MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY

Eighty-First Session March 4, 2021

The Committee on Judiciary was called to order by Chairman Steve Yeager at 8:02 a.m. on Thursday, March 4, 2021, Online. Copies of the minutes, including the Agenda (<u>Exhibit A</u>), the Attendance Roster (<u>Exhibit B</u>), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/81st2021.

COMMITTEE MEMBERS PRESENT:

Assemblyman Steve Yeager, Chairman

Assemblywoman Rochelle T. Nguyen, Vice Chairwoman

Assemblywoman Shannon Bilbray-Axelrod

Assemblywoman Lesley E. Cohen

Assemblywoman Cecelia González

Assemblywoman Alexis Hansen

Assemblywoman Melissa Hardy

Assemblywoman Heidi Kasama

Assemblywoman Lisa Krasner

Assemblywoman Elaine Marzola

Assemblyman C.H. Miller

Assemblyman P.K. O'Neill

Assemblyman David Orentlicher

Assemblywoman Shondra Summers-Armstrong

Assemblyman Jim Wheeler

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman Howard Watts, Assembly District No. 15

STAFF MEMBERS PRESENT:

Diane C. Thornton, Committee Policy Analyst Ashlee Kalina, Assistant Committee Policy Analyst Bradley A. Wilkinson, Committee Counsel Bonnie Borda Hoffecker, Committee Manager



Traci Dory, Committee Secretary Melissa Loomis, Committee Assistant

OTHERS PRESENT:

Jim Berchtold, Directing Attorney, Consumer Rights Project, Legal Aid Center of Southern Nevada

Bailey Bortolin, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers

Emily Paulsen, Executive Director, Nevada Homeless Alliance

Quentin M. Savwoir, Deputy Director, Make It Work Nevada

Jim Sullivan, representing Culinary Workers Union Local 226

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada

Serena Evans, Policy Specialist, Nevada Coalition to End Domestic and Sexual Violence

LaLo Montoya, Political Director, Make the Road Nevada

Benjamin Challinor, Policy Director, Faith in Action Nevada

Karla Ramirez, Organizer, Planned Parenthood

Tess Opferman, representing Nevada Women's Lobby

Vera Moore, Executive Director, True Beginnings

Barbara Paulsen, representing Nevadans for the Common Good

Jeffery Thompkins, PhD, Founder and Executive Director, JET Foundation, Inc.; Nevada Chapter President, National Nonprofit Minority Association

Cecilia Diaz, COVID-19 Benefits Connector, ¡Arriba! Las Vegas Worker Center

Will Pregman, representing Battle Born Progress

Areli Sanchez, Private Citizen, Las Vegas, Nevada

Lorinda Barrett, Private Citizen, Las Vegas, Nevada

Taylor Dixon, Policy Intern, American Civil Liberties Union of Nevada

Ethan Cullings, Private Citizen, Henderson, Nevada

Dora Martinez, Private Citizen, Reno, Nevada

Mackenzie Warren, representing Nevada State Apartment Association

Susan Vasquez, Executive Director, Nevada State Apartment Association

Tiffany Banks, General Counsel, Nevada REALTORS, Reno, Nevada

David Tina, Broker/Owner, Urban Nest Realty, Las Vegas, Nevada

David Dazlich, representing Vegas Chamber

Erica Arthur, Senior Vice President, Ovation Property Management, Las Vegas, Nevada

Vandana Bhalla, Corporate Broker, Signature Real Estate Group, LLC, Las Vegas, Nevada

Susan Fisher, representing Leo Poggione, Private Citizen, Reno, Nevada

Erica Ockey, Real Estate Agent, Signature Real Estate Group, LLC, Las Vegas, Nevada

T. Tran, President, Imperium Property Management & Consulting, LLC, Reno, Nevada

Lindsay Knox, representing Nevada Home Builders Association

Marlon Tse, Private Citizen, Honolulu, Hawaii
Thomas Blanchard, Vice President, Nevada REALTORS, Las Vegas, Nevada
Jennifer M. Richards, Chief, Elder Rights, Aging and Disability Services Division,
Department of Health and Human Services
Annemarie Grant, Private Citizen, Quincy, Massachusetts

Chairman Yeager:

[Roll was called. Committee protocol was explained.] We have one bill on the agenda this morning. I will open the hearing on <u>Assembly Bill 141</u>. Before we get started, I wanted to note that there are a couple of amendments on the Nevada Electronic Legislative Information System (NELIS). One is proffered by the sponsor of the bill so that is obviously a friendly amendment; the other has been submitted by the opposition. I assume that is not a friendly amendment, but we will hear from the sponsor on that. Assemblyman Howard Watts is with us today to present the bill with two copresenters.

Assembly Bill 141: Revises provisions relating to evictions. (BDR 3-569)

Assemblyman Howard Watts, Assembly District No. 15:

With me at the virtual table are Bailey Bortolin and Jim Berchtold with the Legal Aid Center of Southern Nevada (Legal Aid). With the Chairman's permission, I will give some opening remarks and turn it over to them to walk you through the bill and take questions from Committee members.

Assembly Bill 141 is aimed at preventing homelessness in two ways. First, it removes a barrier to housing for Nevadans affected by the pandemic by automatically sealing evictions from their records. Second, it provides more time for longer-term renters that are facing removal for no cause to find substitute housing in today's tough market.

As a result of the pandemic, Nevada is on the cliff of a major eviction crisis. A Kenny Guinn Center for Policy Priorities (Guinn Center) study done during the pandemic found that over 500,000 Nevadans are at potential risk of eviction due to the pandemic. As many of you are aware, the current protections on evictions are set to expire on March 31, 2021. Communities of color will be hit the hardest, making up two-thirds of Nevada's renters, according to the Guinn Center. These communities have also been hit the hardest by the health and economic impacts of COVID-19, are disproportionately cost-burdened, and have had homeownership pushed out of reach. Job loss and income reduction puts these households in an even more precarious position.

The failure to pay rent during the pandemic is directly connected to our staggering unemployment numbers during this crisis. Unemployment has reached historic highs during the pandemic, with National Public Radio reporting last May that Nevada led the nation in unemployment with the highest rate since the U. S. Bureau of Labor Statistics started tracking this data in 1976. Folks who work in our tourism and hospitality industries—the backbone of our economy especially in southern Nevada—were hit the hardest, with a nearly 41 percent year-over-year loss of jobs at hotels, casinos, and restaurants. In September 2020,

the *Reno Gazette Journal* estimated that 38 percent of households that rent were experiencing unemployment. I want to put a finer point on that: that means about 6 months ago, more than 1 in 3 households that rent had no employment income.

Evictions are often the result of poverty, but they are also a cause of poverty. People who have an eviction on their record experience greater financial insecurity and housing insecurity. People want to get back to work and move forward with their lives; we all do. It is critical to ensure that as we recover from this pandemic, there is not a permanent mark on their records that creates a barrier preventing them from finding new housing. That is why A.B. 141 will automatically seal evictions that are granted specifically for nonpayment of rent during the COVID-19 crisis declared by the Governor. And these evictions have occurred in the gaps between protections for those who did not know how to take action to protect themselves.

Assembly Bill 141 also extends the timeline for no-cause evictions. The no-cause eviction process is applicable only in a narrow set of circumstances. It allows a landlord to remove a tenant who is under a month-to-month or weekly rental agreement for no fault of the tenant's when there is no foreseeable end date. It is common to see seniors on fixed incomes living in month-to-month rentals. They may start with a year-long lease and then stay on in the same place for an additional three, four, five or even ten years in a month-to-month tenancy. Imagine, after you have lived in a place so long, having to pack up your entire life and figure out where to move and what your next steps are going to be within 30 days. I think that people deserve a little bit of extra time to figure out what their next steps are. This bill will extend those timelines from 30 days to 60 days for people who have lived in a property for 1 to 3 years, and to 90 days for people who have lived in a property longer than 3 years.

And that is all that this bill does. I want to take a moment to be clear about what this bill does not do, because I have received some emails from concerned property owners with some misinformation about the impacts of this bill. Assembly Bill 141 does not remove any obligation for a renter to pay. It does not change the summary eviction process or prevent it in any way; when somebody fails to pay after these protections have expired, if somebody is a nuisance or damaging a property, there is an expedited summary eviction process that this bill does not modify at all. Also, if an owner has a lease with a renter, this does not tack additional time on to the end of that lease.

Stable housing has a range of positive benefits. A 2016 study by the Enterprise Community Partners found that stable housing reduced Medicaid spending by 12 percent. Primary care use increased 20 percent and emergency room visits, which are more expensive, dropped by 18 percent. Additionally, keeping people in stable housing is a vital tool in protecting public health and fighting COVID-19, which is why we have been enacting these protections to keep people from being evicted during the crisis in the first place.

I believe the two measures in <u>A.B. 141</u> are critical to helping people get back on their feet and giving them the opportunity to secure new housing as we come out of this crisis. I want

to acknowledge the Nevada State Apartment Association, Nevada REALTORS, and others who have been engaged in conversations about this policy. I appreciate their willingness to work toward a mutual agreement. As was noted, they do have an amendment submitted. I have not agreed to that amendment, but we are continuing to talk and see if we can get to a point of agreement.

I want to note that this bill is not to point a finger at or say that property owners have done anything wrong, necessarily. We know that everyone is hurting financially in this crisis and that includes property owners. I know that there are actors out there who have tried to reach out and work with tenants to address their issues. This is just making sure that anybody who slips through the cracks during this unprecedented crisis is able to get back up on their feet.

The amendment [Exhibit C] that I put forward looks at clarifying the language to benefit the courts. I appreciate conversations with Judge Melissa A. Saragosa, Las Vegas Justice Court, that allowed us to make sure the language was honed so that it could be implemented in the most efficient way by the courts.

Jim Berchtold, Directing Attorney, Consumer Rights Project, Legal Aid Center of Southern Nevada:

As Assemblyman Watts indicated, this bill only does two things. I will walk you through those starting with section 2, which is the provision that allows for the automatic sealing of nonpayment evictions that were issued during the pandemic. I will be working off the conceptual amendment [Exhibit C] that Assemblyman Watts submitted.

Nevada law already allows for the automatic sealing of certain types of evictions. This happens automatically and the tenant does not need to do anything. For other types of evictions, the court has the ability to seal those evictions if the tenant files a motion, for example, when the eviction was the result of circumstances beyond the tenant's control. Section 2 would extend the automatic sealing that is already in place to nonpayment evictions that have occurred during the pandemic. Basically, any eviction from March 20, 2020, until the state of emergency stops would be automatically sealed.

Why is this important? It is important for a couple of reasons. First, an eviction can be a huge black mark on a tenant's record that can prevent them from finding new housing. Some landlords will simply not rent to someone who has an eviction on their record. We are already seeing this for those evictions that have snuck through all of the protections in place. Those tenants are finding it difficult to find new housing. Second, it is because the evictions have been sneaking through the protections that were in place.

During the pandemic there have been broad protections for tenants. The idea was that there would be moratoriums in place preventing evictions while at the same time there would be millions of dollars in rental assistance flowing to the states for distribution to the tenants and payments to the landlords. But those protections and moratoriums were incredibly confusing; there were federal moratoriums, state moratoriums, moratoriums that would shift and morph. It was difficult for housing experts to keep on top of the current status of the

moratoriums, and it was impossible for the tenants. What the tenants heard was, there is a moratorium in place so if I receive an eviction notice, I do not need to do anything. A lot of evictions were granted by default because the tenant did not know that they had to respond. There was also a huge problem with the rental assistance getting into the hands of the tenants. That was a herculean task administratively. A lot of tenants were evicted while they were waiting for their rental assistance application to be approved. That is really what this bill is targeting: for those non-payment evictions that snuck through the cracks to be automatically sealed to allow the Nevadans who are facing that black mark on their record to move on with their lives and get back on their feet.

Section 1 extends the time frame for no-cause evictions. I think it will make more sense if I give you a little background on no-cause evictions. No-cause evictions—unlike other evictions in Nevada where the tenant is doing something wrong, not paying their rent, the tenant is causing a nuisance, the tenant is breaching their lease agreement—are used when the tenant is doing nothing wrong but the landlord simply wants them out. They can be used in two types of situations: (1) where the tenant currently does not have a lease and never had a lease agreement, or (2) where the tenant had a written lease agreement, but that lease agreement has expired and the tenant has been allowed to remain on the property with the permission of the landlord. In those situations, if the tenant is a month-to-month tenant, the landlord can issue a 30-day notice and evict the tenant. If the tenant is a weekly tenant, then the landlord can issue a 7-day notice and evict the tenant.

Why is this problematic? These are not temporary tenancies we are talking about. We have seen situations where tenants can be on the property for 10 or 15 years while in a month-to-month tenancy. For a tenant who has done nothing wrong to all of a sudden receive a 30-day notice saying you have to be out in 30 days, that can be incredibly difficult and sometimes impossible, especially for tenants who are seniors, are disabled, have some health issues, or are on a fixed income. During that 30 days, they are being asked to find a new place that they can afford that meets their needs—close to doctors, the bus line, schools—to figure out how to physically move a lifetime's worth of possessions and to do this all while trying to come up with a first and last month's rent and a deposit. Remember, during that period, the tenant is still paying rent to the landlord and the current landlord has their deposit. For tenants on a fixed income trying to even come up with that money to find a new place to live is incredibly difficult.

This bill would extend those timelines for long-term tenants who have done nothing wrong. For tenants who have lived in the property for 1 to 3 years, it would require a 60-day notice to evict those tenants. For tenants who have lived in the property for more than 3 years, it would require a 90-day notice to those tenants. Those timelines are not out of sync with what other states are doing.

I would like to touch on what Assemblyman Watts noted about the confusion and misinformation about what this bill does. This bill does not give tenants the right to live in a property for free. During those 30-, 60-, and 90-day periods, the tenant has to pay rent. If

the tenant does not pay rent, then the landlord can evict the tenant for nonpayment of rent, which is a totally separate notice and process just like any other tenant.

This bill does not automatically extend every 12-month lease. There have been some suggestions that if there is a 12-month lease, that means the tenant is on the property for 12 months which means they get an additional 60 days. That is absolutely incorrect. This only applies to tenants who do not have a written lease. At the end of a written lease, a landlord can give the tenant notice and evict the tenant if the landlord chooses not to renew that lease. That is a totally different notice and a totally different process.

This bill does not require landlords to house problem tenants. In fact, it does just the opposite. We are talking about the tenants who have done nothing wrong. These are no-cause evictions, meaning the tenant is paying their rent, is complying with the terms of whatever agreement they have with the landlord; the landlord simply wants the property back.

Does this apply to every tenant? No, again, it only applies in the narrow slice of tenants where the tenant never had a lease agreement or the tenant had a lease agreement that has expired but the tenant has lived on the property for a long term at the consent of the landlord. It just extends the time frames to a realistic point that the tenant has the ability to find a new place in a tight housing market, arrange for the physical move of their possessions, and to come up with the money to make that happen [Exhibit D].

Chairman Yeager:

Ms. Bortolin, would you like to provide comments before we take questions?

Bailey Bortolin, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers:

I think we are ready for questions.

Chairman Yeager:

Are there any questions from the Committee?

Assemblywoman Cohen:

Could you give us a refresher on summary evictions and what that process is?

Bailey Bortolin:

That is where a lot of the confusion is because there are a lot of different types of evictions and we are dealing with different pieces in different ones. While the record sealing piece is dealing with nonpayment, the no-cause is not dealing with nonpayment. Summary evictions occur when somebody falls behind on rent and as soon as one day after they are delinquent

on rent, the landlord can issue a 7-day notice to pay rent or quit. That is important in the context of the record sealing piece. In that 7 days, the tenant has the ability to:

- Become current on rent and prevent the eviction from occurring.
- Leave the property, in which case an eviction against them will not be necessary because they have left the property.
- File an answer with the court. This is where summary eviction is very unique to Nevada in that the tenant has to initiate—we call it filing an answer—the court proceeding and actually, the first filing with the court happens by the person who wishes to assert a defense.

If you do none of those three things, the landlord can move to have the eviction summarily granted without a hearing. That would get sent to the constable, who would effectuate the lockout at the property.

It is a complicated process and that is where people have fallen through the nonpayment of rent evictions in this state of emergency. While there have been eviction protections in place, it still requires the tenant to respond to that notice, to find out that there is a declaration that they need to fill out and give to their landlord, and then file it with their answer and proof of service with the court. If they just heard there was a moratorium and did not do those things, those are the people who now have nonpayment of rent eviction records despite the protections that have been in place.

Assemblyman Watts:

I would briefly add on to that the summary eviction process is also available for some of the other issues that were brought up in our testimony including breach of the lease agreement, and becoming a nuisance; I think this is often mentioned in the context of somebody who is damaging or harming the property. I want to be extremely clear that the provisions in section 2 of the bill only apply to evictions related to nonpayment of rent and in fact, many of the eviction protections that have been put in place have also been specific to nonpayment of the financial burden, and so if people have been a nuisance or damaging a property, those evictions may still occur and those evictions will not be sealed under the provisions of A.B. 141.

Chairman Yeager:

Are there any other questions from the Committee?

Assemblywoman Nguyen:

In reviewing the proposed dates and timelines in section 1, could you tell me how you drafted that? Did you look at best practices? I know that a lot of times in this body we arbitrarily pick numbers. I do not know if the previous numbers were arbitrary or if there is any kind of data or evidence-based practice behind them.

Bailey Bortolin:

From a housing policy perspective, the progressive trend that is occurring and housing advocates are working toward are just cause evictions. There are a lot of localities and one state that have done away with no-cause evictions. That is the next frontier; you should have to have a reason to be able to evict somebody. We did not propose that in this bill. Assemblyman Watts can speak to how he picked what he thought was reasonable, but this is in sync with a lot of what is going on nationally. Evictions are difficult when you look at the data because it is such a state-by-state beast. A lot of states do offer 60 days. What we are doing differently is creating a tiered system. Where a lot of states just have 60 days across the board, we put in something that we thought was more justifiable based on actual circumstances. The other piece to this—I do not want to speak for the courts—is court and systems capacity which is what we are dealing with. Something that we see a lot at Legal Aid is people get a 30-day notice and it is just not doable. They cannot move out in 30 days, and they start to panic and reach out for help and ask what they can do. The answer is you can file an answer with the court and ask for more time. We think that by giving people more time from the onset will reduce that tension, the need to litigate, and the need to go to the court and request more time in the first place. If people do not need the time, they can always agree with their landlord once they have secured housing and find a date to end earlier. They do not have to stay for the duration of that whole time. But it puts more options on the table without requiring court involvement.

Assemblywoman Nguyen:

I just have some concerns. I was just curious if there was any evidence based on those numbers. We have a lot further to go potentially in this realm and in this space. I appreciate your elaborating and getting away from no-cause evictions into a more reasonable realm. Obviously, that is not what this bill does today. I have concerns, and not that I want to put out ideas for people to be bad players and have bad intent, but what would stop someone from just making their tenancies always 11 months to avoid this, to avoid longer time periods?

Assemblyman Watts:

I want to address both your initial question as well as your follow-up. This does not apply to lease agreements, and I want to make that extremely clear for the record. If you have a 12-month lease agreement, all the provisions of section 1, they do not grant an additional 30, 60, or 90 days at the end of that lease agreement. Under the terms of that lease ending, if a property owner wishes to remove the tenant at the end of that time, they can do so. Creating an 11-month lease does not have any impact on avoiding the provisions of A.B. 141 compared with a 12-month lease. It is only once the tenant goes into a month-to-month rent situation, which again, as noted, they may do from the very start; they may never have a lease agreement; or they may continue month to month after a lease agreement ends. It is at that point that these notice provisions take effect. There is no reason to reduce a lease term by one month because at the end of a year-long lease, a tenant can still be asked to move out promptly at the end of that lease. This bill does not apply to that situation in terms of providing any additional time.

With respect to your first question about timelines, many states still have timelines. There are some that are moving towards an end to no-cause evictions and forcing a just cause requirement for the removal of a tenant. It varies. There are several states that are like Nevada, which essentially tie it to the terms. You will see in our current statute if it is week to week, then you get a week or 7 days. If it is month to month, you get a month or 30 days. There are five other states currently doing what we are proposing in this bill, which is actually tying the notice to the length of residency in order to provide an additional cushion for longer-term, more stable tenants. There are a couple of states that have 90 or more days of notice in place with certain conditions. There are also some states, like Delaware and Georgia, that are just a flat 60 days across the board. Just like many other laws across the states, there is a lot of variability; but the provisions of this bill are well within what has been established in other states.

Assemblywoman Bilbray-Axelrod:

When I heard about the eviction moratorium and then saw on the news or read in the paper that people were being evicted, I was confused. I thought there was just a moratorium. What does the declaration involve, and what other states do that or something similar to it?

Bailey Bortolin:

It has been a complicated year; the eviction protections have ebbed and flowed through different forms, but what has been pretty consistent throughout most of the year and where we are right now is that the Centers for Disease Control and Prevention (CDC) issued guidance that there was an eviction moratorium for those who qualified. Tenants qualified if they had fallen behind on rent because of COVID-19 and that is why they were unable to pay rent and had nowhere to go. This is a social-safety-net issue for the community; if we are moving people out of their homes, we do not have the capacity as it is not safe to be overcrowding our shelters and our streets. That declaration system is being used nationally. Governor Sisolak's eviction protections that are also in place right now mirror that concept. So you are qualifying for both; essentially you are following the same process. You can use the CDC declaration [Declaration Under Penalty of Perjury for the Centers for Disease Control and Prevention's Temporary Halt in Evictions to Prevent Further Spread of COVID-19]. You just need to Google it. It is on the CDC's website, Governor's website, and Legal Aid's website. We have done what I think is a tremendous community education outreach campaign to try to reach people to let them know this is how the eviction protections work, this is what you need to do.

It has been really difficult. The tenant is supposed to fill out the declaration saying that they qualify for the protections and give it to their landlord. If their landlord moves forward with the eviction anyway by posting that 7-day nonpayment of rent notice or summary eviction notice, the tenant is supposed to file that in with their answer with proof of service that they did in fact give it to their landlord in order to get the court process to then pause.

I just saw the additional proposed amendment online this morning and I want to speak a little bit to why that does not work. What they are proposing is only people who did file that declaration to the court are the people who would have their records sealed. That is

problematic for me because a lot of people did not know they needed to do that declaration process. They thought they were protected. That is why we are instead going for people who fell through the cracks because they did not know to do that. They did not know how the protections worked, how to qualify, or how to take those steps. It is really overwhelming to be in a point of crisis when you are losing your housing in a pandemic. We do think that just pulling the nonpayment of rent eviction records to automatically seal is not going to catch everyone who was affected by the pandemic and evicted. These protections at the state and federal level have ebbed and flowed and constantly changed. There were points in the last year where nonpayment of rents were not going forward, but you could evict someone for no cause using the no-cause process because the nonpayment of rent lane was marked off. Those people unfortunately still will not be automatically helped by this, but because of the process that we did put in place, anyone can petition to have their records sealed.

Our hope is that we will do the bulk of the people who need it, who fell through the cracks, in one click and reduce that burden on the court to do it on a case-by-case basis. Then we will go back to a community education campaign and try to reach other people to inform them that if they were affected by COVID-19, or if these circumstances were out of your control, here is what you need to do to get your eviction records sealed. It is still going to be a lot of work, but I do not think it is overly broad. That summary eviction process that I spoke to requires an opportunity to become current on rent during the seven days or to leave the property. If you do either of those two things, you did not end up with a nonpayment of rent eviction record. It is just people who thought they did not have to leave the property because there is a moratorium who then were locked out.

Assemblyman Wheeler:

I need some clarification. We keep talking about the pandemic, but I keep looking at the bill and I do not see anything where this ends when the pandemic is over or the state of emergency is over. This goes on in perpetuity, so I do not think it is a pandemic bill.

What I am seeing in my district is you will find that a lot of mom-and-pop-type landlords have homes that they use for their retirement. In this tight housing market with huge price ranges going on right now, when they cannot get the rent out of a tenant, and of course there is a moratorium and maybe even rightfully so on evictions right now, they just go ahead and sell the house. When you list a house in my district, for instance, it usually takes about two days to sell it and it is usually over the asking price. At least that is the market right now. It hurts the tenant. What happens when the house is sold and all of a sudden it is no longer a rental house? We are pushing the tenant out instead of going through a procedure where maybe the landlord could have worked with the tenant to get that money, especially with all of the programs that have been put in place for rental assistance.

Another problem that I have seen and I wonder how you will address this, if I were renting or leasing a home and the lease comes to an end and it goes month to month, I would now—with this bill in place—go to the tenant and say, "Okay, if we stay on month to month, I am going to raise your rent by 40 percent, because obviously I now have eviction problems if you do not pay. But if you go into another lease, I will only raise your rent by 20 percent."

So I see problems for the tenants here where in normal times when a lease is up, most landlords that I have seen, including myself, have just let the tenant continue on with the current rent because they are good tenants. I see a lot of problems for the tenant here; what do we do about that?

Assemblyman Watts:

First, I will just say that section 2 is specifically limited to the declaration of emergency by the Governor. The automatic sealing will only happen for nonpayment of rent evictions that occur while the Governor's emergency declaration is in effect. As soon as that ends, the provisions of section 2 will no longer apply for automatic sealing. When we talk about the impact of the pandemic on folks, we are really talking about section 2. The changes to section 1 are not limited to the pandemic, so that is a permanent application.

I would need a little clarity about why you would be looking at rent increases of varying amounts or why the provisions of this bill would lead a property owner to sell instead of continuing to rent, particularly because, as you said, this applies to stable tenants. Again, that notice period does not end the obligation for a renter to pay. Currently, under law right now, if you have a tenant whose lease has ended and you are going month to month, and for whatever reason you just want to get the property back, then you give them 30-days' notice. Under the provisions of this bill, you would instead give them 60-days' notice. As was said earlier, if they find another place to live and they want to move out, they can let you know and move out within the 30 days or less. Currently, if someone has 30-days' notice, they can move out sooner than that. Also, they have to pay rent so they would have to pay rent for that last month once you give them that notice. Under this bill, they would have to pay rent for those last two months, and if they do not, you can initiate summary eviction, which has a completely different statute and timeline, and have that tenant removed within a matter of days.

Assemblyman Wheeler:

The reason that people would sell is because of the housing market right now. If they have a good, steady tenant coming in all the time, they do not have to worry about an eviction, and a lot of times they will keep it because it is their retirement income. If they see a problem coming down the line, in my opinion, then it is easier to sell the house. You know, pay the 9 percent capital gains on the thing, put the money in the bank or reinvest in something else, maybe Bitcoin. That is my reasoning here, and I think this is going to end up charging the tenant more and more as time goes on. I know a lot of landlords have relationships with their tenants, and for instance, never raise their rent ever, even when it goes month to month. But now they may look at that and say, I cannot afford two months without rent and while I like this guy, maybe I ought to just sell this place and get out of here. I can see both sides.

Assemblyman Watts:

I appreciate your clarification on that. I want to recognize the positive relationships that many tenants and landlords do have, and I want to reiterate once again that nothing in any provision of this bill removes a tenant's obligation to pay. The changes in section 1 of this bill do not create a 30-, 60-, or 90-day window where a tenant does not have to pay and

therefore creates an additional cost for the property owner. It simply provides for additional notice during which time the renter must pay or else face the exact same, frankly expedited, eviction process that is in Nevada law right now. I am glad to provide that clarification for the record.

Assemblywoman Krasner:

Does this only apply to seniors and individuals with disabilities or does this apply to anyone, like maybe a family with children?

Jim Berchtold:

This would apply to anyone who is a month-to-month tenant, who does not have a written lease agreement, who has been on the property for an extended period of time, and would be entitled to the additional notice. So, yes, it would apply to seniors, disabled individuals, everybody. Families with children moving and trying to stay in the same school district can be incredibly problematic. Yes, it would protect them as well.

Assemblywoman Krasner:

I think you said that section 1 only applies to nonpayment of rent during the pandemic, and then I think you gave a time frame. Is that correct?

Jim Berchtold:

That is actually section 2, which is the section that deals with the sealing of the eviction records. That would only apply to nonpayment evictions during this state of emergency. The state of emergency was declared on March 20, 2020, so it would extend until the Governor says it ends. Any evictions during that period for nonpayment of rent would be automatically sealed.

Assemblywoman Krasner:

So that is it; it does not extend in perpetuity.

Jim Berchtold:

No.

Assemblywoman Hansen:

We have clarified that this applies when tenancy is month to month and tenancies with a fixed expiration date will not fall under this. My concern is for landlords who might have a tenant who wants a month-to-month rental because of life circumstances but in order to get the rental that they need, it is only going to be a fixed date, and then they would be forced into a situation to take a property that they might have to break a lease on because this landlord now is concerned about a month-to-month rental and wants a fixed date. Is that an unintended consequence for these tenants now having to go to properties that have more of a lease arrangement rather than a month to month because now a landlord is shifting due to legislation?

Assemblyman Watts:

I will let others speak to this as well, but I have heard stories of folks who are serving our country overseas and other folks who have properties they are renting and they have a planned return date and are concerned about how this could affect them. I have spoken with some of those individuals. As you noted, this does not apply to a lease agreement. I think usually when a property owner is looking at a certain date that they want to have the property freed up, then they are going to want to seek out a lease agreement. And yes, I would say that this would encourage a property owner who needs to have their property back on a certain date to establish a lease so that they would be able to gain control of the property on that date.

What we often find is month to month can go on until there is an issue with the tenant or until the tenant decides to move somewhere else. Again, this is only when there is no issue with the tenant and the property owner has decided that, for whatever reason—and I understand the property owner's rights—they want to remove the tenant; whether they want to move in, sell it, get a new tenant, change things around, or remodel, they can do any of that. We are just asking that for tenants who they have had a long-term relationship with—over a year—that tenants have up to the additional 30 to 60 days to do that. Again, it may work out where they can find a place even quicker than that, in which case they can move on. I know I am repeating myself, but if after that history of having a great relationship, they decide they do not want to pay after getting that notice, then they can be removed quickly through summary eviction.

Bailey Bortolin:

I would add that we view it as a positive additional consequence if more people were in leases. Leases do not have to last for one year, but they do provide some clarity and contractual security for both the landlord and the tenant about how this relationship is going to work. So if more people do choose to renew a lease rather than allow month to month or just a casual arrangement, I think that is positive because there are a lot of rights and systems that work better when there is a lease in place. It would not have to last for a year, it could be 3 months or 6 months, but you would have some certainty and with that certainty, each time that date was approaching, you would have a built-in date where the landlord and tenant could communicate as to whether that date is an exit date or should they continue to renew. It builds in a little more stability for that contractual relationship.

Assemblywoman Hansen:

I understand the intent in trying to accomplish something good. But again, I am just concerned that this legislation is going to force some unintended consequences. I would assume that a lot of the mom-and-pop-type rentals would have some choices taken away by this legislation, maybe it forces those landlords to make the decision that they want to just wash their hands of it now and not be in a rental space, sell their properties, which in this market reduces the amount of rentals available because some people do want to live in a single-family home, they need a yard. Those are going to be few and far between when landlords feel that their choices of how they are going to rent their property—month to

month or with leases—get more and more narrowed. I am just concerned about limiting the rental availability and restricting property rights of the owners.

Assemblywoman Kasama:

Under section 1 in the proposed amendment [Exhibit C], this could apply to anybody. But in Mr. Berchtold's overview and presentation, I heard you use numerous times seniors, low-income housing, the disabled, not giving people enough time, it could move people to homelessness. But that is not addressed in this section. So if I understand it correctly, if there is an owner of a property who rented his home here, took a job in California, loses his job there, has to come back; and he has had the tenant in there for two years and they have been paying month to month, gives them notice, and now he cannot move into his property for 90 days. This is not a person on his property that falls under senior or low-income housing so now he has to go rent a hotel until the person leaves the property. That is where I see a problem with it, because what I am hearing from everybody is the low-income housing, the seniors, the disabled, and I think this bill goes too far encompassing all. I do believe that it takes away the right of the owner to take possession of their property again. I understand these issues here, but maybe we need to look at that more versus making this an all-encompassing bill that throws everybody into the same bucket.

Assemblyman Watts:

I know that you have much experience with these issues, so I appreciate your comments. I think we do just have some disagreement. I would say that this does place some additional protections for the tenant, but it does not fundamentally restrict the property owner's ability to regain control of their property. You are correct, this does not just apply to seniors or people with disabilities. It also, as Assemblywoman Krasner asked, would apply to families with children and it would apply to single individuals as well, who also may be living in a property for a long period of time and not have a plan for where they are going to go next. It is, in fact, broadly applicable to everyone, to give them that additional notice.

Assemblywoman Kasama:

At the beginning of your presentation, you quoted, half a million projected to be evicted. Where did you get that number from?

Assemblyman Watts:

That was a study conducted by the Guinn Center, and I would be happy to provide that as a follow-up to the Committee.

Assemblywoman Kasama:

I believe that Guinn study was done at the beginning of the pandemic, is that correct?

Bailey Bortolin:

It was done twice. The first projection was earlier on in the pandemic and I do not have the exact dates in front of me. I believe at that point the figure was over 300,000 Nevadans were projected to be at risk of eviction. It was increased to over 500,000 evictions in the fall.

Assemblywoman Kasama:

From my observation, I have not seen an indication of the numbers being that high. I think we have to get hard data to see what the projection is from people who are faced with these evictions. Currently the unemployment rate is 8.2 percent as of December 2020, and that is from the Western Information Office of the U.S. Bureau of Labor Statistics. I know you were quoting a higher rate. I just want to make sure that we are dealing with the most current information when we provide this information for people to make informed decisions.

Assemblyman Watts:

I appreciate that and again, this is not people that had eviction processes in place. This is given the economic consequences of the pandemic, renters who would be at risk for eviction, and one of the reasons that those numbers have not been so high is because of the protections that have been put in place to date during the pandemic crisis. And yes, our unemployment rate has gone from hitting truly stunning, record-setting highs during the pandemic. I will note that it is still among the highest of any state in the country. I do not have the latest figures in front of me, but I would be surprised if we were not still in the top five states in the country for unemployment.

Chairman Yeager:

We have been going for about an hour and I have about 15 more minutes I want to spend on questions before going to testimony. We have, as you might imagine, quite a few people who would like to express their opinion on this bill. Keep in mind, members, to keep your questions concise, and our presenters, please keep your answers concise; we will be able to get through more questions in the next 15 minutes.

Assemblywoman Hardy:

I think we have demonstrated the eviction process in general can be very confusing for both landlords and tenants. In section 1, using this tiered approach there are all these different timelines and extensions. Do we see this as possibly being even more confusing for landlords and tenants?

Assemblyman Watts:

One of the things that we are doing is actually trying to simplify so that instead of it being based on the term and other things, we are trying to streamline this across the board for any tenancy that is not covered under a lease agreement. It would be 30 days if less than a year, 60 days if it is between 1 and 3 years, and 90 days if more than 3 years. I understand that *Nevada Revised Statutes* (NRS) Chapter 40 has a lot of pieces to it. There has even been a discussion about the need to clean up the statute so it is easier to understand, but that is a separate conversation for another day. I actually believe that this would add some additional stability and clarity. It is a change, of course, but I think that communicating the change could be fairly clear.

Assemblywoman Hardy:

Do I understand that as far as seniors, they already get an additional 30 days, so this would be on top of any of those days?

Assemblyman Watts:

Yes, there is a provision specifically for seniors and disabled individuals to request an additional 30 days and that portion of the statute currently remains. Again, that requires affirmative action and does not capture families and other people. What we are trying to do is establish a time frame that is specifically for tenants who have long-term, stable, positive relationships to have the additional notice without having to go through a process to request it. Legal Aid could also describe this process a little better in how it works in practice.

Chairman Yeager:

Do we have any additional questions from Committee members?

Assemblyman O'Neill:

I actually had several questions, but I think I will just make a statement. I appreciate what Assemblyman Watts and the copresenters are trying to do with this, but I think Ms. Bortolin and I may have agreed. Maybe the solution to this whole discussion today is to scrap the bill and require that all rentals have to have contracts or leases. That will solve the problem. It gets confusing otherwise. We are talking about leases, no leases, a person that is on a lease then goes off a lease, now they are qualified for this tiered system of how long they have been there. Just maintain that they have to have leases period. It is a contract that protects both sides. I do disagree with section 2 on sealing the records. I think there has to be more than effort, and I think the landlords and owners of the property have a right to know that the person was evicted. That was more of a statement, and thank you for the time, Chairman.

Chairman Yeager:

You are certainly welcome to broach that topic with the sponsors. I do not imagine they are going to be willing to take that suggestion but would encourage you to ask them offline. Any other questions from Committee members?

Assemblywoman Kasama:

Under section 2, in this broad sealing of the records, if somebody was receiving rental assistance, pandemic money, stimulus checks, even had their job, and they had the money and they chose not to make the payments to the landlord, they would still get their records sealed under this case. Is that correct?

Bailey Bortolin:

I do not believe that they would have an eviction record. It is a bit of a fine hair to split, but if someone were to have the ability to pay and chose not to, I do not believe they would be evicted for a nonpayment of rent eviction because of that 7-day process where somebody has the legal opportunity to become current or leave the property. If you did one of those two things, you would not get to the point where an eviction record has been created.

Assemblyman Watts:

Yes, specifically it would have to apply to someone who had the resources to pay rent and their other obligations but chose not to do that, chose not to respond, not to get current, not to leave a property, and to let an eviction be entered onto their record. In that hypothetical case,

if it occurred during this declaration of emergency, it would be included. However—I know you will hear later from opponents about their suggestion for automatic sealing—I think all of us here know how long people have struggled to get access to their unemployment benefits. We know how quickly rental assistance programs have been swallowed up. Frankly, we just do not have the resources to help everyone—tenants, people, Nevada families—catch up on all of their bills and their needs so that they can provide food, housing, and pay their other critical bills and meet their basic needs; the resources just have not been sufficient in terms of unemployment that has fluctuated in amount and has taken months to receive, in terms of payments from the federal government that have totaled less than \$2,000 over the course of a year. We certainly need more resources to help property owners and renters—and again, all of these folks being Nevada families—to help make them whole. We just want to make sure that for folks who have suffered those consequences, that they do not slip through the cracks and are able to access housing again.

Assemblywoman Kasama:

I completely agree with you. There are a lot of people out there struggling. We need to get these resources moving to them. I know there is a delay in the resources coming to them. That is an issue, but based on your own comment, my question was regarding somebody who had the ability to pay, they would be protected under the sealing of eviction records and that is something I could not agree with.

Assemblyman Watts:

I will briefly say that this is a good discussion and debate that I have had with others as well. I appreciate it. I will just be very blunt: I respectfully disagree. I would rather protect that hypothetical person who, again, not only chose not to pay but then chose to allow an eviction record to happen instead of vacating or instead of getting current with the rent. I would rather that hypothetical person or a handful of people be covered, as well as all the people who have been overwhelmed by this crisis and did not know that they needed to file a declaration in order to access these protections. I want to make sure that we cover everybody who slips through cracks even if that does cover a handful of bad actors. As Ms. Bortolin said, many folks, if they are actually being cleverly malicious in having excessive resources that they are trying to withhold and do not have other obligations that they are using them for, would likely find a way to avoid getting the eviction record in the first place.

Assemblywoman Kasama:

I believe we need a carve-out for that. But I respectfully agree that we can disagree on that.

Bailey Bortolin:

The only thing I want to add to that piece is that from my conversations with the judiciary, without speaking for them, it does not make sense from a policy position to go through these on a case-by-case basis because people do have the ability to motion to have their records sealed. But what we are up against on March 31, 2021—in less than a month—is that the state and federal eviction protections are set to lift and we are going to have a tsunami of court proceedings that have not been occurring by and large for the last year. How do we

want to use those limited court resources, because we do not have capacity to have hearings or to review those on a case-by-case basis when we are also going to now have all of the evictions that have been stayed because of the pandemic. From a systems operation standpoint it just makes more sense to click a button and cover these people than to require the burden and the community education and the court resources to do it otherwise.

Assemblyman Watts:

If there is a way to preserve the automatic process that we are talking about, to preserve the courts resources as well as to find some way to carve that out in a way that the court can operationalize, I am welcome to those suggestions.

Chairman Yeager:

We will leave it there as far as the presentation, questions, and answers. Committee members, if you have additional questions, I encourage you to seek out Assemblyman Watts or his two copresenters.

Given the amount of time we have used, I plan on taking up to 45 minutes of supportive testimony, about 45 minutes of opposition testimony, and then we will see if there is any neutral testimony. In order to get to as many people as possible, please keep your comments to two minutes and feel free to say ditto if someone else has made your point.

Is there anyone who would like to testify in support?

Emily Paulsen, Executive Director, Nevada Homeless Alliance:

We urge your support of <u>A.B. 141</u>. A single eviction record can make it extremely difficult to secure new housing and puts households at risk of homelessness. Eviction records are also a common barrier to people exiting homelessness. We hear consistently from homeless service providers of the difficulty they have in rehousing people with an eviction record. As the presenters of the bill have shared, thousands of Nevadan households have slipped through the cracks of eviction protection and thousands more are at further risk when the eviction moratoria expire at the end of this month because of the backlog in the provision of rental assistance. In particular, in Clark County alone, as of two weeks ago, there were over 11,000 households waiting for assistance.

Automatically sealing court records of eviction that occur while our state is under an emergency declaration for COVID-19 will ensure these Nevadan renters are not penalized for the unavoidable economic consequences of the pandemic and do not become further at risk of homelessness.

Pre-pandemic, Nevada had the fourth-highest rate of unsheltered homelessness in the nation due to a variety of factors, including inadequate investment into affordable housing development. We simply do not have the social service infrastructure in place to respond to a wave of households suddenly becoming homeless. If we do not take steps to help tenants get back on their feet through reasonable policy as proposed in this bill, the consequences it will have are great in human, social, and fiscal costs [Exhibit E].

Quentin M. Savwoir, Deputy Director, Make It Work Nevada:

We are also part of the Nevada Housing Justice Alliance. My organization specifically works alongside Black women and Black families to help change policy in the areas of economic, racial, and reproductive justice. Assembly Bill 141 allows legislators an opportunity to do something about each of those fights and it demands our urgent attention. When current protections expire at the end of March, hundreds of thousands of Nevadans will be threatened with eviction. We know that statewide, women of color lead the households that will make up many of these evictions. These are the same women who have been counted amongst the 5.4 million jobs that, according to the Center for American Progress, have been lost due to the pandemic. Nationally, women of color, Black women specifically, are evicted at exceptionally higher rates than any other group of people. When Black women are evicted, it drives them further into neighborhoods that lack adequate resources to raise their families. That is, if they are able to find housing that is affordable because Black women are still paid significantly less than their colleagues for doing the exact same work. According to sociologist Matthew Desmond, when a Black mother with an eviction on her record moves, it is often to a neighborhood that is significantly farther away from basic amenities like a park, a grocery store, or a health care clinic. All of these things layered on top of the other proves this is more than just a housing issue. It is an economic justice issue; it is a racial justice issue; and it is a reproductive issue.

At its core, A.B. 141 is about giving families a little wiggle room as we all navigate the landscape of these uncertain times. We do not seek to villainize or devastate the industry for landlords or property managers. We just ask for policy that considers the full humanity of our community members and shakes the ironclad grip that this industry has on our public policy in this state. We urge bipartisan support for A.B. 141 to protect Nevada families [Exhibit F].

Jim Sullivan, representing Culinary Workers Union Local 226:

This pandemic has hit Culinary Union members and their families incredibly hard. While hospitality workers are slowly returning to work, tens of thousands of workers are still unemployed and struggling with housing insecurity. Since last March, the Culinary Union has worked with our housing fund and other organizations to keep workers in their homes. Unfortunately, there are still too many Nevadans who have lost their homes during this pandemic.

Sealing eviction records that were created during the pandemic and extending the timeline for no-cause evictions based on how long a resident has lived there are common sense measures that will prevent further housing insecurity. In the middle of this pandemic, working families and people of color have been disproportionately impacted by housing insecurity, and <u>Assembly Bill 141</u> is a step in the right direction toward rectifying that. The Culinary Union believes that everyone deserves to be treated with dignity and that housing is a human right. Nevadans should not have to decide between having food on the table or a roof over their head. This bill is the right thing to do and the Culinary Union fully supports A.B. 141.

Chairman Yeager:

That takes care of the people on the Zoom call with us and we will now open it to those on the phone in support of A.B. 141.

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

We are in support of <u>A.B. 141</u>. This morning you will hear stories of the hundreds of thousands of Nevadans who face unemployment and housing instability because of COVID-19. <u>Assembly Bill 141</u> is a commonsense solution to ensure that these Nevadans are able to come out of this pandemic whole and are able to thrive with dignity.

Serena Evans, Policy Specialist, Nevada Coalition to End Domestic and Sexual Violence:

Like many, victim survivors of domestic and sexual violence are experiencing housing insecurities because of the COVID-19 pandemic. In about 99 percent of abusive relationships, the victim survivors experience some form of financial abuse. This includes purposely sabotaging an individual's credit and employment. Prior to the pandemic, victim survivors noted that access to affordable and safe housing was one of the biggest barriers for leaving an abusive relationship, and the financial abuse that they incurred negatively affected their ability to obtain new, safe housing options. The pandemic has only exacerbated this problem with the additional burden of now having a no-pay eviction on their record. We know that without being able to obtain safe and affordable housing, victim survivors are more likely to stay with an abuser, increasing their risk of homicide or becoming homeless, which significantly increases their risk for future domestic and sexual violence victimization. Sealing records of evictions for no pay during the pandemic crisis will decrease barriers for victim survivors and their families in accessing safe housing. We are also in favor of an extended notice period for no-cause evictions as all individuals deserve a reasonable amount of time to find adequate and safe housing.

LaLo Montoya, Political Director, Make the Road Nevada:

I serve as the housing justice organizer. We are a member-led nonprofit organization fighting to improve the quality of life of all immigrants and working families in Nevada. With the end of the eviction moratorium looming, thousands of households are at risk of eviction. The CDC eviction moratorium does not kick in automatically for renters. It leaves tenants who are struggling financially during this ongoing economic crisis grasping for avenues to protect themselves from eviction despite the current eviction moratoriums. Additionally, eviction records do present barriers to obtaining long-term housing for those families who have been disproportionately impacted by COVID-19. Assembly Bill 141 is needed now; we need immediate protections now. It will provide tenants with just a little more time to secure new housing and it is going to lessen the collateral damage that is being caused by these no-cause eviction records. As we approach the one-year anniversary of the stay-at-home orders, I urge you to pass A.B. 141 so that Nevadans can stay safe at home [page 2, Exhibit G].

Benjamin Challinor, Policy Director, Faith in Action Nevada:

We are here in strong support of <u>A.B. 141</u> as it looks to protect those who have been most affected by the COVID-19 pandemic. This bill looks to help not only those who have fallen through the cracks but those who have been left behind in their time of need. That is important to note—they have been left behind by the state of Nevada. Just one Nevadan at risk of eviction due to the pandemic is too many, and the fact that it is in the hundreds of thousands and can be up to 500,000 should be something that we must act on now.

Karla Ramirez, Organizer, Planned Parenthood:

We are in favor of <u>A.B. 141</u> because housing is health care. No person should be left without a roof over their head for any period of time. Losing housing is one of the greatest threats to reproductive health and rights because it jeopardizes a person's privacy and access to critical reproductive health care services as well as impacts a person's right to make decisions about their bodies. It is hard to imagine that a person could prioritize their health while houseless, and the pandemic has shown us how true that is. Sealing eviction records and ensuring that people have an adequate amount of time to find stable housing is crucial for a healthy Nevada. We urge you to support Nevada families and support <u>A.B. 141</u>.

Tess Opferman, representing Nevada Women's Lobby:

One of the top priorities of the Nevada Women's Lobby is housing security. We work hard to support legislation that ensures women and families are able to maintain affordable and stable housing, something that has been made even more difficult by the current pandemic and the incredibly high risk of unemployment, unemployment that has disproportionately affected women and women of color. These are unprecedented times and sealing eviction records that took place during COVID-19 is a fair and logical way to protect those who have lost their jobs or have income insecurity. The second part of this bill allowing 30, 60, or 90 days merely provides a cushion to those tenants to find housing they can afford while still paying rent throughout that time frame to their current landlord. This is fair and reasonable legislation.

Vera Moore, Executive Director, True Beginnings:

We support A.B. 141. True Beginnings assists formerly incarcerated women with overcoming barriers that prevent them from reclaiming their rightful place in American society. I am a peer support member but bigger than that, I am a formerly incarcerated woman. It took me nine months to find my house, and if I were to lose my housing at this point, where would I go? I assist women at this very moment who have lost employment and, as you know, employment is the number-one barrier to housing, and criminal history is the number-one barrier to employment. So, we would be affecting our entire community. Allowing this bill to pass would give the women and people in our community that are formerly incarcerated the ability to become proactive, or remain proactive, and key players within our community and not face that additional barrier of eviction even though they have other barriers to overcome

Barbara Paulsen, representing Nevadans for the Common Good:

All of us are looking forward to the time that the pandemic comes to an end and we can start moving forward with our lives. Thousands of Nevadans are currently awaiting that in fear and instability, wondering what is going to happen when this ends and evictions begin. Sealing records for nonpayment of rent evictions will enable thousands of these people to rebuild and move forward with their lives, which is what we want for every resident of our state. Failing to provide this protection only extends the misery of uncertainty and instability for many, limiting their ability to regain stability and again become an active, productive member of our society. Nevadans for the Common Good strongly urges you to pass A.B. 141. We support both components of the bill [Exhibit H].

Jeffery Thompkins, PhD, Founder and Executive Director, JET Foundation, Inc.; Nevada Chapter President, National Nonprofit Minority Association:

We are in strong support of <u>A.B. 141</u>. Being a person who was personally affected and forced out of my home after eight years and not having a lease for six of those years; last year having my cancer relapse and being a single father, in addition to working in the community; coming home to three separate eviction notices on my door and not having the resources to be able to combat that; I am definitely in favor of this bill. I was, fortunately, able to find housing, but a lot of people would not be able to do so and this bill definitely helps people by sealing those records and not having those barriers to moving forward.

Cecilia Diaz, COVID-19 Benefits Connector, ¡Arriba! Las Vegas Worker Center:

Our support comes on behalf of thousands of our members and members of the community who are suffering due to evictions during COVID-19. Some are already on the streets because they have been evicted or are currently facing and battling eviction threats. We are entering into a new phase of the COVID-19 crisis, which is homelessness and eviction. The pandemic has already taken lives, jobs, and now it is taking homes as well. People are struggling to inform themselves on how to exercise their rights against eviction when they are faced with unlawful threats of eviction—which are real—and even discriminatory behavior from their landlords, which is also very, very real. As several of our members have shared via written testimony submitted to this Committee [Exhibit I], an eviction order on a person's record is punitive. It is a source of shaming and judgment. The pandemic has already wreaked a lot of havoc as we all know. Economic and health hardship due to COVID-19 are sometimes out of our control, and those who are hurting most due to this pandemic have done everything they can to help themselves, but they are still struggling.

There are millions of dollars in rental assistance funding that has not been disbursed. Many of our members who have submitted testimony to this Committee along with tens of thousands of Nevadans who have submitted applications for the Coronavirus Aid, Relief, and Economic Security (CARES) Act Housing Assistance Program funding remain unresolved and unhelped. Some applications have been pending since November of 2020. It is clear that the funds are there, but with the volume of people needing help, nobody is getting the assistance swiftly in the manner that they need it. On behalf of the ¡Arriba! Las Vegas Worker Center I strongly urge you to act swiftly in support of A.B. 141 to ensure that our community can recover and that they can rebuild after COVID-19.

Will Pregman, representing Battle Born Progress:

We are rising in strong support today of A.B. 141 to give those experiencing housing insecurity in Nevada the hope of securing new and stable housing and to prevent landlords from using no-cause evictions to swiftly kick people out of their homes. During the pandemic thousands of Nevadans have lost jobs and income due to no fault of their own. The Governor and the CDC's eviction moratoriums have been a vital asset to keeping families in their homes this past year; however, these protections are set to expire on March 31, 2021. And even still, many families have fallen through the cracks. Today, nearly 500,000 renters in Nevada are vulnerable to eviction once these benefits expire at the end of the month, especially amongst people of color who make up a disproportionate number of Nevada renters. Assembly Bill 141 would help prevent an eviction crisis. Sealing records for those who were evicted during a state of emergency would avoid ruining that person's rental or credit history. Having an eviction on your record makes it more difficult for a person to ever have hope of finding new housing or be able to own a home. Extending the notice timeline for no-cause evictions, which can be initiated by a landlord at no fault of the tenant, will at least give those families time to pack, sort out their affairs, and secure new housing before being removed from the property. We should not let unscrupulous landlords rely on a loophole to kick people out on the streets during this pandemic, and we should let renters who are already economically vulnerable move forward with their lives without the storm cloud of an eviction hanging over them forever. Please put Nevada families' interests first and pass A.B. 141 before we face an out-of-control eviction crisis.

Areli Sanchez, Private Citizen, Las Vegas, Nevada:

[Testimony was provided in Spanish. Translation of that testimony is located on page 1, Exhibit G].

Chairman Yeager:

Committee members who do not speak Spanish, we will have that translated for you so you will know what was said. Is there anyone else who would like to testify in support?

Lorinda Barrett, Private Citizen, Las Vegas, Nevada:

I wanted to quickly speak in support of <u>A.B. 141</u>. I am currently an unemployed mother of a 5-year-old who is like so many others in danger of being evicted at the end of the moratorium. I do believe that this would be beneficial to all Nevadans if passed and help those that are unable to pay their rent due to unemployment to stay in their homes.

Taylor Dixon, Policy Intern, American Civil Liberties Union of Nevada:

We are here in support of A.B. 141. The American Civil Liberties Union (ACLU) of Nevada recognizes that the eviction crisis happening in this state is a racial, social, and economic issue. As Assemblyman Watts stated in his presentation, 500,000 Nevadans are at risk for eviction with two-thirds of the renters being people of color. These communities have experienced systemic economic and social burdens that have pushed homeownership out of their reach for decades. Data from the United States Census Bureau shows that Black Americans represent 13 percent of this nation's population and make up 21 percent of all renters. However, they are the receivers of 36 percent of all evictions. Black renters have

evictions filed against them at two times the rate of the white renters, and this is just the tip of the iceberg. Prior to the COVID-19 pandemic, our communities of color had yet to recover at the same level as the white communities had from the 2008 economic crisis. Poverty in these populations has continued to increase from the years 2007 to 2018, with 2018 rates higher than that of the Great Recession. While poverty in white communities has steadily decreased, African-American communities maintain poverty rates greater than 20 percent, already in an economic deficit, facing higher COVID-19 mortality rates, and now experiencing a risk of eviction that will tarnish every opportunity for housing for the rest of their lives. Communities of color are facing further oppression. Assembly Bill 141 does the bare minimum for these vulnerable populations. In the midst of a pandemic that has already devastated our communities of color, protecting their right to shelter and facilitating an environment that does not discriminate against them based on evictions during this time is essential. The ACLU of Nevada supports tenants' rights and supports A.B. 141.

Ethan Cullings, Private Citizen, Henderson, Nevada:

In the interest of time and not wanting to take away from the voices of those directly impacted, I simply wanted to echo and agree with what has previously been stated. Both sections of this bill protect Nevadans who would be facing eviction through no fault of their own. I encourage you to support both sections of <u>A.B. 141</u>.

Dora Martinez, Private Citizen, Reno, Nevada:

I am with the Nevada Disability Peer Action Coalition. I ditto the callers before me. I just want to put a component in that there are people with disabilities who are going through this hardship. As you all know, the people with disabilities are on a fixed income, so this would really benefit people with disabilities.

Chairman Yeager:

Is there anyone else who would like to testify in support? [There was no one.] Committee members, I wanted to inform you that the translation of the Spanish caller's testimony has been put on NELIS [page 1, <u>Exhibit G</u>]. There are a number of letters in support that were submitted in writing [<u>Exhibit J</u>, <u>Exhibit K</u>, <u>Exhibit L</u>, <u>Exhibit M</u>, and <u>Exhibit N</u>] and they are available on NELIS as well.

We will now move to testimony in opposition. Committee, we have five individuals on the Zoom call who are going to provide opposition testimony, and we will have the opportunity to ask them some questions if you have any. After that, we will go to the phone line for opposition testimony. The order for opposition testimony will be Ms. Mackenzie Warren, Ms. Susan Vasquez, Ms. Tiffany Banks, Mr. David Tina, and Mr. David Dazlich.

Mackenzie Warren, representing Nevada State Apartment Association:

We are in opposition to <u>A.B. 141</u>. We would, of course, like to acknowledge Assemblyman Watts for spending hours with us and the Nevada REALTORS in an attempt to reach consensus. We will continue that work. Together, the Nevada State Apartment Association and the Nevada REALTORS have submitted an amendment [<u>Exhibit O</u>] for your consideration.

Section 1 of our amendment retains that 30-day notice period in current law. Section 2 proposes that automatic sealing of nonpayment evictions shall pertain to those tenants impacted by COVID-19 and covered under the CDC declaration.

It is critical to point out that section 1 of A.B. 141 is not related to COVID-19 and, as we have heard this morning, a 30-, 60-, or 90-day cure period notice will make Nevada an outlier. We view the extension of these notice provisions as reactionary to the pandemic. As an industry, we have been under an eviction moratorium for nearly one year and we strongly feel that now is not the time to tinker or interfere with current law. These extensions will have a devastating blow on Nevada's scarce, short-term housing inventory and affordability. A few reasons why: first, from a practical standpoint, extending an eviction by 30 days, 2 months, or 3 months, unfortunately, only prolongs the inevitable. Our real experience tells us that most tenants do not engage in the process until the eve of a lockout, until that notice is taped on their door. It is usually at that moment that tenants then engage and spring to While the thinking that by giving two or three more months will help is well-intended by the sponsor, in fact, when an eviction is set to occur, we have reached an impasse. Allowing the tenant to remain in a unit or rental home only means that the young person eager to get out of mom and dad's house; or that single mom with two kids who found the perfect unit right in her price range, next to work and school cannot move in because the eviction process will be stalled in some instances.

Second, <u>A.B. 141</u> seeks to uproot short-term rental options, those weekly and month-to-month situations, that are essential to a variety of people. We are talking high-wealth folks, those looking for a quick and nimble living situation, low-income individuals, people who are in a violent situation and need a change, or those just looking for a general transition. Tenants elect this rental option which provides the flexibility and the ability to terminate quickly. Requiring a landlord to provide this much notice will force landlords to reevaluate offering short-term rental housing at all.

In hearing today, many times, that <u>A.B. 141</u> does not apply to lease agreements with a fixed end date and only applies to tenants without a lease or a month-to-month, then the language should be amended to specifically state the same.

Turning to section 2, notably our amendment [Exhibit O] proposes a substantial compromise here. As an industry, I want to be clear: we are generally opposed to automatic sealing of eviction records because we as business owners and landlords rely on this critical information in deciding how much risk to take on in selecting our tenant. Regardless, the market tends to take care of itself. As the market changes, so do we; landlords adjust accordingly. Nevada saw this through the Great Recession, where thousands of tenants unfortunately had foreclosures or evictions on their records and we as landlords could not and did not scrutinize an application if the prospective tenant had an eviction there because chances are the next applicant would too. This was the sad norm, and during those years and likely during the years that follow the pandemic, we will see that trend and we as landlords will be forced to look past it. We will have no choice, because as the markets adjust, so do we.

Regardless, existing law allows tenants to file a motion to seal their eviction record of any kind and a blanket seal, as <u>A.B. 141</u> suggests, does not protect our industry. Instead, we are offering that eviction records for nonpayment of rent be automatically sealed in those cases where the tenant has signed the CDC declaration and is a covered person.

Finally, we would ask this Committee to consider the uncertainty that we as a nation and a state are facing. I appreciate the comment that rental and federal assistance dollars are lagging and insufficient. We, like many of our tenants, are hurting. As an association, we are losing \$15 million a month in rental arrears in Clark County alone, and \$2 million a month in Washoe County. We are nearly one year into this moratorium, set to expire in just a few weeks on March 31, 2021. We have no way of knowing whether it will be extended and what that means for our affordability debacle as a state. We feel now is not the time to interfere with current law, but we are willing to protect those tenants impacted by COVID-19.

Susan Vasquez, Executive Director, Nevada State Apartment Association:

We represent 737 communities with nearly 156,000 units, 75 property management companies, and 155 supplier partners from 73 different industries. All in all, we represent 67 percent of all apartment units in Nevada. Ms. Warren provided the reasons why we oppose <u>A.B. 141</u> from a practical standpoint. I want to share some examples of what I have heard from my members.

First, a recent fact I stumbled upon: in 2021, Nevada has 1,100 fewer affordable low-income housing, tax-credit units than we did in 2020. After the 80th Session, a few owners told me that was the final straw, and they were pulling out. My thought was, they are angry, and it will pass. I was wrong. This bill may have similar implications. I am receiving on average five calls a week with the same story: If this passes, I am selling. Eighty percent of those calls are from owners with fewer than 30 units, many of whom keep their rents lower than market, many \$200 to \$500 per month lower in order to keep good residents. New owners will either opt to owner-occupy or raise the rent to market rate.

Others call regarding the eviction sealing. We are not in the business of evicting tenants. We have heeded the call from the Governor to keep people in homes. We have waited for unemployment, rent assistance, and we work with residents extensively. I am not saying there are not people struggling out there. As Ms. Warren stated, many of us are too. But to seal evictions that do not include an attestation from a tenant regarding their COVID-19 impact just is not fair to those who took the required steps to be afforded that protection.

Tiffany Banks, General Counsel, Nevada REALTORS, Reno, Nevada:

We are in opposition to <u>A.B. 141</u>. We echo the sentiments laid out by the Nevada State Apartment Association. Although we have a problem with the bill in its entirety, I will focus my opposition testimony to section 1 of the bill. We have worked with the Nevada State Apartment Association on the proposed amendment [<u>Exhibit O</u>] regarding section 2.

This bill, as drafted, would mandate that landlords give tenants 60- or 90-days' notice depending on the length of tenancy. As we have heard and as you may hear today, landlords are desperately struggling and bearing the brunt of the burden. When a landlord gives a 30-day notice, it is because the lease is month to month. Typically, after the initial lease term, the lease reads that either party can give a 30-day notice. The landlord has the right to protect their private property rights and do what they wish with their property, oftentimes to sell it because they can no longer afford to be a landlord. Sometimes a landlord does not know 60 or 90 days in advance that they need to move back into their property because of the loss of a job or change in their life circumstances.

Existing law allows a tenant that is 60 years or older or has a disability to request from their landlord an additional 30 days. We understand that some tenants may need additional time and the law provides for that. If a landlord were to deny that request, a judge most certainly would grant it as needed. Those that truly need this additional time are afforded that. In addition, the judge has the ability to stay the execution up to ten additional days as they see fit using their judicial discretion. This means that a tenant could potentially have 70-days' notice under existing law. Unfortunately, tenants do not begin the move-out process until the very last chance they have to move out, whether through the eviction process, notice provision in the lease, or otherwise. Affording them additional notice will not solve current problems, only exacerbate them further.

David Tina, Broker/Owner, Urban Nest Realty, Las Vegas, Nevada:

I am speaking today on behalf of more than 18,000 members of the Nevada REALTORS who are opposed to <u>A.B. 141</u>. The Realtors advocate on behalf of both the landlord and the tenants, as both parties constitute the clientele of our Realtor members. We have concerns with section 1 of the bill as it has nothing to do with the pandemic. We know that tenants do not move out until the last minute when the judge orders them to. Additional time for every tenant would be delaying the inevitable. The Realtors have no issues with the portion of the bill that discusses sealing of the eviction as long as it is narrowly tailored to sealing only the nonpayment of rent during the pandemic for those tenants who have signed the CDC declaration.

Landlords understand the need for leniency. Our greatest concerns stem from the unintended consequences of this bill. Mom-and-pop landlords have been hammered through no fault of their own from this pandemic and through the governmental moratoriums that have been put in place. They still need to make their mortgage payments, homeowners association payments, taxes; and the governmental assistance to date has been focused on tenants initiating actions to access this assistance rather than focusing on the mom-and-pop landlords and providing them assistance and relief. These small landlords are stressing that properties are becoming too difficult to manage in this environment. Anecdotally we know and are experienced in the great influx of out-of-state buyers moving to Nevada and buying these properties as owner-occupants from exhausted landlords, which is in turn reducing the number of available rentals for tenants. Our association is strongly committed to encouraging our members, property managers, landlords, and tenants to work together during these trying times, and we will continue to do so.

David Dazlich, representing Vegas Chamber:

I want to thank Assemblyman Watts for the time you have taken to work with the Chamber, REALTORS, Apartment Association, and other stakeholders. The Las Vegas Chamber of Commerce is opposed to section 1 of <u>A.B. 141</u>. We are opposed to providing longer-term changes to the NRS in the form of pandemic response bills. Section 1 is a long-term change in a bill that is responding to a situation that has been exacerbated by the pandemic. As you have heard from the Apartment Association, the REALTORS, and some of the landlords, this is going to have an extreme adverse effect on not only the availability of market rate housing but its affordability as well.

This has been a challenge that the Vegas Chamber has been engaged in since before the pandemic and is very necessary as we try to diversify our economy and rebuild. The availability and affordability of market rate housing has a significant effect on the relocation of companies and industries that we desperately need as we rebuild our economy and make ourselves more resilient to future recessions and pandemics. As this pandemic and the recession that has followed has shown, we must diversify our economy, and one of the key steps in doing that is increasing our housing supply, whether that is single family, multifamily, rental properties, and owner properties. This bill would not only reduce that supply but make it dramatically more expensive. By increasing the costs of living, we are making it more difficult for out-of-state companies to relocate to Nevada and boost our economy.

We are in support of the amendment [Exhibit O] offered by the REALTORS and Apartment Association, and we look forward to continuing these conversations as we search for a mutually agreeable solution.

Chairman Yeager:

To keep this orderly, rather than have each opposition presenter answer each question asked by Committee members, I would like to go to Ms. Warren first, who can then direct it to the most appropriate presenter for a response. Are there any questions from the Committee?

Assemblywoman Cohen:

I want to make sure I understood what you said about section 1. You said that if section 1 is just for situations where you do not have a lease, that it should say that specifically, because my understanding of tenancies at will and periodic tenancies is that they do not have leases. Did I misunderstand that?

Mackenzie Warren:

I believe you are talking about the portion in my testimony when I noted that time and time again this morning, we have heard that <u>A.B. 141</u> does not apply in the situation of a lease agreement with a fixed end date, it only applies to tenants without a lease or those that are month to month. If that is the case, then we would like that explicitly stated in the bill.

Assemblywoman Cohen:

I want to make sure I am understanding correctly. You are saying that tenancy at will does not cover the week-to-week?

Tiffany Banks:

Nevada Revised Statutes 40.250 is the section of law that talks about the holdover that occurs after the period of time of the one-year lease. The section that this bill is in, NRS 40.251, is the section that then is covered under the month-to-month or the week-to-week. What Ms. Warren is asking for is, because of how the bill drafted—and because of the confusion we are concerned that landlords and tenants alike will be faced with—some landlords and tenants may think, If I have been in the property for more than a year and I have been in a fixed-term lease and I have been at the property for two years, I have two years of a fixed term, then NRS 40.251 applies or NRS 40.250 applies. It leads to the confusion that we are very concerned with this bill and tiers and, just how you are confused today, our landlords and tenants are going to be confused the same way. But NRS 40.250 is a specific section of law that covers the holdover that occurs after the one-year lease, and NRS 40.251 is the section that covers these month-to-month type of tenancies.

Assemblywoman Cohen:

The landlords can just make leases, right? That would be resolved if the landlords went ahead and made sure that they did not have holdovers and turn those into leases.

Tiffany Banks:

Currently, how a lot of leases read is that the lease is for a set period of time, say a one-year lease, and it will say that it goes month to month thereafter until either party—either the landlord or the tenant—gives the 30-day notice. At that point when it switches to the month to month, then yes, NRS 40.251 applies so a landlord and tenant would be responsible then for entering into another termed lease, in that case, rather than just letting it go to month to month.

Assemblywoman Kasama:

Are there currently mechanisms under NRS that allow for the sealing of eviction records? Do we already have that in place?

Mackenzie Warren:

We do have that mechanism in place and the findings that a judge needs to make is if justice requires and if there are extenuating circumstances. We view, certainly, fallout from the COVID-19 pandemic to be an extenuating circumstance. I do not have hard numbers, but anecdotally, for those attorneys that spend lots of time in justice court where those motions are made, judges are liberally granting the same because they want to afford that ability to seal their record if they had an extenuating circumstance like COVID-19, which is why our amendment [Exhibit O] in section 2 seeks to automatically seal those records of those that have signed that CDC declaration.

I have to push back a little bit about something that was stated during the presentation of the bill that tenants are finding it impossible to navigate this environment. We know that thousands of Nevadans have signed the CDC declaration. The court codes the cases with that CDC declaration as part of that file and the automatic sealing would not be unduly burdensome in that regard to add the CDC declaration as a requirement for automatic sealing of nonpayment evictions.

Assemblywoman Kasama:

Regarding the sealing of the eviction records, the proposal in section 2, the way you look at that is it would not only be for nonpayment of rent? If a person was employed, had federal assistance, had the ability to pay and chose not to, that person would still have their eviction record sealed under this bill as it is currently written. Is that correct?

Mackenzie Warren:

That is correct. Again, that was the intent for us to come to the table with something. I will say that was not easy to get the Apartment Association and the REALTORS, our clients, to agree to that because the market does adjust. An undertone of this pandemic is that there is a lot of misinformation out there, but we know that there are tenants that are receiving assistance or they have no change in income; they are simply using that moratorium in an advantageous way to get out of their rental obligations, which is why A.B. 141 as currently drafted protects everyone, and to us it should be those that are truly impacted and have signed a sworn legal document under the penalty of perjury that they have been impacted. We want to protect those people; we want to do our part as we have done providing essential housing for the last year in many instances rent free. We feel that that is a fair compromise to capture those that are truly impacted and covered.

Assemblywoman Summers-Armstrong:

I did not even know that there was a CDC declaration until recently. Is part of the process since COVID-19 happened and the moratorium being declared, for those who are members of the Apartment Association, to provide information to their renters about the CDC declaration? Is that part of the standard process?

Mackenzie Warren:

A resounding yes. We have been putting out email blasts, flyers, talking to tenants, and going door-to-door in some instances. The Apartment Association has been offering the CDC declaration as a safe harbor as it is intended to function. This is a legal document that halts the process and gives people the breathing room they need. We have even heard in some instances that judges, right or wrong for inserting themselves in the process, are handing it to tenants who stand before them. As you have heard, Legal Aid is doing their part and trying to get out the word about the CDC declaration and we know that thousands of Nevadans have taken advantage of this safe harbor and have utilized that declaration.

Assemblywoman Summers-Armstrong:

Could Legal Aid please speak to that? I think that we have conflicting information because there has been a discussion about people falling through the cracks. I know in my

community, before the pandemic, we had 15 percent unemployment and I do not know where these numbers are coming from, but I know that we have two large casinos that are still not open, so I think our unemployment numbers are a little higher than what was stated earlier. Could someone from Legal Aid please speak to whether or not the tenants that they are trying to assist knew about the CDC declaration and how that process worked?

Chairman Yeager:

What I am going to ask our folks from Legal Aid to do is to hold that question and address it in your concluding remarks so that we maintain a clear record that we are on opposition testimony. Assemblywoman Summers-Armstrong, we will get that question answered before the end of the meeting. Did you have a question for anyone who testified in opposition?

Assemblywoman Summers-Armstrong:

What concerns me is how we deal with what could be devasting fallout from evictions and having an eviction record. I know you have your concerns with members in your organizations, but I would like to give you a small anecdote and I would like you to help me understand how what you would want could help.

Someone I know has an eviction on her record. This mom is hard working with two beautiful children whom I know and care a lot about. Because of an eviction that happened that was of no fault of her own, she ended up paying rent in a weekly, over \$1,000 a month for a one-bedroom weekly, and could not ever get ahead. Finally, something happened recently, and she was able to move. But \$1,000 a month for a weekly is a lot of money, and I think that it is disingenuous from my perspective to ask someone who is paying that kind of money to be able in 7 days to come up with a first month's rent and security deposit for a new place. I am just having a hard time figuring out why the ask for 30, 60 or 90 days considering the length of a person's tenancy in good faith—people who are paying—why this is so difficult and why you do not believe that sealing the records of folks during this pandemic only is such a big deal. I am struggling with what really appears to be a lack of compassion and sensitivity in this very difficult and traumatic period of time.

Mackenzie Warren:

I heard two questions within what you shared. The first speaks to the example of your friend with the eviction on her record. I want to be clear that the Apartment Association does not offer weekly options, so I in no way stand here as a representative of the weeklies. We simply raise that in our testimony to illuminate an unintended consequence of this bill in that those weekly tenants, once they stay for a month or more, are treated as any other regular tenant—so that would be the 30-day notice as existing NRS supports. If you were to change that, say she was able to manage that \$1,000 a week and she hung around for three years and now all of a sudden the landlord needs to give this three-month period. Does that disincentivize our landlords from offering those short-term options, those weeklies and those monthlies? That is more the point I was trying to make.

To your second question, with the declaration and where our pushback is on allowing folks to get their records sealed and the lack of compassion, I have to tell you that we have had

immense compassion for our tenants. We have had some landlords who have just written rent off entirely. We have used our community clubhouses and our leasing offices as Internet hubs to let kids access school. We have printed the CDC declaration for them and handed it to them. We have given out toilet paper, backpacks, and pizzas. That support and commitment that we provide to our tenants remains because, truly, we are not in the business of evicting people. I have to say that again; we are not in the business of evicting people.

We have seen great success with payment arrangements. Of those tenants of the Apartment Association that are behind, nearly 70 percent of those people have entered into a payment arrangement with us. Our amendment [Exhibit O] simply seeks to refine the sealing to impact those that are struggling because we have made that CDC declaration available to our tenants at every available opportunity. Legal Aid, judges, and other community groups are also part of that mission, as you have heard from in testimony today. The compassion is there; we need the law to be contoured to protect both the landlord and the tenant.

Assemblywoman Summers-Armstrong:

Is there a financial ability for landlords and apartment owners to write off the types of losses that they use that they may have encountered during COVID-19? If that is so, and I do believe that it is, I think what this bill is asking for is a similar type of write off, if you please, for those who are not property owners, who do not have tax shelters, for them to be able to make it through and get another apartment. By not allowing the write off, quite frankly, you force people into situations like the weeklies because they are the only places that will take them when they have an eviction. I understand that you all are saying that the market will correct itself, but that sounds great in theory; in actuality, that is really not what we are seeing happening. We are seeing people being unable to secure housing. This is a really tough situation for me and my community, and I just wish that there could be some middle ground here, but regardless, I am listening and I am trying to understand. I really have to look out for the folks in the communities that I represent. We are struggling, and this is really hard.

Mackenzie Warren:

Respectfully, Assemblywoman Summers-Armstrong, we do believe that the market does correct itself and that an eviction on your record during the years that follow COIVD-19 will not act like the scarlet letter that it does. We saw that after the Great Recession. People's credit dipped, evictions and foreclosures on their record, but you could not scrutinize and reject an applicant because perhaps the next person behind was going to have a similar history. So truly as the boots on the ground, those that have been through similar emergency situations as the pandemic, the market does, and it will, correct itself and landlords will adjust accordingly. That is our experience.

Assemblywoman Summers-Armstrong:

I think what we are missing is that indeed in the present, right now, the detriment. People cannot wait for the market to correct itself if they are looking for housing today. If people have to get back to work and they need someplace to live, how long before the market corrects itself and what happens in the interim? I think that it is a small thing to ask because

you all still have the law in your corner to evict people who do not pay. So I think that we have to look at the present, the right now, and not hold up help for everyone just for a few bad actors. The sun shines on good and evil, the sun shines on nice and bad people, and sometimes we cannot parse every little thing. How we are going to afford, do you all have a suggestion on how to finance this carve-out? We do not have money in the state budget; are you willing to pay a fee to have this carve-out to look out for these folks whom you are so concerned about, who you believe do not deserve the sealing of their records?

Chairman Yeager:

Assemblywoman Summers-Armstrong, I am going to encourage the two of you to continue that discussion offline. We are getting a little further away from the content of the bill. I appreciate the conversation but want to ask that it is continued beyond the contours of the meeting. I want to make sure we have plenty of time to get to opposition testimony by phone. I will entertain two more questions from Committee members before going to phone testimony.

Assemblywoman Hansen:

I hope that we all understand that this is not lack of compassion, that we have questions about legislation that can have unintended consequences that could harm the market. I have lived this. I was raised by a single mother. I have lived these very scenarios that have been discussed, but I have also seen landlords work with my mother. We are trying to navigate some difficult issues. With that being said, in regard to the amendment [Exhibit O], I see that there is this middle ground that we are being asked to put forth in discussing this legislation. Section 2 of the amendment says, "An eviction case court file that includes a signed tenant CDC declaration . . ." to allow for the automatic sealing. I am curious what benefits do you see for your respective membership in having it play out like this?

Mackenzie Warren:

We see it as a benefit to our members because it gives us something, and at the risk of sounding callous, I just have to share stories of what our property managers are seeing boots on the ground is that tenants that they know have not lost their jobs; they can see the new car in the carport, they can see shopping bags, whatever it is. They know there are tenants who are not impacted by the pandemic and are using the moratorium as a blanket excuse to avoid their rental obligations. Our amendment protects those tenants that are truly covered and it allows us to taper those automatic sealings to those that are impacted. I have to push back on another statistic from the Guinn Center—500,000 Nevadans facing eviction. One of our largest members, Ovation Property Management, with 37 communities with nearly 9,000 units; of those 9,000 units, just 3 percent—267 tenants—are at risk of eviction. Why, you might ask? Because we are working with over half, thousands of tenants who are on a payment plan—perhaps we are taking less now but when things improve for them, then we can be made whole. Just as tenants are viewing the CDC declaration in this eviction moratorium as a way to skirt their rental obligations, that is dangerous thinking; so is throwing out a number of a half million Nevadans facing evictions because our statistics belie those numbers.

Assemblywoman González:

Regarding the CDC declaration, I am just curious, what is the timeline? If someone applies for the CDC declaration, what and how long does it take for them to hear back? Is it automatically granted? How does that play out with stopping their eviction? I have heard a lot of testimony about extending this eviction period, what really is the loss? If the claim is that inventory is an issue regardless if you evict someone at a week or 90 days, you are still going to have someone that is going to fill that unit. I am just really trying to understand the pushback on the timeline of evictions.

Mackenzie Warren:

I will tackle your first question about the CDC declaration and then I will have Ms. Banks answer your second question about the notice provisions. To be clear, the CDC declaration is a form, it is not an application; there is no consideration or a process where it is weighed. In fact, we do not even question the veracity of the attestation and under law we cannot. Similarly, most judges are not questioning the declaration's veracity because the CDC declaration is a form and is a sworn document under penalty of perjury that when a person signs that document, they are saying that they have been impacted by COVID-19 and are covered and cannot be evicted. The mechanics of the CDC declaration are really simple. All a tenant has to do is sign it, and when they present that to their landlord, the landlord has the onus and the responsibility to get that declaration on file with the court. That can happen in a matter of hours and the eviction is stopped dead in its tracks.

One thing that I think is important to highlight even though it is a bit in the weeds, Las Vegas Justice Court, which by estimation handles 90 percent of all evictions in the state, currently has an administrative order in place which states that during the moratorium, if a tenant has signed the CDC declaration to obtain a stay or halt to the process, it is either removed from calendar entirely or it is set as a status check for some time after the moratorium. Ostensibly, we would be talking about April here if the moratorium ends on March 31, 2021. Pursuant to this administrative order, the landlord has 30 days to place that item back on calendar and if that does not occur within that 30 days, then the case is sealed as if it never happened. This is, again, yet another stopgap and another measure that is existing in the Las Vegas Justice Court order to allow those that are protected under this CDC declaration for their cases to be sealed in the event that the landlord does not engage.

To your point, Assemblywoman González, yes, we will find another tenant, and I cannot speak to whether we are going to be filing this motion to get things back on calendar, but I would imagine that as an industry we are going to be highly motivated to recoup our losses and bring people into units. We know that there is a need for that because housing is so scarce right now because the moratorium is keeping everyone hunkered in their homes, which is what needs to be done to protect those that are impacted by COVID-19.

Tiffany Banks:

Assemblywoman González, you mentioned why is it bad, essentially, to give extended timelines of an eviction notice. This is actually not an eviction notice. The timelines in this bill have to do with notice requirements in that period of the month-to-month lease. We have

mom-and-pop landlords that have cancer, need to move back into their home because they have moved out of their rental property, or they have lost their job. We hear all of these different situations from our mom-and-pop landlords that need to gain access to their property again, and that is where the notice provision discussed in section 1 comes in. Maybe they do not know that they need to move back in, and in this case after all of the COVID-19, a lot of the tenants that have not paid rent in a year, they cannot afford it, they need to sell it. They cannot afford to pay the property taxes anymore. They are struggling and they are lost. This additional timeline for them would be astronomically bad. That is what this section deals with, nothing to do with the eviction notice itself, but the timeline for just a general notice of, I need to gain access again to my property for whatever reason.

Assemblywoman González:

Do you have any data on how often this is happening, that landlords are needing to move back into their homes and that they have nowhere to go?

David Tina:

Basically, what is going on with that, they may have two rentals. One rental is paying so they are paying that mortgage. But the other rental is not paying, and they are losing it. So their decision is, I am going to lose all of my rentals, so let me sell this one that is available for me to tell the tenant in 30 days that they do not have a lease and they have to move so I have to put it on the market. That money going on the market, from selling the house, is saving maybe their house themselves or their other rental. So when you look at this, it is judging that they are getting paid and it seems unreasonable that we are worrying about these days, but their situations are becoming just as dire as the tenant's situation because they are losing their houses and sometimes their primary house and they will be homeless too. I hope that answers your question.

Assemblywoman González:

It did not answer my question, as I asked if you had any data.

Mackenzie Warren:

We will work with Assemblywoman González to pull any facts and figures to answer her question.

Chairman Yeager:

We are going to have to leave it at that for questions from Committee members. Members, if you have additional questions that you were not able to ask, I ask that you take those offline with the presenters.

We have about 15 minutes for opposition testimony from the phone line. Is there anyone who would like to testify in opposition?

Erica Arthur, Senior Vice President, Ovation Property Management, Las Vegas, Nevada:

We own and manage almost 9,000 units in 37 communities, including 11 communities serving low-income seniors. It is very difficult to achieve a nuisance eviction. The burden of proof can be so heavy to achieve an eviction that it becomes virtually impossible. This causes residents affected by a problematic neighbor to have to simply live with it or move out, causing the landlord additional vacancy loss. I cannot think of a time that we have issued a nonrenewal to a quality resident who pays their rent on time. As others have stated, we are in the business of providing housing. The timeline between the no-cause being served and the actual time of the resident vacating can be at best uncomfortable and at worst dangerous. Some residents can become hostile and threatening as these notices are typically used in residency for problematic residents. Multifamily owners have been forced to carry a large financial burden throughout the pandemic. No other industry has been forced to maintain full service while essentially giving away its products for free. Food is essential, yet grocery stores still charge. Gas is important, yet gas stations still collect. Would Legal Aid continue to serve their clients if their funding stopped and they had to work for free? Now is not the time to place additional burden on an industry still trying to recover. On behalf of Ovation Property Management, I am in opposition to A.B. 141.

Vandana Bhalla, Corporate Broker, Signature Real Estate Group, LLC, Las Vegas, Nevada:

The majority of the 1,000 properties that we manage are mom and pop. I am testifying today in opposition of $\underline{A.B. 141}$. This bill and many like it are going to keep landlords from providing a product in the marketplace that many tenants desperately need. In my experience working with tenants, many truly cannot afford to buy a home so renting is their only option. This legislation is going to make it harder and harder for us to provide that essential product, rental properties.

Most recently—and this is not a hypothetical as it actually happened—I had a tenant that did not pay a single dime for months. Twenty thousand dollars later, the tenant appeared in court and the judge did not understand if the CDC or the Nevada declaration applied to this tenant even though the tenant admitted under oath that he was not eligible to apply for assistance, which is one of the declarations required for the protection. This is a tenant who has two children in a prestigious private school, personal golf cart, brand new Mercedes Benz in the garage, and a membership to Red Rock Country Club, yet says he cannot pay his rent. The judge did not know what to do with this, but I want you to consider how someone can pay for all of this and yet not a dollar in rent or utilities. We eventually got him out and my landlord has just put this property on the market to sell.

If your goal is to have rental properties being sold, passing these types of bills will absolutely achieve that goal. Furthermore, this bill will give tenants like this yet more time to stay in a property. When thinking about the impact of this bill, imagine the shortage in rentals which will drive the rental prices to increase at an even faster rate. Mr. Berchtold mentioned that it is already hard enough for tenants to find new housing now. Think about the impact

that Nevada families will face if there are less rentals than there are right now. I urge you to think about the consequences of this piece of legislation.

Susan Fisher, representing Leo Poggione, Private Citizen, Reno, Nevada:

I also represent the Nevada State Apartment Association and Nevada Housing Alliance, but I am speaking today on behalf of a private businessman. When he was in his mid-20s he started buying very distressed properties, predominantly manufactured or modular homes, and fixed them up. He then used them as rental properties as an investment. He now has 35 rental properties, and they are all what you would consider affordable housing. His rents are under market rates because he wants to keep people in these homes. With the bills that have gone through in the last few sessions, particularly in the last few minutes of the session, and with the pile-on with all of the bills that are being considered this session and this particular bill, he is selling every single one as people are starting to move out. That takes 35 rental properties, affordable housing properties, off the market. They are not going to be going back in as affordable for anyone because the market in the Reno-Sparks area has gone so high.

We are in opposition to <u>A.B. 141</u> as presented, but he has indicated that he could live with the bill with the amendment [<u>Exhibit O</u>] proposed by the Apartment Association and the REALTORS. We have heard today about inadequate investment into affordable housing. There is a reason why: because it costs just as much to maintain them and build them as it does market rate.

Erica Ockey, Real Estate Agent, Signature Real Estate Group, LLC, Las Vegas, Nevada:

I am testifying in opposition to <u>A.B. 141</u>. I would like to share my story with you and give another perspective of our devasting, current situation. After years of hard work, I spent every penny of my family's savings on my first investment property in 2019. This property was purchased as a way to save for my three sons' future college tuition, and down payments on homes, cars, and weddings. Our boys were involved in every step of the way and we called them our "little landlords." After celebrating our accomplishment, we accepted the application for a tenant with good income, steady employment, no pets, and good rental history. All was well until my tenant lost her job due to COVID-19. We were sympathetic and understood the situation, worked with our tenant, and allowed her to wait for her unemployment to arrive. I dropped off groceries, supplies, furniture, allowed late payments, partial payments, and still maintained repairs on the property. Rent was sporadic but it was still coming in until about July when the tenant stopped communicating altogether. I stopped by the property to find that my tenant could not pay her rent but she had her nails done, eyelash extensions, Apple AirPods, an \$80,000 truck in the garage, and was still doing odd jobs with Postmates on top of her unemployment.

With \$1,100 a week, my tenant was making more on unemployment than she was when she was employed and stated that she had no intention of returning to work. She stopped applying for rental assistance in November and said that it was too much of an inconvenience and I was declined for any landlord assistance.

In February I went to do another well check on the tenant to find that my tenant had moved out in the middle of the night without giving any notice. After entering the property, I found that my tenant had burnt holes in the carpet, destroyed the appliances, put cigarettes and pot roaches down the sinks, trashed bathrooms causing major plumbing issues, turned off sprinkler systems ruining all of the landscaping, and threw a ton of unwanted personal belongings in the street resulting in broken glass and trash everywhere. After paying multiple mortgages for the past 12 months, I was left with a \$9,500 repair invoice and several months of unpaid rent. This pandemic has been tough on everybody, but landlords have been left out in the cold. Instead of worrying about keeping my family safe, I find myself working seven days a week in order to keep our heads above water. I hope that you consider the small mom-and-pop investors when voting against this bill.

T. Tran, President, Imperium Property Management & Consulting, LLC, Reno, Nevada:

My company spearheaded a program that did mediation to prevent evictions for the City of Sparks. I will say that I am in opposition to both parts of this bill. There are provisions that already exist when it comes to notice to vacate and especially for seniors and disabled persons. I do not feel that it is necessary to continue extending that when there are already provisions. As far as the blanket sealing of evictions, provisions already exist when tenants are served 7 days to avoid an eviction being put on their record. I think that we need to go back and enforce the measures that were passed in our last emergency session when it came to mediation and provide those resources to our tenants and our landlords to ensure that everybody is educated about what the process is and how to avoid an actual eviction being put on your record. There are so many people in our community right now who are doing that and counseling people to ensure that actual reasonable processes are in place. Judges currently have the discretion to seal evictions.

I see no reason to have this bill put in, and as others have mentioned, the long-standing effects on our market would be severe. Having worked through the recession in property management back in 2008, the market adjusts. We will make adjustments for people who do have evictions on their records due to COVID-19. But right now I see that people are taking the measures that they need to actually prove hardship, so if there is going to be some sealing of evictions, I believe there needs to be an amendment that shows criteria that have been bulleted out in our eviction moratorium forms and the judges can go by that criteria instead of just saying everybody gets a free pass, essentially.

Lindsay Knox, representing Nevada Home Builders Association:

The Nevada Home Builders Association is a statewide organization governed by members of the Builders Association of Northern Nevada and the Southern Nevada Home Builders Association. They represent home builders throughout the state and engage on issues of statewide concern to the home building industry. There is no question that the COVID-19 pandemic has put an enormous stress on Nevadans and the Nevada economy. Home builders have been fortunate in their ability to provide much-needed jobs to Nevadans during this pandemic. We oppose <u>A.B. 141</u> out of a concern that it will have an unintended consequence of slowing the housing market at a time when housing supply is desperately needed to keep

up with consumer demand. A variety of legal protections are already in place to protect Nevadans struggling to pay rent due to the COVID-19 pandemic. These include the Eviction Mediation Program through the State Bar of Nevada, the Pandemic Unemployment Assistance program through the Nevada Department of Employment, Training and Rehabilitation (DETR), the CARES Housing Assistance Program, and temporary federal and state eviction moratoriums. These programs are designed to help Nevadans get through the COVID-19 pandemic. Assembly Bill 141 would implement a permanent extension to eviction notice periods in Nevada, putting Nevada at the far edge of such periods throughout the country. Home builders are concerned that rules such as this would oppress the construction market for multifamily rental properties, exacerbating high home prices by limiting the supply of available units. We urge the Committee to reject A.B. 141 and allow the multifamily market to continue to grow naturally.

Marlon Tse, Private Citizen, Honolulu, Hawaii:

I regrettably own a rental property in Las Vegas. After what my tenant has put me through this last year, I have now been diagnosed with an anxiety disorder. I have spent sleepless nights having panic attacks not knowing where to turn to next. I relocated because of a job two years ago and I rented my home in Las Vegas as a way to offset my rent in another city. I have been furloughed for nearly a year and I have drained my own savings to continue to pay my rent on time where I live now. My tenant has been an issue since the day she moved in. After almost a year of not paying rent and not responding at all, my property manager was finally able to get into the unit because there were numerous lease violations occurring. To our astonishment and horror, an entirely different family was living there who said they were related to the tenant. The locks had been changed and some of my furniture was missing. The new tenants had a pet that had destroyed the carpet when the original lease did not allow for a pet. I am still responsible for property management fees, property taxes, local improvement district fees, and homeowners' association fees, all with no money coming in since the eviction moratorium began at the end of March 2020. I do not know what my options are. I do not even have the option of moving back to my home or selling. My hands are tied.

I am the sole provider for my family, and I am not urging, but begging you to require that tenants take accountability for their own actions. There has to be a fair and judicial process.

Thomas Blanchard, Vice President, Nevada REALTORS, Las Vegas, Nevada:

I am testifying in opposition to <u>A.B. 141</u>. Prior to becoming a Realtor, I was a medic in the United States Navy. Our office manages approximately 1,000 rental properties in the Las Vegas Valley. I value the importance of having laws to protect both the tenant and the landlord. A large number of the homes in Las Vegas are rental properties, which means that a good number of the population relies on landlords to continue in the business of renting their properties. If this bill passes, clients have instructed us to sell their properties, which means that most of these properties will be bought up by homeowners who intend to reside in their homes which would create even less rental properties available to tenants. Mom-and-pop landlords are just finding it increasingly difficult to survive in this market.

Most concerning is the extended timeline for notice in section 1. We have always given tenants that truly need additional time, more time. Landlords will never recoup the money they spend fixing their properties after a tenant has had time to damage it and giving additional time will lead to a substantial increase in damaged properties. As a real estate professional with boots on the ground, we know the impact real estate has on our Nevada economy. Our association of Realtors is always willing to work with this Committee to find some practical solutions for Nevada's homeowners and renters.

Chairman Yeager:

We are going to leave opposition testimony there. In the interest of time, we simply have to move on. If you were on the line to give opposition testimony, I am sorry we were not able to accommodate your testimony at the meeting, but I would encourage you to provide any comments that you have in writing to the Committee and we will be sure to review those. [Exhibit P, Exhibit Q, Exhibit R, and Exhibit S were submitted but not discussed and will become part of the record.] Is there anyone who would like to testify in the neutral position?

Jennifer M. Richards, Chief, Elder Rights, Aging and Disability Services Division, Department of Health and Human Services:

Since many individuals in the aging and disability community are at a higher risk for contracting COVID-19, including the over 400,000 older adults social distancing in Nevada, it is critical to maintain access to stable housing, nutrition services and personal care services. For seniors and persons with disabilities, housing insecurity can have a devastating effect from which they may never recover. They may face loss of access to necessary medications, access to health care, and access to important documentation. They are also at a higher risk of being hospitalized and subsequently institutionalized.

I have submitted written testimony [Exhibit T] including an issue brief from Justice in Aging on rental burdens for older adults and Nevada's 2021 Elders Count which provides authoritative data on the status of older adults in Nevada. Across all racial and ethnic categories, a higher proportion of older renter households face a significant rental cost burden compared to the rental population as a whole.

Some facts to highlight from the Nevada Elders Count is that our multigenerational households are trending upwards in this state. The rate of Nevada grandparents living with their own grandchildren is much higher in southern Nevada than the national average. In addition, social security benefits are the primary source of income for many older adults in Nevada which leads many to stay in the labor force as they age. Additionally, housing and transportation are the largest categories of expenditures for our older adults over 65. Homelessness, especially in northern Nevada, is increasing as housing costs increase in our state. Finally, Nevada's rates for those 65 and older living in poverty is above the national average and is likely to increase as our state's older population is increasing at much higher rates than the rest of the nation.

I encourage you to look at these resources to inform your decisions on this issue. From our division, it is important that we connect individuals to services so that we can ease the burden on crisis resources throughout the state and help people age in place.

Chairman Yeager:

Is there anyone else who would like to testify in the neutral position? [There was no one.] I would like to note for the record in trying to keep this hearing as fair as possible, we spent about 1 hour and 15 minutes on the presentation and questions. We had 35 minutes of supportive testimony, and then we took 1 hour and 8 minutes of opposition testimony and questions. We did give opposition a little bit more time than support to be able to get through that.

I want to apologize again to those who were not able to participate today. We do the best we can in the time frame we have to hear these bills. I would, again, encourage anybody to provide additional comments in writing if they have them.

I would invite the presenters back up for any concluding remarks. I would like to remind someone from Legal Aid to address Assemblywoman Summers-Armstrong's question in your closing.

Bailey Bortolin:

I wanted to thank everyone for the robust conversation and the time you have given to this issue. It has been the issue of the year for us; a really long year trying to keep people housed. I know everyone's temperatures are very high. I appreciate Assemblyman Watts spending time on what is realistic, what does not take the bar too far, what does not turn the system upside down, but what gets people a little bit of what they need right now.

To Assemblywoman Summers-Armstrong's question that was posed to Legal Aid earlier, the State Bar of Nevada in conjunction with the Access to Justice Commission run by the Nevada Supreme Court, fairly recently did a legal needs study on the state of Nevada to determine if people's legal needs were being met. This was pre-pandemic, and what we found pre-pandemic is that 76 percent of people who cannot afford to hire a private attorney have their legal needs go unmet. What that has meant for us this year is akin to what we have seen with DETR. The Department of Employment, Training and Rehabilitation was there and they were doing everything that they could, and they just were not prepared. We have turned our lives inside out to help as many people as we can. We have hired additional staff and have taken the funding cut hit, but we cannot keep up with the sheer volume of legal needs, especially in evictions and housing that people are facing.

For the lucky few who do get through to a legal aid provider that is able to connect with us, you have someone to help you navigate the process. We have taken people out of every department, taken people off every issue that we have, and we have funneled them into trying to prevent evictions in every way, shape, and form. We have been working with the courts, the Nevada Supreme Court, working on a mediation program, rental assistance; it is so many

moving pieces. I cannot stress how many people statewide have put so much effort into this issue this year. So, no, not everyone knows that this is happening.

I think the prime example of what we see on a day-to-day basis is that we run the Civil Law Self Help Center inside of the Las Vegas Justice Court and we call that our "legal emergency room" because that is where people come when they have a legal emergency typically related to housing and evictions and they do not know what to do or how to file or what comes next or what the rules are or where to find help, and we triage and get people connected with attorneys, forms and assistance. I will say, to this day the vast majority of people that walk into that office when it is open or who are calling our lines—we have set up texting and emailing to continue to serve people during the pandemic—the vast majority, still at this point in March, have no idea that there is a CDC protection or declaration. They just know that they are being evicted and that they are in a crisis and need help. We triage from there. Those are the people who know how to reach us, who know that there is a self-help center, so it is something that we grapple with every day that we cannot meet the legal needs and we are helping as many people as we can, but the vast majority of people just simply do not know how to take advantage of the eviction protections that have been put in place.

That is why we were very excited when Assemblyman Watts proposed these ideas and why we thought that he was meeting the mark on how to make that record-sealing piece targeted and narrow in scope. Because I will be honest, after the year we have had, my personal opinion is that we should seal absolutely everybody's evictions. We should just call it a wash; it has been a terrible year and we should not have that follow people forward. But by just doing the nonpayment of rent, it is targeted, and then we will go from there. People who are evicted for no cause because the nonpayment evictions were paused but were really evicted because they could not pay, we will try to find them, educate them, and help them go through that record-sealing process in that way.

I appreciate the emotions and the temperatures and what everyone has said here today. To channel John Piro, your resident quoter of this Committee, my mantra has been, "We are all weathering the same storm, but we are in different boats." The people that we are serving show up to the courthouse with their suitcases because they just do not know where they are going next. This is not the solution, but this is a small piece of something that we can do to make things a little bit easier for people. I appreciate the Committee spending so much time and really working through this and digging into what it means and what we can do for people.

Assemblyman Watts:

I also want to acknowledge that this hearing has again resurfaced the unbelievable human toll this pandemic has taken on this state, on our communities, on everyone—the health toll, the emotional toll, the mental toll, the financial toll—and it applies no matter whether you are a property owner or a tenant. This pandemic has touched us all. I appreciate the questions from the members of this Committee. I appreciate the opposition for engaging in the discussion and trying to find some way that we can advance some protections for folks who are in need.

To section 1, one thing that we did not really get clearly covered for the record but it is in the amendment [Exhibit C] I submitted, we want to clarify that this does not apply to commercial properties. We have been contacted by NAIOP about it and they may submit a letter to the Committee, but they wanted to express that they are neutral on the legislation with the proposed amendment. The other thing I will say about notice is, I did a count and there is some form of extended notice past what we currently offer here in Nevada. Many other states are considered hostile to landlords like California and New York, but Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Missouri, North Carolina, Oregon, and Vermont are other states that have some notice provision that is beyond what we currently offer here in Nevada. Other states, again, are moving past having an eviction without cause at all. I think that it is certainly possible for us to make this adjustment for stable tenants who are not a nuisance to make sure that they have the ability to figure out what comes next for them, and that we can do that without it causing chaos in our housing market. These are changes that do exist elsewhere and they are getting by.

With respect to section 2, we recognize that there are no perfect solutions. These are difficult issues. It would be great if we could have a court look at every single case one by one and really figure out what is the just and right outcome. We are hoping that we get more federal resources to support people, but what we know is that when these protections expire, there is going to be a backlog of potentially tens of thousands of evictions that are going to have to go through the courts. I think it puts an additional burden to also have to process thousands or tens of thousands of individual record-sealing decisions to see who qualifies and who does not. Even under the proposed amendment by the opposition [Exhibit O], somebody who is malicious could sign a CDC declaration and be protected. There is not a policy that really accounts for every individual circumstance, and what A.B. 141 seeks to do is to create a systemic solution that helps make sure that people are not falling through the cracks.

I know that there are concerns about wanting this information, on the one hand, from the opposition, but also stating that the information does not really matter because the market will adjust. I would prefer that we have the policy certainty in <u>A.B. 141</u> to ensure that this does not follow people and create those collateral consequences when they look to find their next housing. With that, I thank you all for your time, attention, and for your consideration, and I urge your support for <u>A.B. 141</u>.

Chairman Yeager:

I want to thank Ms. Bortolin and Mr. Berchtold for the work that you do day in and day out helping our most vulnerable. It certainly has been a trying year for all of us, but definitely not any more so than those who were already struggling going into the pandemic. I will close the hearing on A.B. 141.

I will open it up for public comment. I just want to note to anyone still on the line that this is not the time to testify on the bill; that time has now passed. This is the time for public comment of a general nature.

Annemarie Grant, Private Citizen, Quincy, Massachusetts:

My brother Thomas Purdy, Jr. was hog-tied by Reno Police on October 4, 2015, during a mental health crisis. Instead of getting him medical attention, they hog-tied him and dumped him at the Washoe County Jail. Instead of the deputies heeding the pleas of my brother for his life, they chose to smother him to death. He was the second of three homicides at the hands of deputies at the jail within one year. There have already been four deaths under Sheriff Darin Balaam, who took office in 2019. While the media has been told it was suicide, I think it is a little preliminary for them to be making that determination. His death should concern all of you. County commissioners are required to get a biannual report from the sheriff per NRS 211.030. The last time he gave his report was April 23, 2019. I also wanted to mention that the jail medical vendor, NaphCare, contributed two \$5,000 campaign contributions to Sheriff Balaam shortly before election day. NaphCare is the jail medical vendor that was present when my brother and all three men were killed at the jail. Their contract went on to get renewed after Sheriff Balaam was elected. Please do not support bills that protect bad police; please support bills that promote transparency and accountability.

Chairman Yeager:

Is there anyone else who would like to provide public comment? [There was no one.] Are there any questions or comments from Committee members? [There were none.] A very long morning and in-depth hearing, but I think the record that was made on that bill is one that we can be proud of. We asked good questions and treated each other with respect even though we may not agree on the policy. I think that really highlights the best of the legislative process and certainly can make all of your constituents proud.

We will be starting the meeting tomorrow at 8 a.m. with two bills. As of now, we are planning to have meetings at least Monday through Wednesday with Monday's hearing beginning at 9 a.m. We will get the agendas out soon so you have an idea of what bills might be heard.

The meeting is adjourned [at 11:20 a.m.].	
	RESPECTFULLY SUBMITTED:
	Traci Dory
	Committee Secretary
APPROVED BY:	
Assemblyman Steve Yeager, Chairman	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a proposed conceptual amendment titled, "Conceptual Amendment to <u>Assembly Bill 141</u>," dated March 3, 2021, presented by Assemblyman Howard Watts, Assembly District No. 15.

Exhibit D is written testimony dated March 3, 2021, presented by Jim Berchtold, Directing Attorney, Consumer Rights Project, Legal Aid of Southern Nevada, in support of <u>Assembly</u> Bill 141.

<u>Exhibit E</u> is a letter to Chairman Yeager and Members of the Assembly Judiciary Committee, dated March 3, 2021, submitted by Emily Paulsen, Executive Director, Nevada Homeless Alliance, in support of <u>Assembly Bill 141</u>.

Exhibit F is a letter to Chairman Yeager, dated March 1, 2021, submitted by Quentin M. Savwoir, Deputy Director, Make It Work Nevada, in support of <u>Assembly Bill 141</u>.

Exhibit G is written testimony presented by Areli Sanchez, Private Citizen, Las Vegas, Nevada, and LaLo Montoya, Political Director, Make the Road Nevada, in support of Assembly Bill 141.

Exhibit H is a letter to the Assembly Committee on Judiciary, dated March 3, 2021, submitted by Barbara Paulsen, representing Nevadans for the Common Good, in support of Assembly Bill 141.

<u>Exhibit I</u> is a collection of written testimonies to the Assembly Committee on Judiciary submitted by Cecilia Diaz, COVID-19 Benefits Connector, ¡Arriba! Las Vegas Worker Center, in support of Assembly Bill 141.

Exhibit J is written testimony submitted by Lynda Hascheff, Executive Director, Opportunity Alliance Nevada, in support of <u>Assembly Bill 141</u>.

<u>Exhibit K</u> is a letter to Chairman Yeager and Members of the Committee, dated March 3, 2021, submitted by Christine Hess, Executive Director, Nevada Housing Coalition, in support of <u>Assembly Bill 141</u>.

Exhibit L is a letter to Assemblyman Watts, dated March 2, 2021, submitted by Shane Piccinini, representing The Food Bank of Northern Nevada, in support of Assembly Bill 141.

Exhibit M is a letter to Chairman Yeager and Members of the Assembly Judiciary Committee, dated March 3, 2021, submitted by Tiffany Tyler-Garner, Executive Director, Children's Advocacy Alliance, in support of Assembly Bill 141.

Exhibit N is a collection of emails submitted in support of Assembly Bill 141.

Exhibit O is a proposed amendment to Assembly Bill 141, submitted jointly by the Nevada State Apartment Association and Nevada REALTORS, presented by Mackenzie Warren, representing Nevada State Apartment Association.

Exhibit P is a letter to Members of the Legislature, dated March 1, 2021, submitted by Vaughnie Montoya, Private Citizen, Las Vegas, Nevada, in opposition to Assembly Bill 141.

Exhibit Q is a letter to Members of the Legislature, dated March 2, 2021, submitted by Michael and Evan Pearce, Private Citizens, Las Vegas, Nevada, in opposition to <u>Assembly</u> Bill 141.

Exhibit R is a letter to Members of the Legislature, dated March 2, 2021, submitted by Michael Pearce, Private Citizen, Las Vegas, Nevada, in opposition to <u>Assembly Bill 141</u>.

Exhibit S is an email to Assembly Committee on Judiciary, dated March 4, 2021, submitted by Daniel Pearce, Private Citizen, Las Vegas, Nevada, in opposition to <u>Assembly Bill 141</u>.

Exhibit T is a letter to Chairman Yeager and Members of the Committee, dated March 2, 2021, submitted by Jennifer M. Richards, Chief, Elder Rights, Aging and Disability Services Division, Department of Health and Human Services, neutral to Assembly Bill 141.