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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **2641**

03/06/2023

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The bill was read for the first time and referred to the Committee on Judiciary Finance and Civil Law

1.1 A bill for an act
1.2 relating to data practices; modifying data protection in certain tax proceedings;
1.3 requiring notice of data exchanges; amending Minnesota Statutes 2022, sections
1.4 13.51, subdivisions 2, 4; 273.061, subdivision 8a; 278.05, subdivision 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 13.51, subdivision 2, is amended to read:

1.7 Subd. 2. **Income property assessment data.** (a) The following data collected by political
1.8 subdivisions and the state from individuals or business entities concerning income properties
1.9 are classified as private or nonpublic data pursuant to section 13.02, subdivisions 9 and 12:

1.10 ~~(a)~~ (1) detailed income and expense figures;

1.11 ~~(b)~~ (2) average vacancy factors;

1.12 ~~(c)~~ (3) verified net rentable areas or net usable areas, whichever is appropriate;

1.13 ~~(d)~~ (4) anticipated income and expenses;

1.14 ~~(e)~~ (5) projected vacancy factors; and

1.15 ~~(f)~~ (6) lease information.

1.16 (b) Private or nonpublic income property assessment data classified in paragraph (a) is
1.17 only admissible in a state tax court proceeding if the record owner of the property to which
1.18 the data pertains provides advanced express written consent.

2.1 Sec. 2. Minnesota Statutes 2022, section 13.51, subdivision 4, is amended to read:

2.2 Subd. 4. **Request for legal discovery of income property assessment data.** Upon
2.3 request by a party to a responsible authority or designee for legal discovery of private or
2.4 nonpublic income property assessment data, ~~as defined~~ classified in subdivision 2, the
2.5 requesting party shall notify the owner of record of the property. Before a responsible
2.6 authority or designee discloses or disseminates private or nonpublic income property
2.7 assessment data classified in subdivision 2, the responsible authority or designee shall notify
2.8 the owner of record of the property. Any private or nonpublic income property assessment
2.9 data classified in subdivision 2 that is proposed for use or used in a state tax court proceeding
2.10 must be protected by a protective order to be issued by the tax court in that proceeding.

2.11 Sec. 3. Minnesota Statutes 2022, section 273.061, subdivision 8a, is amended to read:

2.12 Subd. 8a. **Additional powers and duties of the commissioner of revenue, county**
2.13 **assessors and local assessors.** Notwithstanding any provision of law to the contrary, in
2.14 order to promote a uniform assessment and review of assessments, the commissioner of
2.15 revenue, county assessors and local assessors may exchange data on property which are
2.16 classified under chapter 13 as public, nonpublic or private. The data for any property may
2.17 include but is not limited to its sales, income, expenses, vacancies, rentable or usable areas,
2.18 anticipated income and expenses, projected vacancies, lease information, and private multiple
2.19 listing service data. Data exchanged under this provision that is classified as nonpublic or
2.20 private data shall retain its classification. The commissioner of revenue, county assessor,
2.21 or local assessor requesting the exchange of any nonpublic or private data on property under
2.22 this section must provide written notice of the requested exchange to the current owner of
2.23 the property to which the data pertains within 15 days of the request for that data.

2.24 Sec. 4. Minnesota Statutes 2022, section 278.05, subdivision 3, is amended to read:

2.25 Subd. 3. **Assessor's records; evidence.** Assessor's records, including certificates of real
2.26 estate value, assessor's field cards and property appraisal cards shall be made available to
2.27 the petitioner for inspection and copying and may be offered at the trial subject to the
2.28 applicable rules of evidence and rules governing pretrial discovery ~~and~~. Assessor's records
2.29 do not include private or nonpublic assessor's data classified under section 13.51, subdivision
2.30 2. Assessor's records shall not be excluded from discovery or admissible evidence on the
2.31 grounds that the documents and the information recorded thereon are confidential or classified
2.32 as private data on individuals; but confidential or private data on individuals produced in
2.33 discovery or admitted into evidence must be subject to a protective order issued by the tax

- 3.1 court. Evidence of comparable sales of other property shall, within the discretion of the
- 3.2 court, be admitted at the trial.