removed from your home, the harm of that eviction has already happened. And oftentimes that tenant and their family are worried about survival and not reporting the discrimination. So what that means is discriminatory evictions are very hard to know about from our perspective, but they're very hard to prove after the fact and after the family has pivoted into just trying to locate new housing and, and make sure that the other harms of eviction don't hurt their family as well.

HALLSTROM: OK. Thank you.

MINDY RUSH CHIPMAN: Yeah.

BOSN: Senator Rountree.

ROUNTREE: Thank you so much, Chairman Bosn. Thank you so much. This has been, been very, very informative. As I'm listening to all the-- my question will be-- I think the last time we had this day, we talked a lot about those evictions and nobody's been evicted on the same day. There's a time frame. But I said that we're traveling down towards that time. How do we get information out to our renters? They say they've missed that first month. We talked about this the last bill. Missed the first month, and now they're in the second month. We could be going to that third month towards eviction or at the end of 60 days. How do we get ahead of this process and get this information out? I was thinking about maybe posting something up inside of complexes-- I haven't been in those-- but since we are going electronic now and trying to get away from so much of the paper, how can we get ahead of that process and head off this eviction in itself?

MINDY RUSH CHIPMAN: For sure. That's a great question. And I have a lot of ideas. And I will follow up with you after this.

ROUNTREE: OK.

MINDY RUSH CHIPMAN: But I think, I think primarily encouraging landlords to provide tenants that information. I know when my tenants are struggling, making sure that they have information about financial

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re-- resources and their legal rights is, is something that I automatically do and is something that landlords could do for virtually no cost. But making sure that the tenants have that information as soon as possible is something I would love to flesh out. In the seven-day notices for failure to pay rent, we can include-- we can include information about legal resources and financial resources on that as well. So I think there are potential solutions that we could flesh out. This is just a solution that would ensure everyone who's receiving the eviction notice that there's a hearing at least has it at that point in time.

ROUNTREE: Thank you.

MINDY RUSH CHIPMAN: Thank you.

BOSN: Any other questions for this testifier? Thank you for being here.

MINDY RUSH CHIPMAN: Thank you so much.

BOSN: You bet. Next proponent. Last call for proponents. Anyone here to testify in opposition to this bill? Welcome back.

TARA HOLTERHAUS: Good afternoon, Chairmember Bosn. My name is Tara Holterhaus, T-a-r-a H-o-l-t-e-r-h-a-u-s. I'm here today on behalf of the Apartment Association of Nebraska and the Nebraska Association of Commercial Property Owners, as well as a private practice attorney who specializes in real estate, specifically the multifamily housing industry. These member organizations represent more than 67,000 apartment units across the state. We're opposed to LB469. My understanding of this bill is that it would require the State Court Administrator-- which is obviously different in every county-- well, it could be, and, and it's not clear. I think there's differences here on whether as-- the Court Administrator's Office is preparing a form for the county-- because certain county resources are going to differ across the state-- and what that looks like. There's also some clarity needed in this bill because the language of the bill states that this form would be required for eviction notices under the Uniform Residential Landlord-Tenant Act. I, I don't see where it requires this to be served in a summons, although that was my impression. But eviction notices under the Residential Landlord-Tenant Act could be so broad that it's requiring this to be served at the time of the seven-day notice or the 14/30 notice or the five-day notice. So I think there's some clarity needed on what this actually looks like.

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For instance, there are certain resources available in Douglas County that are not going to be available in other counties, like the Tenants Assistance Project only operates in Lancaster and Douglas County. So to my point earlier, I think this would need to be a form that is county specific. And there's a lot of details and not sort of fleshed out in this language. This also requires the court to take an affirmative stance and an affirmative position to notify the tenants of these rights. And it, it puts that burden on the landlord to notify the tenant through, through the notices, whether that be through the notice of nonpayment of rent or through the summons before the eviction, which I think is unnecessary and not quite appropriate. I think there is an educational aspect that can be addressed through tenant assistance organizations. And if they need more resources to make their resources available and known across communities, then maybe those organizations need more resources to push that educational component. There's been a couple terms: an easy to understand form or a list of resources. We don't know what that looks like. I, I think-- to Senator Hallstrom's point earlier, it requires a landlord or the Court Administrator to provide information on how to report housing discrimination at the time of eviction. I think there's some issues with that on a not infrequent basis. I see bad faith bankruptcy filings in order to just stall the eviction process. I see bad faith discrimination complaints filed just to stall the process. I see I'm out of time. I'm happy to answer any questions. I also think there's this dynamic about a power imbalance that I think there's some issues with. Because we're here because a tenant's breached a contract. And so I don't think there's this quite power imbalance that is made out to be.

BOSN: Thank you. I know you haven't had a chance to see the amendment that we all received, but I think it may have addressed some of your questions. Because the confusion over a list versus a form is clarified in the amendment.

TARA HOLTERHAUS: OK.

BOSN: And I actually agree with you in subsection (2)-- or, Section 2(2), it still reads that a landlord would provide it. But if this were to be provided by-- in the summons that was sent out through the court as basically just an FYI of here's what's available to maybe cure your pending eviction, would that change some of your opposition? Because then it would take the onerous off the landlords.

TARA HOLTERHAUS: Yeah.

BOSN: And she did strike out the portion that talks about those financial resources. Because you're right. They do vary. And, you know, she acknowledged that in her opening. They change from county to county. And quite frankly, unfortunately they change from month to month.

TARA HOLTERHAUS: Sure. To be clear: no, it doesn't change our opposition. In virtually every other civil case, if a defendant is being served, they are not going to be notified of their affirmative defenses and here's also a list of all counterclaims you can bring now against the plaintiff. That, that information isn't handed to the defendant when they're served with the summons. Now, if-- I do think there's-- it's going to need to be a county-specific form. I-- and I-- again, I haven't seen the amendment, but there are wildly different resources based on county. And I practice frequently in Douglas, Sarpy, Washington, Cass, Dodge, Dakota, and every county's completely different in terms of the assistance that's offered, whether there's going to be a free attorney for them at court, which it sounds like is a huge reason there is such support of this bill, is because they want tenants to have free counsel. Well, that's only offered in two counties in the state. And I, I-- again, I don't think it's on the Court Administrator or the landlord to make that information known. If these organizations are offering these services, they can make that known. And my understanding is that they're already doing that. My understanding is that the Tenants Assistance Project does outreach in the counties that they serve to let people know that they have a, a, a pending case that they can offer service for.

BOSN: Thank you. Any other questions for this testifier? Thank you for being here. Oh. I'm sorry.

HALLSTROM: Would, would you have any-- I mean, it, it seems to me people can get creative and-- if you're supposed to provide information regarding legal assistance. Did you provide in your, in your notice information regarding all legal assistance?

TARA HOLTERHAUS: Right.

HALLSTROM: I mean, could there be some, some issues that could arise there that they challenge and say, well, you kind of gave me some information. And I, I suspect maybe because it's statutory the Supreme Court Administrator's going to be putting stuff together. But it just seems that there could be some, some--

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TARA HOLTERHAUS: Well, we see as many creative arguments as you can come wi-- up with to try and squeeze out a few extra days on a move-out agreement. So that's absolutely what's going to happen. And again, I think there needs to be clarity on whether this is required on notices that the landlord serves, like the seven-day notice. Because if that's the case-- right. Did the landlord provide every resource or did they provide all resources or-- you know, if, if they gave one resource, is that enough? I don't know. I think that would lead to some confusion. But we also need clarity on that point. Because if it's just the summons, that takes the burden out of the landlord prior to the court filing. But if it's the notices themselves, now we've got more forms we're serving in the breach stage of the lease agreement, which, again, driving up operating costs. More regulation. I think the biggest thing I want to urge the committee to think about is, why the overregulation? This isn't required when you, when you serve a defendant on a, you know, personal injury case or, you know, other breach of contract cases. Why are we overregulating and requiring all of these extra steps for the court to notify when it's not done in any other case?

HALLSTROM: And I, and I believe that's what Senator Bosn was, was getting to with regard to who's actually providing the notice. The-- right now, it says the landlord provides it. And if the sheriff issues-- so I think-- that can probably be addressed technically in the bill, but I think it's a, a potential flaw right now.

TARA HOLTERHAUS: Yeah. I think th-- and I-- again, I haven't seen the amendment, so I don't want to speak out of turn on that. But I think there needs to be some clarification on the language. But even if clarified, we're still in opposition.

HALLSTROM: Thank you for that.

BOSN: Senator McKinney.

McKINNEY: Thank you, Chair Bosn. And thank you. And you said, why the overregulation? Well, I think it's kind of clear, especially if you think about my district, which has a high volume of evictions and people who don't have a lot of understanding of their rights. So I'm kind of confused on what's wrong with the Court Administra-- Administrator just giving people information about legal assistance. I'm, I'm kind of baffled about that type of opposition.

TARA HOLTERHAUS: Yeah. Well, thank you for your question. First, I think it puts the court in a position that they are taking an affirmative stance one way or the other by providing that information. Second-- and Senator McKinney, you weren't here. I wish I had my other script from the last bill, but we come down here every year to talk about a dozen or so landlord-tenant bills, all of which provide for more regulation and more requirements on landlords. And you specifically ask the same question every year, which is a fair question: how can we have more affordable housing? We can stop regulating so much, so much so that operating costs go up so significantly every time. Now we need to do this form. And if you didn't do this form, now your legal costs just went up because now you need to dismiss your initial case, refile because the form wasn't included, and, and now we've got all of these little things that drive up operating costs that is going to increase rent.

McKINNEY: But I don't think that's a fair argument because you can make the argument that regulations every year driving up the costs. But there were slumlords in north Omaha in the '90s. There were slumlords-- slumlords in north Omaha in the '80s. And there's still slumlords in north Omaha today.

TARA HOLTERHAUS: I think there's bad actors in any industry. I don't think that's the norm across the industry. And I would urge that if, if we want to see if affordable housing can be possible, then let's stop overregulating the industry and let tenants have a choice of who they rent with. Tenants have a choice when they sign a lease agreement of what the terms are. And when they breach that lease, they're, they're-- again, there's no surprise eviction.

McKINNEY: But what about when landlords breaches-- breach leases? Because the conversation that you're giving is that it's always the tenants that are breaching the leases.

TARA HOLTERHAUS: Not at all.

McKINNEY: Landlords breach leases all the time.

TARA HOLTERHAUS: We have a bill later that we're going to talk about that on. And that happens too. There are remedies available to tenants for landlords who are breaching their lease. So that--

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McKINNEY: But what if they don't have the-- they don't know about the legal resources or the legal information to even go after a landlord for breaching a lease?

TARA HOLTERHAUS: And there's a lot of way to learn about those resources rather than it being--

McKINNEY: Where?

TARA HOLTERHAUS: --coming from the Court Administrator or the landlord. And-- again, it's--

McKINNEY: Where would they get that, though?

TARA HOLTERHAUS: --not a surprise-- Google.

McKINNEY: Google?

TARA HOLTERHAUS: Yeah. And it's not a surp-- and respectfully, it's not a surprise when they are served with an ev-- a summons. At that point, they've already been given a notice for failure to pay rent or a notice of violation of other part of the lease agreement. So by the time they're given the summons, they've already had sometimes weeks, sometimes over 30 days to re-- research what those resources might be.

McKINNEY: So as a tenant, who would you trust giving you legal information, the State Court Administrator or Google?

TARA HOLTERHAUS: Well, that's not to say that they're getting legal information from Google. They're getting resources from Google of places that they can reach out to. And to be clear, I think a lot of organizations are already doing this outreach on behalf of their organizations, and I think that's where the information and the education should continue to come from.

McKINNEY: Who would you trust to give that information, the Court Administrator or Google?

TARA HOLTERHAUS: Either one. I think when you type that information into Google, you're going to get a list of Legal Aid, Nebraska Appleseed, Together Inc, Threshold Omaha. There's a lot of resources--

McKINNEY: So you would weigh information shared by the Court Administrator and Google on the same level?

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TARA HOLTERHAUS: Well, to be clear, we don't even know what this form is going to look like. We-- it, it could have a list of websites, which is going to be the same exact thing you do-- you're going to get if you type it into Google. We don't know if there's going to be contact information. Depending on what the form looks like--

McKINNEY: But now you're--

TARA HOLTERHAUS: Well, the-- let me finish if I can. Depending on what the form looks like, they're still going to have to do some level of research to get in touch with an organization who can still help them.

McKINNEY: But now, like you just was talking with him, you're making a creative argument.

TARA HOLTERHAUS: We see creative arguments on this every day.

McKINNEY: And now you're making one.

TARA HOLTERHAUS: I think, I think the biggest thing we need to worry about here is, where does this information come from and why is it on the landlord and the landlord's burden to provide it? Whether that be through the Court Administrative process of the form-- either way, it's a form that gets served when the landlord serves their summons. And I don't know why that's appropriate. I think there's no reason for that.

McKINNEY: Thank you.

BOSN: Senator DeBoer.

DeBOER: Thank you. So let me see if I am understanding your objection, because I think the amendment, which is a white copy amendment-- it's very short--

TARA HOLTERHAUS: Can I see it?

DeBOER: I'll have a page bring that to you. The-- there is a part that I bracketed where I think we need to change the, the, the wording in, in part-- paragraph 2 on line 15, from landlord. As I see this bill going forward, I don't think this is a bill where the landlords have anything to do with this. This is just between the State Court Administrator and they're summoning-- their summons forms. And in evictions, we know evictions are different than other kinds of proceedings in the court. We've seen that. So in this case-- although

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there is precedent because with DV we do this. When you get your summons, you get information about that as well. So what we would do is we would-- when you get your summons, you get the information as well. Here's some assistance if you need it. And in terms of figuring out what would be in the, the list of resources-- we of course don't have that on the, the statutory level. That would be something that, you know, the State Court Administrator would have to develop in-- right now it's a him-- in his best understanding of what would be helpful. And whether he would do that for the county or whether he would do it for the whole state would sort of be up to him. So we're not going to tie his hands that much, but we would let him come up with something reasonable to do that, and then they would-- so it takes you all out of it. So what I'm hearing-- and I totally don't want to put words in your mouth, so I want you to correct me-- is that you're still a little bit against it even if it has no responsibility on the landlords because you think giving people more information about the legal assistance available to them is somehow unfair.

TARA HOLTERHAUS: I think it will lead to bad faith claims filed as a way to--

DeBOER: Under the housing discrimination--

TARA HOLTERHAUS: --delay--

DeBOER: --or the--

TARA HOLTERHAUS: Yes. I think that-- specifically, the language that says "and information on how to report housing discrimination" is inappropriate for an eviction case. I think that language specifically is the crux of the opposition-- the resources themselves, totally fine with that being published. Information on how to report housing discrimination will 100% lead to bad faith claims being filed meant to delay the process.

DeBOER: OK. So you would be-- if we took that part out and fixed the part that says "landlord," then you would be OK with it? Because the-- right now, it says "landlord." It shouldn't say "landlord." It should say a summons every-- we'll have to rewrite it so that it says, when there's an eviction, the summons shall include this list.

TARA HOLTERHAUS: Yes. I have a few other issues, and I'll try and be very brief when I describe them. So right now, it says the Court

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Administrator shall prepare a list of resources. It does not say that this is meant to be included by the court with the summons.

DeBOER: No. That's why I'm saying I think we have to fix that in that second paragraph there.

TARA HOLTERHAUS: That I think needs to be clarified. I also think it needs to be clarified of what eviction notices means. I think it needs to be changed to summons because--

DeBOER: I agree.

TARA HOLTERHAUS: I, I want to refrain from imposing any further regulation requirements at the time of serving the initial notice of violation. And then subsection (2), where you bracketed, I think needs to be amended in that respect.

DeBOER: I think we agree on that. So the only thing that I think we disagree on is-- or, rather, we still have to discuss is the-- how to report housing discrimination. So it sounds like I can meet all of the things that you would like to change in this-- and I will grant you, you just got handed this in the moment, so you have a right to look over it and change your mind a little bit. But the things that you've mentioned so far are all fine. I think those aren't a problem. I think that, that gets to what Senator Cavanaugh was trying to do with this bill. The only question would be whether or not to retain the piece on the housing discrimination. But--

TARA HOLTERHAUS: I think if you're already notifying a tenant of their resources and potential organizations that can help them, they are going to notify a tenant of how to report a housing discrimination claim if, after consultation, that's something that is valid and needs to be explored. I don't think that this needs to be pushed by the Court Administrator that, by the way, here's this potential claim you might have against them--

DeBOER: I think--

TARA HOLTERHAUS: --when it has nothing to do with the eviction itself.

DeBOER: I mean--

TARA HOLTERHAUS: And it may have something to do, but I think--

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DeBOER: I mean, I think that's something we have to ask Senator Cavanaugh because it's her bill and I would not deign to try to take over her bill, but I understand your argument for that. And then for the rest of it, I think it just needs to be cleaned up a little bit.

TARA HOLTERHAUS: I agree.

DeBOER: OK.

TARA HOLTERHAUS: I regret that I didn't see the amendment prior to my testimony.

DeBOER: We live a fast-paced life here.

TARA HOLTERHAUS: Yes.

BOSN: Any other questions? Senator Hallstrom.

HALLSTROM: If in fact the, the legal resources, including legal assistance, is provided, someone takes advantage of it and, and obtains a lawyer-- free of charge or otherwise-- wouldn't it be the lawyer's obligation to provide information if-- grounds for housing discrimination--

TARA HOLTERHAUS: Correct.

HALLSTROM: --lawsuit or, or defense where available?

TARA HOLTERHAUS: Correct. Whatever the terms of that lawyer's engagement i-- are, that would be up to that lawyer to either handle or provide advice on.

HALLSTROM: Thank you.

DeBOER: All right. Are there other questions for this testifier?

ROUNTREE: One last one just real quick.

DeBOER: Senator Rountree.

ROUNTREE: And this is [INAUDIBLE] my last question. So you talked about potential bad actors for the antidiscrimination clause. Do you see any of that just in normal processing day to day?

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TARA HOLTERHAUS: For example, I have hearings tomorrow morning, one of which is a-- and I'm going to be vague because we are in pending litigation--

ROUNTREE: Absolutely. Absolutely.

TARA HOLTERHAUS: --is a 14/30 notice. And after we filed and served them, they filed a fair housing complaint. And now we are in the process of dealing with both. So yes, it happens not infrequently.

ROUNTREE: OK. Thank you.

DeBOER: Are there questions? Thank you so much for being here. Next opponent.

DENNIS TIERNEY: Good afternoon again. Dennis, D-e-n-n-i-s; Tierney, T-i-e-r-n-e-y. Senators, LB469 sets an impossible task for the State Court Administrator. How is the administrator to know what legal assistance are currently available for tenants in each and every county of Nebraska and how do they know any given month what financial resources are available to tenants in each county? During COVID, the MACCH program was available, but those funds have dried up and government programs come and go with frequency. How is the court to know what tenant money is available month to month and county to county? This is an impossible task for the court. An eviction is a civil proceeding between a landlord and the tenant, which the landlord enters into reluctantly to reclaim their property when the legal contract called the lease is broken by the tenant. Tenants are our customers, and no landlord wants an eviction. It's a painful and expensive process for all involved. Many times, the landlord has been trying to work with the tenant to resolve whether iss-- whatever issue was leading to the eviction, including letting them know what monetary resources are available to them is-- if it is failure to pay the rent. An eviction is not a surprise to the tenant. With any other civil proceeding in Nebraska, the party initiating the procedure isn't required to produce a form for the other party to tell them how to fix or block the proceeding. A bank isn't required to tell someone defaulting on a loan how to get funds. Why is Senator Cavanaugh singling out landlords to burden them with this requirement? Why doesn't she force all other individuals in-- in-- initiating a lawsuit in Nebraska to give the other party information how to get out of the lawsuit? The bill's form also insinuates to tenants that when they are evicted there must be some sort of housing discrimination and encourages them to file a discrimination claim whenever they're

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"invicted." Senators, LB469 is a bad law, and I urge you to reject it.
Thank you.

BOSN: Thank you. Are there questions for this testifier? Senator
McKinney.

McKINNEY: Thank you. How do you know it's an impossible task for the
State Court Administrator?

DENNIS TIERNEY: Well, it sounds to me to be impossible. How do they--
supposed to know what month to month what resources are available
for-- in any given county of the, of the state?

McKINNEY: But you-- you're saying it sounds to you. What facts do you
have to make that statement?

DENNIS TIERNEY: Common sense.

McKINNEY: But that, that doesn't mean anything here. What facts do you
have to back that up? What reports? What information do you have? Have
you talked to the Court Administrator to even say that it's
impossible?

DENNIS TIERNEY: I have not.

McKINNEY: OK. Thank you.

DeBOER: Thank you, Senator McKinney. Other questions?

DENNIS TIERNEY: Oh, to answer Senator Rountree's question. We had a--

DeBOER: Sir.

DENNIS TIERNEY: --a gentleman--

DeBOER: Sorry, sir. If, if we don't have a question to ask, then--

DENNIS TIERNEY: OK.

DeBOER: Sorry. We can't do that.

DENNIS TIERNEY: You don't want the information, that's fine.

DeBOER: We'll see if there's any questions. Senator Rountree? Anyone?
No, I don't see any. Thank you. Next opponent. Welcome.

PIERCE CARPENTER: Hi. My name is Pierce Carpenter, P-i-e-r-c-e C-a-r-p-e-n-t-e-r. Thank you for listening to me. I also have a document that came from Lynn Fisher, who's the member of the State Property Owners Association, SPOA. I-- it's kind of bland. I'm not going to read it. My issue with this bill is it, it, it's just wrong to have the landlord giving the tenant means to get out of the bill. And then secondly, it, it, it-- I mean, it, like-- it would eventually turn into a tool to delay the eviction because whatever form you give them, is it up-to-date? Does it have everything in it? Is everything in there? Did you get it to them on time? I mean, there's all these questions. Evictions today are no longer really involved with, did you pay the rent? You know, are you in breach of the lease? Evictions today involve, you know, are the I's dotted? Are the T's crossed? Was it served at exactly the time? Did he get the full three day? So this would, this would add another layer of confusion to it. In addition to it, the problem with the notification is if you serve it with the summons, you are-- if the summons is already there-- I've spent \$350 to get an eviction. That tenant is going to have to pay that \$350. It's too late if it comes with the summons. You need to get that with the seven-day notice, which is very undesirable. Senator McKinney, you asked about trying to form this. I did an eviction about three months ago. It was this girl named Nicoya [PHONETIC]. And she had moved in, not paid. So I went out and tried to get resources for her, and I ended up with 15 different places. But I didn't just get them. I called them all. And when I called them, you know, the discussion was just, right away, no, we don't have money. No, we don't have money. No, we won't handle that type of case. No, we won't do this. And I got it down to three, and I gave it to Nicoya. Now, Nicoya did not respond at all because I gave this to her right after the three-day notice in text messages. And she never responded to me until the day before filing. I texted her and I called her and she answered the phone. So I went down there and she said she had the rent. So I went down there and she had half the rent and wanted to pay me \$500 a mon-- a week until she was caught up. When-- a month and a half had gone by where she hadn't paid anything, and she wanted me to destroy that seven-day notice by taking money and, and go on from there. And she hadn't called any of the agencies which I had texted her four or five days before. My contention is the purpose of this is to help the tenant. But the reality is if people want to get help, they're going to help themselves. If you try to give them help, it, it just, it just doesn't work. They just don't do it. I've got another guy, Ted, who I gave a 30-day notice to. I gave him 40 options of--

DeBOER: Sorry. I see the red light.

PIERCE CARPENTER: That's fine.

DeBOER: Let me see if there's any questions for you.

PIERCE CARPENTER: Thank you for listening to me.

DeBOER: Are there questions?

PIERCE CARPENTER: Yes, sir.

DeBOER: Senator McKinney.

McKINNEY: Thank you for your testimony. You said this could be used, used as a tool, like if you get the wrong date. But if you're getting this from the court, do you think the court will get the date wrong?

PIERCE CARPENTER: Well, I, I think it's an un-- I, I see, I see what you-- what-- your point. And you're right. The court would have a better means of delivery. But keep in mind, by the-- if the court's delivering it, you've already filed. That \$350 is already spent. Now you, you-- whatever tier of a problem you had, it's now up that much higher. And it--

McKINNEY: I, I guess I'm kind of still baffled and confused about the energy for just giving people information. I'm-- it's just kind of weird to me.

PIERCE CARPENTER: I, I-- if I'm going to evict somebody, I would still try to do what I did. But it, it is not common for them to take that and, and go find somebody. Maybe, maybe it is in some cases, but generally I don't think it is.

McKINNEY: My thing is maybe they take that information and use it for their best interest. Maybe they don't. But at the end of the day, they have the information.

PIERCE CARPENTER: Yes.

McKINNEY: That's-- that-- and I don't understand why it's so much pushback to that.

PIERCE CARPENTER: Becau-- because the, the information is almost imp-- it's, it's very complicated to get that information together in a useful form. If you give them a list of 15 places and only 3 of them

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are good, how many do you think they'll call before they give up?
Because they're not going to call the 15 like I did.

McKINNEY: Who knows? Just give them the information is all I'm saying.

PIERCE CARPENTER: And, and, and I agree. It's a good idea, but it,
it's, it's so hard to implement. And, and the way things are changing
all the time, do--

McKINNEY: How do you-- how do you know it's hard to implement if it
hasn't been implemented?

PIERCE CARPENTER: Because what this will boil down to, it'll boil down
into a list of places. And then the question will become, was an
accurate list sent? Was the list complete? Did it include these other
places? Other agencies will come-- why wasn't I included? You know,
it, it just-- it's just legal fodder for lawyers. I, I think, I think
it's a good idea. I think it's just impossible to implement.

McKINNEY: So you don't think the court would produce a reasonable
list?

PIERCE CARPENTER: I think the court will be pissed off that they have
to produce that list. And I think they'll come up with something, but
nothing will ever be complete because they're--

McKINNEY: So you think the court will come in opposition of this bill?

PIERCE CARPENTER: Yes. I, I believe they will not want to do this.

McKINNEY: OK. We'll wait and see. Thank you.

DeBOER: Thank you, Senator McKinney. Other questions for this
testifier? I don't see any. Let's have our next-- thank you for being
here. Well, let's have our next opponent. Anyone else here to testify
in opposition to this bill? Is there anyone who would like to testify
in the neutral capacity? I don't see any, so I will fumble around
looking for the letters. It looks like we had 20 proponents, 46
opponents, and 1 neutral letter-- or, position comment. So Senator
Cavanaugh, happy to have you close now.

M. CAVANAUGH: Thank you. Thank you, members of the committee, for
listening to the testimony today. And thank you to all the testifiers
who came and shared their perspectives. To answer your question,
Senator McKinney, that knowing or not knowing if they can do this and

it being an impossible task, as I mentioned in my opening, my staff, Ethan Dunn, worked with the Court Administrator on the amendment of the language and it addressed their concerns and they did not come and testify in opposition to this bill. They also currently do this for a summons on a protection order. So if you are served a summons that there's somebody taking a protection order out against you, the Court Administrator with that summons includes information on resources that you can utilize to defend yourself in that protection order. So this is a, a practice already done by the Court Administrator. And the Court Administrator would work with advocates to create a comprehensive document that would then be posted on their website that can be accessed there publicly. I am happy to bring any amendments of clarification for this bill. It, it-- initially, it was the intention to have this go with the seven-day notice because that gives them the notice to get the resources that are necessary, but I'm happy to discuss with committee members one-on-one-- or, or today, if you like-- about the potential of having it change to just coming with the summons. But this is not a, a, a insurmountable task. And the Court Administrator did not give us a fiscal note as a result because it is something that they feel they can take on.

DeBOER: All right. Thank you, Senator Cavanaugh. Are there questions? Senator Storer.

STORER: Thank you, Vice Chair DeBoer. And thank you, Senator Cavanaugh. I'm-- again, I am an absolute proponent of more information and, you know, preventative-- taking preventative measures. I do have some concerns just coming from a rural county with very different resources. I think, I think some of the concern being expressed is just how each county's going to have different resources available and how to--

M. CAVANAUGH: And that was part of the-- the reason for the amendment is that every county is going to have different resources. And so I, I imagine that the State-- the Court Administrator will work with the advocates and they will probably delineate, as, as been mentioned, the temporary-- or, Tenant Assistance Program only exists in Lancaster and Douglas County. So while that information can be shared, it would be specific-- it would specifically say that it's only in those counties is how I imagine it. But I'm happy to work through any clarifying language because there's, there's-- Legal Aid of Nebraska. And-- so that is a statewide program. And giving them access to those resources would be in every county even if they don't have a physical presence there. So it's not-- it is not intended to be burdensome.

STORER: Right.

M. CAVANAUGH: And we are going to work with the Court Administrator on the implementation to make sure that it is not burdensome and that it doesn't lead people to believe that there are resources that there are not in their specific home.

STORER: Thank you. And then the-- my only other question then would be, would be the cost. Obviously, we're all very tuned in to the property tax burden, so.

M. CAVANAUGH: Right.

STORER: You know. And we-- there's some bills currently in terms of courts being-- maybe taken over-- expenses being taken by the state, but as of now those are county cost. So if it's just the cost of the form itself or the cost of doing the research or how often it's updated, I presume that would fall on the county.

M. CAVANAUGH: No, I don't believe so. I, I think, just like the protection order, it would be by the courts to, to have that updated on their website and--

STORER: And they would be responsible for individual differences county to county?

M. CAVANAUGH: I believe the document would be just like-- I can-- and I can send the committee I-- the copy of the protection order document. Because again, there's different resources in different counties. But it is-- it, it just kind of tells you what it is and who to reach out to. It's not really-- it's not a county-by-county issue. It's just here's who you can contact.

STORER: So I'm envis-- and that may be helpful to look at that--

M. CAVANAUGH: Yeah.

STORER: --for comparison, but-- so maybe I'm envisioning something more detailed than what, what your thoughts are--

M. CAVANAUGH: I think, I think that they're-- yeah. I think that there's this-- maybe a notion that it is a very detailed document, and it's not. It's, like, a one-pager resources.

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STORER: That would, in theory, be applicable to every county? So just provide statewide resources? Is that--

M. CAVANAUGH: I wouldn't--

STORER: --possible?

M. CAVANAUGH: --want to-- I wouldn't want to say necessarily. I think the document would be the resources that are statewide. And it could potentially have a subset that says, and available in these larger counties are these resources. So--

STORER: Things are always-- always get more complicated than--

M. CAVANAUGH: I know. It's a form. And-- yes. I-- but I get it because it's important.

STORER: Thank you.

DeBOER: Thank you, Senator Storer. Other questions? Senator McKinney.

McKINNEY: Thank you. And thank you, Senator Cavanaugh. So just to be clear, the Court Administrator did not come in opposition of your bill?

M. CAVANAUGH: No, they did not. We worked with them on this amendment.

McKINNEY: So it's not impossible.

M. CAVANAUGH: They did not inform me that it was impossible. They informed my staff that, with this amendment, that this was very possible.

McKINNEY: Thank you.

DeBOER: Thank you, Senator McKinney. Are there questions? Thank you, Senator Cavanaugh. That ends our hearing--

M. CAVANAUGH: Thank you.

DeBOER: --on LB469 and brings us to LB506. Senator Hunt. Welcome.

HUNT: Hi. Good afternoon, Vice Chair DeBoer and members of the Judiciary Committee. My name is Megan Hunt, M-e-g-a-n H-u-n-t. And I'm here today to present LB506, the Landlord and Tenant Radon Awareness Act. This bill was prompted by a constituent who wrote to me to ask

whether we could try to get something in state law to inform and protect tenants from radon risk along the lines of what we already have in place for homebuyers. If you're not familiar, radon is an odorless, tasteless gas that can build up in buildings, and in Nebraska we're ranked third in the country for high levels of radon. It's undetectable without testing, and it is the leading cause of cancer among nonsmokers. I want to shout out Senator DeBoer for leading the charge on our radon-resistant new construction law, which applies to new homes built after 2019. But this does not cover everybody in Nebraska, of course. We also have statute 76-212-0, requiring sellers of residential property to disclose all kinds of things about the condition of that property, including environmental hazards. So our state law provides building protection for newer buildings and the right to information for all buyers of all homes, but there's nothing like that in place for renters. Without LB506, there is no recourse if a landlord rents out a room or a house with dangerous levels of radon. There's no statutory requirement for landlords to disclose a known radon hazard, which is unfair for renters, as it's inconsistent with what our law provides for homebuyers. In looking around for a model, we found four states that specifically provide radon awareness for tenants: Colorado, Florida, Illinois, and Maine. There might be more that cover radon awareness in their landlord-tenant laws generally, but that's what we were able to find. Omaha in particular has consistently above average radon rates in test results reported from DHHS. In looking at all of these other states's laws, we went with Illinois, the way that they have their bill as a model, as it most closely matches what we already have in statute for homebuyers in Nebraska. With LB506, landlords will distribute a standardized radon disclosure information form to prospective tenants. This doesn't mean they're saying the unit has a radon issue. It's just general information about the potential for exposure in buildings in Nebraska. If the unit has been tested and has showed elevated radon levels, the landlord has to disclose that result to the tenant. If there's a known radon issue that is disclosed, that tenant gets a 90-day grace period during which they can back out of the lease without penalty. The tenant can conduct their own radon test of a unit or have mitigation done any time at their own expense. If a tenant gets a test that shows a radon problem, the landlord can have their own tests done by a radon measurement specialist within 30 days to disprove the tenant's result. If the landlord opts not to have their own test or to mitigate the hazard at all, then the tenant has the right to terminate the lease without penalty or loss of security deposit within 90 days, or to hire a radon mitigation specialist at

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the tenant's expense. And finally, under this law-- under this bill, if a landlord fails to disclose a known problem, the tenant has the right to break the lease at any time without penalty. To be clear, LB506 does not require anything of the landlord beyond distributing the standardized form on which they'll check a box saying there is or isn't a known radon hazard in the unit. If there is a known problem, they have to disclose it and share those test results. If a tenant chooses to have their own test done and finds a problem, the bill protects the landlord's right to get the tenant's test disproven. The bill explicitly provides that the landlord is not obligated to conduct or fund any testing or mitigation activity. So, you know, the goal is just to provide information to tenants, not to create a burden for landlords. I've been in enough landlord-tenant hearings to know, you know, no one, no one really wants to get tangled up in that. So-- including myself. So I'm happy to answer any questions.

DeBOER: Are there any questions for Senator Hunt? I don't see any. Thank you, Senator Hunt.

HUNT: Thank you.

DeBOER: Are you going to stay around for closing?

HUNT: Yes.

DeBOER: All right. Let's have our first proponent. First proponent testifier. Is there anyone who would like to testify in favor of the bill? If not, we'll move to opponents. First opponent.

DENNIS TIERNEY: Dennis, D-e-n-n-i-s; Tierney, T-i-e-r-n-e-y. Senators, in LB506, Senator Hunt wants to force landlords to scare tenants into getting radon testing of rentals by supplying tenants with her form that is factually incorrect. It states that radon is a leading cause of deaths in private homes, whereas the the National Safety County statistics-- which I've, I've given to you-- show that the leading cause of deaths in homes in 2023 are injuries due the poisoning, falls, fires, and various other reasons. There were 125,700 deaths in homes from these causes, which is more than five times the EPA statistic of 21,000 radon-related deaths. Moreover, that BEIR VI study on which the EPA number is based has been called into question by a 2017 study because the, the BEIR study didn't take into account-- this was a study on miners. If you, if you guys don't know what the BEIR study was, this was on miners' radon exposure. But that stu-- but the BEIR study didn't take into account the miner's exposure to diesel

fumes in the mines, which is a known carcinogen. So the, the 2017 study estimated that the real number should be 12,900 to 15,900 deaths. Obviously, not small, but it's not 21,000. Senators, are you aware that 86% of radon-related deaths occur in current and former smokers? 86%. The synergism between radon and smoking is a critical aspect of the relationship between radon and lung cancer. There have been very few studies looking at cost-benefit or cost-effectiveness of radon control studies-- tra-- strategies. One study showed that universal radon test and remediation in homes with levels at above 4 picocuries per liter would cost \$140,000-- and that's in 1993 dollars-- per life-year saved. That's the way they do these studies for determining cost-effectiveness. Another study-- and this is in your packet-- showed-- to prevent one lung-- lung cancer death costs \$3 million, or \$480,000 per life-year saved based on universal radon testing and mitigation. If concentrated on smokers, the estimated cost dropped to \$30,000 per life-year saved, which is obviously a lot more cost-effective. When you talk about cost-effective measures to save lives, some people may consider that hard-hearted, but in reality, if you don't talk about it, you ignore the fact that any society doesn't have unlimited resources. So in talking about public health measures like radon mitigation, it needs to be considered. I guarantee you landlords do not have unlimited resources. And Senator's Hen-- Hunt's contention that doesn't cost landlords anything ignored the fact that in her bill it states that the tenants can take the, the, the cost of mitigation off their, their rent over time. So it does cost landlords money. If Senator Hunt really cared about saving lives with radon testing, she'd be targeting smokers, not landlords. Please reject LB506. Thank you.

DeBOER: Thank you. Thank you for your testimony. Are there questions? Senator McKinney.

McKINNEY: Thank you. Do, do you have any fear of disclosing radon test results?

DENNIS TIERNEY: None.

McKINNEY: So what's the problem with the bill?

DENNIS TIERNEY: The, the bill is an attempt to scare tenants into performing radon testing themselves and then whether or not they're at high risk. One of the things that, that, that I, I provided you guys was the EPA's own statistics regarding the risk of, of death from radon over a lifetime exposure at 4 picocuries per liter. And that is

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the same-- in a nonsmoker, that's the same risk as, as dying in a, in a car accident. So are you going to take away cars?

McKINNEY: I, I do have a curious question, because I started to look at the online comments and they're all pretty much, seems to me, copy and paste. Where is this information coming from that Senator Hunt is trying to scare tenants?

DENNIS TIERNEY: It, it-- well, it's obvious when she says that, that, that radon is the leading cause of deaths in homes. That's factually incorrect.

McKINNEY: But--

DENNIS TIERNEY: You, you're trying to scare somebody by telling them, hey, radon's going to be a lot more likely to kill you than anything else in your home, and that's factually incorrect.

McKINNEY: So you're saying it's factually incorrect. But the Nebraska--

DENNIS TIERNEY: The National Safety Council says it's not right.

McKINNEY: But the Nebraska Association of Local Health Directors is saying the opposite. So who am I supposed to believe?

DENNIS TIERNEY: Well, I would assume the National Safety Council knows a little bit more about deaths in homes.

McKINNEY: But I don't see that data. I don't know--

DENNIS TIERNEY: I supplied it to you.

McKINNEY: Yeah, but I don't have a citation for it, so I don't know if that's accurate.

DENNIS TIERNEY: I gave it to the pages.

McKINNEY: But what I'm saying is the Nebraska Association of Local Health Directors is saying the opposite. So should I not believe them?

DENNIS TIERNEY: I would believe the National Safety Council.

McKINNEY: But that's not my question. Should I not believe the Nebraska Association of Local Health Directors, yes or no?

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DENNIS TIERNEY: I don't know what they're saying.

McKINNEY: They're saying the opposite of what you're saying.

DENNIS TIERNEY: OK. You'll have to choose who do you believe then, the National Safety Council or the other guys?

McKINNEY: I don't see the other guys. Thank you.

BOSN: Senator DeBoer.

DeBOER: Thank you. So I'm trying to understand. You testified about that they could reduce it from their rent. You said that the bill allows tenants to deduct radon remediation from their rent?

DENNIS TIERNEY: Yes.

DeBOER: So I'm looking-- is that-- so--

DENNIS TIERNEY: I don't know what section. I don't have it with me.

DeBOER: So I, I-- let me read from you from the bill and, and see if this is what you're referring to. It says, if a landlord-- if a lessor fails to provide the prospective tenant or tenant with-- probably should say tenants-- with the documents required in subsection (1) of this section-- so if they don't provide this-- the documents, then the tenant may, after having his or her own radon-- nope. That's wro-- wrong. Sorry. At any time during the lease-- leasing period, hire a radon medi-- mitigation specialist to perform radon mitigation activities at the tenant's own expense. With express consent from the lessor, the cost of such activities may be deducted from the cost of the tenant's rent in equal parts for the remainder. So--

DENNIS TIERNEY: So they deduct it from the, from the rent.

DeBOER: But when it says--

DENNIS TIERNEY: So it does cost the landlord.

DeBOER: Well, except that it says with express con-- you'd have to-- you-- the landlord would have to expressly consent to let them do that. So I think what she's trying to do-- and we can make it more clear-- is say that the landlord doesn't have to pay for it. The landlord can if they want to, but they don't have to. And if that is her intent, does that help with your concerns?

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DENNIS TIERNEY: It helps my-- yeah. It does help with my concern about excessive cost to landlords. But again, this totally misses the boat of what's cost-effective in, in public policy.

DeBOER: So--

DENNIS TIERNEY: What's cost-effective in public policy is not, is not to mitigate all radon in, in homes. It's to mitigate those in smokers. You'll save a lot more lives by mitigating the smokers.

DeBOER: I understand that's your-- I understand that's your position. I did a lot of work on radon in Nebraska. We are much higher than the national average. And so that's why I think, for me, I'm reluctant to take something that's spread throughout the country and, and look at that for Nebraska, because we actually have really, really high levels of radon. And that's why I think that there might be some concern about radon here in Nebraska. And-- I guess that isn't a question. It should have been a question. I'm very sorry about that. I don't have a question there.

DENNIS TIERNEY: OK.

BOSN: Any other questions for this testifier? Thank you for being here. Next opponent. Hello again.

TARA HOLTERHAUS: Good afternoon again. My name is Tara Holterhaus, T-a-r-a H-o-l-t-e-r-h-a-u-s. I'm here today on behalf of the Apartment Association of Nebraska, the, the Nebraska Association of Commercial Property Owners, and as a private practice attorney who specializes in real estate, specifically the multifamily housing industry. My opposition to LB506 is limited and twofold. So first, the bill does a great job of defining what a radon measurement specialist is, and that's in Section 1 of the bill, subsection (8). It defines a radon measurement specialist as an individual licensed as a radon measurement specialist under the Radiation Control Act. My concern is that this bill would allow the tenant to conduct an at-home test on their own with no use of a radon measurement specialist. But then if the landlord would want to dispute that, they would need to hire a radon measurement specialist. And I think that that, that needs to be amended in the bill to make it, make it more even. But also, the CDC and the Nebraska Department of Health and Human Services specifically gives clear guidelines on directions of how to conduct an at-home test in order to get accurate or more accurate results. And I, I worry that a tenant conducting an at-home test maybe not following the Department

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of Health and Human Services and the CDC's guidance on how to conduct an at-home test for those accurate results would put landlords in a position to pay a radon measurement specialist when the tenant didn't have to incur the same cost. Specifically-- and this is the second aspect of my opposition, is that the CDC and the Department of Health and Human Services recommend that, for an at-home test, all windows and doors need to be closed. There need to be limited entry and exit prior to conducting the test so that you're not having, you know, the outside air, I guess, into the, into the property. Each kit might have their own instructions for how to conduct the test. The kit must be placed in the lowest level of the home or where you spend time, like a bedroom or living room. So those are clear guidance. But again, each kit might have their own directions. The CDC and the Department of Health and Human Services specifically state not to place a kit in a kitchen, laundry room, or utility room. And for some units-- especially, you know, like, a studio or a one-bedroom where a kitchen is very close to the bedroom or living room-- or sometimes all one room-- I think a radon measurement specialist to be required to conduct the tenant test would help eliminate some of those at-home testing quirks that might not report accurate results.

BOSN: Thank you. Questions for this testifier? Senator DeBoer.

DeBOER: Sorry. So I think some of the concern about the accuracy of the at-home test is that they-- if, for example, if you don't have the doors all closed ahead of time, you're not going to get as high of a reading as you would otherwise. So, like-- I mean, that's when I did the work with it. So some of those things, the piece about the kitchen I'm not sure about, so I won't say anything about that. But if we just make it reciprocal and says-- say that if a tenant does an at-home test, then the landlord can do an at-home test, would that alleviate your concerns?

TARA HOLTERHAUS: I think that both should be required by a radon measurement specialist. The bill went to the effort to define it, I think, for a reason. I think if we're going to impose this regulation, I think it should be done by a specialist or somebody who can understand the best place to conduct the test within the unit.

DeBOER: OK. Thank you.

BOSN: Any other questions for this testifier? Thank you for being here. Next opponent. Welcome.

DANA STEFFAN: Thank you. Good afternoon. I'm Dana Steffan, D-a-n-a S-t-e-f-f-a-n. Believe it or not, radon got me out of the chair at the back to the gallery. I'm a property manager here in Lincoln, Nebraska, and I have an example just a couple of months old about radon and a tenant here in town. He rented a slab house, which shouldn't have much radon because, again, there's no basement unit. That's kind of the nature of the radon. And he came from us from Texas, so he wasn't used to the area. He was having breathing issues, asthma issues, some kind of respiratory issues, which sent him to the emergency room. Now, who, who turned him on to radon? I don't know, but he got a kit from somewhere, did a home test, felt that it tested high, and brought it to my attention. Now, the home was purchased seven years ago. It was tested then and tested low and no need for remediation at that time. So now he has presented me with emergency room bills-- more than one-- with many zeros behind them, expecting me to pay them because he is dying of radon poisoning. Again, he's not used to it. He didn't read up on it. He's sure. So I did hire a remediation specialist. They went in to test it. It tested low. So now we have the, the original test seven years ago, the test that's just a month old, and his home test. And he is still demanding that we pay his medical bills. Now he has called Building and Safety here in Lincoln and had them out to visit the home, which the only thing they found was a smoke detector that was a little too old that we replaced. It, it wasn't that it wasn't functioning, blah blah blah. So here we go. He is still demanding that I pay his medical bills. What is wrong with him? HIPAA? I don't care what's wrong with him. I gave him an offer to mutually terminate the lease agreement. Hey, let's just part our ways as friends. Go find someplace else to live. I'm sorry this house didn't work out. He told me I was just trying to get out of paying his medical bills and he is still dying in the house. So I just wanted to bring that to your attention as you consider this bill, consider notification. You know, all the cookie cutters aren't the same out there. And people from other areas of the country migrate into Lincoln. They don't know about radon. Do they need to be educated? Yes. Is it a problem? Yes. I know someone in the Des Moines area that she died of lung cancer and, yes, it was pointed at radon. So I see it is a problem. But consider wisely as you move forward, because litigation is real and it's no fun for anybody.

BOSN: Thank you. Any questions for this testifier? Senator Rountree.

ROUNTREE: Thank you so much, Chairwoman Bosn. And thank you for the testimony. That's good to know. For the individual in Iowa who died of radon and it was attested to radon, was she also a smoker?

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DANA STEFFAN: No. She was not. She was 34 years old and lived in her mother's basement. And the basement tested high after the fact.

ROUNTREE: OK. All right. Thank you so much.

DANA STEFFAN: And I've had my home re-- re-- remediated, and I've had my daughter's also. So I, I hear you. And I-- we were not buying and selling. We just took that step.

ROUNTREE: And I've done the same. I always test it. When I bought it back in 2016, it was well within its range and it's been something that's always on the radar. So thank you.

BOSN: Any other questions for this testifier?

DANA STEFFAN: Great. Thank you.

BOSN: Thank you for being here. Next opponent. Welcome back.

PIERCE CARPENTER: Thank you. My name is Pierce Carpenter, P-i-e-r-c-e C-a-r-p-e-n-t-e-r. I am a small-time landlord. I am also representing Lynn Fisher, who put this tremendous list of studies on radon. I'm not going to go over the studies. I think they've covered various aspects of it. But if you look at this last paragraph, the bottom line is the EPA's 4 picoCi per L-- I'm not sure what that is, but. Curies? OK. Curies per liter action level is based on a precautionary approach than the absolute proof of harm at that level. Some studies challenge the assumption that low radon exposure is dangerous, but most health organizations err on the side of caution, which I would imagine most of us would agree that that's truthful. The-- in, in the bill it says the state of Nebraska strongly recommends radon tests. I didn't-- [INAUDIBLE] the state recom-- strongly recommend a radon test. Then it says-- it also says, elevated radon can be easily reduced by-- I can't read my notes, but. It used to be, you know, 20 years ago, you could get somebody to go in your house and do some radon remediation for, like, \$150 and they, they put a blower in there and, and do kind of a primitive job, but it would reduce it to some degree. Well, they've since required radon people to be licensed. So that \$150 went right up to \$1,500. And that was, like, seven years ago. So I would guess it cost \$2,500 to \$10,000. I mean, I, I guess you could spend whatever you want to spend to, to do that. It's no longer a, a small costing item. And the other issue I had is the requirement for disclosure forms. I mean, the lead paint disclosure forms. If you do not disclose that you know lead paint is in a, a apartment or a house, I mean, they

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can get you for typically \$2,000 to \$10,000. If there's a child that's affected by lead paint and you didn't disclose it, you're looking at cost in excess of that. Radon could turn into something like that if you guys put legislation through. I don't want to see that happen. I oppose this bill. I don't have anything else. But if you have a question, I'll--

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

PIERCE CARPENTER: Thank you.

BOSN: Next opponent. Welcome.

RYAN NORMAN: Welcome-- or, thank you. It's getting late already. Sorry.

BOSN: That's all right.

RYAN NORMAN: Yeah. Actually, I haven't filled it out yet. Can you-- I'll, I'll give it to you after I'm done. Sorry about that. I wasn't intending to testify on this, but my name again is Ryan Norman, R-y-a-n N-o-r-m-a-n. I'm an attorney who represents rental property owners and managers in Lincoln, and I'm the head of the Legislative committee for the Apartment Association of Nebraska, the Apartment Association of Nebraska really-- we like the idea behind this bill, frankly. I-- we don't have any problem with radon testing or, you know, mitigating radon concerns. I think it's important. And I think it's a real concern. I guess the, the one thing that we have an issue with-- and I want to be careful not to, to discuss what Tara Holterhaus testified about earlier, other than to say, I, I think that my concern here is just I look at this bill and I worry about bad actors, because that's what I think about when I look at these bills. I try to look at the bad actors on both sides. And my concern here is that we're going to have tenants that-- the ones that are bad actors-- and again, not all tenants are. Most-- the vast majority of tenants aren't. But allowing them to do that at-home test and then get out of their lease without penalty within three months, I think you're going to have some people that really take advantage of that. And so if there's a way that we can, you know, have the, the tenant have to have some skin in the game in terms of the-- if they think there's a real radon concern, then maybe they should be using an actual radon test specialist. Or another idea that is the real reason I came up here because we were just talking about it in the back there is-- one way

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we could maybe amend this is if the tenant has the radon concern, then they could bring that to the landlord and the landlord could hire the, the test specialist. And if the test comes back with low levels, the tenant could pay for it. And if the test comes back at higher levels, then the landlord could pay for. That's one idea. Something like that that, that puts both parties, you know, with skin in the game that makes this only occur when there's real radon concerns. I think that that's really the only concern we have with the bill. So with that, if we could get that, that concern taken care of, we would support this, but otherwise I would urge you to oppose it.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

RYAN NORMAN: Thank you.

BOSN: Next opponent. Welcome.

BEN MURASKIN: Welcome. At least I didn't fall out of my chair this time.

BOSN: I know. You're excited to get up here.

BEN MURASKIN: Much more careful. Chair and committee members, thank you. I, I'll, I'll be very brief because I think the previous testifiers did a really good job. I-- as I said before, my name is Ben Muraskin, M-u-r-a-s-k-i-n. And I'm owner occupier of Nebraska Lifestyles. We manage single-family homes in Omaha. Again, I think radon's important topic, and I-- and when we hear it, we're very careful to sort of try to do the best we can to, to do something about it. And I think some of the comments that were just said make a lot of sense. I think the problem with this bill is that it jumps to a conclusion quickly and, and sort of tries to remedy it. And I think maybe not really the right balance. It is a-- it is a big issue. And, and so I think some something where the tenant-- I, I don't really like the tenant being able to do a test on their own. In my experience-- I'm no radon expert, but the tests do vary quite a bit when we have more than one test out there. And so I think having a professional do it. And then I'm concerned about the, the tenant being able to do the work themselves to remediate it. I think that should be done through the landlord. So that's all I had.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

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BEN MURASKIN: Thank you.

BOSN: Next opponent. Welcome.

KORBY GILBERTSON: Thank you. Chairman Bosn, members of the committee. For the record, my name is Korby Gilbertson. That's spelled K-o-r-b-y G-i-l-b-e-r-t-s-o-n. I'm here today representing the Home Builders Association of Lincoln, Metro Omaha Builders Association Coalition, the Nebraska State Home Builders Association, and Nebraska Realtors Association in opposition to LB506. I have one specific question or concern with the bill, and that is allowing the tenant to go ahead and do mitigation without having any approval from the property owner. That is on page 3, line 21, subsection (b), so they can at any time a higher rate on mitigation specialist to perform radon mitigation activities at the tenant's own expense. This very well might be the case, but I think that the property owner would like to know before those services are being done so they might have the opportunity to do-- have the work done themselves.

BOSN: Thank you. Any questions? Seeing none. Thank you for being here.

KORBY GILBERTSON: Thank you.

BOSN: Next opponent. Anyone wishing to testify in the neutral capacity? All right. While Senator Hunt makes her way up, I will note-- unless you did already--

DeBOER: Nope.

BOSN: --that there were 13 proponent comments submitted, 35 opponent comments submitted, and no neutral comments submitted. Welcome back.

HUNT: Thank you, Madam Chair. And greetings again. A lot of the opposition comments, I got no problem with that. You know, if the landlords would prefer to pay for testing and mitigation, very good. Like Ms. Gilbertson's suggestion, if we just want to disclose to property owners that there was a test or that they want to do some mitigation, I think that's fine to clarify as well. One thing I wanted to sort of share with the committee about customer quick tests. On DHHS's website, they talk about radon quick testing and they cost \$18.95, \$15.95, \$18. There's a reduced cost test kit program. So it can be very affordable. And professional testing, according to our research, ranges between \$150 and \$300. So that's not nothing, but, you know, it's-- if you have a real concern about radon, for many people I do think that that's an affordable cost, whether that's being

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put on the tenant or the landlord. One other thing I just wanted to mention just to clarify: if a-- you know, responding to, to one of the testifiers-- if a landlord does their own test and it does not have elevated radon, under this bill they would not be liable for anything. They wouldn't have to do mitigation. They wouldn't have to pay medical bills. My bill doesn't speak to medical bills at all. There's no scenario where they would have to be liable for medical bills under my bill. So in that scenario that we heard from that testifier, this bill would not apply. I'd be happy to answer any questions.

BOSN: Thank you. Any questions for Senator Hunt? Senator Storer.

STORER: Thank you, Senator Hunt-- I just trying to listen to, you know, the various concerns. And I'm always all about sort of simplification.

HUNT: Yeah.

STORER: Would it-- and I don't know what the requirements are right now for, you know, every so often you should have your heat, you know, heat system tested. And-- I mean--

HUNT: Sure. Just maintenance.

STORER: --the city requires certain inspections on a periodic basis. Is there some way to just sort of align this with the requirements for when you sell a home? I mean, I know that's-- we're not talking apples to apples. But the-- that-- it-- some-- and I was just looking at, you know, what the recommended testing period is for radon, you know, and it kind of varies, but every few years. So it's not something that necessarily can change, apparently, in 6 months or 12 months or 18 months. But to just take a broader approach and say, every-- I don't know what the magic number is-- every 3 years, the-- that a property is tested and those results are shared in the lease agreements. Or-- I mean, something that's just a little more simple, a little more direct, transparency. Because I can see where this could get a little messy with all the provisions of the tenant being able to do it. And what test did they do? And did they know how to do it right?

HUNT: Well, frankly, I'm open to amending the bill to say that it has to be a radon mitigation specialist, that it can't be an at-home test. The-- it sounds like we have the same idea. You know, the goal of the bill is, A, if there has been a radon problem to disclose that to tenants and to give them an opportunity to mitigate that if there is

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high radon without putting cost on landlords. So the reason we kind of modeled this bill after our act for homeowners is, you know, just for, for simplicity's sake, honestly. So we don't have a thing in statute saying homeowners have to get tests every three years or something. So I-- that's why I wouldn't want to do something like that for landlords, for renters. I tried to align it for what we do for homeowners, which is just, when you're renting to somebody, when you have a new tenant and someone new is coming in, tell them what the radon situation is. That's it. And if they want to dig deeper, they sure can.

STORER: Thank you.

HUNT: Yeah, thanks.

BOSN: Any other questions? Thank you for being here.

HUNT: Thank you.

BOSN: All right. That will conclude our hearing on LB506. And next we will take up LB587 with Senator Spivey.

SPIVEY: Well, good evening, Chair Bosn. And hello, esteemed committee members. I think I'm your last bill, so this should be fun, right?

BOSN: We got one more.

SPIVEY: Oh. Just kidding. OK. So-- all right. Well, I take that back

BOSN: Don't tempt us with a good time.

SPIVEY: I take that back. Well, thank you again for the time. And I'm excited to be able to present to you LB587. I am A-s-h-l-e-i S-p-i-v-e-y. Representing District 13, which is in northeast and northwest Omaha. I'm here today to introduce LB587, which really strengthens tenant protections under the Nebraska's Uniform Residential Landlord and Tenant Act, by ensuring rental properties remain safe and habitable with the standard of living. I've been watching after my committee hearing around all of the conversation, and I appreciate the dialogue that's been had. And I just want to uplift and underscore that this is really about people-- like, human beings, our neighbors, the folks that we care about having safe and living standards that meet, like, basic qualifications of what does that look like. We know how important housing is to the wellness and success of ourselves and our communities, and so with what I am

proposing in, in LB587 just really strengthens at. The main components of this bill are to ensure landlords address serious habitative issues such as mold, pest infestations, and lack of essential services in a timely manner. It would also reduce the notice period for lease termination due to a landlord that is noncompliant from 30 days to 14, allowing tenants to take action sooner when health and safety violations persist. Again, this is about if that standard of living is not met, that we are not saying someone's health can wait 30 days, but it can-- it needs to be addressed within two weeks, which is very reasonable. It would expand tenants' rights to seek damages when landlords fail to supply heat, running water, or other essential services, or neglect serious maintenance issues like mold and pest infestations. It would also allow to deduct costs for obtaining temporary essential services or remediation of unsafe conditions if landlords fail to act. So your landlord-- you don't have running water-- or take now. It's super cold, you don't have heat and you need to have someone out and your landlord doesn't act, you can get that HVAC person out to ensure that you have heat and you would deduct that from your rent. It would also provide a legal avenue for tenants to recover damages is-- if their personal property is damaged due to landlord ne-- negligence. Really think about mold, pest infestation like bedbugs, so on and so forth. This bill does not impose new financial burdens on landlords who are already maintaining their properties responsibly. Again, there are bad actors, as we've talked about and I-- y'all have talked about really all day. And so this is about landlords who are not ensuring that their properties are safe and meeting a standard of living. If landlords are doing this, it should be no problem because it's already happening. So this is really about keeping landlords that are bad actors accountable. It does not impose new burdens on landlords who are already doing what they are supposed to do on behalf of their tenants. It allows tenants to manage how they terminate a lease. Right now, how the language is written is only in the hands of that landlord, versus having that tenant be able to help navigate their lease based on the conditions that they are living in. And it does allow for that landlord a period of time to fix the opportunity. So say, again, there's a leak, a pipe bust, there's a leak, it creates mold, that landlord still has an opportunity to address the issue. It doesn't say that that tenant can automatically terminate because that happens. And it does-- also keeping to account covering condition beyond the land's lor-- or the landlord's control, such as the issues caused by the tenant. So again, we're not saying that the burden is all on the landlord for these issues, but it really, to me, creates more balance and equality in that way. LB587 is

necessary because Nebraska current laws fail to protect tenants from serious health hazards, leaving renters with little recourse if a landlord refuses to fix a mold infestation, for example, or essential service failure. And we know that there is a causal relationship between landlords not maintaining a standard of living, evictions, and homelessness. So according to a 2-- 2023 report from the Nebraska Housing Developers Association, eviction rates have risen steadily. Especially in my district where I am, District 13, northeast, northwest Omaha, we are seeing a lot of this in our Omaha proper area. These evictions have disproportionately affected low-income households, communities of color, single-parent households, and it really exasperates homelessness rates in folks that are unhoused. Data from the Nebraska Homeless Assistance Program indicates that nearly 40% of individuals entering emergency shelters in Omaha have been evicted from rel-- rental housing within the past year. So again, it's not a direct impact, but we know that there is a causal relationship. When landlords are not creating the standard of living, that leads to evictions, issues in that residential relationship, and then, again, adding to the homelessness issue that we are seeing in our communities. And while urban centers like Omaha and Lincoln, we have more shelters and other social services. Rural Nebraskans have fewer resources sometimes. So individuals in smaller communities often have to relocate to larger cities to find emergency housing. We know workforce housing is an issue across our state. And, and this disrupts job prospects, schooling, and social support systems. So under the current law, tenants must wait 30 days before terminating a lease due to violations, even when conditions pose an immediate threat to their health and safety. LB587 ensure that the landlords who maintain their properties responsibly are not affected, while those who ignore serious issues are held accountable. Stronger tenant protections lead to better housing conditions, with-- which benefit both renters and communities by reducing housing instability and really improving public health. We know, like, from Maslow's hierarchy of needs, housing and that sense of safety and security is number one. We have also seen that the increase in our extreme weather, like flooding, has led to more mold incidents and increased illness for tenants. And so this bill ensures that renters don't get sick when their apartment floods in a storm and that the landlord is held accountable to fixing it in a timely manner. We need to ensure that Nebraska's rental laws are up-to-date, aligning with best practices and other states that have implemented tenant protections. They really create more equality with landlords without harming the rental market. Also-- so I, I passed out the synopsis around this bill, but then I also passed out a

proposed amendment that I am looking at after working with some local community advocates that are day in and day out within eviction court and are really doing a lot in the housing advocacy space. And what we have also found is that how leases are written with late fees are also a space of inequity for tenants. And so there are some landlords that will create a 30% late fee that never really allows for that person to be able to catch up on their rent and, again, causes for them to get in the cycle and potentially be evicted. And so with that amendment, it sets a cap around what those eviction fees would look at. I actually, in my day job, do some work around housing, and we hired an attorney, Dave Pantos-- who does a lot in eviction court in Omaha-- to, to consult with a lot of the families that we are seeing in our community that were facing eviction. And he actually just work with a, a mom. She is a single parent, a second grade teacher, and he was able to stop her from getting evicted. The rent that she had to catch up on was about \$3,000. And her fees and, and how they were compounded and written in her lease were about \$4,500. And so while she was able to make amends and work out with the landlord, on the rent piece it didn't work out. And it was a-- it was going to be a barrier on the late fees, but he was he-- able to help remedy that within the court system. But that is not everyone's experience, right? There's not a nonprofit underwriting this attorney to help them. And so the amendment-- again, I have not-- I just got it drafted. I haven't filed it yet. I wanted to be able to present it at this time to the committee as we're having this conversation and dialogue that having those caps are reasonable for that landlord to be able to recoup that person not honoring their lease without making it impossible for them to catch up and stay in their home. So again, this is really about the dignity of people and creating opportunities for tenants to be able to navigate their living experience in a way that creates safety and security and allows for landlords to really step up and do what they need to do as a providers of this space. And so with that, I will be happy to answer any questions that the committee has.

BOSN: Thank you. Questions? Senator Storer.

STORER: Thank you, Chairman Bosn. I'm just-- I guess I have a-- I'm going to-- I've been trying to process the best way to ask my question, and I think I'll do it in the form of an example.

SPIVEY: OK.

STORER: So if I rent a apartment, if I'm the landlord and I rent it, and there's sort of-- it's clean. It's free of-- there's, there's no

furniture in there. There-- but it is free of pest, whether that's bedbugs, mice, cockroaches. And six months into the lease, my tenant comes to me and says, we have bedbugs. In your bill, it would appear to me that I, as the landlord, would be responsible for remedying that, which would-- can be a cost upwards of \$2,000 to \$3,000, if I'm-- depending on the level of infens-- infestation. And I would also as the landlord be responsible for any damage to the tenant's bed, couch. But when I rented it, it was free of those things. How, how do we determine who's responsibility or whose burden it is that it became infested in that interim?

SPIVEY: Yeah. Absolutely. So I think bedbugs is a, a whole beast of its own. And I don't know if you're following the things with OHA--

STORER: They're very expensive.

SPIVEY: --and-- yeah. Well-- and there's actually a class action lawsuit against Omaha Housing Authority around the bedbugs and infestation because it was not at the fault of the tenants, but based on the living conditions that already exists and how bedbugs actually multiply that it looked clean as they were renting but there was actually still an infestation. So let's use, like, cockroaches for an example because I think bedbugs might not get to--

STORER: I kind of want to stick with bedbugs, if you don't mind, just because that one is-- that one-- that can be very costly. And I do understand that--

SPIVEY: Well-- and it's more complex, right? So I think it's not as binary as black and white. So this does allow for-- if the fence-- if the infestation is happening-- and I specifically use the term infestation versus, like, you just have ants that you need to remedy, and that's on me as the tenant. So there has to be an infestation. And there's usually when you submit your written grievance or, like, this needs to be remedied, that there is some sort of review of what does that look like. So if you're in an apartment, that would be, do other tenants have that issue? What does that look like? Is it-- what has been there? And then these two parties together would say this is a tenant issue or this is the property owner issue. And if it is based on the property, then the landlord would have to then remedy the infestation of bedbugs. And if one apartment has it, the infestation is going to be in-- into the entire property, which would still land on the-- be on the landlord. And that's what we're actually seeing now in a case with Omaha Housing Authority. So that is actually happening

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now. And it is on the landlord. It was their fault. That's why there's a class action suit. And it's in all of their apartment buildings.

STORER: But is it fair-- the way, the way this is written, it doesn't, it doesn't go into all of that detail about how to remedy that. It just says it's the landlord's responsibility if there's an infestation and also to provide damages to the tenant for, you know, any, any--

SPIVEY: For their property.

STORER: Right. So--

SPIVEY: So are you asking if there could be an update on language that there's a, a review period of whose fault it is? I'm-- is that what you're asking?

STORER: Because a lot of these things do be-- get, get to be very unclear of did-- if, if I as the landlord am confident-- and, and I understand. Sometimes things may happen. There could be an infestation that maybe the landlord wasn't aware of. How do we get back to proving was it there? Was it something a tenant brought in? Oftentimes those things happen without awareness of the tenant, right? They could've had a guest come to their house that, that brought that in. But it really starts to get murky in terms of who bears the, the cost and the burden for that. And, and in your bill, it-- there's really no-- it, it seems to put all the burden on the landlord automatically without a process for that. We could-- mold. I mean, I-- you could, you could have someone that just doesn't close the shower curtain appropriately and mold develops over time and-- so I guess my concern is there's, there's very little provision here for really determining the cause. And, and this really indicates that it's automatically the burden of the landlord.

SPIVEY: Yeah. So this bill specifically is looking at a standard of living. And why we added mold and specifically pest infestation, because we see more cases of that in negligent landlords. And so with mold, a mold-- and throughout the building or apartment that is impacting a tenant is not because water drip. This is a leaky pipe is building out black-- you know, like--

STORER: Your bill doesn't really specifically say that, in fairness.

SPIVEY: So if you, if you are interested in having some language that would further define and put more binary constraints on that, I will be happy to consider it if that's what you are suggesting.

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STORER: Thank you.

SPIVEY: Absolutely.

BOSN: Thank you. Any other questions for Senator Spivey? Sorry.
Senator Hallstrom. I didn't see it.

HALLSTROM: Senator, I appreciate your willingness to do that because I think it's absolutely necessary if there's any interest in the bill at all. Because there is no fault standard. It simply says the landlord shall remediate an old mud-- mold probrum-- problem-- excuse me-- or pest infestation. The other issue is the way that the-- 76-1427 is drafted. It relates to Section 76-1419, which is the obligation of the landlord to maintain fit premises. But your new, your new requirements aren't tied into that statute. So you may need to look at redrafting that if--

SPIVEY: Well, our professional drafters did that. So I can talk with their office and let them know that you have some concerns about their capabilities. So I, I worked with the professionals on that.

HALLSTROM: Well, that's not at all what I said, Senator. That's not at all what I said.

SPIVEY: Yeah. I would, I would be happy to look at that with the drafters. But again, I, I worked with the professionals on that to make sure that the language was tight and what it would look like. For this bill, to your point, what I have updated already existed. So I added in mold and pest infestation. The, the causal and what did that look like for landlords already existed in state statute. So I did not change anything that was not already existed. So some of your concerns are-- have already been listed and been in statute for many years and have not been an issue. So I just also want to uplift and point that out.

BOSN: Any other questions? Are you saying to-- oh. Senator McKinney. Sorry.

McKINNEY: Thank you. Why do you think it's important to improve housing conditions for renters?

SPIVEY: Well, I mean, I think they're at a disadvantage, right? We see that a lot of people have been taking advantage of renters. We have low housing stock, so there's not a lot of options for people specifically with lower incomes. And we see that we have a lot of

out-of-state landlords that are coming in, absentee landlords that are not creating safe and just sustainable housing that meet this basic need of living. And so this bill really outlines that this is about the running water. This is about heat and air. And it's about mold and pest infestation. So it's not about the normal wear and tear that you see within an apartment or some other pieces. This is about maintaining a standard of living and ensuring that we don't have bad actors that are continuing to take advantage of renters that maybe don't have a lot of options in terms of where they want to live.

McKINNEY: Why do you think it's important to update our landlord-tenant laws?

SPIVEY: I mean, they haven't been. And we keep and seeing increasing issues across our state in different types of cities around landlords taking advantage of tenants. We've seen that especially-- again, I'm in Omaha. And so we have these landlords that are having living conditions that they wouldn't even put their dogs in, but they're expecting people to be there and pay rent. And there is not an even playing field for tenants to advocate for themselves. And so this is really about creating that even playing field that landlords have a lot of rights in our state and we're not mandating a ton. And so this is saying that tenants have a right to advocate for themselves too, and they deserve to do that in a way that honors them having a place to live that has this minimum standard that really is rooted in dignity.

McKINNEY: Thanks. I'm sure the landlords will come up and say this is unfairly slanted against them. Do you think this bill unfairly punishes landlords?

SPIVEY: Absolutely not. When landlords are doing what they're supposed to do, this bill is not applicable. And there's, there's not a reason for them to worry about it. They're maintaining their homes. They're working with their tenants. They have places for people to stay that have the standard of living. This is about folks that are not investing in their properties and ensuring that their tenants have the standard of living around just the essential basic services that they need. And so I don't think it's an unfair ask for a property owner or a landlord to be able to maintain a dwelling for someone with these four basic items.

McKINNEY: Do you think this would encourage tenants to stop paying rent or make it easier for them to break leases?

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SPIVEY: Absolutely not. Again, there's not a lot of housing market, so the, the housing market is, is really slim. We see rising rent rates. Like, housing is an issue in general. And so people, you know, want to build their home. They want to have their roots, whether they own it or rent it. And this is going to make sure that they can just advocate for themselves. And so-- again-- and this does not remove any responsibility from tenants. So if a tenant is not doing what they need to do for paying their rent or communicating about late fees or whatever that is, the landlord still has a process to go through the eviction process and, and, and maintain their business in the way in which that they have signed that agreement. This is really about equalizing the field of the standard of living that says, as a property owner, you have to provide these basic, essential services. And we know that landlords don't. And so what is that recourse? There hasn't been any recourse. And as I mentioned earlier, there's a causal effect that leads to then eviction and then homelessness. And so this really allows for people to negotiate with, like, hey, I need this fixed. You're not fixing it. What does that look like? I'm going to give you my written notice. And, and, and they are still communicating and not just up breaking their lease so that they have to move.

McKINNEY: Thank you.

SPIVEY: Thank you.

BOSN: Any other questions? Thank you.

SPIVEY: All right. Thank you, Chair.

BOSN: Yes.

SPIVEY: And I, I'll stay.

BOSN: OK. Sorry. I forgot to ask that. Yes.

SPIVEY: You did, but then we started-- there was another question--

BOSN: Talking more.

SPIVEY: Yeah.

BOSN: Can I see a show of hands of how many individuals plan to testify in some capacity on this bill? 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11. Thank you. First proponent. Welcome.

CLARICE DOMBECK: Thank you. Good afternoon again, Chair Bosn and members of the committee. My name is Clarice Dombeck, C-l-a-r-i-c-e D-o-m-b-e-c-k. I'm the Senior Campaign Organizer for the Redress Movement Omaha, and we are a nonprofit organization that partners with communities across the nation to remediate racial segregation. We work to repair the harm that federal government, the state of Nebraska, local governments, and many in the real estate industry caused through intentional efforts to discriminate against black people and other people of color. Redlining and other discriminatory lending practices of that area created neighborhoods that were starved from investment and never fully recovered. You know those neighborhoods because they are the ones where we still allow slumlords to offer dilapidated apartments full of leaks, rats, and mold to your constituents. Our governments have done little to deal with these negligent landlords. For the last, I would say, six weeks I've been working with tenants at City View Apartments in Omaha. If you've seen on the news the, the conditions that our neighbors are living in at City View, it's completely unacceptable. There are at least 55 units that have a slew of code violations. Many of those are high-level violations that include toilets that don't work, no running or hot water, mold, walls that are soft to the touch because pipes are constantly leaking. The list of the issues at City View goes on and on. And a lot of those issues-- not even just the issues. A lot of those code violations have been documented. They are on file with the city of Omaha. Inspectors came out. Some of the cases are still open from 2024-- February of 2024. That's a year. So the ownership at City View, like Senator Spivey was saying, is out-of-state investment firm that does not invest in their properties. They do not invest in the people. They do not care for the people that live there. Then on top of that, the city of Omaha has continued to let these code violations exist and continue to let our neighbors live in unsafe and unhealthy conditions. Sorry. Excuse me. I'm going to take a break for a second. The landlord won't fix these problems and the city won't take responsibility. Then at the very least, you should allow a renter to take care of themselves and remedy the problem. Without protection of LB7-- LB578, these same neighborhoods will continue to languish as these slum properties discourage investments and create a revolving door for tenants. Please support LB587 so that we can finally begin to undo [INAUDIBLE].

BOSN: Thank you very much for your testimony and sharing your story. Let's see if there's any questions. Are there any questions? Senator McKinney.

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McKINNEY: Thank you. And thank you, Clarice, for coming and testifying. Do you think there is a power imbalance between tenants and, and landlords or property management?

CLARICE DOMBECK: Absolutely. There absolutely is. Tenants, particularly our neighbors at City View, their property management-- they're uncaring. They don't treat people with dignity. They harass the tenants. There's definitely a power imbalance. And there's also a lot of fear because although those conditions at City View are not conditions that any human should live in, people don't want to lose their housing. They don't want to leave. Some of them-- some of our neighbors that I've talked with there have shared stories with me about how they were homeless before they went to City View. So they're afraid to speak up. And even when they have spoken up, it falls on deaf ears. The city of Omaha does not even follow its own standards of procedure. It does not follow its own, its own rules and laws that it has in place that's supposed to tect-- protect tenants and protect our neighbors from these unsafe and unhealthy conditions. And they just let it continue.

McKINNEY: Is City View still filing evictions?

CLARICE DOMBECK: Yeah, they're still filing evictions. Yep. They sure are.

McKINNEY: Thank you.

BOSN: Any other questions for this testifier? Thank you very much for being here and for sharing your story. Next proponent.

SCOTT MERTZ: Thank you.

BOSN: Welcome back.

SCOTT MERTZ: Thank you, Chairperson Bosn, members of the committee. My name is Scott Mertz, S-c-o-t-t M-e-r-t-z. I'm the Director of Legal Aid of Nebraska's Housing Justice Project. Over 15 years experience representing low-income tenants in Nebraska. Thank you for providing me with the opportunity to appear before the committee today in support of LB587. And I also want to thank Senator Spivey for introducing this bill and for inviting Legal Aid of Nebraska to testify today. Now, at Legal Aid Nebraska, our staff frequently hears from tenants from all corners of the state who are experiencing no heat during winter months, faulty plumbing, bedbug infestations, untreated black mold. Many of these tenants are low-income renters who

have limited financial resources and few housing alternatives, making them especially vulnerable to substandard housing conditions. Our attorneys advise callers of their rights and options, and our intake staff provide directions and sample forms necessary for the tenants to provide the formal written notice necessary to request repairs or redress. And yet many of these same tenants suffer for weeks before their landlords even attempt to address such notices. The reality is that for low-income tenants, waiting weeks for critical repairs is not simply an inconvenience. It can lead to serious health risks, financial hardship, and displacement. Based on our experience, we observed tenants are significantly impacted because the current law does not provide an adequate timeliness or enforcement mechanism to ensure landlords address major health and safety issues. LB587 shortens the response time necessary for critical repairs, ensuring serious threats to health and safety are adequately addressed promptly. When temperatures drop below freezing and the furnace is not working, it is not reasonable for a renter to wait two weeks for the heat to be restored. When a family's home is infested with bedbugs, waiting two weeks for an exterminator will mean continued suffering, including bites, discomfort, financial strain, replacing furniture, clothes, and bedding, and potentially missing work or school. For low-income tenants, these delays can mean choosing between enduring unsafe condition or facing homelessness. LB587 also correctly recognizes mold as a serious threat to the health of a tenant, particularly for children, seniors, and individuals with respiratory conditions. The bill provides the right to demand remediation of mold in rental property. In recent years, our attorney staff represent an increasing number of tenants who live in substandard housing with persistent mold issues. These tenants suffer adverse health effects, damage to their personal belongings, and in some cases have no choice but to vacate their homes before securing alternative housing because remaining in a mold-infested property is too dangerous. I'll cut my remarks short and just state that, for these reasons, Legal Aid of Nebraska supports LB587. I do thank you again for the opportunity. And I'm happy to answer any questions from the committee.

BOSN: Thank you. Any questions for this testifier? Senator Rountree, followed by Senator McKinney.

ROUNTREE: Thank you so much, Chairwoman Bosn. And, and thank you for your testimony. As I will look at the testimony and think about some of the things I might see on the news as far as some of the conditions that our people are living in, and you are working with tenants, are there opportunities when you are working with the landlords also, is

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there any type of-- times that you might come together and speak and landlords are seeing these issues that are there, but recognizing no action is taken on that as you travel down this road?

SCOTT MERTZ: That is the go-to first step on the road to relief for our tenants, is to just try to resolve it amicably with the landlords themselves. This is also, well, usually the most preferable version because it is the quickest. Going through the courts is timely and costly for all parties involved. It's always best to resolve matters agreeably, mutually, satisfactorily prior to escalating to litigation.

ROUNTREE: So when you take that first step, is it a he said, she said? Does the landlord push back and say this is caused by the tenant? Or the tenant shows what is broken in the house and [INAUDIBLE] about continued water leak or something like that and mold?

SCOTT MERTZ: It can depend. It can depend on all circumstances. We try to enlist the assistance of, say, code enforcement to provide some objective third-party criteria for determining, like, what actually is the standards, what is required by law in Omaha or elsewhere across the state. So it's less of a he said, she said when there's the involvement of the objective government officials.

ROUNTREE: All right. Thank you.

BOSN: Senator McKinney.

McKINNEY: Thank you. And thank you for your testimony. Do you think this is unreasonable for landlords?

SCOTT MERTZ: No, I do not. I, I also think it's something that builds upon and modernizes what's been in the law, particularly with respect to the timeliness and, and the-- and, and the timeline for seeking redress. Again, we've always had-- or-- always-- as long as we've had the Uniform Residential Landlord-Tenant Act obligation for landlords to respond within the 14-day time frame. It simply is time to recognize that there are just certain issues that need to be addressed sooner than 14 days. We have the same act require tenants get current on rent when they are not within seven days. And it's reasonable for landlords when it is their obligation to when it is not tenant responsibility or tenant fault to redress things like heat, water, mold, or infestations if, if they bear some responsibility.

McKINNEY: What would you say to landlords that would come up and say this bill is unreasonable or this bill creates an imbalance between a landlord and a tenant?

SCOTT MERTZ: It certainly is asking more from the landlord than what is there right now. I simply don't agree that it's an imbalance. Again, it's simply shrinking the time-- it just states that they take some action to just meet the bare minimum housing requirements that already exist. And, and, you know, if they're not going to or these, these issues cannot be fixed to also just end the lease sooner than waiting a full 30 days for the obligations of the tenant to, to expire, that they can then move on to more adequate housing if, if landlords are not able to address these issues, if, if tenants and landlords cannot come, come to a-- meeting an agreement as to who's responsible and what needs to be done, just to end the lease sooner so that parties can go on their way besides waiting for the 30 days before doing so.

McKINNEY: Thank you.

BOSN: Senator DeBoer.

DeBOER: Thank you. I was gone for a minute. I'm sorry about that, but-- so you may have discussed this. The bedbug conversation. You heard a little bit of that between Senator Spivey and Senator Storer earlier. That does seem to be a slightly different kind of situation than some of these others. Or do you see it as the same?

SCOTT MERTZ: I, I-- certainly, the, the causal relationship between something like an infestation is always going to be a little more complicated than, say, the furnace is not working. But when you have multifamily dwelling units, which is where this is most common, with a serious problem-- because if it's unaddressed, that is going to spread and be worse of a problem for not just one family but more and more families depending on the size of the building-- of the multifamily dwelling unit. It, it's got to be addressed and addressed quickly in order for the problem to be contained and, and address these serious concerns of health and safety. If there's one at fault and a portion of cost as to who's at fault, that-- I, I, I believe is not sev-- going to be-- one can still do that. I mean, with a landlord, if they feel that, you know, this is a cost that should not be borne solely by them and there, there's fault to be pulled out to others, they can still adjudicate that. But they're still going to have to be addressing an issue if they're providing housing for tenants and the

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housing is not meeting health and safety standards. It, it simply cannot continue to go on and on and on unaddressed with parties just blaming each other. Again, when we are talking about these large buildings with, with many, many units-- as have gotten so much attention in the news-- there's simply no way that all of these families are at fault. And even the majority. It, it's simply a problem that will, will just spread and spread and spread if it's not actually addressed by the owners.

DeBOER: So the-- then the question is, I guess-- the landlord, when it spreads to multiple units-- well, first of all, sort of putting to the side a single unit or something like that. But when it spreads to multiple units, the landlord is probably in the best position to try to get the ball rolling on addressing it because they arguably have the most control over the most of the property. But you're saying that the bill or existing law already contains within it the ability to apportion the, the fault out?

SCOTT MERTZ: The statutes as written talked about negligence and deliberate acts of the landlord, and, and the-- when they are noncompliant and/or negligent, there's cert-- re-- remedies that are then available to the tenants if that were the case. There's similar-- other aspects of landlord-tenant law that aren't here in this bill with respect to faulting the tenants and noticing the tenants when the tenants are noncompliant and other statutory remedies for the landlords to get relief from the tenants. The, the-- that, that exists and has existed. It's simply the case in any agreement there, there's a two-way street of obligation and responsibility, that if, if one person's damaging or in some way breaching the rental agreement, that they may be at, at fault and liable to damages. But for scenarios involving serious, again, threats to just-- not just the quality of the housing but that it is safe and livable at all. You-- heat, water, infestations, mold. There has to be a mechanism for tenants to get redressed. Just bring the issue to the owner so that it can be addressed and addressed in a timely manner so that the problems do not grow and impact other renters.

DeBOER: So with the water and heat, like, that's the-- unless the landlord can show that they were deliberty-- deliberately sabotaged by the renter, right, then that's pretty clearly the landlord's responsibility. Is that not already a law?

SCOTT MERTZ: Well, it's, it's already a law with respect to identifying the essential services. Again, the essential services are

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expanded in this bill to include the mold and infestation. But what is changed with this bill is the timeliness of addressing it so that the serious nature of things like not having heat during these oppressive winter months, like right now, that tenants don't have to just stand by and wait idly to know if that's going to get addressed and to also extricate themselves from the lease agreement-- they're waiting for a full 30 days when they just do not have heat in their homes. That would be a difference with this bill.

DeBOER: OK. Thank you.

BOSN: Just-- can I ask a couple clarifying questions? If I'm just-- 30,000-foot view. What this seems to do is reduce the number of days from 14 to 7 that a landlord would be able to exercise some of these rights. And then it expands what some of those rights are.

SCOTT MERTZ: Correct. I, I would just specify in the numbers that it takes the 14 to 7 on the response time that the tenant is delivering to the landlord, and then down from 30 to 14 on the timeliness to extrica-- terminate the lease agreement, to mo-- mo-- move out [INAUDIBLE].

BOSN: And I, I guess I, I, you know, I-- and-- you're right. That is what it says. But-- so the expansion is really-- it already-- you can already terminate under hot water or, you know, quite frankly, heat. I mean, it's negative 11 right now. And I don't think that people are safe if they're not provided some heat within a short period of time. But the flip side is mold and infestations sometimes require multiple treatments and a little bit of a longer time frame. So when you're compounding the two, I wonder if we're setting landlords up to fail because instead of giving them that longer period of time to fix-- I mean, bedbug infestations sometimes take two or three treatments. You may have been here last year when some of us got to enjoy an entire day of bedbugs. But it takes multiple treatments to get rid of those. And if that can't be perfected in the time frame that's allotted, I don't know that that's really benefiting anybody, is it? So I-- do you agree with that? Do you see that as a potential-- or some solution to fix that?

SCOTT MERTZ: I mean, it, it, it might be an issue of language in it, but I think there just needs to be some manner of response, action taken within the 7 days and not the 14, that that be what is key, that there is an actual momentum towards doing something about a serious problem.

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BOSN: Within a certain period of time is what you're saying.

SCOTT MERTZ: Action, action being taken, yes.

BOSN: OK. Thank you. Seeing no one else. Thank you for being here.

SCOTT MERTZ: Thank you. Thank you.

BOSN: Next proponent. Welcome back.

MINDY RUSH CHIPMAN: Thank you, Senator Bosn. Thank you, committee members. My name is Mindy Rush Chipman, M-i-n-d-y R-u-h C-h-i-p-m-a-n. I'm the Executive Director of ACLU Nebraska, and we fully support LB587 and appreciate Senator Spivey for bringing it. As we've all heard, safe and clean housing is a basic human right. We've also heard that there are situations right here in Nebraska in all of your districts where tenants are experiencing unsafe conditions in the place they should feel the safest. I'm not going to reiterate what's already been said by the introducer and Attorney Mertz, but what I can talk about is personal experiences representing tenants that have lived in uninhabitable conditions but did not have the ability to change those conditions. One thing-- in full transparency: this is not something I've experienced litigating on because, really, if housing is so inhabitable, there is no tenant-- there's no family who should live in those conditions for 30 days, which is what, what the statutes require right now. So we've all heard of a 14/30-day notice. And so when tenants are saying, I have no heat, I have no hot water-- my advice as an attorney is please send this notice and wait. And if nothing happens, then you can terminate your lease in 30 days and move out. The warranty of habitability in the statutes and, and this bill is trying to allow tenants to have options, and if they need to leave the unsafe conditions making sure the time frame to do so is a reasonable time frame. And if leaving the unsafe conditions is not an option for that family or that tenant-- which we all know the barriers to being able to move and the lack of affordable housing-- there are options for that tenant to make their home safer and more habitable themselves and deduct that from their rental amount. When I represented a single dad with a, a toddler, I noticed that the, the seven-day notice was not valid because the landlord accepted partial rent during the seven-day period. So in that case, I thought, quick and easy. We were able to get the eviction dismissed and the landlord would have to start over because you have to give the full seven-day period before you can move forward with the eviction action. And that did not happen. I did not ask this person about habitability issues

because there was another defense. When we came back for the eviction the second time, we talked more about habitability. And just asking the normal questions-- do you have essential services-- is not enough. It's hard to define what's essential. And certainly without this amendment, unsafe conditions like mold and pests would not be included. So a simple question did not get an answer that led me to believe the conditions were unsafe. But onpo-- upon further investigation, he did have hot water, but he didn't have access to the kitchen because the leak under the sink created a mold problem that made him feel unsafe to go into the kitchen. I see my time is up. I can finish the anecdote or answer any questions that any-- anyone might have for me.

BOSN: Any questions for this testifier? Thank you for being here.

MINDY RUSH CHIPMAN: Thank you.

BOSN: Next proponent. Anyone here to testify in opposition to LB587?

DENNIS TIERNEY: Dennis, D-e-n-n-i-s; Tierney, T-i-e-r-n-e-y. Senators, LB587 changes the 14/30-day notice from the tenant to a landlord to a 7- to 14-day notice. Currently, the law allows both the tenant and the landlord the right to have a 14/30-day notice to the, to the other to cure a breach of the rental agreement. This bill would change that to an inequitable 40/30 in the landlord's side and 7/14 on the tenant's side. This is unjust. Also, seven days to fix a problem is many times unrealistic. In an emergency, we always get the first company available to fix a problem, like if there's no heat or a water break. But if not an emergency, we often get bids from several companies to get the best solution to fit the need. This bill gives an unreasonably short time for the landlord to run the business. There are problems with buildings that take longer than seven days to fix, and it's holding the landlord to an unreasonable standard. Landlords use professional mold remediation and pest control companies, but this bill allows tenants to be do-it-yourselfers and charge whatever the bill is to the landlord. Do you really think it's reasonable for a tenant to be able to do as good a job as a professional mold remediation or pest control company? In a personal example, we have a building that was built in the 1960s. We developed a slow leak in the wall that wasn't found for a while. It was-- when it was found, the tenant notified us and there was, there was mold in, in the wall. We had it checked out by a mold remediation company and plumbers. It took us 30 days to get it fixed. In the meantime, we put the tenant up at a hotel for 30 days, and they didn't pay rent for those 30 days. We took

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care of the situation, but it took 30 days to fix the problem. Seven days is absolutely ab-- insane. There's no way you can fix a problem-- some problems in seven days. You know, so this is-- holds landlords to an absolutely unreasonable standard. Senators, please reject LB587.

BOSN: Thank you. Any questions for this testifier? Senator McKinney.

McKINNEY: Thank you. And thank you. What is a reasonable time to live with bedbugs?

DENNIS TIERNEY: No time is a good time to live with bedbugs. But I can tell you the vast majority of bedbugs are brought in by tenants, not landlords.

McKINNEY: What is a reasonable amount of time to live with mold?

DENNIS TIERNEY: There is no reasonable time to live with mold. Now, you'll have to understand. There's mold all around us in Nebraska. There are some molds that are bad and some are good-- some, some are not so bad. We took care-- we take care of mold problems when we find them. We investigate mold problems when tenants complain about having mold. Sometimes it's simple as they're not taking care of the shower right, got some mold in the corner. That's not a black mold, a bad mold problem. You know, we deal with these, these issues all the time with tenants. A lot of mold complaints aren't really the type of mold that causes people problems. Not all mold is the black mold type that, that, that's a problem. The one that we put up the tenant in the hotel for a month was a black mold problem, and we took care of it.

McKINNEY: What is a reasonable amount of time to live with a broken sink?

DENNIS TIERNEY: There's no reasonable time.

McKINNEY: That's my point. Thank you.

DENNIS TIERNEY: Well, I agree with you, but this bill is not going to fix a City View. This bill is going to punish good landlords. A City View can only be fixed by the, the-- their-- forgot the name of the-- the, the, the planning department. The planning department's the only people can fix a City View, and they need to, to, to be criminal charges against them that the planning department is able to do. This bill isn't gonna fix the City View. You know, this punishes good landlords for City View that, that the, the planning department needs to take care of.

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BOSN: Any other questions for this testifier? Senator DeBoer.

DeBOER: So I totally can hear and understand your point about seven days. You know, there's sometimes complexities to trying to fix something. I'm sure in that mold situation, if you're having to tear down some walls, that probably took you longer than seven days.

DENNIS TIERNEY: It took 30 days.

DeBOER: Yeah.

DENNIS TIERNEY: You know, between the plumber, the mold re-- remediation, and the, and the drywall, there was a-- it took 30 days.

DeBOER: Right. I-- yeah. I would assume it would take that long. The 14 part right now-- help me because I'm trying to get back on track. When it-- the 14 part of the 14/30 is for what? You have 14 days to do what?

DENNIS TIERNEY: To fix the problem. And, and then they can move out in 30 days if the problem isn't fixed.

DeBOER: OK. So--

DENNIS TIERNEY: And that's-- it goes on both sides. The landlord can do that to a tenant if they don't fix the, the problem that they're causing. And the, the, the tenant can do that to the landlord. That's, that's the law.

DeBOER: Because that's-- I think if you're too noisy or something, you can get a 14/30, right?

DENNIS TIERNEY: Yeah.

DeBOER: OK.

DENNIS TIERNEY: Or if you're causing serious problems in the, in the unit, threatening other tenants, et cetera.

DeBOER: OK. So is 14 days long enough to fix the problem? Is 30 days long enough to fix the problem?

DENNIS TIERNEY: Sometimes it is, sometimes it isn't. Like I said, you know, you can't put an absolute number on every problem that, that develops. I think 14 days is a reasonable problem to get started on a fix. And I think-- because you, you-- it-- a lot of times, like I

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said, you had to get bids from several companies to, to, to, to be able to-- and figure out the best solution for the, for the-- whatever the problem is.

DeBOER: And what--

DENNIS TIERNEY: If it's an emergency, we take care of it right away.

DeBOER: If-- yeah. So like, if it's something like no heat right now--

DENNIS TIERNEY: Yeah.

DeBOER: --what, what would you do in terms of timing for that?

DENNIS TIERNEY: You'd, you'd call a heating company to get in and, and, and get the, the, the, the furnace fixed or replaced.

DeBOER: And-- but obviously probably everybody in, in this area right now is call-- those, those furnace guys I bet are busy right now.

DENNIS TIERNEY: Oh, you bet.

DeBOER: So--

DENNIS TIERNEY: And so are, are plumbers and so are electricians. You know, it takes a while to get some of these tradespeople to do the job.

DeBOER: So what would you do? Because somebody right now can't live in an apartment if there's no heat, right? Like--

DENNIS TIERNEY: Yeah.

DeBOER: It would be unreasonable tonight to say to your tenant, I'm sorry. There's no heat and you're just-- you're not going to have heat. That would be kind of unreasonable tonight. You know, this week if you said, this week, I'm not going to have heat for you. We're trying to get somebody in there. We're really doing our best but you're not going to have heat. What would you do in that scenario?

DENNIS TIERNEY: Well, you can put them up in a hotel or someplace, you know, like we did with our tenant with the mold problem. You, you can move them out and, and put them into a hotel.

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DeBOER: Which I suppose you could do in seven days, like if you're, if you had-- if you had 7/14, you could do that as well as if you had 14/30, right?

DENNIS TIERNEY: Yeah.

DeBOER: So you could probably find a way to accommodate the schedule, right, to the, the, the--

DENNIS TIERNEY: I think it's unreasonable to, to, to, to think that every problem has to be fixed in 14 days or in 7 days. That's unreasonable.

DeBOER: Well, it's really-- I may be getting this wrong, so please fi-- tell me if I am-- wouldn't you really have 14 days to, to fix it?

DENNIS TIERNEY: No. You've got 7 days to fix it or they can move out in 14.

DeBOER: So-- OK.

BOSN: OK. Any other questions for this testifier? Senator McKinney.

McKINNEY: Thank you. So what are the problems that don't rise to the level of not being fixed within 14 days?

DENNIS TIERNEY: Well, you can have electrical issues with a, with a, a circuit of some sort that, that may be malfunctioning, that is just not working right. Or you may have a, a, a problem with, with the floor that, that may need to be fixed, you know. But it takes a while to get bids and takes a while to get tradespeople to, to do the work. There's a lot of shortage of, of tradespeople these days.

McKINNEY: So what if I have kids and there's an electrical issue?

DENNIS TIERNEY: Well, depends on what electrical issue you're talking about. We're having some sort of sparking-- something or other-- not every electrical issue is the same. If you've got a dangerous electrical issue, obviously it needs to be taken care of as, as soon as you can. If, if you need to move the kids out until you can get an electrician in, you do it.

McKINNEY: But you didn't define electrical issue. You generalized it.

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DENNIS TIERNEY: I-- you said an electrical issue. You didn't define it.

McKINNEY: No, I didn't say electrical issue. I said what level--

DENNIS TIERNEY: Oh. All right. Whatever.

McKINNEY: Yeah. Thank you.

BOSN: Any other questions for this testifier? Thank you for being here. Next opponent. Welcome.

RYAN NORMAN: Good afternoon again, members of the Judiciary Committee. My name is Ryan Norman, R-y-a-n N-o-r-m-a-n. And I am an attorney who represents rental property owners and managers in Lincoln. And I'm also the head of the Legislative Committee for the Apartment Association in Nebraska. And I feel like I have something that's been happening on every bill where I write this nice testimony then I end up not doing any of the stuff I've written down. So I'm gonna express again some legal concerns or maybe some things to clarify in this bill. So my reading of this bill-- and I don't want to argue with the professional bill drafters-- but my reading is that this modifies 76-1425 and it modifies both Section 1 and Section 2. So Section 1 does not only apply to essential services. So I just want to-- I want to point that out because that's all we've been talking about. So this-- and it, it modifies the, the 14/30 language to 7/14. So this is for any lease violation. So as you've heard from maybe the last testifier, this doesn't just apply to things like the heat going off or major service problems. This could, this could be any issue that somebody has in an apartment that is a, is a violation of the lease agreement. So if you have a washing machine, for example, that's not working, you can send a 14/30 now, giving the landlord 14 days. This would change that to seven. So this is not just-- this doesn't just apply to essential services. It applies to any maintenance fix that a landlord might have to do. So I just want to point that out. Currently in law-- and I think this might answer some of the questions we've had-- renters that-- when there's a, an essential service that's not being provided-- so heat, water-- it's laid out there in statute if you want to read it what those are-- the tenant can move out and put themselves into temporary housing, and that is at the cost of the landlord during the time that they are there. That's currently in the law. They, they don't have to wait all 30 days when they do a 14/30 to, to vacate the unit if there's an essential service that's not being provided now. They can move into temporary housing or they can

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move out during that period and not pay rent for that period. It says that right in the statute now. So the-- they are not mandated to stay there now in those essential service situations. And as far as the bedbug situation, I think we all have hit-- you guys have hit that on the head in terms of it's really hard to understand whose fault that is. So holding the landlords to that, that is tough. It-- I think if we're going to address bedbugs or mold, we need to do that in a separate statute and we need to make it really clear what we're doing and how it-- we're going to, to, to do that. With that, I am happy to take questions.

BOSN: Questions of this testifier? Senator McKinney.

McKINNEY: Thank you. You just mentioned the temporary housing that tenants can move out and get temporary housing or whatever. So do-- does your organization or does the people in your organization notify tenants of this right? Is it in the lease? How does it-- I'm, I'm just curious.

RYAN NORMAN: Well, it's in the statute language.

McKINNEY: No, I'm saying how is it-- but although it's in the statute language, how does-- how is a regular tenant aware of this, is what I'm try-- trying to say. Because just being honest, I, I'm a senator and I don't know all the statutes.

RYAN NORMAN: Yeah. And so I guess that, that goes back to-- well, I mean, that's going to be true if you change the statute too, right?

McKINNEY: True.

RYAN NORMAN: I don't know the answer to that question. I'm not a landlord. So-- but my guess is, you know, there is a, a duty of people to understand the laws that affect them. So I-- there's no, there's no statutory requirement that a landlord tells tenants that. I would hope that most of them do. I think the good ones do. But it's hard for me to answer that question because I'm not a landlord.

McKINNEY: But-- OK. I, I just think it's a curious question to say they have this right and they should exercise it and I don't-- it seemed like you were like, I don't know why they wouldn't when-- I guess if we did a poll, I would, I would bet-- I would be a betting man-- and I don't bet-- but I would bet that day that most tenants don't know that.

RYAN NORMAN: Well, I, I guess what I'm saying is that changing this from a 4-- and I, I-- my point in testifying to that was that we've had a lot of discussion here about, well, people shouldn't be held to a standard where they have to live in the unit for 30 days when there's some essential service that's not being provided. I agree with that. But that's already allowed in the statute. They don't have to do that now. They can move out and not pay rent for the period that, that the essential service isn't being provided. And if it's not fixed within the period that, that statute allows now, they never have to move back in. And for the time that they're still under the lease agreement, any temporary housing that, that they have is, is supposed to be paid for by the landlord. That's in the statutes now. So I just wanted to be clear because we've been saying things like, well, we shouldn't force them to stay in the unit for 30 days. They're not forced to do that under the current statutory structure.

McKINNEY: But I guess my issue-- or, not even my issue, I guess-- I guess it's clear and probably the obvious most tenants are not aware of that right? If, if, if, if you're saying they have that right, there is some disconnect somewhere. Either it's not being clearly stated at the time of lease-- somewhere there's a disconnect. Because if you're saying a landlord is negligent or not responding at a time and you could go get temporary housing and bre-- basically break, break the lease, I would assume that would be happening more often.

RYAN NORMAN: Well, I'm just telling you that's what the statute says now. The statute right now says that if there's an essential service that's not being provided-- so tonight, if your, if your heater went off, you could go to a hotel right now according to the statute language and get temporary housing at a hotel. And the landlord has to cover that. And you don't have to pay your rent during that period. That's what the statute language says now. So--

McKINNEY: So who do you represent again?

RYAN NORMAN: I am here with the Apartment Association of Nebraska.

McKINNEY: So does the Apartment Association of Nebraska notify tenants of this right, yes or no?

RYAN NORMAN: Well, that wouldn't be--

McKINNEY: Or the members of the Apartment Association.

RYAN NORMAN: Again--

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McKINNEY: Do they? Yes or no?

RYAN NORMAN: Well, I don't, I don't know the answer to that question. I mean, I assume that mo-- that, that most of them work with their tenants when there's a problem to fix the problem. I don't-- I mean, I, I don't know how to answer that question. There's-- I mean, the Apartment Association represents 436 apartment communities.

McKINNEY: But you're very strong in saying that tenants have this right, so I would like for you to be very strong in knowing if the, if the Apartment Association members are notifying tenants of this right.

RYAN NORMAN: Again, I, I am representing the Apartment Association in my capacity as, you know, the, the head of their legislative team. And I don't know how to answer that question. There's 436 members of the Apartment Association. I can't say that we police them on how they're managing their tenants on a day to day. So I am sure that there are some that notify tenants of this right-- excuse me-- and I'm sure that there's some that probably don't. There may be landlords that don't even know that that's in the statute language. I don't know the answer to that question.

McKINNEY: So why make a strong argument like that if you don't know definitively?

RYAN NORMAN: Well, I am just telling you what the statute allows now. So I-- the reason that I'm making a strong argument about that is because I'm just telling you what's in the statutory language.

McKINNEY: Yeah, but you can't even say if members of your organization or a good portion of your organization-- members of your organization actually notify tenants of it.

RYAN NORMAN: I'm not the right person to ask that question.

McKINNEY: That's my problem.

RYAN NORMAN: Well, I, I--

McKINNEY: Thank you.

RYAN NORMAN: OK.

BOSN: Any other questions for this testifier? Thank you for being here.

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RYAN NORMAN: Thank you so much.

BOSN: Next opponent. Welcome back.

KYLE HANTEN: Good evening. Thank you for allowing me to speak to the committee. Again, my name is Kyle Hanten, K-y-l-e H-a-n-t-e-n. And I'm here representing NP Dodge Management Company. We facilitate housing, multifamily housing for 4,000 homes, a quarter of wh-- quarter of which are for low income or tax credit housing. I'd like to speak just operationally real quick about a couple things. First and foremost, Tenant-Landlord Act requires us to provide notice to every tenant of the landlord-tenant responsibilities, which does include the answer to Senator McKinney's question. As for any tenant concerns regarding, like, mold and bedbug, pest-related issues, I think there needs to be some clarity in the language of the bill. Yes, it-- what-- how much time is reasonable? I think seven days is a long time for no heat, no water. And absolutely we should, you know, either un-- displace them into a hotel or remedy the problem. But to remedy pest control or, or mold, it, it's setting the landlord up to fail. And again, as-- to echo previous testimony, this is already stipulated. We're not forcing them to stay there. They, they're able to relocate while we make the repairs at our expense. So. I think that's everything I got to share.

BOSN: Thank you.

KYLE HANTEN: Yeah.

BOSN: Any questions for this testifier? Senator Rountree.

ROUNTREE: Thank you so much, Chairwoman Bosn. So I appreciate your testimony. So just as-- we were just talking about communication. That's been the whole facet of all of it. So once you get that call, hey, sir. My heat is out. And you know immediately that it's going to be a long time before you can get [INAUDIBLE] because everybody's tied up. Do you come right back then and say, we're not going to be able to get out tonight. It is deathly cold. Let us now go ahead and look at putting you up. We talked about them not knowing that they can go out, but do we as a landlord take that opportunity to say, let's take care of our tenant and let's go ahead and get you out and get you safe?

KYLE HANTEN: Absolutely. That's standard practice for, for our company, and I'm pretty sure industrywide. Again, there are going to be those bad actors that everyone keeps talking about. And, you know, we make it a point to inform our, our residents and remind them of

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their rights and responsibilities. I'm dealing-- I mean, to-- today and yesterday, there, there's a community where they have geothermal HVAC systems. And if you're not familiar with those, they are incredibly complex, let me tell you. I learned a lot. But each blower motor or component of the system is integrated with the rest of the systems. So-- and then they're programmed with a computer chip. Super fun. Great until it's not. But it's programmed to that specific motor. Three months for a new blower motor. I was just as shocked. I, I had no idea. Well, in the meantime, we furnished them with four, you know, space heaters. It's a three-bedroom apartment. And that was after we offered to displace them to a hotel. So-- they, they wanted to stay home. We check in with them regularly. And they have our 24 hour, 7 days a week emergency maintenance number should something fail.

ROUNTREE: Thank you.

KYLE HANTEN: Yeah.

BOSN: I know a lot about those geothermal systems. And you're totally right. It's insane. They're great until they're not.

KYLE HANTEN: My mind is blown. Yesterday, I was like, I'm sorry. Three months for a, a motor?

BOSN: Yeah.

KYLE HANTEN: OK.

BOSN: Thank you very much for being here.

KYLE HANTEN: Yeah.

BOSN: I appreciate your time.

KYLE HANTEN: Thanks.

BOSN: Next opponent. Welcome back.

TARA HOLTERHAUS: Good evening. My name is Tara Holterhaus, T-a-r-a H-o-l-t-e-r-h-a-u-s. I'm here today on behalf of the Apartment Association of Nebraska and the Nebraska Association of Commercial Property Owners and as a private practice attorney who specializes in real estate, specifically the multifamily housing industry. We are opposed to LB587. Currently, as the law stands right now, if a landlord is in breach of the lease, the tenant must serve a 14/30-day

notice to the landlord. That gives the landlord 14 days to cure the breach or else the lease will terminate in 30 days if the breach goes uncured. It does not require a tenant to stay at the property for 30 days. It just says that in 30 days the lease will be considered terminated. The same is true for a tenant. If a tenant is in breach, the landlord must give a 14/30-day notice, which gives the tenant 14 days to cure the breach. This bill reduces the landlord's number of days to cure to 7 days while still giving a tenant 14 days to cure their breach. The bill itself is incredibly one-sided and prejudicial in that respect. Second, requiring a landlord only seven days-- which is effectively five business days. There's no carve-outs for weekends or holidays, so we've got five business days to cure a breach-- it creates real impracticalities and impossibilities. For example, if a landlord or property owner needs to engage outside vendors or contractors to cure the breach, like HVAC or plumbing vendors, they are at the mercy of an outside contractor's scheduling. Five business days to coordinate this is incredibly short. There are certain maintenance issues that cannot physically be cured within seven days. For example, certain infestation treatments require two or more treatments at multiple days apart. This bill would effectively create an emergency out of any maintenance request because it requires the landlord to act immediately without regard to what type of maintenance request or work order is placed. For example, bedbug treatment alone takes anywhere from three weeks-- one full week of prep time for bedbug treatment. I think the issues of bedbug and mold would need to be their own statutory scheme. I don't think we can appropriately address them in a statute governed by typical landlord noncompliance. It is to the tenant's benefit for landlords to engage with outside contractors when their on-site maintenance team cannot appropriately address a concern. And this bill would almost encourage landlords to use Band-Aid fixes with an on-site maintenance tech rather than engaging an outside professional because they're feeling forced to act so quickly because it's unreasonable-- a short amount of time. I haven't seen the proposed amendment that circulated. I'm not sure that this bill needs to address any sort of late fees or penalties. I think that's an entirely separate issue, of which there's already proposed pending legislation, so I'm not going to spend too much more time on that. I again want to just point to the fact that the fact that a tenant still has 14 days to cure a breach is a clear example to this committee of why property owners, investors, and managers are often angered by legislation that is so one-sided. And it will drive investors and owners away from supplies-- supplying housing

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in our state. I have no further comments, but if there's any questions, I'm happy to answer any.

BOSN: Any questions for this testifier? Thank you-- oh. Sorry. Senator McKinney.

McKINNEY: Thank you. Just curious, when has leg-- legislation been passed that has been slanted against property owners and, and landowners in this, in this Legislature?

TARA HOLTERHAUS: Well, this bill right here creates an-- nonreciprocal balance of time. I'll, I'll provide a few examples. There are other bills-- I'll provide some examples.

McKINNEY: I'm just asking when--

TARA HOLTERHAUS: For examples. And I'm going to give you some.

McKINNEY: --in recent history has it happened.

TARA HOLTERHAUS: Sure. So lots of bills that shift cost to landlords regardless of how that cost is needed. So for example, every year, we come down here and we talk about certain costs, like, last year, bedbug infestation. And there was a lot of discussion last year about who bears the cost of remediation. And that bill did not pass, but how many opposition commenters and written opinions did the committee get in opposition? So when investors and owners start to say, you know, Nebraska isn't really a place I want to invest anymore, I think it's because we see these one-sided bills where we seek to make all these amendments to make it easier on tenants, but nobody's taking that same effort to reciprocally amend a similar statute that requires a tenant to cure a breach in an exact same time frame.

McKINNEY: But nothing's passing to make it easier on tenants.

TARA HOLTERHAUS: Luckily, we have a lot of opposition support that comes to educate and provide the real effects that some of these proposed bills would have on the industry.

McKINNEY: And I would say, sadly, we have an increase in homelessness because of this.

TARA HOLTERHAUS: It is. I think is a much bigger problem than-- and like I said, it's an affordable housing issue. And it's very-- it's, it's cyclical. It's a, it's a very big problem that we can't solve

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when there's more and more and more and more regulation. It, it's a much bigger issue.

McKINNEY: I guess my point is-- I understand y'all come down here and oppose all these bills year after year. But since I've been on Judiciary Committee, I really-- I cannot recall one or many of these bills passing, which is--

TARA HOLTERHAUS: I think, I think this is where I would welcome anybody on the committee and anyone who's not on this committee to work with us prior to introducing legislation to see if we can get legislation that isn't so one-sided, takes into consideration investor and owner policies and the industry as a whole to come up with legislation that can pass, because I would love to see that.

McKINNEY: I think the problem is it seems like y'all don't have a soul for people.

TARA HOLTERHAUS: That is not the case.

McKINNEY: And, and that's the problem.

TARA HOLTERHAUS: That is not the case.

McKINNEY: And, and that's the issue.

TARA HOLTERHAUS: That is not the case.

McKINNEY: Well, that's the--

TARA HOLTERHAUS: Like I said, I would love to see-- I would love to sit down with anybody on the committee before bills get introduced next year and talk about how we can come up with proposed legislation that will pass. Because I, I think we, we get put on the defensive because we're not a part of, of preparing any of this legislation. And if we want it to pass, it needs to be a balance. It can't just be this one-sided approach to remedying all of these issues. And there are bad actors.

McKINNEY: But you're put on the defensive because of your-- because of hearings like this and hearing days like this and things not passing and also all the slumlords we have in communities like mine's. And we st-- and, and when we try to introduce bills to address them, we get all this pushback.

TARA HOLTERHAUS: Well, we can't address--

McKINNEY: And that's the problem.

TARA HOLTERHAUS: --bad actors with bills like this because if a property needs to be condemned, the city needs to condemn the property. That's not for this body to enact legislation to punish all the good actors. Because that's what's going to drive away the good actors. What we need to do is encourage the cities to condemn the properties that aren't following the law.

McKINNEY: There are bills passed in this Legislature every year punishing probably 2% of the population. I'm, I'm not going to go on a diatribe, but there are a lot of bills passed where only a small percentage of people are only doing those things. But thank you.

BOSN: Any other questions for this testifier? Senator Storm.

STORM: Thank you, Chair Bosn. Thank you for being here. So I've-- this is the second landlord day that we've had that I've ever sat through. So if most of these bills were passed, would more people lose their housing?

TARA HOLTERHAUS: Yes. I think the big, long-term effect here is-- I mean, think of the bills as a whole. So we have the right to jury trial. We have a longer writ issuance date. We have increased costs and shortened timelines to fix maintenance issues. We have limitations on fees. All you're doing is forcing landlords to raise rent to accommodate these shortened timelines, increased costs, loss of operation expenses. And then we're going to get another question next year, why can't we have affordable housing and why did rent increase 20% over the last year? So it's going to cause people to be priced out of the housing market. It's going to drive up operating costs to a point where some people aren't going to operate at all anymore. The-- and I say this knowing that I am a lawyer, but the only people benefiting from a lot of this are the lawyers who are litigating this and fighting over all of this. And it doesn't actually help the landlord. It doesn't help the tenant. Landlords are in business to provide homes to tenants and to get paid by the tenant for providing the house. A landlord's customer is the tenant. They are in the business of providing housing. So they're not-- for the most part. There's obviously bad actors in every industry. They're not actively trying to, you know, make things unreasonable for the tenants. That's not happening. But the bills will punish the good actors and the good

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tenants too because everything-- operating costs, rent, everything's going to increase.

STORM: So the, the very-- these very bills that are to help people could very well hurt more people than it's ever going to help.

TARA HOLTERHAUS: It will hurt the vast majority of tenants.

STORM: Thank you.

TARA HOLTERHAUS: If a city needs to condemn a property, a city needs to condemn a property. And there are code enforcement policies and procedures for going about that, and that's, that's specific to the city. And I think that they should act in those circumstances.

STORM: Thank you.

BOSN: Thank you for being here. Do you have a question?

McKINNEY: Mm-hmm.

BOSN: OK.

McKINNEY: Thank you. Don't rent increase and has been increasing every year without these bills passing?

TARA HOLTERHAUS: Yes. Because inflation.

McKINNEY: Thank you.

TARA HOLTERHAUS: Yeah.

BOSN: Thank you for being here.

TARA HOLTERHAUS: Thank you.

BOSN: Next opponent.

BEN MURASKIN: Good evening. My name is Ben Muraskin, M-u-r-a-s-k-i-n. And I'm owner-operator of Nebraska Lifestyles in Omaha. We manage single-family homes. The one point I wanted to add to this was something that Senator Storer said in the very beginning, because we deal with single-family homes, duplexes, triplexes, things like that. We provide a unit that is free from pests and mold when a tenant moves in. And I think one of the problems with this bill is it doesn't really address that those, those situations oftentimes aren't kind of

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critical. They're-- they can be bad problems, but they're not critical problems. And, and they also can be caused by a tenant. And so the bill doesn't really address that. And there's literally tens of thousands of these single-family homes being rented in Omaha alone. So, I mean, when we think about this bill, we can't think about it simply in the context of a mul-- a huge multifamily. That was really all I wanted to add.

BOSN: Thank you. Any questions for this testifier? Thank you for being here. Next opponent.

STEPHEN HIPPLE: I'll be brief. It's getting late. My name's Stephen Hipple, S-t-e-p-h-e-n H-i-p-p-l-e. I represent Washington Terrace LLC and also the Nebraska Manufactured Housing Association. This bill is not satisfactory the way it is. And I listened to all the other opponents, and I agree with what they've had to say. But one issue that stands out is the pest infestation. And that-- the way this bill is written right now, it, it, it's not satisfactory. Every single time we have had pest infestations in any of our properties-- and we don't have it very often-- it's because the people were very dirty people. I've gone into the homes where, where, where we've had problems and there's dirty dishes all over the countertop with food on them. There's dirty dishes on the floor. I've walked into one home once, and the lady was concerned about her cockroaches. And right there in front of me, the dog's peeing on the floor in, in the-- in, in the living room. Well, no wonder she had cockroaches. So it's, it's not fair to hold a landlord responsible when people are living like that and expect the landlord to have to pay to get rid of the cockroaches.

BOSN: Thank you. Any questions for this testifier? Thank you for being here.

STEPHEN HIPPLE: Thank you.

BOSN: Next opponent.

PIERCE CARPENTER: My name is Pierce Carpenter, P-i-e-r-c-e C-a-r-p-e-n-t-e-r. I was very concerned about the bill because it says the tenant is excused from paying rent for the period of landlord noncompliance, and noncompliance starts the day it's reported, and then it says the tenant may recover actual reasonable costs for substitute housing and attorney fees. And I, I guess what I'm concerned about is-- and, and City View's a good example-- the bug infestation is not going to get solved there anytime soon. And if

this-- if I interpret this correctly, all those people can live there for free for as long as this goes. And it could go a long time. And that's what I object to. Additionally, this also is Lynn Fisher's comments above. You can read that at leisure. That's all I had.

BOSN: Questions for this testifier? Thank you for being here. Next opponent.

DANA STEFFAN: Good evening. My name is Dana Steffan, D-a-n-a S-t-e-f-f-a-n. And the 14/30 that we have now, before I issue one to a tenant, I think long and hard because I'm letting him out of the lease. If they don't want to comply in 14 days, in 30 days, they can leave. I would assume that would go for the 7/14. What if a landlord decides not to fix the issue? The tenant has to leave in 14 days. We're talking about compassion here and keeping people housed. They have 14 days to move. Who's going to make a move? What if they don't leave? I think this bill has quite a few issues. Another thing is calling out a vendor, a vendor to correct a problem. I've had tenants challenge me on that, that they can get a tenant or a vendor out there quicker than I can. I had a, a gentleman, and he was quite upset. His plumbing was plugged. It was the main drain. They had a new baby in the house. This was grandpa calling, you know. Hey, my daughter has this new baby. You gotta take care of this problem right away. I call the plumber. I can get him out there the next day after lunch. He told me that was not good enough. I said, great. I will give you a \$500 budget. If you can get someone out there before noon tomorrow, I'm willing to pay up to \$500. He could not. He called me back in 45 minutes, said, please keep that appointment. We all need to work together to make these problems work. You talked about the temporary housing. I had a tenant from the report of the AC out to a complete replacement furnace and air was five days. Yes, well be-- within the seven days. I try really hard to keep my tenants happy because that keeps me employed. But she came back because she had found out about this housing. And I had asked her when it happened. Are you OK? She said, I'm going to stay at a friend's house. I'm fine. Day three, asked her again. How are you doing? Are you OK? Yes, I'm fine. The HVAC person offered a temporary AC, one of those little window plug-in thingy things. She said, I'm staying at a friend's. I'm fine. After the fact, she came back. She wanted me to pay for two hotel rooms for her and her roommate because they couldn't possibly stay together. And then they also wanted housing for their pet as well after the fact. I asked for receipts. They could not produce receipts, so it was dropped there. I understand all these issues. We have lots of statutes going on right now. Just be aware that they have 14 days to move if the

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problem's not fixed. So-- and as far as a bill, to Mr. McKinney-- Senator McKinney-- pardon me-- the-- we used to have the three-day notice. It went to a seven-day notice. That was something that was passed by this committee. Any questions?

BOSN: Any questions for this testifier?

DANA STEFFAN: And we have lots of compassion. I think it's both sides. Sometimes I cry myself to sleep as a property manager. So we have compassion. Maybe some don't. A lot of us do.

BOSN: Thank you for being here. Next opponent. Welcome.

KORBY GILBERTSON: Good evening, Chairwoman Bosn, members of the committee. For the record, my name is Korby Gilbertson. It's K-o-r-b-y G-i-l-b-e-r-t-s-o-n. I'm appearing today on behalf of the Nebraska State Home Builders Association, the Lincoln Builders, Omaha Builders, and the Realtors Association in opposition to LB587. I want to point out just a few things that were of concern. One would be in Section 2, where in the first part of Section 76-1427, it says that if the landlord deliberately or negligently fails to supply those two things that the rest of the act is, is kicked in. However, the new language just says if the landlord fails to remediate a known mold or pest infestation problem. That does not require any of the deliberate or negligent action to take place. That was a concern. Secondly, that-- and I think this was mentioned before-- that the mold problem and pest infestation is linked in with the running water, hot water, heat are essential services in that-- and I think Senator Storer brought this up. If you don't have water, that clearly is something the landlord had control over or should have control over. The tenant, unless they are purposefully breaking pipes or something, isn't doing that. The problem with this language is that if you-- there are times when the mold or pest problem are a result of actions done by the l-- by the tenant, not the landlord. And that's the concern with trying to put all of these into one section rather than separating them out. And I thought Senator McKinney had a interesting-- made me think back to 2001 when I sat with the group that rewrote the entire Landlord-Tenant Act. And the time before that it was originally written, my boss was the legal counsel for the Judiciary Coun-- for the Judiciary Committee and wrote the original Landlord-Tenant Act. So both of those were 25 years apart. Maybe it's time we do it again.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

KORBY GILBERTSON: Thank you.

BOSN: Next opponent. Anyone wishing to testify in the neutral capacity? All right. While Senator Spivey makes her way back to here, I will note for the record-- oh. I'm on the wrong number. There were 24 proponent comments submitted, 33 opponent comments submitted, and no neutral comments submitted. Welcome back.

SPIVEY: Thank you, Chair Bosn, and thank you, committee. I just had a quick-- couple points to uplift from some of the dialogue that was had. So I'll be quick as well. I know that y'all are having a very long day. So some of the first comments that I, I want to make sure that we get on the record is that the quickest way to earn wealth in America is owning people, property, and land. That has not changed since our inception. We do not have an issue with people coming into our state to buy property, people from our state buying property and having home-- and, and owning these homes and running them out to tenants. So I don't think legislation that creates boundaries and expectations makes a difference and would deter people from being property owners in our state. As it relates to this bill, my approach to policymaking is to center the people that are most impacted and have the expertise. I'm not an expert in everything, and I don't pretend to be. As my work as a lobbyist, as a policy advocate, as I run my nonprofit, I always try to center and bring together the people and the stakeholders that really have to implement the policy are going to-- or be impacted on a day to day basis. And so with this legislation, I actually worked with community advocates, folks that are down in eviction courts. I worked with people that owned property. And I've talked to folks that are tenants to get their feedback on, what is your experience? What does this look like? Look at my bill and make it better. What do you like about it? What, what don't you like about it? So I actually did take a comprehensive process in developing this. I did not do it in a vacuum. As it relates to some of the time frame-- I know that was a lot of the discussion, around the changes in time frame. I would absolutely be happy to look at an amendment to specify for pest and mold that the remediation has to be started with-- within seven days versus that it has to be fixed within that time frame. And that if property owners really want to have a certified company look at that and they want to make sure that it's in statute-- so that is really clear that I'm adding that as well. In the legislation on line 6, it talks about health and safety at the beginning. So there was a comment around that adding the pest and mold was like opening up to, like, like, any issue, not just essential services, are a part of this legislation. So it specifically says

health and safety. So it's not just like, OK. The sink broke. The person can break their lease, they can start this process. It's around health and safety. So that is listed in the statute. And then on page 3, line 10, for the mold and pest, it specifically says that the remediation has to happen if it's a known issue. So it talked about the negligence in the line above. And then it reiterates it that if that landlord knows about this issue and they have not started to remediate, that's when the, the, the negligence is a part. So I just wanted to uplift those pieces of language as it relates to some of the concerns as well. And then lastly that-- you know, it's, it's not easy to just up and move. It's really difficult. Again, we have low housing stock. People are a part of their communities. You know, they choose to move places because either-- maybe it's their only option, but because they want to be in that neighborhood. They maybe grew up in it. They like, they like it. And so in the language, it was pointed out that there are remedies in the statute that someone can take if a landlord is negligent. We updated the language to say remedies so that it's clear that right now you can only choose one option if you are a tenant and the negligence is happening but now that tenant is able to choose multiple. So they can start the remediation-- for example, if we're sticking with the mold example-- start the remediation-- they're choosing to do that-- and work with their landlord to then say, I want to be put into a hotel room because I want to go back to my, my house and I cannot afford that hotel. So there still leaves room for that mediation to happen, but there is language that is updated in here to say remedies to show that these are the options that that tenant can take. And then the last thing that I, I want to close with is just going back to the humanity of people. I think, you know, there are folks that maybe don't show up for the best reason, whatever that case may be, but I remember growing up-- our first apartment I had with my mom-- who has now passed away-- we lived in public housing in Kellom Knolls in Omaha off of 24th and Cuming. So this is when they were first built. We moved out of my grandma's house. And that was our apartment. And it's a multifamily dwelling. And we had a roach infestation. And it's not because my mom was dirty. We didn't keep a clean house. She didn't try, but there was an infestation within the building that our property owners would not address. We did not have money to move anywhere else. We could not go anywhere. This was our home. This was our community. And so I think-- I just want to be intentional about the comments and the things that we say about people and their circumstance because there's not a blanket approach that we can say why this is, is happening. But our jobs as property owners, as elected officials are really to try to create the best opportunities

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for the people across our state. And that's the intention with this bill. This is not to punish landlords. As we heard from some of the testimony and opposition, there are folks that are doing right by their people, and that is great, and I'm excited to hear that. And I don't think this bill affects them because they are making sure that they can put people in a hotel room, that they are working with them to figure out what those accommodations look like and that they have the essential services. But it needs to be a standard across, and I think we should expect more out of the people that are providing housing to our neighbors, to our family. And so, again, I am open to working with anyone on amendments for this and to tighten up any language in, in the suggestions that I've already named. And I will be happy to answer any other questions from the committee that you may have.

BOSN: Thank you. Any questions for Senator Spivey? Thank you for being here.

SPIVEY: Thank you, Chair Bosn.

BOSN: Yes.

SPIVEY: Thank you, committee.

BOSN: Yes. Before we get started on the next and last but not least hearing, can I just see a show of hands how many individuals are planning to testify on LB267? OK. Most of us have been in these chairs since 1:30-- not that you guys haven't as well. We're going to take about a ten-minute break. And we will start up again at 7:00. But just so that we can get up and, and just take a short break.

[BREAK]

BOSN: And we will go ahead and get started here again with our very own Senator Rountree. Welcome.

ROUNTREE: Thank you so much. Thank you so much. All right. To my fellow Navy-- you got to realize he's turning the aircraft carrier. Amen. Good evening, Chair Bosn and members of the Judiciary Committee. My name is Victor Rountree. That's V-i-c-t-o-r R-o-u-n-t-r-e-e. And I represent District 3, which is made up of Bellevue and Papillion. This evening, I am here to introduce LB267, which deals with protections for survivors of domestic violence when it comes to housing. LB267 builds on the protections for tenants who are survivors of domestic violence that this Legislature passed in LB320 in 2021 with 43 votes.

LB320 protect the survivors from evictions for criminal activity if that criminal activity included their being the victim of domestic violence. And it also allows survivors the opportunity to leave their rental agreements when domestic violence was present. Since 2021, two significant things have happened. Nebraska's housing crisis has gotten worse, resulting in a lack of affordable housing options that meets survivors' unique housing needs. And housing assistance broadly and specifically for survivors has decreased. This means that while the protections included in LB320 are still extremely valuable-- bless you-- survivors also need a legal option that allows them to stay as safely as possible in their housing. This option is critically important because survivors continue to express that their ability to leave an abuser is limited by the fact that the choice to leave often means leaving into homelessness. We simply cannot ask survivors to make that choice if we do not also try to support them when they do choose to leave. LB267 makes two changes to Nebraska's Uniform Residential Landlord-Tenant Act. First, LB267 clarifies that landlords may proceed with evictions for criminal activity against only the perpetrator of domestic violence if proof of domestic violence is presented to the landlord. That proof follows the same definitions as those provided in LB320, which was passed in 2021. So those are a protection order, a restraining order, or other similar relief, and then certification of domestic violence from an organization who meets the housing protection provisions of the federal Violence Against Women Reauthorization Act of 2013 as defined in subdivision (5)(a)(3) of Section 76-1431. When prevented with that required documentation, the tenant may notify the landlord of the following: the full legal name of the co-tenant or occupant who is the perpetrator and when they would like the landlord to serve that five-day notice on the perpetrator of domestic violence. That notice shall be served after 5 days of the landlord being notified and no later than 30 days. If the perpetrator vacates the premises within five days after receiving that notice, the landlord shall install new locks on the unit at the tenant's expense and provide the remaining tenant with keys. If the perpetrator does not vacate the premises within five days of receiving that notice, the landlord shall install new locks on the unit at the tenant's expense and provide the remaining tenant with keys. If the perpetrator does not vacate the premises within five days of receiving that notice, the landlord shall file for restitution of premises against they perpetrator only, notify the requesting tenant of the hearing date, and if judgment is entered against a perpetrator, they will rekey the locks and deny further access to the premises to the perpetrator unless they are escorted by a law enforcement officer. The

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second part of LB267 is located in Section 3, and it provides protections for survivors when the perpetrator is not a co-tenant or occupant of the same rental unit. In this case, the survivor can request that the landlord change the locks to the unit within 24 hours of providing the same documentation required in Section 2(a) and (b). As I mentioned at the beginning, the intention available to LB267 is to provide greater security to survivors of domestic violence and their families. We are trying to ensure that our laws meet our current moment and protect survivors no matter the state of the housing market. We simply cannot ask survivors to make the devastating choice between safety and homelessness. And LB267 provides a very reasonable path forward that does not unduly burden landlords and furthers our efforts to support survivors in Nebraska. There are testifiers behind me who can speak to the more technical aspects of the bill and what the current landscape in Nebraska looks like. And with that, I will be happy to answer any questions that you may have.

BOSN: Thank you. Any questions for Senator Rountree? Senator DeBoer.

ROUNTREE: Yes, ma'am.

DeBOER: Thank you, Senator Rountree. So the mechanism for getting this certification is already in place?

ROUNTREE: Yes, ma'am. It is.

DeBOER: And it's been working for the last couple of years?

ROUNTREE: For the last couple of years, it has. I haven't heard anything that has not been working. This is just taking an additional step for safety. I think we're all aware of the situation that happened up in Seward just recently. And-- so safety is critical and paramount.

DeBOER: So I, I don't-- I think, you know, that I helped with this bill. I think we put it in a-- this was a bill of mine that we did the first part for and then we added in some other bills as well. So this piece where we're, we're extending it-- yeah. The, the, the process we went through to work with everyone, we did go through the process of trying to talk to all the stakeholders and everything. So I think you should have a bill that, you know, people have been consulted on at least.

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ROUNTREE: Yes, ma'am. It's-- I think it's a very good bill. I've got a lot of positive comments on it, so. We'll continue to press with it tonight.

DeBOER: Thank you for bringing it.

ROUNTREE: All right. Thank you so much, ma'am.

BOSN: Awesome. Well, I assume you're staying to close.

ROUNTREE: I'm staying to close. Thank you, Chairwoman.

BOSN: Thank you. We'll take our first proponent for LB267. Welcome.

ZOE MILLER: Good evening, Chair Bosn and members of the Judiciary Committee. My name is Zoe Miller, Z-o-e M-i-l-l-e-r. And I'm the Policy Fellow of the Nebraska Coalition to End Sexual Domestic Violence. I'm testifying on behalf of our network of 20 programs, who collectively cover all 93 counties in Nebraska and provide direct and crisis intervention services to survivors of domestic violence, sexual assault, and human trafficking. And we offer our support of LB267. For survivors of domestic violence, sexual assault, and human trafficking, housing is more than just shelter. It's safety, stability, and often a key factor in whether they can escape abuse. Right now, Nebraska's housing crisis is making it harder than ever for survivors to find a safe place to go. Our programs are seeing shelter needs at an all-time high, but with limited housing options, survivors and their families are staying longer. This is creating a dangerous bottleneck for shelter space. For survivors, this uncertainty means that often their choice is to stay in an unsafe situation or face homelessness. LB267 gives survivors a critical third option: the ability to stay safely in their homes. By creating this choice, survivors have more options, which helps restore the agency that they lose in an abusive situation. We know that one of the many questions people ask is, why don't survivors just leave? And the reality is that many want to leave but have nowhere to go. Approximately 8% of women who experience intimate partner violence need housing services, but over 50% of women do not receive them. Applying to new rentals is expensive if you can even get into one at all, and financial abuse at the hands of their abuser-- which occurs in 99% of domestic violence incidents-- makes that task even more difficult because of ruined credit scores, eviction histories, or lack of income entirely. Requiring landlords to change locks within 24 hours can provide a greater sense of security for victims of domestic violence, who may be subject to a dangerous or

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potentially lethal situation by their abuser. LB267 sends a clear message that survivors should not have to choose between their home and their safety. We urge the committee to advance this bill. And I welcome any questions. Thank you.

BOSN: Thank you. Any questions for this testifier? Seeing none. Thank you for being here.

ZOE MILLER: Thank you.

BOSN: Next proponent. Welcome.

LEEANN MILEY-SCHULTZ: Hi.

BOSN: You've been here a long day. We're going to give you all three minutes. Welcome.

LEEANN MILEY-SCHULTZ: Thank you. So I guess it's good evening now. So my name is Leeann Miley-Schultz. So it's L-e-e-A-n-n M-i-l-e-y-- and then hyphen. You don't actually spell the word like some people think you do, but then S-c-h-u-l-t-z. I just want to, like, preference that this is actually my first time testifying as, like, a survivor. So just kind of bear with me. I would like to express my gratitude for allowing me a few minutes of your time. I know that it's getting to the end of your day, your brains are on overload, and your hearts are full from the amazing testimonies that you've heard this afternoon. And thanks to the break, our butts are not so numb. But one thing that I can assure you is that you don't need to rush because it has not gotten any warmer outside. I'd like to introduce myself like I just did. I'm Leeann Miley-Schultz, and I'm here today in support of LB267. I've been a resident of Hastings for the past ten years, but the other 32 years of my life were lived in rural Nebraska. You know, like the whole other part of the state that's outside of Lincoln and Omaha, and the part of the state that I feel is very underrepresented by being here today. Out here in rural Nebraska, we have nearly-- we have nearly 20-- 74,000 miles of open land. Out here, the sky, the pastures, the corn and soybeans grow tall, and every acre worked is promise for a fu-- a promise for our future. The rivers wind through the-- with sandy bottoms, home to deer, turkeys, and all the wildlife that we share this land with. The windmills spin, giving power to the cities that don't always think about where it comes from. But we know. Just like we know that that beef on your plate, where it comes from. The fuel in your tanks and the food on your shelves, they all start right here with us. They may-- you-- not all of you, but, you know,

the metro area-- may not see us, but you depend on us just like the rest of the country does. And that's just fine, because we don't need recognition. We do it because this land is in our blood, and we couldn't have it any other way. Growing up with parents who were high school sweethearts-- who will celebrate 45 years of marriage this July-- I was raised on good, old-fashioned morals. They taught me the importance of strong work ethic to the-- a spit and a handshake is all you need, that working hands make for light work, and that you have to-- you'd be all right to think that I'm a little bit rough on the edge. I mean, I've had my bare hands in mother birthing areas of bovine animals before. So who would have ever thought that I would end up living in fear of safety for my kids and frankly my own life over seven years? He came in like a knight in shining armor. The first year was amazing, but then the classic narcissism came in. He coerced me like every other prey, and I see that he was a stereotypical narcissist, building me up to break me down. And, oh, he was good. He had everyone who used to be on team Leeann now sitting on the sidelines cheering for him. He led my oldest daughter to call CPS on me twice because-- saying that I was an neglectful parent. One day, the school counselor where my two youngest kids go to school came to me and said, Leeann, I strongly believe that you are in a abusive living situation. And the light bulb came on. I stayed there for another two years, and here's why. I would like to take those bruises and the name-calling and-- over the financial, emotional, and psychological abuse that I sustained. Because you know what? Bruises fade in a week or so. But do you know how long it takes to find a new place to live when you're finally built the courage to leave that situation? Here's what I've learned. There is a housing crisis across the majority of the country. Studies from USDA and HUD show that rural Nebraska is one of the most affected. There are three things that landlords look for. Job stability. Abusers don't want you working outside the home because that means that you're interacting with people outside of their control. Landlord references. Well, when you have the cops called to your place and you don't get your rent paid because of gambling and alcohol, you don't exactly have those lining up for you either. A 600-plus credit score. Do you know how long it takes to rebuild your credit when the abuser takes out a credit card after credit card in your name, maxes them out, and then you have a 476 as a credit score? I'll tell you the bruises go away faster. But here's one thing. Why was the one who was forced to-- why was I the one that was of-- forced to uproot my kids? Why was I the one who had to endure two extra years of abuse while waiting for Section VIII approval even with the priority placement under the Violence Against

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Women Act just so that I could be me again and so that we could be safe? This bill isn't just paperwork. It's justice. It ensures that survivors aren't punished for leaving, that abusers, not victims, bear the consequences of their actions, and that survivors-- especially those of us out in rural Nebraska-- have a fighting chance to rebuild. Please advance LB267. Thank you.

BOSN: Thank you very much. Let's see if there's any questions from the committee.

LEEANN MILEY-SCHULTZ: Yeah. I'm very open to questions.

BOSN: Thank you. Any questions? I-- regardless, I think we all want to thank you for your-- being strong enough to share your story. And I'm glad that you're in a safer place right now.

LEEANN MILEY-SCHULTZ: Thank you.

BOSN: Yes. Thank you for being here. Drive safely home. Because you're right, it is ridiculously cold. All right. Next proponent.

SCOTT MERTZ: Thank you. Chairperson Bosn, members of the committee. My name is Scott Mertz, S-c-o-t-t M-e-r-t-z. Director of Legal Aid Nebraska's Housing Justice Project. Thank you for providing me the opportunity to appear before the committee today in support of LB267. I also want to thank Senator Rountree for introducing this bill and for inviting Legal Aid of Nebraska to testify this evening. Domestic violence is one of the major causes of homelessness, including for women and children. 38% of all domestic violence victims become homeless at some point in their lives. In 2024, Legal Aid of Nebraska provided assistance in 1,600 cases where the client identified themselves as a victim of abuse. In 1,170 of those cases, the client indicated there was a child in the household. In 700 of those cases, they indicated they lived in rental property. And in 50 cases indicated they were homeless. LB267 helps victims of domestic violence without placing any unnecessary burden on landlords or property management. State law already allows for the perpetrator of domestic violence to be excluded from the residence, including through a court-issued protection order. State law already allows for victims of domestic violence to bifurcate a lease agreement and avoid responsibility for the criminal conduct of their abuser. Under current law, victims of domestic violence in Nebraska can seek a release from their release-- lease agreement. However, that means that a victim must leave their home in order to escape an abuser, even if they wish

to stay. This creates further housing instability for victims and their children. LB267 changes that by giving victims the ability to have the abuser removed from their lease instead of forcing the victim to relocate. LB267 provides a clear legal process to remove abusers from rental properties while ensuring that their victims are not forced into homelessness. This practical, balanced approach ensures that landlords have documentation before acting and that tenants facing domestic violence have a pathway to safety. Tenants who have sought a protection order may wish to take commonsense precautionary measures in order to protect themselves and their families but worry about violating terms of their lease agreements or otherwise upsetting their landlord. This bill would make it clear that a tenant has nothing to fear by taking necessary precautions to exclude the offending party and changing the locks of their dwelling. LB267 introduces much needed clarity on tenants' rights and provides important safety measures for domestic violence victims without placing any undue burden on landlords. For, for these reasons, Legal Aid of Nebraska supports LB267. Thank you for the opportunity to speak. And I'm happy to answer any questions from the committee.

BOSN: Thank you. Any questions of this testifier? Senator DeBoer.

DeBOER: Thank you. So is there any-- the way the bill is written, is there any possibility that a landlord gets in trouble for kicking one of these people out?

SCOTT MERTZ: So I, I, I believe some of the opposition may talk to or address a concern that they remove the wrong party, that there's-- certainly instances of domestic situations where both parties seek protective orders or both parties allege abuse. Now, there are guardrails in place, though, to minimize the risk or certainly any penalty to the landlords, namely the courts, that if one's seeking a protection order-- if party number one goes to court and party number two goes, they're going to be in front of the same judge, and the same judge and the same courtroom would be deciding whether or not there are protective orders issued. So I believe that, that's one effort to minimize the risk of there being dueling protective orders with, with-- again, dueling directives for, for, for the landlord. But also just in the bill as written, I, I don't think we need to go as far as for the landlord to play judge or in any way someone who's having to arbitrate the dispute themselves. They're just taking directions from one of their tenants with the supporting documentation that they're supplied, either from a court or from that third-party certifying agency. So it's not simply one tenant's word against the

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other. It's, it's a tenant-- one of the leaseholders providing that documentation to the landlord, and it's the landlord then complying with the law when excluding the other party. So it's, it's a roundabout answer, but I, I, I do believe there's minimal risk of any real trouble for any party to get-- any landlord or property manager to get into.

DeBOER: OK. Thank you.

BOSN: I guess I, I want to flush that out a little bit because in my experience with protection order cases, you could have two intimate partners who allege violence at the hands of the other. And in a protection order case, the judge isn't finding beyond a reasonable doubt which one is more valid than the other. They just issue the protection order mutually. And so then it becomes a-- I think-- and I think we can cure it, but I, I do think we have to have some way to-- it can't be a race to who submits it to the landlord first because, what happens if the true perpetrator gets to the landlord first with the documentation and then kicks out the actual victim? Because I will tell you, these are power wheel situations. One usually has the upper hand, one usually knows the legal system better than the other and knows how to manipulate it. And so-- I, I love the intent of this. I want to fix it, but I do think we have to have some ability to say, landlords, here's how-- or if there are competing protection orders, they are-- you know, some-- there has to be something different. Do you see what I'm saying at all?

SCOTT MERTZ: I, I do, I just think, broadly speaking, that the address would be through the courts and through the judge dealing with the protection orders. And what the bill seeks to do is just ensure that one who has sought and got a protection order is actually getting a true enforcement of that protection order in their own home such that they can change the locks and actually take a real commonsense approach to actually see that the protection order is followed and, and to have somebody who's on a lease agreement-- there's some clarity here for the landlords too. You know, they're not doing anything wrong by just having one party removed and not the other. If there are instances of dueling protection orders, that, that would be a matter sorted out by the judge who's hearing the protection orders and, and, and adjudicating as to who it would be that's going to be subject to a protection order or not.

BOSN: What in this bill tells the judge that they have to do that?

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SCOTT MERTZ: What-- this does not impact the current domestic abuse law or the laws governing protection orders. This just gives directives to the landlord and some options for the tenants who are on a lease such, such that it's impacting what obligations there are for a landlord. There, there's still the rights of either party in the protection order to get relief through the courts hearing the protection order, that, that, that is where the dispute would be adjudicated. And I think there's going to be a lot of ta-- I'm making presumptions. This goes with going proponents first as opposed to opponents. But there's a lot of talk about how it's unfair to the landlords because the landlords are going to play the role of the judge. And I would say that's not the case. There's still the judge and the judge-- and, and, and the agencies who do the certification. They're the ones making actual adjudication of facts under this bill. It, it, it's not any way deputizing landlords in-- into being some other ar-- again, ar-- ar-- ar-- arbiter of the law here. It, it's simply allowing them to go outside the bounds of what's in the lease agreement and, and what's already in 1431 and other provisions of Landlord-Tenant Act to see there's just true commonsense enforcement of, of what's already ordered in the protection order.

BOSN: OK. Senator DeBoer.

DeBOER: So has there been-- do you know-- have there been issues with 1431 where there's sort of competing claims of, no, I'm the one who's the victim; no, I'm the one that was the victim?

SCOTT MERTZ: No, I, I would think the problem with the 1431 revisions that went in effect a few years ago with respect to domestic abuse situations is that as it is now, a five-day goes out to both parties and then it's on the, the party who's the victim of DV to then assert their right to an affirmative defense to stay in the unit and, and, and, and, and avail themselves of the protections in, in 1431. This gets ahead of that to where we're not having victims of DV actually be noticed to leave property and sued. It gets ahead of that by, by getting the bifurcation of, of the two parties earlier on in the process, as, as opposed to waiting on until after a notice has gone out and, and probably to where there's a hearing on that notice in court.

DeBOER: So what-- so-- I think Senator Bosn and I are kind of talking about the same issue. In what-- how does-- so if the judge orders protection orders against both, then how does this section apply?

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SCOTT MERTZ: Well, I guess a couple things. In one-- ideally, by having a single judge, the judge is not having dueling orders removing individuals from the same residence at the same time. But, but two, this law simply just relies upon documentation going to the landlord and the landlord acting upon the authority granted by the documentation.

DeBOER: So it's what gets there first that has the proper documentation in the end.

SCOTT MERTZ: Again, again, it is true-- I, I suppose there could be a scenario in which there is two different orders. Maybe one of them got the order first and yet a second party gets an order later. But to the landlord first, that could happen. There might be some redress later on, but--

DeBOER: But it's not the landlord's--

SCOTT MERTZ: Yeah. The landlord's not--

DeBOER: The landlord doesn't have to decide anything.

SCOTT MERTZ: No.

DeBOER: It's just, if somebody presents them to-- this to them, they're OK to just act on it when somebody presents the proper materials to--

SCOTT MERTZ: Again, the vis and the proper materials will be, you know, a, a [INAUDIBLE] subject of due process, that that is going through the courts and, and/or these agencies who are entrusted with doing that certification.

DeBOER: So they have all that information and they just present it to the landlord. And the landlord really just has to ex-- you know, can just look at it and say, OK.

SCOTT MERTZ: Yes.

DeBOER: They don't have to make any findings of fact or anything like that.

SCOTT MERTZ: I, I, I don't believe anything in the bill requires the landlord to do anything more than just act upon what has been decided by these other entities, the courts and/or the certifying agencies.

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DeBOER: OK. Thank you.

BOSN: Any other questions? Seeing none. Thank you for being here.

SCOTT MERTZ: Thank you.

BOSN: Yes. Next proponent. This is going to be a different hat for you today.

TARA HOLTERHAUS: See, we're here in support sometimes. My name is Tara Holterhaus, T-a-r-a H-o-l-t-e-r-h-a-u-s. I'm here today on behalf of the Apartment Association of Nebraska, the Nebraska Association of Commercial Property Owners, and as a private practice attorney specializing in real estate, specifically the multifamily housing industry. We are in support of LB267, and we believe it is important to advocate and support victims' rights. And for the most part, our members and my clients are already doing what is prescribed in this proposed legislation. And I'm happy to provide some context on how we're currently handling the situations and where we are not yet following what's been proposed, why we have no problem doing so. Many of these requirements are kind of already prescribed by 1431 or required by the federal regulations in the Violence Against Women Act, which all of our affordable housing communities or LIHTC properties are already complying with. So this really isn't imposing more obligations. Certain things like changing the locks within 24 hours would be a new obligation. So there would be an educational component to make sure our property managers and on-site teams understand the new obligations. But for the most part, we are working with victims of domestic violence through these situations. Now, to address a couple of points about how-- when there's competing protection orders or competing certificates of domestic violence, because it does come up, how we handle that-- because currently, 1431 has a final subsection that says the perpetrator should not be released from the lease. I would like to see something-- and I-- granted, I don't know if it's currently in this proposal, but I would like there to be a specific similar sentence in this. And it does become difficult when there are competing protection orders be-- and I don't do it-- lot of this work. My understanding is that the initial ex parte request is almost routinely granted. So if both parties are requesting those without the evidentiary hearing, those are going to be granted right away almost always. And then pending that final hearing, that's where a judge might make a determination on the merits of, you know, if there's a pe-- perpetrator versus a victim and finding who that person is. So I think there's maybe some room to flesh out that language a little bit,

because are we looking at the immediate ex parte temporary restraining order or protection order? Because I think we should if we're really keeping in mind victims' rights, because we will have competing scenarios in that respect. How I advise clients to handle those situations is that if we do have competing, what evidence did we get that there was domestic violence in the first place? Because often it comes after issuing a five-day notice. Were the cops called? What did the cops find? Can we track down a police report that says so-and-so hit so-and-so? I mean, if we have evidence that one is over the other, then we would treat the evidence accordingly. So if we have something that clearly identifies who the perpetrator is, that's-- we would push back on the organization providing that certificate and say here's what we have. It doesn't support that this person is a true victim under the statute. Similarly, last week, I had a case where we had-- and I see I'm out of time, but if--

BOSN: You can finish.

TARA HOLTERHAUS: OK. Last week, I had a case where we had video evidence of somebody hitting another in the hallway. So we quickly sent that video to the organization and said, we don't, we don't have evidence that they're a victim. We see this. So we do push back in those cases where we have competing evidence and we can identify, at least in that moment, who was a victim and who was not. That's really all I have. If you guys have any questions, I'm happy to answer.

BOSN: Thank you for being here.

TARA HOLTERHAUS: Thank you.

BOSN: Next proponent. Last call for proponents. We'll move on to opponents. Anyone here wishing to testify in opposition to LB267? Good evening.

PIERCE CARPENTER: Hello. Pierce Carpenter, P-i-e-r-c-e C-a-r-p-e-n-t-e-r. I'm a small-time landlord. You know, when I read this thing, I could tell right away that it, it had been completely written by an attorney because it was so hard to understand. I had to go through it a number of times. I'm all for changing locks and doing all that stuff. 24 hours doesn't bother me at all. What bothers me is if the guy is not out of there-- I'm assuming it's a guy, could be a woman-- but if the person-- the perpetrator is not out of there, the landlord has to file a lawsuit, and I think that's just wrong. If this is actually part of the case that's ongoing, the judge should be able

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to issue something that says he's got to get out of there. And that is what I would be looking for. I would not want to file something. And then on top of that, you know, if I don't fi-- or if, if the judge is not willing to do it, I shouldn't be filing it. The, the victim should be filing it, or some agency should be filing it. But the landlord should not be getting involved with tenants at this level. The landlord should just be changing the lock and following the orders. Now, why does that happen, that they don't, they don't have the-- or, they have the landlord do it? Because evictions are very convoluted, bewildering, enigmatic, and abstract. And, and they've become down into a shell game where it doesn't really matter what the facts are. What matters is how well you fill the forms out-- which there aren't even forms available for this right now as far as I know. Anyways, my point is that-- the thing-- the part about the landlord filing if the guy-- or if the person isn't out of there, I wholeheartedly object to. I would not like to see that. I don't believe that's the landlord's responsibility and-- that's my point. Any questions? Or can I go home?

BOSN: Senator Storer.

STORER: Quick question. Thank you, Chairman Bosn. So if I'm hearing you, you're, you're in agreement with the intent of the bill. You just have some concerns--

PIERCE CARPENTER: Yes. That's true. Yes.

STORER: --about how it's executed, in essence. I mean--

PIERCE CARPENTER: Right. I don't want to see the landlord have a responsibility in this. Now-- I mean, changing the locks, I mean, that's the landlord's job. But filing something in this? And then--

STORER: Do you feel like there's a way we can get there? I mean--

PIERCE CARPENTER: Yeah. Have the judge issue it right away. And then the other thing is-- you know, one of the big problems I have is division of property. And if I'm filing it, there's an implied-- I'm going to get the guy-- or, whoever the person that leaves, I'll make sure he gets all his stuff. And the-- 30 day-- or, you got to give him a 14-day notice. And it, it, it's just-- I mean, all of that stuff is, is part of this too, I would imagine. I mean, it's not denoted specifically in here, but I think that's an issue as well.

STORER: Thank you.

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BOSN: Thank you. Any other questions? Seeing none. Thank you for being here.

PIERCE CARPENTER: Thank you.

BOSN: Next opponent. Last call for opponents. Anyone wishing to testify in the neutral capacity? All right. Well, while Senator Rountree makes his way back up, I will note there were 70 proponent letters submitted, 23 opponent letters submitted, and no neutral letters submitted on LB267. Welcome back.

ROUNTREE: All right. Thank you so much, Chairwoman Bosn and Judiciary Committee. And thank you for all came to testify in support and in opposition of our bill today. I think we can safely say that our main goal and our purpose is to move forward to protect our victims of domestic violence and also to-- best that we're able to to effect shelter in place by removing the perpetrator and allowing the victim to maintain the premises. We heard the questions that have been raised, and I think that we can go back and look at the bill. Just listening to our chairman, I think there are some ideas that you may have that we can go back and we can tighten it up so that there's full clarity in the bill and we'd be able to move forward with it. So with that said, I'm open to whatever comes, and we can get that done and get the bill out of committee and take care of our domestic violence victims. So with that, Chair, I close.

BOSN: Any questions for Senator Rountree? Thank you very much.

ROUNTREE: All right. Thank you, ma'am.

BOSN: That will conclude our hearings for today. Thank you all for being here.