

MINUTES  
**HOUSE JUDICIARY, RULES & ADMINISTRATION COMMITTEE**  
**HARTGEN SUBCOMMITTEE**  
Landlord/Tenant Subcommittee

**DATE:** Tuesday, February 23, 2021  
**TIME:** 2:30 P.M.  
**PLACE:** Room EW42  
**MEMBERS:** Chairman Hartgen, Representatives Kerby, Amador, Ehardt, Scott, Erickson, McCrostie, Nash  
**ABSENT/  
EXCUSED:** None  
**GUESTS:** None

**Chairman Hartgen** called the meeting to order at 2:39 p.m.

**H 152:** **Rep. Troy** presented **H 152** to the committee, expressing that the goal of this bill is to protect money given to property managers from being lost or misused by the manager, with a federally ensured bank account being used to monitor funds put into the account. In answer to committee questions regarding any interest earned on funds that the landlord holds in a deposit on behalf of the tenant, she said they can keep that interest on their account. This is simply meant to ensure that funds are not going out from their account without their permission.

**Rep. Gannon** further explained the legislation, saying once the renter leaves and a decision is made as to whether or not any damage is done, the security deposit either goes to the owner or the renter; never the manager. **H 152** is meant to prevent property managers from utilizing security deposits when they run low on cash or to use them as personal cash.

**Lisa Sanchez** spoke in support of **H 152**. The bill doesn't put any new legislative pressures on property managers. All it does is provide an additional account for money to protect tenants and owners from managers taking funds for personal use. Ms. Sanchez said there was an issue with additional fees being tagged onto up-front application fees and rent. The ordinance was put in effect to stop this from happening to renters.

**Dan Schoenberg** spoke in support of **H 152** and **H 45**. If deposits were regulated, this would prevent a manager from adding an extra deposit on behalf of the owner in case a tenant is marginal in their credit score.

**Eric Uhlenhoff** spoke in support of **H 152** and **H 45**. The simplistic nature and purpose of **H 152** is simply to set aside funds into a separate account to protect renters and owners. In answering committee questions, Mr. Uhlenhoff said this money falls on their proof of claim, as we instruct them to do, and then they wait for the trustees to bring what money, if any, is due to them.

**Rep. Gannon** In answer to committee questions regarding an enforcement mechanism that would prevent property managers from dipping into accounts and funding personal expenses, Rep. Gannon said having this extra account in place and required by law will help police departments to more quickly track and address misuse of funds. It's one extra step that gets in the way of funds being used improperly.

**MOTION:** **Rep. Amador** made a motion to recommend **H 152** to the full committee with a do pass recommendation. **Motion carried by voice vote.**

**H 45:**

**Rep. Ferch** presented, saying the aim of this legislation is to try and create a win-win situation for managers and renters by addressing stringent regulations over rental and application fees.

**Doug Taylor** stated this is not about rent control, which is already established in the state. **H 45** focused on adding fees and deposits to the language. Answering committee questions regarding which municipalities in Idaho have a specified ordinance with regards to fees and deposits, Mr. Taylor said currently Boise has one, and with the growth in Idaho there could potentially be a patchwork effect across the rest of the state.

**Mary Kemp** spoke in opposition. She gave a personal story about rental practices that affected her family, saying that this bill would result in "predatory rental practices".

**Paul Smith** spoke in support of **H 45**. He proposed that fees, deposits, and rent are used to regulate people, and that this regulation belongs at the state level.

**Kendra Knighten** spoke in opposition of **H 45**, saying this bill allows for exploitative fees to be carried out, and puts the needs of property managers over that of the renter.

**Brandon Morgan** spoke in support of **H 45**. This piece of legislation encourages affordable housing, and allows for us as property managers to have more predictability and make communities better.

**Ben Widmyer** spoke in support of **H 45**. Having this discussion at the state level will make things better for all of Idaho, instead of each municipality working this out on their own terms.

**Daniel Balluff** spoke in opposition of **H 45**, saying it is hard already for college students and young people to afford rental costs, and this legislation would allow for additional fees to be added on to what they currently owe property managers.

**MOTION:**

**Rep. Amador** lay **H 45** on the table.

**ROLL CALL  
VOTE ON  
MOTION:**

Roll call vote was requested. **The motion carried by a vote of 4 AYE and 2 NAY.**  
**Voting in favor** of the motion: **Reps. McCrostie, Nash, Hartgen, and Amador.**  
**Voting in opposition** to the motion: **Reps. Erickson and Scott.**

**ADJOURN:**

There being no further business to come before the subcommittee, the meeting adjourned at 4:07 p.m.

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Representative Hartgen  
Chair

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Jensen Thomas  
Secretary