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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

н. ғ. №. 1077

MS

02/11/2021 Authored by Hausman

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The bill was read for the first time and referred to the Committee on Housing Finance and Policy

04/09/2021 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

relating to housing; establishing a budget for the Minnesota Housing Finance Agency; adopting housing finance agency policy provisions; expanding eligibility requirements for certain affordable housing, workforce housing, and disaster recovery programs; increasing the agency debt limit; increasing the individual and family household income limits under the community land trusts program; expanding requirements and uses and loan amount under the rehabilitation loan program; expanding allowable uses of housing infrastructure bonds; refunding certain deposits to bond issuers; creating the lead safe homes grant program; creating the Naturally Occurring Affordable Housing grant program; establishing a task force on shelter resident rights and shelter provider practices; expanding rental lease covenants and remedies available to tenants; expanding accommodation requirements for service and support animals; expanding procedural and reporting requirements for evictions; limiting public access to pending eviction actions; expanding eligibility for certain expungements of eviction case files; permitting manufactured homes affixed to certain property to be deemed an improvement to real property; providing residents an opportunity to purchase manufactured home parks; making technical and conforming changes; appropriating money; amending Minnesota Statutes 2020, sections 12A.09, subdivision 3; 256C.02; 273.11, subdivision 12; 273.125, subdivision 8; 363A.09, subdivision 5; 462A.05, subdivisions 14, 14a, by adding a subdivision; 462A.07, subdivision 2; 462A.204, subdivision 3; 462A.22, subdivision 1; 462A.30, subdivision 9; 462A.37, subdivisions 1, 2; 462A.38, subdivision 1; 462A.39, subdivisions 2, 5; 474A.21; 484.014, subdivisions 2, 3; 504B.001, subdivision 4; 504B.135; 504B.161, subdivision 1; 504B.211, subdivisions 2, 6; 504B.241, subdivision 4; 504B.245; 504B.321; 504B.331; 504B.335; 504B.345, subdivision 1, by adding a subdivision; 504B.361, subdivision 1; 504B.371, subdivisions 4, 5, 7; 504B.375, subdivision 1; 504B.381, subdivisions 1, 5, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168A; 327C; 462A; 504B; repealing Minnesota Statutes 2020, sections 168A.141; 327C.096; 504B.341.

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

1.32 ARTICLE 1

1.33 APPROPRIATIONS

1.34 Section 1. APPROPRIATIONS.

Article 1 Section 1.

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2.1	The sums shown in the columns marked "A	ppropriati	ions" are appropriate	d to the agency
2.2	for the purposes specified in this article. The appropriations are from the general fund, or			
2.3	another named fund, and are available for the fiscal years indicated for each purpose. The			
2.4	figures "2022" and "2023" used in this article mean that the appropriations listed under them			
2.5	are available for the fiscal year ending June 3	0, 2022, o	r June 30, 2023, resp	pectively. "The
2.6	first year" is fiscal year 2022. "The second ye	ear" is fisc	al year 2023. "The b	iennium" is
2.7	fiscal years 2022 and 2023.			
2.8			APPROPRIAT	IONS
2.9			Available for the	e Year
2.10			Ending June	30
2.11			<u>2022</u>	<u>2023</u>
2.12	Sec. 2. HOUSING FINANCE AGENCY			
2.13	Subdivision 1. Total Appropriation	<u>\$</u>	83,798,000 \$	61,798,000
2.14	(a) The amounts that may be spent for each			
2.15	purpose are specified in the following			
2.16	subdivisions.			
2.17	(b) Unless otherwise specified, this			
2.18	appropriation is for transfer to the housing			
2.19	development fund for the programs specified			
2.20	in this section. Except as otherwise indicated,			
2.21	this transfer is part of the agency's permanent			
2.22	budget base.			
2.23	Subd. 2. Challenge Program		18,925,000	12,925,000
2.24	(a) This appropriation is for the economic			
2.25	development and housing challenge program			
2.26	under Minnesota Statutes, section 462A.33			
2.27	and 462A.07, subdivision 14.			
2.28	(b) Of this amount, \$1,208,000 each year shall			
2.29	be made available during the first 11 months			
2.30	of the fiscal year exclusively for housing			
2.31	projects for American Indians. Any funds not			
2.32	committed to housing projects for American			
2.33	Indians in the first 11 months of the fiscal year			
2.34	shall be available for any eligible activity			

	HF1077 FIRST ENGROSSMENT	REVISOR	MS	H1077-1
3.1	under Minnesota Statutes, sections 462A	A.33		
3.2	and 462A.07, subdivision 14.			
3.3	Subd. 3. Workforce Housing Developm	<u>nent</u>	2,000,000	2,000,000
3.4	This appropriation is for the Greater			
3.5	Minnesota workforce housing developm	nent		
3.6	program under Minnesota Statutes, sect	ion		
3.7	462A.39. If requested by the applicant a	and		
3.8	approved by the agency, funded propert	ies		
3.9	may include a portion of income and ren	<u>nt</u>		
3.10	restricted units. Funded properties may in	clude		
3.11	owner-occupied homes.			
3.12 3.13	Subd. 4. Manufactured Home Park Infrastructure Grants		3,000,000	1,000,000
3.14	This appropriation is for manufactured l	nome		
3.15	park infrastructure grants under Minnes	<u>ota</u>		
3.16	Statutes, section 462A.2035, subdivision	n 1b.		
3.17	Subd. 5. Workforce Homeownership I	Program	2,000,000	2,000,000
3.18	(a) This appropriation is for the workfor	<u>·ce</u>		
3.19	homeownership program under Minneso	<u>ota</u>		
3.20	Statutes, section 462A.38.			
3.21	(b) The base for this program in fiscal y	<u>ear</u>		
3.22	2024 and beyond is \$750,000.			
3.23	Subd. 6. Housing Trust Fund		11,646,000	11,646,000
3.24	This appropriation is for deposit in the ho	using		
3.25	trust fund account created under Minnes	sota		
3.26	Statutes, section 462A.201, and may be	used		
3.27	for the purposes provided in that section	<u>ı.</u>		
3.28	Subd. 7. Homework Starts with Home	<u>.</u>	2,250,000	2,250,000
3.29	This appropriation is for the homework	starts_		
3.30	with home program under Minnesota Sta	tutes,		
3.31	sections 462A.201, subdivision 2, parag	raph		
3.32	(a), clause (4), and 462A.204, subdivision	on 8,		
3.33	to provide assistance to homeless or hig	hly		

	HF1077 FIRST ENGROSSMENT	REVISOR	MS	H1077-1
4.1	mobile families with children eligible	e for		
4.2	enrollment in a prekindergarten throug			
4.3	12 academic program.			
4.4	Subd. 8. Rental Assistance for Men	tally Ill	5,088,000	5,088,000
4.5	This appropriation is for the rental ho	ousing		
4.6	assistance program for persons with a	n mental		
4.7	illness or families with an adult mem	per with		
4.8	a mental illness under Minnesota Star	tutes,		
4.9	section 462A.2097. Among compara	<u>ble</u>		
4.10	proposals, the agency shall prioritize	those		
4.11	proposals that target, in part, eligible	persons		
4.12	who desire to move to more integrate	<u>d,</u>		
4.13	community-based settings.			
4.14	Subd. 9. Family Homeless Prevention	<u>on</u>	10,269,000	10,269,000
4.15	This appropriation is for the family h	omeless		
4.16	prevention and assistance programs u	<u>inder</u>		
4.17	Minnesota Statutes, section 462A.204	<u>4.</u>		
4.18	Subd. 10. Home Ownership Assista	nce Fund	4,385,000	885,000
4.19	This appropriation is for the home ow	nership		
4.20	assistance program under Minnesota S	Statutes,		
4.21	section 462A.21, subdivision 8. The	agency		
4.22	shall continue to strengthen its efforts	s to		
4.23	address the disparity gap in the			
4.24	homeownership rate between white			
4.25	households and Indigenous American	Indians		
4.26	and communities of color. To better			
4.27	understand and address the disparity	gap, the		
4.28	agency is required to collect, on a vol	<u>untary</u>		
4.29	basis, demographic information regar	ding		
4.30	race, color, national origin, and sex o	<u>f</u>		
4.31	applicants for agency programs inten	ded to		
4.32	benefit homeowners and homebuyers	<u>5.</u>		

Subd. 11. Affordable Rental Investment Fund

4,218,000

4,218,000

5.1	(a) This appropriation is for the affordable		
5.2	rental investment fund program under		
5.3	Minnesota Statutes, section 462A.21,		
5.4	subdivision 8b, to finance the acquisition,		
5.5	rehabilitation, and debt restructuring of		
5.6	federally assisted rental property and for		
5.7	making equity take-out loans under Minnesota		
5.8	Statutes, section 462A.05, subdivision 39.		
5.9	(b) The owner of federally assisted rental		
5.10	property must agree to participate in the		
5.11	applicable federally assisted housing program		
5.12	and to extend any existing low-income		
5.13	affordability restrictions on the housing for		
5.14	the maximum term permitted.		
5.15	(c) The appropriation also may be used to		
5.16	finance the acquisition, rehabilitation, and debt		
5.17	restructuring of existing supportive housing		
5.18	properties and naturally occurring affordable		
5.19	housing as determined by the commissioner.		
5.20	For purposes of this paragraph, "supportive		
5.21	housing" means affordable rental housing with		
5.22	links to services necessary for individuals,		
5.23	youth, and families with children to maintain		
5.24	housing stability.		
5.25 5.26	Subd. 12. Owner-Occupied Housing Rehabilitation	2,772,000	2,772,000
5.27	(a) This appropriation is for the rehabilitation		
5.28	of owner-occupied housing under Minnesota		
5.29	Statutes, section 462A.05, subdivisions 14 and		
5.30	<u>14a.</u>		
5.31	(b) Notwithstanding any law to the contrary,		
5.32	grants or loans under this subdivision may be		
5.33	made without rent or income restrictions of		
5.34	owners or tenants. To the extent practicable,		

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6.1	grants or loans must be made available			
6.2	statewide.			
6.3	Subd. 13. Rental Housing Rehabilitation	<u>on</u>	3,743,000	3,743,000
6.4	(a) This appropriation is for the rehabilita	tion		
6.5	of eligible rental housing under Minneso	<u>ta</u>		
6.6	Statutes, section 462A.05, subdivision 14	l. In		
6.7	administering a rehabilitation program for	<u>r</u>		
6.8	rental housing, the agency may apply the			
6.9	processes and priorities adopted for			
6.10	administration of the economic developm	nent		
6.11	and housing challenge program under			
6.12	Minnesota Statutes, section 462A.33, and	may		
6.13	provide grants or forgivable loans if appro	oved		
6.14	by the agency.			
6.15	(b) Notwithstanding any law to the contra	ary,		
6.16	grants or loans under this subdivision ma	y be		
6.17	made without rent or income restrictions	<u>of</u>		
6.18	owners or tenants. To the extent practical	ole,		
6.19	grants or loans must be made available			
6.20	statewide.			
6.21 6.22	Subd. 14. Homeownership Education, Counseling, and Training		1,357,000	857,000
6.23	This appropriation is for the homeowners	ship		
6.24	education, counseling, and training progr	<u>am</u>		
6.25	under Minnesota Statutes, section 462A.2	209.		
6.26	Subd. 15. Lead Safe Homes Grant Prog	gram	1,000,000	1,000,000
6.27	(a) This appropriation is for grants under	the		
6.28	lead safe homes grant program under			
6.29	Minnesota Statutes, section 462A.2095.			
6.30	(b) The base for this program in fiscal ye	<u>ar</u>		
6.31	2024 and beyond is \$750,000.			
6.32	Subd. 16. Capacity-Building Grants		645,000	645,000

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H1077-1

HF1077 FIRST ENGROSSMENT

7.1	This appropriation is for capacity-building		
7.2	grants under Minnesota Statutes, section		
7.3	462A.21, subdivision 3b. Of this amount,		
7.4	\$125,000 each year is for support of the		
7.5	Homeless Management Information System		
7.6	(HMIS).		
7.7	Subd. 17. Build Wealth MN	500,000	500,000
7.8	This appropriation is for a grant to Build		
7.9	Wealth Minnesota to provide a family		
7.10	stabilization plan program including program		
7.11	outreach, financial literacy education, and		
7.12	budget and debt counseling.		
7.13	Subd. 18. Local Housing Trust Fund Grants	3,000,000	<u>-0-</u>
7.14	(a) This appropriation is for grants to local		
7.15	housing trust funds established under		
7.16	Minnesota Statutes, section 462C.16, to		
7.17	incentivize local funding.		
7.18	(b) A grantee is eligible to receive a grant		
7.19	amount equal to 100 percent of the public		
7.20	revenue committed to the local housing trust		
7.21	fund from any source other than the state or		
7.22	federal government, up to \$150,000, and in		
7.23	addition, an amount equal to 50 percent of the		
7.24	public revenue committed to the local housing		
7.25	trust fund from any source other than the state		
7.26	or federal government that is more than		
7.27	\$150,000 but not more than \$300,000.		
7.28	(c) \$100,000 of this appropriation is for		
7.29	technical assistance grants to local and		
7.30	regional housing trust funds. A housing trust		
7.31	fund may apply for a technical assistance grant		
7.32	at the time and in the manner and form		
7.33	required by the agency. The agency shall make		
7.34	grants on a first-come, first-served basis. A		

H1077-1

8.1	technical assistance grant must not exceed		
8.2	<u>\$5,000.</u>		
8.3	(d) A grantee must use grant funds within five		
8.4	years of receipt for purposes: (1) authorized		
8.5	under Minnesota Statutes, section 462C.16,		
8.6	subdivision 3; and (2) benefiting households		
8.7	with incomes at or below 115 percent of the		
8.8	state median income. A grantee must return		
8.9	any grant funds not used for these purposes		
8.10	within eight years of receipt to the		
8.11	commissioner of the Minnesota Housing		
8.12	Finance Agency for deposit into the housing		
8.13	development fund.		
8.14 8.15	Subd. 19. Naturally Occurring Affordable Housing Program	<u>6,545,000</u>	<u>-0-</u>
8.16	This appropriation is for loans or grants under		
8.17	the naturally occurring affordable housing		
8.18	program under Minnesota Statutes, section		
8.19	462A.40.		
8.20 8.21	Subd. 20. Task Force on Shelter Resident Rights and Shelter Provider Practices	455,000	<u>-0-</u>
8.22	This appropriation is to implement the task		
8.23	force on shelter resident rights and shelter		
8.24	provider practices under article 2, section 10.		
8.25	Subd. 21. Availability and Transfer of Funds		
8.26	Money appropriated in the first year in this		
8.27	article is available the second year. The		
8.28	commissioner may shift or transfer money in		
8.29	the second year in subdivisions 2, 3, 4, 5, 12,		
8.30	and 13 to address high-priority housing needs.		

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9.1 ARTICLE 2

HOUSING GRANT PROGRAMS

Section 1. Minnesota Statutes 2020, section 462A.05, subdivision 14, is amended to read:

Subd. 14. Rehabilitation loans. It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation, with terms and conditions as the agency deems advisable, to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. The loans may be insured or uninsured and may be made with security, or may be unsecured, as the agency deems advisable. The loans may be in addition to or in combination with long-term eligible mortgage loans under subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if refinancing is determined by the agency to be necessary to permit the owner to meet the owner's housing cost without expending an unreasonable portion of the owner's income thereon. No loan for rehabilitation shall be made unless the agency determines that the loan will be used primarily to make the housing more desirable to live in, to increase the market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish codes and standards. Except for accessibility improvements under this subdivision and subdivisions 14a and 24, clause (1), no secured loan for rehabilitation of any owner-occupied property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed 110 percent of its market value, as determined by the agency. No loan under this subdivision for the rehabilitation of owner-occupied housing shall be denied solely because the loan will not be used for placing the owner-occupied residential housing in full compliance with all state, county, or municipal building, housing maintenance, fire, health, or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions. Accessibility rehabilitation loans authorized under this subdivision may be made to eligible persons and families without limitations relating to the maximum incomes of the borrowers if:

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- (1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with developmental disabilities;
 - (2) home care is appropriate; and
- 10.5 (3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing. 10.6
 - The agency may waive any requirement that the housing units in a residential housing development be rented to persons of low and moderate income if the development consists of four or less dwelling units, one of which is occupied by the owner.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 462A.05, subdivision 14a, is amended to read:

Subd. 14a. Rehabilitation loans; existing owner-occupied residential housing. It may make loans to persons and families of low and moderate income to rehabilitate or to assist in rehabilitating existing residential housing owned and occupied by those persons or families. Rehabilitation may include replacement of manufactured homes. No loan shall be made unless the agency determines that the loan will be used primarily for rehabilitation work necessary for health or safety, essential accessibility improvements, or to improve the energy efficiency of the dwelling. No loan for rehabilitation of owner-occupied residential housing shall be denied solely because the loan will not be used for placing the residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. The amount of any loan shall not exceed the lesser of (a) a maximum loan amount determined under rules adopted by the agency not to exceed \$27,000 \$35,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by the person or family without the expenditure of an unreasonable portion of the income of the person or family. Loans made in whole or in part with federal funds may exceed the maximum loan amount to the extent necessary to comply with federal lead abatement requirements prescribed by the funding source. In making loans, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion of the loan will be repaid and shall determine the appropriate security for the repayment of the loan. Loans pursuant to this subdivision may be made with or without interest or periodic payments.

EFFECTIVE DATE. This section is effective August 1, 2021.

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Sec. 3. Minnesota Statutes 2020, section 462A.05, is amended by adding a subdivision to read:

Subd. 42. Thirty-year affordability covenants. The agency must impose rent, income, or rent and income restrictions on a multifamily rental housing development as a condition of agency financing as required in this chapter, or as a condition of an allocation or award of federal low-income housing tax credits. The rent, income, or rent and income restrictions must be contained in a covenant running with the land for at least 30 years.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies on or after that date to any multifamily rental housing development for which the agency allocates low-income housing tax credits or funding, or with which the agency enters into a financing or grant agreement.

Sec. 4. [462A.2095] LEAD SAFE HOMES GRANT PROGRAM.

Subdivision 1. Establishment. The Minnesota Housing Finance Agency shall establish a lead safe homes grant program to provide grants to increase lead testing and make residential rental units lead safe. The initial pilot program shall provide one grant to a project serving an area in a metropolitan county, as defined in section 473.121, subdivision 4, and one grant to a project serving an area outside a metropolitan county with a priority for targeting grant resources to landlords and tenants where there are high concentrations of lead poisoning in children based on information provided by the commissioner of health.

- Subd. 2. Eligibility. (a) Eligible grantees must be a nonprofit or political subdivision capable of providing funding and services to a defined geographic area. The grant programs receiving funding under this section must provide lead risk assessments completed by a lead inspector or a lead risk assessor licensed by the commissioner of health pursuant to section 144.9505 for properties built before 1978 to determine the presence of lead hazards and to provide interim controls to reduce lead health hazards. The grant program must provide funding for testing and lead hazard reduction to:
- (1) landlords of residential buildings with 11 units or less where the tenant's income does not exceed 60 percent of area median income;
- (2) landlords of residential buildings with 12 units or more where at least 50 percent of the tenants are below 60 percent of the median income; and
- (3) a tenant with an income that does not exceed 60 percent of area median income.
- (b) A landlord or tenant must first access other available state and federal funding related
 to lead testing and lead hazard reduction for which they are eligible.

12.1	(c) Up to ten percent of a grant awarded to a nonprofit or political subdivision may be
12.2	used to administer the grant and provide education and outreach about lead health hazards.
12.3	Subd. 3. Short title. This section shall be known as the "Dustin Luke Shields Act."
12.4	Sec. 5. Minnesota Statutes 2020, section 462A.22, subdivision 1, is amended to read:
12.5	Subdivision 1. Debt ceiling. The aggregate principal amount of <u>general obligation</u> bonds
12.6	and notes which are outstanding at any time, excluding the principal amount of any bonds
12.7	and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of
12.8	\$5,000,000,000.
12.9	EFFECTIVE DATE. This section is effective August 1, 2021.
12.10	Sec. 6. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:
12.11	Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
12.12	the meanings given.
12.13	(b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.
12.14	(c) "Community land trust" means an entity that meets the requirements of section
12.15	462A.31, subdivisions 1 and 2.
12.16	(d) "Debt service" means the amount payable in any fiscal year of principal, premium,
12.17	if any, and interest on housing infrastructure bonds and the fees, charges, and expenses
12.18	related to the bonds.
12.19	(e) "Foreclosed property" means residential property where foreclosure proceedings
12.20	have been initiated or have been completed and title transferred or where title is transferred
12.21	in lieu of foreclosure.
12.22	(f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter
12.23	that:
12.24	(1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal
12.25	Revenue Code;
12.26	(2) finance qualified residential rental projects within the meaning of section 142(d) of
12.27	the Internal Revenue Code; <u>or</u>
12.28	(3) finance the construction or rehabilitation of single-family houses that qualify for
12.29	mortgage financing within the meaning of section 143 of the Internal Revenue Code; or

13.1	(4) (3) are tax-exempt bonds that are not private activity bonds, within the meaning of
13.2	section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing
13.3	affordable housing authorized under this chapter.
13.4	(g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.
13.5	(h) "Senior" means a person 55 years of age or older with an annual income not greater
13.6	than 50 percent of:.
13.7	(1) the metropolitan area median income for persons in the metropolitan area; or
13.8	(2) the statewide median income for persons outside the metropolitan area.
13.9	(i) "Senior household" means a household with one or more senior members and with
13.10	a combined annual income not greater than 50 percent of:
13.11	(1) the metropolitan area median income for persons in the metropolitan area; or
13.12	(2) the statewide median income for persons outside the metropolitan area.
13.13	(i) (j) "Senior housing" means housing intended and operated for occupancy by at least
13.14	one senior per unit senior households with at least 80 percent of the units occupied by at
13.15	least one senior per unit senior households, and for which there is publication of, and
13.16	adherence to, policies and procedures that demonstrate an intent by the owner or manager
13.17	to provide housing for seniors. Senior housing may be developed in conjunction with and
13.18	as a distinct portion of mixed-income senior housing developments that use a variety of
13.19	public or private financing sources.
13.20	(j) (k) "Supportive housing" means housing that is not time-limited and provides or
13.21	coordinates with linkages to services necessary for residents to maintain housing stability
13.22	and maximize opportunities for education and employment.
13.23	EFFECTIVE DATE. This section is effective August 1, 2021.
13.24	Sec. 7. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:
13.25	Subd. 2. Authorization. (a) The agency may issue up to \$30,000,000 in aggregate
13.26	principal amount of housing infrastructure bonds in one or more series to which the payment
13.27	made under this section may be pledged. The housing infrastructure bonds authorized in
13.28	this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on
13.29	terms and conditions the agency deems appropriate, made for one or more of the following
13.30	purposes:

14.1	(1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
14.2	housing for individuals and families who are without a permanent residence;
14.3	(2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
14.4	housing to be used for affordable rental housing and the costs of new construction of rental
14.5	housing on abandoned or foreclosed property where the existing structures will be demolished
14.6	or removed;
14.7	(3) to finance that portion of the costs of acquisition of property that is attributable to
14.8	the land to be leased by community land trusts to low- and moderate-income home buyers;
14.9	(4) to finance the acquisition, improvement, and infrastructure of manufactured home
14.10	parks under section 462A.2035, subdivision 1b;
14.11	(5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
14.12	of senior housing;
14.13	(6) to finance the costs of acquisition and rehabilitation of federally assisted rental
14.14	housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
14.15	of federally assisted rental housing, including providing funds to refund, in whole or in part,
14.16	outstanding bonds previously issued by the agency or another government unit to finance
14.17	or refinance such costs; and
14.18	(7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
14.19	of single-family housing-; and
14.20	(8) to finance the costs of construction, acquisition, and rehabilitation of permanent
14.21	housing that is affordable to households with incomes at or below 50 percent of the area
14.22	median income. "Area median income" means the area median income for the applicable
14.23	county or metropolitan area as published by the Department of Housing and Urban
14.24	Development, adjusted for household size.
14.25	(b) Among comparable proposals for permanent supportive housing, preference shall
14.26	be given to permanent supportive housing for veterans and other individuals or families
14.27	who:
14.28	(1) either have been without a permanent residence for at least 12 months or at least four
14 29	times in the last three years: or

times in the last three years.

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(2) are at significant risk of lacking a permanent residence for 12 months or at least four

15.1	(c) Among comparable proposals for senior housing, the agency must give priority to
15.2	requests for projects that:
15.3	(1) demonstrate a commitment to maintaining the housing financed as affordable to
15.4	seniors senior households;
15.5	(2) leverage other sources of funding to finance the project, including the use of
15.6	low-income housing tax credits;
15.7	(3) provide access to services to residents and demonstrate the ability to increase physical
15.8	supports and support services as residents age and experience increasing levels of disability;
15.9	and
15.10	(4) provide a service plan containing the elements of clause (3) reviewed by the housing
15.11	authority, economic development authority, public housing authority, or community
15.12	development agency that has an area of operation for the jurisdiction in which the project
15.13	is located; and
15.14	(5) (4) include households with incomes that do not exceed 30 percent of the median
15.15	household income for the metropolitan area.
15.16	(d) Of comparable proposals for permanent housing, the agency must give preference
15.17	to projects that will provide housing that is affordable to households at or below 30 percent
15.18	of area median income.
15.19	(e) To the extent practicable, the agency shall balance the loans made between projects
15.20	in the metropolitan area and projects outside the metropolitan area. Of the loans made to
15.21	projects outside the metropolitan area, the agency shall, to the extent practicable, balance
15.22	the loans made between projects in counties or cities with a population of 20,000 or less,
15.23	as established by the most recent decennial census, and projects in counties or cities with
15.24	populations in excess of 20,000.
15.25	EFFECTIVE DATE. This section is effective August 1, 2021.
15.26	Sec. 8. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:
15.27	Subd. 5. Allocation. The amount of a grant or deferred loans may not exceed 25 50
15.28	percent of the rental housing development project cost. The commissioner shall not award
15.29	a grant or deferred loans to a city without certification by the city that the amount of the
15.30	grant or deferred loans shall be matched by a local unit of government, business, or nonprofit
15.31	organization with \$1 for every \$2 provided in grant or deferred loans funds.

Sec. 9. [462A.40] NATURALLY OCCURRING AFFORDABLE HOUSING PROGRAM.	
PROGRAM.	
Subdivision 1. Establishment. The Minnesota Housing Finance Agency shall establish	<u>sh</u>
a naturally occurring affordable housing program for the purpose of supporting the	
preservation of naturally occurring affordable housing through acquisition and rehabilitation	<u>n.</u>
Subd. 2. Definition. For the purposes of this section, "naturally occurring affordable	
housing" means multiunit rental housing that:	
(1) is at least 20 years old;	
(2) has rents in a majority of units that are affordable to households at or below 60	
percent of the area median income;	
(3) did not receive an initial state or federal government subsidy for its construction;	
<u>and</u>	
(4) does not otherwise receive place-based federal governmental subsidies.	
Subd. 3. Use of funds. Funds appropriated for the program under this section shall be	<u>e</u>
used by the commissioner with the goal of preserving the most units for the lowest incom	ne
households for the longest period of time. The commissioner shall make loans or grants	
from funds appropriated for the program on an as-needed basis and may approve reques	<u>ts</u>
on a per-application basis from prospective acquirers of naturally occurring affordable	
housing or through statewide intermediaries.	
Subd. 4. Voucher requirement. Properties that receive funds must accept vouchers	
under Section 8 of the United States Housing Act of 1937, as amended.	
Sec. 10. TASK FORCE ON SHELTER RESIDENT RIGHTS AND SHELTER	
PROVIDER PRACTICES.	
Subdivision 1. Definitions. (a) For purposes of this section, the following terms have	e
the meanings given.	_
(b) "Director" means the state director of the Minnesota Interagency Council on	
Homelessness.	
	ne

hardship, or a similar reason.

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residence, including sharing the housing of other persons due to loss of housing, economic

17.1	(d) "Resident" means a person residing in a shelter, including all members of a family
17.2	unit.
17.3	(e) "Shelter" means an indoor sleeping and sanitary dwelling, whether in a fixed or
17.4	rotating location, intended for individuals and families experiencing homelessness, provided
17.5	by a unit of government, a nonprofit organization, or a place of worship. Shelter includes
17.6	rooms in hotels or motels paid for by a unit of government or nonprofit organization and
17.7	daytime accommodations for individuals or families for whom shelter is provided only
17.8	overnight.
17.9	Subd. 2. Establishment. A task force on shelter resident rights and shelter provider
17.10	practices is established to:
17.11	(1) examine experiences of, and issues facing, shelter residents;
17.12	(2) examine issues facing, and practices of, shelter providers;
17.13	(3) develop a bill of rights for, and standards of treatment of, individuals and families
17.14	residing in shelters;
17.15	(4) develop shelter provider standards of practice; and
17.16	(5) examine the establishment of government oversight and registration of the provision
17.17	of shelter in Minnesota.
17.18	Subd. 3. Membership. (a) The task force consists of the following 24 members appointed
17.19	by the director:
17.20	(1) the commissioner of human services, or a designee;
17.21	(2) the commissioner of corrections, or a designee;
17.22	(3) the commissioner of health, or a designee;
17.23	(4) the commissioner of public safety, or a designee;
17.24	(5) the commissioner of transportation, or a designee;
17.25	(6) the commissioner of veterans affairs, or a designee;
17.26	(7) three individuals who have experienced homelessness and resided in a shelter, one
17.27	of whom has resided in a shelter in greater Minnesota;
17.28	(8) one individual who has experienced homelessness and chose to remain unsheltered;
17.29	(9) one representative of Street Voices of Change;
17.30	(10) one representative of Freedom from the Streets;

18.1	(11) two representatives from organizations that advocate on behalf of persons with
18.2	disabilities;
18.3	(12) one representative from an organization that advocates on behalf of persons
18.4	experiencing homelessness;
18.5	(13) one representative from an organization that provides legal services to persons
18.6	experiencing homelessness;
18.7	(14) four representatives of organizations representing shelter providers, two of which
18.8	must provide shelter in the seven-county metropolitan area, two of which must provide
18.9	shelter in greater Minnesota, one of which must also provide shelter to families, and one of
18.10	which must also be a victim service provider that is funded to provide shelter to survivors
18.11	of domestic violence and sexual assault;
18.12	(15) two representatives from the League of Minnesota Cities, one of whom must
18.13	represent cities in greater Minnesota; and
18.14	(16) two representatives from the Association of Minnesota Counties, one of whom
18.15	must represent counties in greater Minnesota.
18.16	(b) Appointments must be made no later than July 1, 2021.
18.17	(c) Task force members shall serve without compensation, except for members who are
18.18	individuals who have experienced homelessness and resided in a shelter or who are
18.19	individuals representing shelter providers. Members eligible for compensation shall receive
18.20	expenses as provided in Minnesota Statutes, section 15.059, subdivision 6.
18.21	(d) Vacancies shall be filled by the director consistent with the qualifications of the
18.22	vacating member required by this subdivision.
18.23	Subd. 4. Meetings; officers. (a) The director shall convene the first meeting of the task
18.24	force no later than August 15, 2021, and shall provide physical or virtual meeting space as
18.25	necessary for the task force to conduct its work.
18.26	(b) At its first meeting, the task force shall elect a chair and vice-chair from among the
18.27	task force members and may elect other officers as necessary.
18.28	(c) The task force shall meet according to a schedule determined by the members or
18.29	upon the call of its chair. The task force shall meet as often as necessary to accomplish the
18.30	duties under subdivision 5.
18.31	(d) Meetings of the task force are subject to Minnesota Statutes, chapter 13D.
18.32	Subd. 5. Duties. (a) The task force must seek input from:

19.1	(1) individuals who are experiencing or who have experienced homelessness and reside
19.2	or have resided in a shelter, including individuals experiencing homelessness in urban,
19.3	suburban, and rural areas of the state;
19.4	(2) providers of shelter, including winter shelter, cold weather shelter, family shelter,
19.5	youth shelter, and shelter for survivors of domestic abuse or sexual violence; providers who
19.6	are funded by state, city, or local governments; providers who operate with nonpublic funds;
19.7	providers who provide shelter in urban and suburban areas; providers who provide shelter
19.8	in greater Minnesota; and providers of shelter in apartments, hotels, and motels;
19.9	(3) relevant state agencies that serve persons experiencing homelessness or persons who
19.10	are at risk of becoming homeless; and
19.11	(4) any other persons or organizations with experience or expertise in homelessness,
19.12	homeless outreach, or homeless prevention.
19.13	(b) The task force must:
19.14	(1) conduct research into and analyze establishing government oversight and registration
19.15	of homeless shelters in Minnesota; and
19.16	(2) identify and analyze policies, rights, and responsibilities of shelter residents and
19.17	shelter providers regarding, at a minimum:
19.18	(i) the treatment of shelter residents with dignity and respect, including but not limited
19.19	to addressing conflict resolution, ensuring cultural sensitivity, engaging people with mental
19.20	illnesses, implementing crisis response, and providing trauma-informed services;
19.21	(ii) shelter terminations and appeals;
19.22	(iii) remedies for and enforcement of shelter resident rights violations and illegal
19.23	terminations;
19.24	(iv) time limits on residency and policies on temporary absences;
19.25	(v) security and personal safety of shelter residents;
19.26	(vi) staffing ratios;
19.27	(vii) appropriate, adequate, and safe storage and protection of resident property and
19.28	personal information during a resident's stay and following a resident's exit from shelter;
19.29	(viii) maintaining family units while in shelter;
19.30	(ix) preventing discrimination based on race, color, creed, ethnicity, national origin,
19.31	citizenship, gender, gender identity, sexual orientation, familial status, marital status, veteran

20.1	status, immigration status, status with regard to public assistance, disability, religion, or
20.2	age;
20.3	(x) seizure of persons and property;
20.4	(xi) the expectation of the resident's personal property privacy;
20.5	(xii) access to emergency and nonemergency medical and dental care;
20.6	(xiii) access to hygiene and sanitary products;
20.7	(xiv) maintenance of cleanliness of the facilities;
20.8	(xv) accommodations for a resident's nontraditional work hours and schedules,
20.9	circumstances involving members of the resident's immediate family who do not reside in
20.10	the shelter, and other extenuating life circumstances;
20.11	(xvi) reasonable accommodations for residents with disabilities, including residents with
20.12	physical, developmental, and communication challenges; residents whose primary language
20.13	is not English; and residents with food and other allergies or dietary restrictions;
20.14	(xvii) the provision of information regarding shelter policies, procedures, rules,
20.15	restrictions, and notices of eviction;
20.16	(xviii) the filing of grievances; and
20.17	(xix) the provision of case management, referral, and other supports regarding housing,
20.18	supportive housing, mental health, physical health, substance abuse, government assistance,
20.19	and employment services and resources.
20.20	(c) The task force must review the application of housing support payments under
20.21	Minnesota Statutes, section 256I.06, for shelter purposes and personal allowance policies
20.22	to determine how residents can retain a maximum amount of their income.
20.23	(d) The task force shall develop recommendations for the establishment of a statewide
20.24	shelter call line to ensure that all residents are receiving adequate service in a shelter. The
20.25	task force shall evaluate the appropriate state agency, nonprofit organization, or other entity
20.26	to house and operate the call line and the funding necessary to establish and maintain the
20.27	ongoing operation of the call line.
20.28	(e) The task force may examine any other related issues consistent with this section.
20.29	Subd. 6. Administrative support. The Minnesota Housing Finance Agency must provide
20.30	administrative support and meeting space for the task force.

21.1	Subd. 7. Report. (a) No later than February 1, 2022, the task force shall submit an initial
21.2	report to the chairs and ranking minority members of the house of representatives and senate
21.3	committees and divisions with jurisdiction over housing and preventing homelessness on
21.4	the findings and recommendations for:
21.5	(1) legislation establishing:
21.6	(i) a bill of rights for, and uniform standards of treatment of, individuals and families
21.7	residing in a shelter;
21.8	(ii) shelter provider standards of practice; and
21.9	(iii) a statewide shelter call line; and
21.10	(2) the establishment of government oversight and registration of the provision of shelter
21.11	in Minnesota.
21.12	(b) No later than August 31, 2022, the task force shall submit a final report to the chairs
21.13	and ranking minority members of the house of representatives and senate committees and
21.14	divisions with jurisdiction over housing and preventing homelessness on the findings and
21.15	recommendations listed in paragraph (a).
21.16	Subd. 8. Expiration. The task force expires the day following submission of the final
21.17	report under subdivision 7.
21.18	EFFECTIVE DATE. This section is effective July 1, 2021.
21.19	ARTICLE 3
21.20	AFFORDABLE HOUSING ELIGIBILITY
21.21	Section 1. Minnesota Statutes 2020, section 12A.09, subdivision 3, is amended to read:
21.22	Subd. 3. Capacity building grants. Grants may be made under section 462A.21,
21.23	subdivision 3b ₇ :
21.24	(1) to local units of government, including regional consortia, in the disaster area and;
21.25	(2) to nonprofit organizations; and
21.26	(3) to federally recognized American Indian Tribes or subdivisions located in Minnesota,
21.27	and Tribal housing corporations
21.28	working in the disaster area to assess housing and related needs, develop and implement
21.29	community or regional plans to meet those needs, and provide capacity to implement recovery
21.30	plans.

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22.1	EFFECTIVE	DATE.	This section	is effective	August 1,	2021.

- Sec. 2. Minnesota Statutes 2020, section 462A.07, subdivision 2, is amended to read:
- Subd. 2. **Technical assistance**; **residential housing.** It may provide general technical
- services and support to assist in the planning, processing, design, construction or
- rehabilitation, and inspection of residential housing for occupancy by persons and families
- of low and moderate income and to increase the capacity of entities to meet the housing
- 22.7 needs in the state.
- 22.8 **EFFECTIVE DATE.** This section is effective August 1, 2021.
- Sec. 3. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:
- Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the
- metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe,
- a group of Tribes, or a community-based nonprofit organization with a sponsoring resolution
- 22.13 from each of the county boards of the counties located within its operating jurisdiction may
- 22.14 apply for and receive grants for areas located outside the metropolitan area.
- 22.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.
- Sec. 4. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:
- Subdivision 1. **Establishment.** A workforce and affordable homeownership development
- 22.18 program is established to award homeownership development grants to:
- 22.19 <u>(1) cities</u>;
- 22.20 (2) counties;
- 22.21 (3) Tribal governments;
- 22.22 (4) nonprofit organizations;
- 22.23 (5) cooperatives created under chapter 308A or 308B₇; and
- 22.24 (6) community land trusts created for the purposes outlined in section 462A.31,
- 22.25 subdivision 1,
- 22.26 for development of workforce and affordable homeownership projects. The purpose of the
- 22.27 program is to increase the supply of workforce and affordable, owner-occupied multifamily
- 22.28 or single-family housing throughout Minnesota.
- 22.29 **EFFECTIVE DATE.** This section is effective August 1, 2021.

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- Sec. 5. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:
- Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.
 - (b) "Eligible project area" means a home rule charter or statutory city located outside of the metropolitan area as defined in section 473.121, subdivision 2, with a population exceeding 500; a community that has a combined population of 1,500 residents located within 15 miles of a home rule charter or statutory city located outside the metropolitan area as defined in section 473.121, subdivision 2; federally recognized Tribal reservations; or an area served by a joint county-city economic development authority.
- 23.10 (c) "Joint county-city economic development authority" means an economic development authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between a city and county and excluding those established by the county only.
 - (d) "Market rate residential rental properties" means properties that are rented at market value, including new modular homes, new manufactured homes, and new manufactured homes on leased land or in a manufactured home park, and may include rental developments that have a portion of income-restricted units.
 - (e) "Qualified expenditure" means expenditures for market rate residential rental properties including acquisition of property; construction of improvements; and provisions of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing costs.
 - **EFFECTIVE DATE.** This section is effective August 1, 2021.
- Sec. 6. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:
- Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent of the rental housing development project cost. The commissioner shall not award a grant or deferred loans to a city an eligible project area without certification by the city eligible project area that the amount of the grant or deferred loans shall be matched by:
- 23.27 (1) a local unit of government;
- 23.28 (2) a business, or;
- 23.29 (3) a nonprofit organization; or
- 23.30 (4) a federally recognized Tribe
- with \$1 for every \$2 provided in grant or deferred loans funds.

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EFFECTIVE DATE. This section is effective August 1, 2021.

ARTICLE	4

HOUSING FINANCE TECHNICAL AND CONFORMING CHANGES

Section 1. Minnesota Statutes 2020, section 273.11, subdivision 12, is amended to read:

Subd. 12. **Community land trusts.** (a) A community land trust, as defined under chapter 462A, is (i) a community-based nonprofit corporation organized under chapter 317A, which qualifies for tax exempt status under 501(c)(3), or (ii) a "city" as defined in section 462C.02, subdivision 6, which has received funding from the Minnesota housing finance agency for purposes of the community land trust program. The Minnesota Housing Finance Agency shall set the criteria for community land trusts.

- (b) All occupants of a community land trust building must have a family income of less than 80 percent of the greater of (1) the state median income, or (2) the area or county median income, as most recently determined by the Department of Housing and Urban Development. Before the community land trust can rent or sell a unit to an applicant, the community land trust shall verify to the satisfaction of the administering agency or the city that the family income of each person or family applying for a unit in the community land trust building is within the income criteria provided in this paragraph. The administering agency or the city shall verify to the satisfaction of the county assessor that the occupant meets the income criteria under this paragraph. The property tax benefits under paragraph (c) shall be granted only to property owned or rented by persons or families within the qualifying income limits. The family income criteria and verification is only necessary at the time of initial occupancy in the property.
- (c) A unit which is owned by the occupant and used as a homestead by the occupant qualifies for homestead treatment as class 1a under section 273.13, subdivision 22. A unit which is rented by the occupant and used as a homestead by the occupant shall be class 4a or 4b property, under section 273.13, subdivision 25, whichever is applicable. Any remaining portion of the property not used for residential purposes shall be classified by the assessor in the appropriate class based upon the use of that portion of the property owned by the community land trust. The land upon which the building is located shall be assessed at the same classification rate as the units within the building, provided that if the building contains some units assessed as class 1a and some units assessed as class 4a or 4b, the market value of the land will be assessed in the same proportions as the value of the building.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 2. Minnesota Statutes 2020, section 462A.30, subdivision 9, is amended to read:

25.2	Subd. 9. Persons and families of low and moderate income. "Persons and families of
25.3	low and moderate income" means persons or families whose income does not exceed:
25.4	(1) 80 115 percent of the greater of state median income, or area or county median
25.5	income as determined by the Department of Housing and Urban Development; or
25.6	(2) the amount that qualifies the organization for tax exempt status under United States
25.6	Code, title 26, section 501(c)(3), whichever is less.
25.7	Code, title 20, section 301(c)(3), whichever is less.
25.8	EFFECTIVE DATE. This section is effective August 1, 2021.
25.9	ARTICLE 5
25.10	BONDING PROVISIONS
25.11	Section 1. Minnesota Statutes 2020, section 474A.21, is amended to read:
25.12	474A.21 APPROPRIATION; RECEIPTS.
25.13	Any fees collected by the department under sections 474A.01 to 474A.21 must be
25.14	deposited in a separate account in the general special revenue fund. The amount necessary
25.15	to refund application deposits is appropriated to the department from the separate account
25.16	in the general special revenue fund for that purpose. The interest accruing on application
25.17	deposits and any application deposit not refunded as provided under section 474A.061,
25.18	subdivision 4 or 7, or 474A.091, subdivision 5, or forfeited as provided under section
25.19	474A.131, subdivision 1, paragraph (b), or subdivision 2, must be deposited in the housing
25.20	trust fund account under section 462A.201.
25.21	Sec. 2. HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT
25.22	REFUND.
25.23	Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a),
25.24	and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers
25.25	that returned all of their allocation of bonding authority from the 2020 housing pool shall
25.26	receive a refund of the amount of the application deposit submitted with the issuer's 2020
25.27	housing pool application, less any amount previously refunded. Any application deposit
25.28	money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of
25.29	the date of final enactment that is connected to full returns of bonding authority from the
25.30	2020 housing pool is not required to be deposited in the fund under Minnesota Statutes,
25.31	section 462A.201; and the department may instead retain that money in the separate account
25.32	in the special revenue fund under Minnesota Statutes, section 474A.21. The amount necessary

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to refund the application deposits under this section is appropriated to the department from the separate account in the special revenue fund under Minnesota Statutes, section 474A.21.

For purposes of this section, "department" means the Department of Management and Budget.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 6

RESIDENTIAL RENTAL HOUSING POLICY

Section 1. Minnesota Statutes 2020, section 256C.02, is amended to read:

256C.02 PUBLIC ACCOMMODATIONS.

People who are blind or people with a visual or physical disability have the same right as the able-bodied to the full and free use of the streets, highways, sidewalks, walkways, public buildings, public facilities, and other public places; and are entitled to full and equal accommodations, advantages, facilities, and privileges of all common carriers, airplanes, motor vehicles, railroad trains, motor buses, boats, or any other public conveyances or modes of transportation, hotels, lodging places, places of public accommodation, amusement, or resort, and other places to which the general public is invited, subject only to the conditions and limitations established by law and applicable alike to all persons.

Every person who is totally or partially blind, or person who is deaf, or person with a physical disability, or any person training a dog to be a service dog shall have the right to be accompanied by a service dog in any of the places listed in section 363A.19. The person shall be liable for any damage done to the premises or facilities by such dog. The service dog must be capable of being properly identified as from a recognized school for seeing eye, hearing ear, service, or guide dogs.

Sec. 2. Minnesota Statutes 2020, section 363A.09, subdivision 5, is amended to read:

Subd. 5. **Real property full and equal access.** It is an unfair discriminatory practice for a person to deny full and equal access to real property provided for in sections 363A.08 to 363A.19, and 363A.28, subdivision 10, to a person who is totally or partially blind, deaf, or has a physical or sensory has a disability and who uses a service animal, if the service animal can be properly identified as being from a recognized program which trains service animals to aid persons who are totally or partially blind or deaf or have physical or sensory disabilities. The person may not be required to pay extra compensation for the service animal but is liable for damage done to the premises by the service animal.

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Article 6 Sec. 2.

- Sec. 3. Minnesota Statutes 2020, section 484.014, subdivision 2, is amended to read: 27.1 Subd. 2. **Discretionary expungement.** The court may order expungement of an eviction 27.2 case court file only upon motion of a defendant and decision by the court, if the court finds 27.3 that the plaintiff's case is sufficiently without basis in fact or law, which may include lack 27.4 of jurisdiction over the case, that if the court makes the following findings: (1) the eviction 27.5 case court file is no longer a reasonable predictor of future tenant behavior; and (2) the 27.6 expungement is clearly in the interests of justice and those interests are not outweighed by 27.7 27.8 the public's interest in knowing about the record.
- Sec. 4. Minnesota Statutes 2020, section 484.014, subdivision 3, is amended to read:
- Subd. 3. **Mandatory expungement.** The court shall order expungement of an eviction case:
- (1) commenced solely on the grounds provided in section 504B.285, subdivision 1, clause (1), if the court finds that the defendant occupied real property that was subject to contract for deed cancellation or mortgage foreclosure and:
- 27.15 (1) (i) the time for contract cancellation or foreclosure redemption has expired and the defendant vacated the property prior to commencement of the eviction action; or
- 27.17 (2) (ii) the defendant was a tenant during the contract cancellation or foreclosure
 27.18 redemption period and did not receive a notice under section 504B.285, subdivision 1a, 1b,
 27.19 or 1c, to vacate on a date prior to commencement of the eviction case-;
- 27.20 (2) if the defendant prevailed on the merits;
- 27.21 (3) if the court dismissed the plaintiff's complaint for any reason;
- 27.22 (4) if the parties to the action have agreed to an expungement;
- 27.23 (5) if the court finds an eviction was ordered at least three years prior to the date the expungement was filed; or
- 27.25 (6) upon motion of a defendant, if the case is settled and the defendant fulfills the terms of the settlement.
- Sec. 5. Minnesota Statutes 2020, section 504B.001, subdivision 4, is amended to read:
- Subd. 4. **Evict or eviction.** "Evict" or "eviction" means a summary court proceeding to remove a tenant or occupant from or otherwise recover possession of real property by the process of law set out in this chapter.

28.1	Sec. 6. [504B.113] SERVICE AND SUPPORT ANIMAL DOCUMENTATION.
28.2	Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
28.3	the meanings given.
28.4	(b) "Service animal" has the meaning given in Code of Federal Regulations, title 28,
28.5	section 36.104, as amended.
28.6	(c) "Support animal" means an animal that: (1) provides emotional support that alleviates
28.7	one or more identified symptoms or effects of a person's disability; and (2) does not need
28.8	to be trained to perform a specific disability-related task.
28.9	(d) "Tenant" means a current tenant or a prospective tenant.
28.10	(e) "Licensed professional" means a provider of care who is:
28.11	(1) a person licensed by the Board of Medical Practice under chapter 147;
28.12	(2) a physician assistant licensed under chapter 147A;
28.13	(3) a nurse, as defined in section 148.171, subdivision 9, licensed under chapter 148;
28.14	(4) a psychologist licensed under chapter 148;
28.15	(5) a mental health professional licensed under chapter 148B;
28.16	(6) a social worker licensed under chapter 148E;
28.17	(7) a counselor licensed under chapter 148F; or
28.18	(8) any professional listed in clauses (1) to (7) who holds a valid license in any other
28.19	state, provided the professional has an existing treatment relationship with the tenant
28.20	requesting a reasonable accommodation.
28.21	A licensed professional does not include any person who operates primarily to provide
28.22	certification for a service or support animal.
28.23	(f) "Reasonable accommodation" means the granting of a waiver by a landlord of a
28.24	no-pets or pet-fee policy for a person with a disability consistent with the Fair Housing Act
28.25	United States Code, title 42, sections 3601 to 3619, as amended, and section 504 of the
28.26	Rehabilitation Act of 1973, United States Code, title 29, section 701, as amended.
28.27	(g) "Disability" has the meaning given in section 363A.03, subdivision 12.
28.28	Subd. 2. Request for documentation permitted. (a) A landlord may require a tenant
28.29	to provide supporting documentation for each service or support animal for which the tenan
28.30	requests a reasonable accommodation under any provision of law. A landlord must not

29.1	require supporting documentation from a tenant if the tenant's disability or disability-related
29.2	need for a service or support animal is readily apparent or already known to the landlord.
29.3	(b) Upon a landlord's request, the tenant must provide supporting documentation from
29.4	a licensed professional confirming the tenant's disability and the relationship between the
29.5	tenant's disability and the need for a service or support animal. A landlord must not require
29.6	the tenant to disclose or provide access to medical records or medical providers or provide
29.7	any other information or documentation of a person's physical or mental disability.
29.8	Subd. 3. Additional fees or deposits prohibited. A landlord must not require a tenant
29.9	with a reasonable accommodation under this section to pay an additional fee, charge, or
29.10	deposit for the service or support animal. A tenant is liable to the landlord for any damage
29.11	to the premises caused by the service or support animal.
29.12	Subd. 4. Prohibited conduct. A tenant must not, directly or indirectly through statements
29.13	or conduct, knowingly:
29.14	(1) misrepresent themselves as a person with a disability that requires the use of a service
29.15	or support animal; or
29.16	(2) provide fraudulent supporting documentation under this section.
29.17	Subd. 5. Penalty. If a tenant violates this section, the landlord may deny the tenant's
29.18	rental application or reasonable accommodation request for a service or support animal.
29.19	Nothing in this section shall be construed to prohibit an eviction action based on a breach
29.20	of the lease.
29.21	Sec. 7. [504B.116] PRORATED RENT REQUIRED.
27.21	see. 7. Evibilio i Rolling References.
29.22	When a lease term for a residential unit ends on a date before the last day of the final
29.23	month, the amount of rent to be paid for the final month owed for the final month of rent
29.24	must be prorated at the average daily rate for that month so that the tenant only pays for the
29.25	actual number of days that occupancy is allowed. This provision applies to all leases,
29.26	including leases requiring the last month of rent to be paid in advance.
29.27	EFFECTIVE DATE. This section is effective August 1, 2021, and applies to leases
29.28	entered into on or after that date.

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- Subdivision 1. **Prohibited fees.** Except for actual services rendered for an optional service offered by the landlord, a landlord shall not charge a tenant any nonrefundable fee in relation to a residential tenancy.
- Subd. 2. **Penalties.** A landlord who violates this section is liable to the residential tenant for each unenforceable fee for three times the amount of each fee imposed that was not for an actual optional service or \$500, whichever is greater, and the court may award the tenant reasonable attorney's fees.
 - **EFFECTIVE DATE.** This section applies to leases signed on or after August 1, 2021.
- Sec. 9. Minnesota Statutes 2020, section 504B.135, is amended to read:

504B.135 TERMINATING TENANCY AT WILL.

- (a) A tenancy at will may be terminated by either party by giving notice in writing. The time of the notice must be at least as long as the interval between the time rent is due or three months, whichever is less.
- 30.15 (b) If a tenant neglects or refuses to pay rent due on a tenancy at will, the landlord may
 30.16 terminate the tenancy by giving the tenant 14 days notice to quit in writing.

30.17 Sec. 10. **[504B.144] EARLY RENEWAL.**

- When a landlord and a tenant sign a residential lease for a term that is at least ten months,
 the landlord must not require the tenant to renew the lease until at least four months have
 passed since the tenant occupied the unit.
- 30.21 **EFFECTIVE DATE.** This section is effective August 1, 2021, and applies to leases entered into on or after that date.
- Sec. 11. Minnesota Statutes 2020, section 504B.161, subdivision 1, is amended to read:
- Subdivision 1. **Requirements.** (a) In every lease or license of residential premises, the landlord or licensor covenants:
- 30.26 (1) that the premises and all common areas are fit for the use intended by the parties;
- (2) to keep the premises in reasonable repair during the term of the lease or license, except when the disrepair has been caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a person under the direction or control of the tenant or licensee;

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(3) to make the premises reasonably energy efficient by installing weatherstripping,
caulking, storm windows, and storm doors when any such measure will result in energy
procurement cost savings, based on current and projected average residential energy costs
in Minnesota, that will exceed the cost of implementing that measure, including interest,
amortized over the ten-year period following the incurring of the cost; and
(4) to maintain the premises in compliance with the applicable health and safety laws
of the state, and of the local units of government where the premises are located during the
term of the lease or license, except when violation of the health and safety laws has been

(5) to supply or furnish heat at a minimum temperature of at least 68 degrees Fahrenheit, measured at a distance of 36 inches above floor level, and not closer than 36 inches from any wall, from October 1 through April 30.

caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a

person under the direction or control of the tenant or licensee-; and

- (b) The parties to a lease or license of residential premises may not waive or modify the covenants imposed by this section.
- Sec. 12. Minnesota Statutes 2020, section 504B.211, subdivision 2, is amended to read:

 Subd. 2. Entry by landlord. Except as provided in subdivision 4, a landlord may enter
 - the premises rented by a residential tenant without the residential tenant's permission only for a reasonable business purpose and after making a good faith effort to give the residential tenant reasonable notice under the circumstances of not less than 24 hours in advance of the intent to enter. The notice must specify a time of entry that does not exceed four hours and the landlord may only enter between the hours of 8:00 a.m. and 8:00 p.m. A residential tenant may withdraw the residential tenant's permission at any time. A residential tenant may not waive and the landlord may not require the residential tenant to waive the residential tenant's right to prior notice of entry under this section as a condition of entering into or
- Sec. 13. Minnesota Statutes 2020, section 504B.211, subdivision 6, is amended to read:
- Subd. 6. **Penalty.** If a landlord substantially violates subdivision 2 this section, the residential tenant is entitled to a penalty which may include a rent reduction up to full rescission of the lease, recovery of any damage deposit less any amount retained under section 504B.178, and up to a \$100 civil penalty for each violation. If a landlord violates subdivision 5, the residential tenant is entitled to up to a \$100 civil penalty for each violation damages not less than an amount equal to one month's rent and reasonable attorney fees. A

maintaining the lease.

32.1	residential tenant shall may follow the procedures in sections 504B.381, 504B.385, and
32.2	504B.395 to 504B.471 to enforce the provisions of this section. A violation of this section
32.3	by the landlord is a violation of section 504B.161.
32.4	EFFECTIVE DATE. This section applies to matters commenced on or after August
32.5	1, 2021.
32.6	Sec. 14. Minnesota Statutes 2020, section 504B.241, subdivision 4, is amended to read:
32.7	Subd. 4. Court file information. (a) If a residential tenant screening service includes
32.8	information from a court file on an individual in a residential tenant report, the report must
32.9	provide the full name and date of birth of the individual in any case where the court file
32.10	includes the individual's full name and date of birth, and the outcome of the court proceeding
32.11	must be accurately recorded in the residential tenant report including the specific basis of
32.12	the court's decision, when available.
32.13	(b) If a tenant screening service knows that a court file has been expunged or that the
32.14	court file has not resulted in a writ of recovery of premises and order to vacate, as defined
32.15	in section 504B.001, subdivision 15, the tenant screening service shall delete any reference
32.16	to that file in any data maintained or disseminated by the screening service. Every tenant
32.17	screening service has an affirmative duty to update and verify the current status of court
32.18	files by accessing the Minnesota Court Information System no more than 24 hours prior to
32.19	issuing a residential tenant screening report. If a file cannot be found, it shall be presumed
32.20	to be expunged and may not be reported.
32.21	(c) Whenever the court supplies information from a court file on an individual, in
32.22	whatever form, the court shall include the full name and date of birth of the individual, if
32.23	that is indicated on the court file or summary, and information on the outcome of the court
32.24	proceeding, including the specific basis of the court's decision, coded as provided in
32.25	subdivision 5 for the type of action, when it becomes available.
32.26	(d) The residential tenant screening service is not liable under section 504B.245 if the
32.27	residential tenant screening service reports complete and accurate information as provided
32.28	by the court, consistent with paragraph (b).
32.29	Sec. 15. Minnesota Statutes 2020, section 504B.245, is amended to read:

504B.245 TENANT REPORT; REMEDIES.

The remedies provided in section 8.31 apply to A residential tenant aggrieved by a violation of section 504B.241 is entitled to recover damages, together with costs and

33.1	disbursements, including costs of investigation and attorney fees, and receive other equitable
33.2	relief as determined by the court. A residential tenant screening service or landlord in
33.3	compliance with the provisions of the Fair Credit Reporting Act, United States Code, title
33.4	15, section 1681, et seq., is considered to be in compliance with section 504B.241.
33.5	Sec. 16. [504B.266] TERMINATION OF LEASE UPON INFIRMITY OF TENANT.
33.6	Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
33.7	the meanings given them.
33.8	(b) "Authorized representative" means a person acting as an attorney-in-fact under a
33.9	power of attorney under section 523.24 or a court-appointed conservator or guardian under
33.10	chapter 524.
33.11	(c) "Disability" means any condition or characteristic that is a physical, sensory, or
33.12	mental impairment that materially limits one or more major life activity.
33.13	(d) "Medical care facility" means:
33.14	(1) a nursing home, as defined in section 144A.01, subdivision 5;
33.15	(2) hospice care, as defined in section 144A.75, subdivision 8;
33.16	(3) a residential hospice facility, as defined in section 144A.75, subdivision 13;
33.17	(4) boarding care, as licensed under chapter 144 and regulated by the Department of
33.18	Health under Minnesota Rules, chapter 4655;
33.19	(5) a supervised living facility, as licensed under chapter 144;
33.20	(6) a facility providing assisted living, as defined in section 144G.01, subdivision 2;
33.21	(7) an accessible unit, as defined in section 363A.40, subdivision 1, paragraph (b);
33.22	(8) a state facility as defined in section 246.50, subdivision 3;
33.23	(9) a facility providing a foster care for adults program as defined in section 245A.02,
33.24	subdivision 6c; or
33.25	(10) a facility providing intensive residential treatment services as defined in section
33.26	256B.0622, subdivision 2, paragraph (n).
33.27	(e) "Medical professional" means:
33.28	(1) a physician who is currently licensed to practice medicine under section 147.02,
33.29	subdivision 1;

<u>(</u>	(2) an advanced practice registered nurse, as defined in section 148.171, subdivision 3;
<u>or</u>	
<u>(</u>	(3) a mental health professional as defined in sections 245.462, subdivision 18, clauses
<u>(1) t</u>	to (6), and 245.4871, subdivision 27, clauses (1) to (5).
5	Subd. 2. Termination of lease upon infirmity of tenant. (a) A tenant or the authorized
repr	resentative of the tenant may terminate the lease prior to the expiration of the lease in
the 1	manner provided in subdivision 3 if the tenant has, or if there is more than one tenant
all t	he tenants have, been found by a medical professional to need to move into a medical
care	facility and:
<u>(</u>	(1) require assistance with instrumental activities of daily living or personal activities
of d	aily living due to medical reasons or a disability;
<u>(</u>	(2) meet one of the nursing facility level of care criteria under section 144.0724,
subo	division 11; or
<u>(</u>	(3) have a disability or functional impairment in three or more of the areas listed in
sect	ion 245.462, subdivision 11a, so that self-sufficiency is markedly reduced because of
a m	ental illness.
<u>(</u>	(b) When a tenant requires an accessible unit as defined in section 363A.40, subdivision
1, aı	nd the landlord can provide an accessible unit in the same complex where the tenant
curr	ently resides that is available within two months of the request, the provisions of this
sect	ion do not apply and the tenant may not terminate the lease.
5	Subd. 3. Notice. When the conditions in subdivision 2 have been met, the tenant or the
tena	nt's authorized representative may terminate the lease by providing at least two months'
writ	ten notice to be effective on the last day of a calendar month. The notice must be either
hane	d-delivered or mailed by postage prepaid, first class mail. The notice must include: (1)
a co	py of the medical professional's written documentation of the infirmity; and (2)
docı	umentation showing that the tenant has been accepted as a resident or has a pending
app]	lication at a location where the medical professional has indicated that the tenant needs
to m	nove. The termination of a lease under this section shall not relieve the eligible tenant
fron	n liability either for the payment of rent or other sums owed prior to or during the notice
peri	od, or for the payment of amounts necessary to restore the premises to their condition
at th	ne commencement of the tenancy, ordinary wear and tear excepted.

Subd. 4. Waiver prohibited. Any waiver of the rights of termination provided by the
section, including lease provisions or other agreements that require a longer notice peri-
than those provided for in this section, shall be void and unenforceable.
Subd. 5. Other laws. Nothing in this section affects the rights or remedies available
nis chapter or other law, including but not limited to chapter 363A.
EFFECTIVE DATE. This section is effective January 1, 2022, and applies to lease
entered into or renewed on or after January 1, 2022. For the purposes of this section, esta
at will shall be deemed to be renewed at the commencement of each rental period.
Sec. 17. [504B.268] RIGHT TO COUNSEL IN PUBLIC HOUSING; BREACH (
LEASE EVICTION ACTIONS.
Subdivision 1. Right to counsel. A defendant in public housing subject to an eviction
action under sections 504B.281 to 504B.371 alleging breach of lease under section 504B.1
or 504B.285 who is financially unable to obtain counsel has the right to counsel appoin
y the court. The complaint required by section 504B.321 shall include the notice on th
irst page of the complaint in bold 12-point type: "If financially unable to obtain counse
ne defendant has the right to a court-appointed attorney." At the initial hearing, the cou
hall ask the defendant if the defendant wants court-appointed counsel and shall explain
what such appointed counsel can accomplish for the defendant. For the purposes of this
ection "public housing" has the meaning provided in and regulated by United States Co
itle 42, section 1437 et. seq., and Code of Federal Regulations, title 24, parts 5 and 902-9
and a defendant is considered eligible for counsel due to financial need based on the
defendant's qualification for public housing.
Subd. 2. Qualifications. Counsel appointed by the court must: (1) have a minimum
two years' experience handing public housing evictions; (2) have training in handling pub
nousing evictions; or (3) be supervised by an attorney who meets the minimum qualification
under clause (1) or (2).
Subd. 3. Compensation. By January 15, 2022, and every year thereafter, the chief jud
of the judicial district, after consultation with public housing attorneys, legal aid attorne
and members of the private bar in the district, shall establish a compensation rate for attorn
Sees and costs associated with representation under subdivision 1. The compensation to
paid to an attorney for such service rendered to a defendant under this subdivision may
exceed \$5,000, exclusive of reimbursement for expenses reasonably incurred, unless paym
in excess of that limit is certified by the chief judge of the district as necessary to provi
fair compensation for services of an unusual character or duration

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- Subdivision 1. **Procedure.** (a) To bring an eviction action, the person complaining shall file a complaint with the court, stating the full name and date of birth of the person against whom the complaint is made, unless it is not known, describing the premises of which possession is claimed, stating the facts which authorize the recovery of possession, and asking for recovery thereof.
- (b) The lack of the full name and date of birth of the person against whom the complaint is made does not deprive the court of jurisdiction or make the complaint invalid.
- (c) The court shall issue a summons, commanding the person against whom the complaint is made to appear before the court on a day and at a place stated in the summons.
- (d) The appearance shall be not less than seven nor more than 14 days from the day of issuing the summons, except as provided by subdivision 2.
- 36.14 (e) A copy of the complaint shall be attached to the summons, which shall state that the copy is attached and that the original has been filed.
- 36.16 (f) If applicable, the person filing a complaint must attach a copy of the written notice
 36.17 described in subdivision 1a. The court shall dismiss an action without prejudice for failure
 36.18 to provide a notice as described in subdivision 1a and grant an expungement of the eviction
 36.19 case court file.
- Subd. 1a. Written notice. (a) Before bringing an eviction action alleging nonpayment of rent, a landlord must provide written notice to the residential tenant specifying the basis for a future eviction action.
- 36.23 (b) For an allegation of nonpayment of rent or other unpaid financial obligations in violation of the lease, the landlord must include the following in a written notice:
- 36.25 (1) the total amount due;
- 36.26 (2) a specific accounting of the amount of the total due that is comprised of unpaid rents,

 late fees, or other charges under the lease; and
- 36.28 (3) the name and address of the person authorized to receive rent and fees on behalf of the landlord.
- 36.30 (c) A notice provided under this section must:

37.1	(1) provide a disclaimer that a low-income tenant may be eligible for financial assistance
37.2	from the county;
37.3	(2) provide a description on how to access legal and financial assistance through the
37.4	"Law Help" website at www.lawhelpmn.org and "Minnesota 211" through its website
37.5	www.211unitedway.org or by calling 211; and
37.6	(3) state that the landlord may bring an eviction action following expiration of the 14-day
37.7	notice period if the tenant fails to pay the total amount due or vacates.
37.8	(d) The landlord or an agent of the landlord must deliver the notice personally or by first
37.9	class mail to the residential tenant at the address of the leased premises.
37.10	(e) If the tenant fails to correct the rent delinquency within 14 days of the delivery or
37.11	mailing of the notice, or fails to vacate, the landlord may bring an eviction action under
37.12	subdivision 1 based on the nonpayment of rent.
37.13	(f) Receipt of a notice under this section is an emergency situation under section 256D.06,
37.14	subdivision 2, and Minnesota Rules, chapter 9500. For purposes of chapter 256J and
37.15	Minnesota Rules, chapter 9500, a county agency verifies an emergency situation by receiving
37.16	and reviewing a notice under this section. If a residential tenant applies for financial
37.17	assistance from the county, the landlord must cooperate with the application process by:
37.18	(1) supplying all information and documentation requested by the tenant or the county;
37.19	<u>and</u>
37.20	(2) accepting or placing into escrow partial rent payments where necessary to establish
37.21	a tenant's eligibility for assistance.
37.22	Subd. 2. Expedited procedure. (a) In an eviction action brought under section 504B.171
37.23	or on the basis that the tenant is causing a nuisance or other illegal behavior that seriously
37.24	endangers the safety of other residents, their property, or the landlord's property, the person
37.25	filing the complaint shall file an affidavit stating specific facts and instances in support of
37.26	why an expedited hearing is required.
37.27	(b) The complaint and affidavit shall be reviewed by a referee or judge and scheduled
37.28	for an expedited hearing only if sufficient supporting facts are stated and they meet the
37.29	requirements of this paragraph.
37.30	(c) The appearance in an expedited hearing shall be not less than five days nor more
37.31	than seven days from the date the summons is issued. The summons, in an expedited hearing,
37.32	shall be served upon the tenant within 24 hours of issuance unless the court orders otherwise
37.33	for good cause shown.

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(d) If the court determines that the person seeking an expedited hearing did so without
sufficient basis under the requirements of this subdivision, the court shall impose a civil
penalty of up to \$500 for abuse of the expedited hearing process.

- Subd. 3. Nonpublic record. An eviction action is not accessible to the public until the court enters a final judgment.
 - Sec. 19. Minnesota Statutes 2020, section 504B.331, is amended to read:

504B.331 SUMMONS; HOW SERVED.

- (a) The summons and complaint must be served at least seven 14 days before the date of the court appearance specified in section 504B.321, in the manner provided for service of a summons in a civil action in district court. It may be served by any person not named a party to the action.
- (b) If the defendant cannot be found in the county, the summons and complaint may be served at least seven 14 days before the date of the court appearance by:
- (1) leaving a copy at the defendant's last usual place of abode with a person of suitable age and discretion residing there; or
- (2) if the defendant had no place of abode, by leaving a copy at the property described 38.16 in the complaint with a person of suitable age and discretion occupying the premises. 38.17
 - (c) Failure of the sheriff to serve the defendant is prima facie proof that the defendant cannot be found in the county.
- (d) Where the defendant cannot be found in the county, service of the summons and 38.20 complaint may be made upon the defendant by posting the summons in a conspicuous place 38.21 on the property for not less than one week 14 days if: 38.22
 - (1) the property described in the complaint is:
- (i) nonresidential and no person actually occupies the property; or 38.24
- (ii) residential and service has been attempted at least twice on different days, with at 38.25 least one of the attempts having been made between the hours of 6:00 p.m. and 10:00 p.m.; 38.26 and 38.27
- (2) the plaintiff or the plaintiff's attorney has signed and filed with the court an affidavit 38.28 stating that: 38.29
- (i) the defendant cannot be found, or that the plaintiff or the plaintiff's attorney believes 38.30 that the defendant is not in the state; and 38.31

39.1	(ii) a copy of the summons and complaint has been mailed to the defendant at the
39.2	defendant's last known address if any is known to the plaintiff-; and
39.3	(iii) the plaintiff or plaintiff's attorney has communicated to the defendant that an eviction
39.4	hearing has been scheduled, including the date, time, and place of the hearing specified in
39.5	the summons by all forms of communication the plaintiff regularly uses to communicate
39.6	with the defendant, including e-mail and text message.
39.7	(e) If the defendant or the defendant's attorney does not appear in court on the date of
39.8	the appearance, the trial shall proceed.
39.9	Sec. 20. Minnesota Statutes 2020, section 504B.335, is amended to read:
39.10	504B.335 ANSWER; TRIAL.
39.11	(a) At the court appearance specified in the summons, the defendant may answer the
39.12	complaint, either orally or in writing, and the court shall hear and decide the action, unless
39.13	it grants a continuance of the trial as provided in section 504B.341.:
39.14	(1) dismiss the action;
39.15	(2) approve a settlement between the parties;
39.16	(3) schedule a trial for no fewer than ten days after the appearance; or
39.17	(4) continue the matter for other hearings the court deems appropriate.
39.18	(b) If any defendant fails to appear at the scheduled court appearance, the court shall
39.19	review the court records and determine whether the complaint was properly served pursuant
39.20	to section 504B.331. The court shall:
39.21	(1) dismiss the case for improper service;
39.22	(2) proceed with a trial on the allegations in the complaint; or
39.23	(3) schedule and provide notice to all parties of the date and time of a trial.
39.24	(c) When scheduling a trial, the court must consider all aspects of the case, including
39.25	the complexity of the matter; the need for parties to obtain discovery; the need for parties
39.26	to secure the presence of witnesses; the opportunity for the defendant to seek legal counsel
39.27	apply for any emergency financial assistance that may be available, or both; and any
39.28	extenuating factors enumerated under section 504B.171.
39.29	(d) The parties shall cooperate with reasonable informal discovery requests by another
39.30	party.

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(b) (e) Either party may demand a trial by jury.
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- (e) (f) The proceedings in the action are the same as in other civil actions, except as provided in sections 504B.281 to 504B.371.
- (d) The court, in scheduling appearances and hearings under this section, shall give priority to any eviction brought under section 504B.171, or on the basis that the defendant is a tenant and is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.
- (g) Nothing in this section affects the rights of a landlord under section 504B.321, 40.8 subdivision 2. 40.9
- (h) The court may not require the defendant to pay any amount of money into court, 40.10 post a bond, or by any other means post security for any purpose prior to final disposition 40.11 of the action, except for appeals as provided in section 504B.371. 40.12

Sec. 21. [504B.337] ENFORCEMENT OF SETTLEMENT AGREEMENTS.

- Subdivision 1. Notice of compliance with settlement agreement. A party who believes 40.14 40.15 the other party has failed to comply with a court-approved settlement agreement may seek judicial enforcement of the agreement after serving upon the other party an affidavit. A 40.16 party may file an affidavit that sets forth the specific facts constituting the alleged settlement 40.17 violation. The party must serve this affidavit on all other parties. 40.18
- Subd. 2. Adjudication. The court may schedule a hearing on the evidence or make a 40.19 determination based on any filings and evidence submitted by the parties on the issue. 40.20
- Subd. 3. Stay of writ of recovery. No writ of recovery shall be issued until the hearing 40.21 has been held and a judgment on the matter entered. 40.22
- Sec. 22. Minnesota Statutes 2020, section 504B.345, subdivision 1, is amended to read: 40.23
 - Subdivision 1. General. (a) If the court or jury finds for the plaintiff, the court shall immediately enter judgment that the plaintiff shall have recovery of the premises, and shall tax the costs against the defendant. The court shall issue execution in favor of the plaintiff for the costs and also immediately issue a writ of recovery of premises and order to vacate.
 - (b) The court shall give priority in issuing a writ of recovery of premises and order to vacate for an eviction action brought under section 504B.171 or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property.

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- (1) the court shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution in favor of the defendant; and
- (2) the court may must expunge the records relating to the action under the provisions 41.4 41.5 of section 484.014 or under the court's inherent authority at the time judgment is entered or after that time upon motion of the defendant.; and 41.6
- 41.7 (3) may order relief as provided in section 504B.425, including retroactive rent abatement.
 - (d) Except in actions brought: (1) under section 504B.291 as required by section 609.5317, subdivision 1; (2) under section 504B.171; or (3) on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property, upon a showing by the defendant that immediate restitution of the premises would work a substantial hardship upon the defendant or the defendant's family, the court shall stay the writ of recovery of premises and order to vacate for a reasonable period, not to exceed seven days a minimum of seven days. In establishing the period of the stay, the court must consider extenuating circumstances or any hardships that would be suffered by the defendant.
- (e) This section applies to any writ of recovery issued at the conclusion of a trial pursuant 41.17 to section 504B.335, paragraph (a) or (b). 41.18
- Sec. 23. Minnesota Statutes 2020, section 504B.345, is amended by adding a subdivision 41.19 to read: 41.20
- Subd. 3. **Motion to vacate judgment.** Notwithstanding any other law to the contrary, 41.21 41.22 the defendant may bring a motion to vacate a judgment in an eviction action and may appeal an order denying a motion to vacate a judgment to the same extent and under the same 41.23 41.24 guidelines as a party to any other civil action.
- Sec. 24. Minnesota Statutes 2020, section 504B.361, subdivision 1, is amended to read: 41.25
- Subdivision 1. Summons and writ. The state court administrator shall develop a uniform 41.26 form for the summons and writ of recovery of premises and order to vacate. The summons 41.27 shall conform to the requirements enumerated under section 504B.321, subdivision 1a. The 41.28 writ of recovery of premises and order to vacate must include: 41.29
- 41.30 (1) the following statement: "If you want to seek legal help and can't afford a lawyer, free legal help may be available. Contact your local Legal Aid office or visit the LawHelpMN 41.31 website at www.LawHelpMn.org for information and referrals"; and 41.32

42.1	(2) the following statement: "To apply for financial assistance or other social services,
42.2	contact your local county or Tribal social services office or call the United Way toll-free
42.3	information line by dialing 211."
42.4	Sec. 25. Minnesota Statutes 2020, section 504B.371, subdivision 4, is amended to read:
42.5	Subd. 4. Stay pending appeal. After the appeal is taken, all further proceedings in the
42.6	case are stayed, except as provided in subdivision 7.
42.7	Sec. 26. Minnesota Statutes 2020, section 504B.371, subdivision 5, is amended to read:
42.8	Subd. 5. Stay of writ issued before appeal. (a) Except as provided in subdivision 7, If
42.9	the court issues a writ for recovery of premises and order to vacate before an appeal is taken,
42.10	the appealing party may request that the court stay further proceedings and execution of the
42.11	writ for possession of premises and order to vacate, and the court shall grant a stay.
42.12	(b) If the party appealing remains in possession of the premises, that party must give a
42.13	bond under subdivision 3.
42.14	(c) When the officer who has the writ for possession of premises and order to vacate is
42.15	served with the order granting the stay, the officer shall cease all further proceedings. If the
42.16	writ for possession of premises and order to vacate has not been completely executed, the
42.17	defendant shall remain in possession of the premises until the appeal is decided.
42.18	Sec. 27. Minnesota Statutes 2020, section 504B.371, subdivision 7, is amended to read:
42.19	Subd. 7. Exception. Subdivisions 1, 4, and 6 do not apply in an action on a lease, against
42.20	a tenant holding over after the expiration of the term of the lease, or a termination of the
42.21	lease by a notice to quit, where the plaintiff has prevailed on a claim pursuant to section
42.22	504B.171, subdivision 2, if the plaintiff gives a bond conditioned to pay all costs and damages
42.23	if on the appeal the judgment of restitution is reversed and a new trial ordered. In such a
42.24	case, the court shall issue a writ for recovery of premises and order to vacate notwithstanding
42.25	the notice of appeal, as if no appeal had been taken, and the appellate court shall issue all
42.26	needful writs and processes to carry out any judgment which may be rendered in the court.
42.27	Sec. 28. Minnesota Statutes 2020, section 504B.375, subdivision 1, is amended to read:
42.28	Subdivision 1. Unlawful exclusion or removal. (a) This section applies to actual or
42.29	constructive removal or exclusion of a residential tenant which may include the termination
42.30	of utilities or the removal of doors, windows, or locks. A residential tenant to whom this

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section applies may recover possession of the premises as described in paragraphs (b) to

- (b) The residential tenant shall present a verified petition to the district court of the judicial district of the county in which the premises are located that:
 - (1) describes the premises and the landlord;
- (2) specifically states the facts and grounds that demonstrate that the exclusion or removal was unlawful, including a statement that no writ of recovery of the premises and order to vacate has been issued under section 504B.345 in favor of the landlord and against the residential tenant and executed in accordance with section 504B.365; and
 - (3) asks for possession.
- (c) If it clearly appears from the specific grounds and facts stated in the verified petition or by separate affidavit of the residential tenant or the residential tenant's attorney or agent that the exclusion or removal was unlawful, the court shall immediately order that the residential tenant have possession of the premises.
- (d) The residential tenant shall furnish security, if any, that the court finds is appropriate under the circumstances for payment of all costs and damages the landlord may sustain if the order is subsequently found to have been obtained wrongfully. In determining the appropriateness of security, the court shall consider the residential tenant's ability to afford monetary security.
- (e) The court shall direct the order to the sheriff of the county in which the premises are located and the sheriff shall execute the order immediately by making a demand for possession on the landlord, if found, or the landlord's agent or other person in charge of the premises. If the landlord fails to comply with the demand, the officer shall take whatever assistance may be necessary and immediately place the residential tenant in possession of the premises. If the landlord, the landlord's agent, or other person in control of the premises cannot be found and if there is no person in charge, the officer shall immediately enter into and place the residential tenant in possession of the premises. The officer shall also serve the order and verified petition or affidavit immediately upon the landlord or agent, in the same manner as a summons is required to be served in a civil action in district court.
- (f) The court administrator may charge a filing fee in the amount set for complaints and counterclaims in conciliation court, subject to the filing of an inability to pay affidavit.

44.1	Sec. 29. Minnesota Statutes 2020, section 504B.381, subdivision 1, is amended to read:
44.2	Subdivision 1. Petition. A person authorized to bring an action under section 504B.395,
44.3	subdivision 1, may petition the court for relief in cases of emergency involving the loss of
44.4	running water, hot water, heat, electricity, sanitary facilities, or other essential services or
44.5	facilities that the landlord is responsible for providing.:
44.6	(1) when a unit of government has issued a condemnation order or a notice of intent to
44.7	condemn; or
44.8	(2) in cases of emergency involving the following services and facilities when the landlord
44.9	is responsible for providing them:
44.10	(i) a serious infestation;
44.11	(ii) the loss of running water;
44.12	(iii) the loss of hot water;
44.13	(iv) the loss of heat;
44.14	(v) the loss of electricity;
44.15	(vi) the loss of sanitary facilities;
44.16	(vii) a nonfunctioning refrigerator;
44.17	(viii) if included in the lease, a nonfunctioning air conditioner;
44.18	(ix) if included in the lease, no functioning elevator;
44.19	(x) any conditions, services, or facilities that pose a serious and negative impact on
44.20	health or safety; or
44.21	(xi) other essential services or facilities.
44.22	Sec. 30. Minnesota Statutes 2020, section 504B.381, subdivision 5, is amended to read:
44.23	Subd. 5. Relief; service of petition and order. Provided proof that the petitioner has
44.24	given the notice required in subdivision 4 to the landlord, if the court finds based on the
44.25	petitioner's emergency ex parte motion for relief, affidavit, and other evidence presented
44.26	that the landlord violated subdivision 1, then the court shall order that the landlord
44.27	immediately begin to remedy the violation and may order relief as provided in section
44.28	504B.425. The <u>court and petitioner shall serve the petition and</u> order on the landlord
44.29	personally or by mail as soon as practicable. The court shall include notice of a hearing and,
44.30	at the hearing, shall consider evidence of alleged violations, defenses, compliance with the

	order, and any additional relief available under section 504B.425. The court and petitioner
	shall serve the notice of hearing on the ex parte petition and emergency order personally or
	by mail as soon as practicable.
	Sec. 31. Minnesota Statutes 2020, section 504B.381, is amended by adding a subdivision
	to read:
	Subd. 8. Filing fee. The court administrator may charge a filing fee in the amount set
	for complaints and counterclaims in conciliation court, subject to the filing of an inability
	to pay affidavit.
	Sec. 32. REPEALER.
	Minnesota Statutes 2020, section 504B.341, is repealed.
	Sec. 33. <u>EFFECTIVE DATE.</u>
	Sections 5, 14, 15, 19 to 27, and 32 are effective August 1, 2021, and apply to actions
	filed on or after that date.
	ARTICLE 7
	MANUFACTURED HOMES
	Section 1. [168A.1411] MANUFACTURED HOME AFFIXED TO REAL PROPERTY
_	OWNED BY COOPERATIVE.
	Subdivision 1. Certificates surrendered for cancellation; cooperatives. (a) When a
	manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision
	8, paragraph (b), to real property owned by a Minnesota nonprofit corporation or a Minnesota
(cooperative, the owner of the manufactured home may surrender the manufacturer's certificate
	•
(of origin or certificate of title to the department for cancellation so that the manufactured
	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property.
	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter
1	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this
	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's
	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrendered.
	cooperative, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an
	of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner and upon recording an affidavit of affixation, which the county recorder or

(1) the name, residence address, and mailing address of owner or owners of the
manufactured home;
(2) the legal description of the real property in which the manufactured home is, or w
be, located;
(3) a copy of the surrendered manufacturer's certificate of origin or certificate of title
and the notice of surrender;
(4) a written statement from the county auditor or county treasurer of the county whe
the manufactured home is located stating that all property taxes payable in the current year
as provided under section 273.125, subdivision 8, paragraph (b), have been paid or are n
applicable; and
(5) the signature of the person who executes the affidavit, properly executed before a
person authorized to authenticate an affidavit in this state.
(b) A certified copy of the affidavit must be delivered to the county auditor of the county
in which the real property to which the manufactured home was affixed is located.
(c) The department is not liable for any errors, omissions, misstatements, or other
deficiencies or inaccuracies in documents presented to the department under this section
he documents presented appear to satisfy the requirements of this section. The departme
has no obligation to investigate the accuracy of statements contained in the documents.
Subd. 2. Affidavit form; cooperatives. An affidavit of affixation must be in substantial
the following form and must contain the following information:
MANUFACTURED HOME AFFIDAVIT OF AFFIXATION IN A COOPERATIV
PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1411
Homeowner, being duly sworn, on his or her oath, states as follows:
1. Homeowner owns the manufactured home ("home") described as follows:
Manufacturer's Model Name or Manufacturer's
New/Used Year Name Model No. Serial No. Length/Wid
2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is
attached.
3. A copy of the notice of surrender issued from the Minnesota Department of Public Safe
Driver and Vehicle Services is attached.
4. The home is or will be located at the following "Property Address":

Street or Route	City	County	State	Zip Code
5. The legal descri	ption of the pro	operty address ("land") i	s as follows or	as attached hereto:
6. The owner of th	e land is a Mir	nnesota nonprofit corpor	ration or Minne	esota cooperative
that owns the land	and whose me	embership entitles the ho	omeowner to o	ccupy a specific
portion of the land	l <u>.</u>			
7. The home	is, or will	be promptly upon deliv	ery, anchored	to the land by
attachment to a per	manent founda	ation and connected to ap	propriate resid	lential utilities (e.g.,
water, gas, electric	eity, sewer).			
8. The homeowner	r intends that th	ne home be an immovab	ole permanent i	improvement to the
land, free of any p	ersonal proper	ty security interest.		
9. A copy of the wi	ritten statemen	t from the county audito	r or county trea	asurer of the county
in which the manu	factured home	is then located, stating	that all propert	ty taxes payable in
the current year (p	ursuant to Min	nesota Statutes, section	273.125, subdi	vision 8, paragraph
(b)), have been pai	id, or are not a	pplicable, is attached.		
10. The home is in	ntended to be a	ssessed and taxed as an	improvement t	to the land.
Signed and sworn t	to (or affirmed)	before me on (date)) by (name	es of homeowner(s))
Homeowner Signa		Address		
Printed Name		City, State		
Homeowner Signa	ature (if application	able)		
Printed Name				
This instrumen	t was drafted b	y, and when recorded re	eturn to:	
Subscribed and sw	orn to before 1	ne this day of	<u>,</u>	

48.1	
48.2	Signature of Notary Public or Other Official
48.3	Notary Stamp or Seal
48.4	(optional)
48.5	Lender's Statement of Intent:
48.6	The undersigned ("lender") intends that the home be immovable and a permanent
48.7	improvement to the land free of any personal property security interest.
48.8	
48.9	Lender
48.10	By:
48.11	Authorized Signature
48.12	STATE OF)
48.13) ss:
48.14	COUNTY OF
48.15	On the day of in the year before me, the undersigned, a Notary Public in and
48.16	for said state, personally appeared
48.17	
48.18	personally known to me or proved to me on the basis of satisfactory evidence to be the
48.19	individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged
48.20	to me that he/she/they executed the same in his/her/their capacity(ies), and that by
48.21	his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of
48.22	which the individual(s) acted, executed the instrument.
48.23	
48.24	Notary Signature
48.25	
48.26	Notary Printed Name
48.27	Notary Public, State of
48.28	Qualified in the County of
48.29	My commission expires
48.30	Official seal:
48.31	[only if the owner of the land is a Minnesota nonprofit corporation or cooperative]:
48.32	The undersigned is the of, a Minnesota [nonprofit
48.33	corporation or cooperative], which owns the land described above. I hereby certify that the

49.1	homeowner described above is a member of the [nonprofit corporation or cooperative]
49.2	whose membership entitles the homeowner to occupy [insert legal description of the
49.3	homeowner's lot or, if the corporation or cooperative has filed a scaled drawing as permitted
49.4	by Minnesota Statutes, section 168A.1411, subdivision 5, Lot shown on such
49.5	scaled drawing].
49.6	
49.7	Signature block for nonprofit or cooperative
49.8	
49.9 49.10	Acknowledgment of officer of nonprofit or cooperative
49.11	Subd. 3. Perfected security interest prevents surrender. The department may not
49.12	cancel a certificate of title if, under this chapter, a security interest has been perfected on
49.13	the manufactured home. If a security interest has been perfected, the department must notify
49.14	the owner that each secured party must release or satisfy the security interest prior to
49.15	proceeding with surrender of the manufacturer's certificate of origin or certificate of title to
49.16	the department for cancellation. Permanent attachment to real property or the recording of
49.17	an affidavit of affixation does not extinguish an otherwise valid security interest in or tax
49.18	lien on the manufactured home, unless the requirements of subdivisions 1 to 3, including
49.19	the release of any security interest, have been satisfied.
49.20	Subd. 4. Notice of security interest. When a perfected security interest exists, or will
49.21	exist, on the manufactured home at the time the manufactured home is affixed to real
49.22	property, and the owner has not satisfied the requirements of subdivision 1, the owner of
49.23	the manufactured home, or its secured party, may record a notice with the county recorder,
49.24	or with the registrar of titles, if the land is registered, stating that the manufactured home
49.25	located on the property is encumbered by a perfected security interest and is not an
49.26	improvement to real property. The notice must state the name and address of the secured
49.27	party as set forth on the certificate of title, the legal description of the real property, and the
49.28	name and address of the record fee owner of the real property on which the manufactured
49.29	home is affixed. When the security interest is released or satisfied, the secured party must
49.30	attach a copy of the release or satisfaction to a notice executed by the secured party containing
49.31	the county recorder or registrar of titles document number of the notice of security interest.
49.32	The notice of release or satisfaction must be recorded with the county recorder, or registrar
49.33	of titles, if the land is registered. Neither the notice described in this subdivision nor the
49.34	security interest on the certificate of title is deemed to be an encumbrance on the real
49.35	property. The notices provided for in this subdivision need not be acknowledged.

50.1	Subd. 5. Scaled drawing. (a) If the portion of the land occupied by the homeowner has
50.2	not been subdivided, the nonprofit or cooperative owner shall have prepared and recorded
50.3	against the land a scaled drawing prepared by a licensed professional land surveyor who
50.4	shall certify that:
50.5	(1) the scaled drawing accurately depicts all information required by this subdivision;
50.6	<u>and</u>
50.7	(2) the work was undertaken by, or reviewed and approved by, the certifying land
50.8	surveyor.
50.9	(b) The scaled drawing shall show:
50.10	(1) the dimensions and location of all existing material structural improvements and
50.11	roadways;
50.12	(2) the extent of any encroachments by or upon any portion of the land;
50.13	(3) the location and dimensions of all recorded easements within the land burdening any
50.14	portion of the land;
50.15	(4) the distance and direction between noncontiguous parcels of real estate;
50.16	(5) the location and dimensions of the front, rear, and side boundaries of each lot that a
50.17	member of the cooperative or nonprofit corporation has a right to occupy and that lot's
50.18	unique lot number; and
50.19	(6) the legal description of the land.
50.20	Sec. 2. [168A.1412] MANUFACTURED HOME AFFIXED TO REAL PROPERTY.
50.21	Subdivision 1. Manufactured home as real property. A manufactured home may be
50.22	made an improvement to real property, and no longer titled as personal property, pursuant
50.23	to this section. A manufactured home constitutes an improvement to real property when:
50.24	(1) the manufactured home is to be affixed or is affixed, as defined in section 273.125,
50.25	subdivision 8, paragraph (b), to the real property;
50.26	(2) the certificate of title is surrendered and canceled pursuant to subdivision 2, or the
50.27	manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and
50.28	(3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder
50.29	or registrar of titles, as applicable.
50.30	Subd. 2. Surrender of certificate of title. (a) The owner of the manufactured home
50.31	may surrender the manufacturer's certificate of title to the commissioner for cancellation

51.1	Upon receipt of the certificate of title, the commissioner must issue notice of cancellation
51.2	to the owner of the manufactured home. In the event the certificate of title is lost, stolen,
51.3	mutilated, destroyed, or becomes illegible, the owner may submit a written request for
51.4	cancellation of the title which includes the serial number of the manufactured home and
51.5	states that the certificate of title is lost, stolen, mutilated, destroyed, or has become illegible.
51.6	Upon receipt of the request and verification of ownership in Driver and Vehicle Services
51.7	Division records, the commissioner must issue notice of cancellation to the owner of the
51.8	manufactured home and must not require the owner to deliver the certificate of title or obtain
51.9	a duplicate certificate of title. After canceling a certificate of title, the commissioner must
51.10	not allow transfer of the title to the manufactured home as personal property. The
51.11	commissioner must not require the owner of the manufactured home to deliver the affidavit
51.12	of affixation described in subdivision 5 in order for the commissioner to issue notice of
51.13	cancellation.
51.14	(b) The commissioner must not cancel a certificate of title if, under this chapter, a security
51.15	interest has been perfected on the manufactured home. If a security interest has been
51.16	perfected, the commissioner must notify the owner of the manufactured home that each
51.17	secured party must release or satisfy the security interest prior to cancellation of the certificate
51.18	of title by the commissioner. Affixing the manufactured home to real property or recording
51.19	an affidavit of affixation without cancellation of the certificate of title does not extinguish
51.20	an otherwise valid security interest in or tax lien on the manufactured home.
51.21	Subd. 3. Surrender of manufacturer's certificate of origin. The owner of the
51.22	manufactured home may surrender the manufacturer's certificate of origin to the
51.23	commissioner for cancellation. Upon delivery of the original certificate of origin, the
51.24	commissioner must issue notice of cancellation to the owner of the manufactured home.
51.25	The commissioner must not issue a certificate of title for a manufactured home if the
51.26	manufacturer's certificate of origin is or has been canceled under this subdivision, except
51.27	as provided in section 168A.142. The commissioner must not require the owner of the
51.28	manufactured home to deliver the affidavit of affixation described in subdivision 5 in order
51.29	for the commissioner to cancel the certificate of origin.
51.30	Subd. 4. Verification. The commissioner is not liable for any errors, omissions,
51.31	misstatements, or other deficiencies or inaccuracies in documents presented to the
51.32	commissioner under this section if the documents presented appear to satisfy the requirements
51.33	of this section. The commissioner has no obligation to investigate the accuracy of statements
51.34	contained in the documents to verify that the manufactured home has been affixed to the
51.35	real property.

5	Subd. 5. Affidavit of affixation. An affidavit of affixation must be in substantially the
follo	owing form and must contain the following information and attachments described in
the f	Form. The county recorder or registrar of titles, as applicable, must accept any such
affic	lavit. The county recorder or registrar of titles, as applicable, must provide a copy of
he 1	recorded affidavit of affixation to the county auditor of the county for the real property
lesc	ribed therein or otherwise inform the county auditor that the home is to be taxed as an
mpı	rovement to the real property to which it is affixed:
	MANUFACTURED HOME AFFIDAVIT OF AFFIXATION
	PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412
	("Affiant"), being first duly sworn, on oath states, or affirms
ınde	er penalties of perjury that:
1. I a	am an owner of the manufactured home ("Manufactured Home") described as follows:
Maı	nufacturer's name:
Mal	Ke:
Mo	del number:
Mo	del year:
Seri	al number:
Din	nensions:
Oth.	er descriptive information (if any):
2. T	he Manufactured Home is or will be (check one) affixed, in accordance with
Min	nesota Statutes, section 273.125, subdivision 8, to real property in
Stre	et or route:
	7:
	e:
Zip	code:
and	legally described as follows ("Land"):
<u></u>	
<u></u>	<u></u>
<u></u>	<u></u>
Che	ck here if all or part of the described real property is Registered (Torrens)
3. A	copy of the notice of cancellation issued from the Minnesota Department of Public
Safe	ty Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412,
	livision 2 or 3 is attached

53.1	4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.		
53.2	5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an		
53.3	improvement to real property, no longer titled	d as personal property, and free of any personal	
53.4	property security interest.		
53.5		Affiant	
		<u> </u>	
53.6		(G' , , ,)	
53.7		(Signature)	
53.8	Signed and sworn to (or affirmed) before me	e this day of	
53.9	Notary Stamp or Seal		
52.10			
53.10		<u></u>	
53.11		Signature of notarial officer Title (and Rank):	
53.12		My commission expires:	
53.13 53.14	This instrument was drafted by, and when recorded return to		
53.15			
53.16	Subd. 6. Notice of security interest. Wh	en a perfected security interest exists, or will	
53.17	exist, on the manufactured home at the time	the manufactured home is affixed to real	
53.18	property, and the owner has not satisfied the	requirements of subdivision 1, the owner of	
53.19	the manufactured home, or its secured party,	may record a notice with the county recorder,	
53.20	or with the registrar of titles, if the land is re	gistered, stating that the manufactured home	
53.21	located on the property is encumbered by a p	perfected security interest and is not an	
53.22	improvement to real property. The notice mu	ast state the name and address of the secured	
53.23	party as set forth on the certificate of title, the	e legal description of the real property, and the	
53.24	name and address of the record fee owner of	the real property on which the manufactured	
53.25	home is affixed. When the security interest i	s released or satisfied, the secured party must	
53.26	attach a copy of the release or satisfaction to a	notice executed by the secured party containing	
53.27	the county recorder or registrar of titles docu	ment number of the notice of security interest.	
53.28	The notice of release or satisfaction must be	recorded with the county recorder, or registrar	
53.29	of titles, if the land is registered. Neither the	notice described in this subdivision nor the	
53.30	security interest on the certificate of title is of	leemed to be an encumbrance on the real	
52 21	property. The notices provided for in this sul	adivision need not be acknowledged	

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Sec. 3. Minnesota Statutes 2020, section 273.125, subdivision 8, is amended to read:

- Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured home" means a structure transportable in one or more sections, which is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and contains the plumbing, heating, air conditioning, and electrical systems in it. Manufactured home includes any accessory structure that is an addition or supplement to the manufactured home and, when installed, becomes a part of the manufactured home.
- (b) Except as provided in paragraph (c), a manufactured home that meets each of the following criteria must be valued and assessed as an improvement to real property, the appropriate real property classification applies, and the valuation is subject to review and the taxes payable in the manner provided for real property:
- (1) the owner of the unit holds title to the land on which it is situated is held by: (i) the owner of the unit; or (ii) a Minnesota nonprofit corporation or a Minnesota cooperative to which the owner is a member;
- (2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34, and rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and
- (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced by water and sewer facilities comparable to other real property in the taxing district.
- (c) A manufactured home that meets each of the following criteria must be assessed at the rate provided by the appropriate real property classification but must be treated as personal property, and the valuation is subject to review and the taxes payable in the manner provided in this section:
- (1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is located in a manufactured home park but is not the homestead of the park owner;
- (2) the unit is affixed to the land by a permanent foundation or is installed at its location in accordance with the Manufactured Home Building Code contained in sections 327.31 to 327.34, and the rules adopted under those sections, or is affixed to the land like other real property in the taxing district; and
- 54.32 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced 54.33 by water and sewer facilities comparable to other real property in the taxing district.

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- (d) Sectional structures must be valued and assessed as an improvement to real property if the owner of the structure holds title to the land on which it is located or is a qualifying lessee of the land under section 273.19. In this paragraph "sectional structure" means a building or structural unit that has been in whole or substantial part manufactured or constructed at an off-site location to be wholly or partially assembled on site alone or with other units and attached to a permanent foundation.
- (e) The commissioner of revenue may adopt rules under the Administrative Procedure Act to establish additional criteria for the classification of manufactured homes and sectional structures under this subdivision.
- (f) A storage shed, deck, or similar improvement constructed on property that is leased or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer is taxable as provided in this section. In the case of property that is leased or rented as a site for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered personal property under this paragraph is taxable only if its total estimated market value is over \$10,000. The property is taxable as personal property to the lessee of the site if it is not owned by the owner of the site. The property is taxable as real estate if it is owned by the owner of the site. As a condition of permitting the owner of the manufactured home, sectional structure, park trailer, or travel trailer to construct improvements on the leased or rented site, the owner of the site must obtain the permanent home address of the lessee or user of the site. The site owner must provide the name and address to the assessor upon request.

55.22 Sec. 4. [327C.097] OPPORTUNITY TO PURCHASE.

- 55.23 <u>Subdivision 1.</u> **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.
- (b) "Cooperative" means a cooperative organized under chapter 308A or 308B.
- (c) "Nonprofit" means a nonprofit organization under chapter 317A.
- (d) "Representative" has the meaning given in section 327C.01, subdivision 8a.
- 55.28 Subd. 2. Scope. This section does not apply where the conveyance of the manufactured home park is by a:
- 55.30 (1) taking by eminent domain;
- 55.31 (2) transfer by a corporation to an affiliate;
- 55.32 (3) foreclosure;

56.1	(4) transfer by a partnership to one or more of its partners; or
56.2	(5) sale or transfer to a person who would be an heir of the owner who dies intestate.
56.3	Subd. 3. Notice of sale. (a) No park owner may accept any offer for the sale, lease, or
56.4	transfer of a manufactured home park without first giving 60 days' written notice by certified
56.5	mail, return receipt requested, of the proposed sale, lease, or transfer to:
56.6	(1) each resident of the manufactured home park; and
56.7	(2) the Minnesota Housing Finance Agency.
56.8	(b) The notice required under this subdivision must be dated and indicate the price,
56.9	terms, and conditions of an acceptable offer the park owner has received to sell, lease, or
56.10	transfer the manufactured home park. The notice must include the following verbatim
56.11	statement: "The park owner has received and is prepared to accept an outside offer to [sell,
56.12	lease, transfer] this park. The price, terms, and conditions of the offer are listed below.
56.13	Before accepting the offer for the [sale, lease, transfer], the park owner will consider any
56.14	offer submitted within 60 days of the date of this notice by a representative. The owner will
56.15	negotiate in good faith with the representative. [List of price, terms, and conditions.]"
56.16	(c) An owner must make available upon the request of a resident a copy of any acceptable
56.17	agreement to sell, lease, or transfer the manufactured home park for a period of 60 days
56.18	following the date of the notice required under this subdivision. The owner must provide
56.19	the copy within three days of the request by the resident.
56.20	Subd. 4. Residents' representative offer to purchase. (a) A representative may submit
56.21	a written offer to the park owner to purchase the manufactured home park subject to the
56.22	conditions required under subdivision 7. The offer must be submitted within 60 days of the
56.23	postmark date of the notice required under subdivision 3, by certified mail, return receipt
56.24	requested.
56.25	(b) If the owner rejects the representative's offer, the owner must provide written notice
56.26	to the representative of, and an explanation of the reasons for, rejection of the offer. The
56.27	notice of rejection must be delivered to the representative by certified mail within five days
56.28	of receipt of the offer from the representative. No owner may accept a final, unconditional
56.29	offer for the sale, lease, or transfer of a manufactured home park earlier than on the 31st
56.30	day following the certified delivery date of the notice of rejection.
56.31	Subd. 5. Optional recording. (a) A park owner may record with the county recorder or
56.32	registrar of titles in the county where the park is located an affidavit, with a copy of the
56.33	notice required under subdivision 3 attached, attesting:

57.1	(1) the park owner has complied with the requirements of this section; or
57.2	(2) the sale, lease, or transfer of the manufactured home park is exempt from this section
57.3	pursuant to subdivision 2.
57.4	(b) An affidavit filed in accordance with this subdivision shall be presumptive evidence
57.5	of compliance for purposes of conveying good title to a bona fide purchaser.
57.6	(c) The representative who makes an offer to purchase the park as provided under
57.7	subdivision 4 may record notice of the offer in the county recorder's office.
57.8	Subd. 6. Good faith obligations. All transactions governed by, and all actions taken
57.9	pursuant to, this section must be conducted in good faith.
57.10	Subd. 7. Requirement of affordable housing preservation. (a) A representative who
57.11	purchases a park under this section shall maintain the property for a period of at least 50
57.12	years following the closing date of the purchase as:
57.13	(1) a manufactured home park;
57.14	(2) a combination of manufactured homes and nonmanufactured home single dwelling
57.15	units contained in one-family, two-family, or multifamily dwellings affordable for
57.16	low-income households; or
57.17	(3) all nonmanufactured home single dwelling units contained in one-family, two-family,
57.18	or multifamily dwellings affordable for low-income households.
57.19	(b) For the purposes of this section:
57.20	(1) "affordable" has the meaning given in Code of Federal Regulations, title 24, section
57.21	81.15; and
57.22	(2) "low-income households" has the meaning given in Code of Federal Regulations,
57.23	title 24, section 570.3.
57.24	(c) The deed to the representative must contain a covenant running with the land that
57.25	requires the property to meet at least one of the conditions specified in paragraph (a) for at
57.26	least 50 years from the date of the deed transfer.
57.27	Subd. 8. Challenge to petition. In any action challenging the validity of the signatories
57.28	of the petition authorizing a representative to represent residents in negotiations to purchase
57.29	a manufactured home park, there shall be a rebuttable presumption that the challenged
57.30	party's signature is sufficient evidence that the party is a valid signatory.

58.1	Subd. 9. Remedies. (a) A park owner who violates subdivision 3, 4, or 6 is liable to each
58.2	resident for actual, incidental, or consequential damages, plus attorney fees and costs.
58.3	(b) In addition to the remedies that a resident is entitled to under paragraph (a), a court
58.4	may grant declaratory, injunctive, or equitable relief.
58.5	(c) The remedies provided under this subdivision are cumulative, not exclusive, and do
58.6	not restrict any remedy that is otherwise available to a plaintiff at law or in equity.
58.7	Subd. 10. List of interested organizations. The Minnesota Housing Finance Agency
58.8	must:
58.9	(1) within ten days of receipt of a notice received under subdivision 3, distribute a copy
58.10	of the notice to nonprofit organizations that register with the Minnesota Housing Finance
58.11	Agency to receive such notices; and
58.12	(2) make the list of nonprofit organizations that have so registered publicly available on
58.13	the Minnesota Housing Finance Agency's website.
58.14	Sec. 5. <u>REVISOR INSTRUCTION.</u>
58.15	The revisor of statutes must change all cross-references to Minnesota Statutes, section
58.16	168A.141, to instead reference Minnesota Statutes, section 168A.1412.
58.17	Sec. 6. REPEALER.
58 18	(a) Minnesota Statutes 2020, section 327C 096, is repealed

(b) Minnesota Statutes 2020, section 168A.141, is repealed.

APPENDIX

Repealed Minnesota Statutes: H1077-1

168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.

Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner, and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an improvement to real property. An affidavit of affixation by the owner of the manufactured home must include the following information:

- (1) the name, residence address, and mailing address of owner or owners of the manufactured home;
- (2) the legal description of the real property in which the manufactured home is, or will be, located;
- (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;
- (4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not applicable;
- (5) the name and address of the person designated by the applicant to record the original affidavit of affixation with the county recorder or registrar of titles for the county where the real property is located; and
- (6) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.
- (b) The person designated in paragraph (a), clause (5), must record, or arrange for the recording of, the affidavit of affixation, accompanied by the fees for recording and for issuing a certified copy of the notice, including all attachments, showing the recording date. Upon obtaining the certified copy of the notice under this paragraph, the person designated in the affidavit must deliver the certified copy to the county auditor of the county in which the real property to which the manufactured home was affixed is located.
- (c) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section, if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.
- Subd. 1a. **Affidavit form.** An affidavit of affixation must be in substantially the following form and must contain the following information.

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

Manufacturer's	Model Name or	Manufacturer's Serial	

New/Used Year Name Model No. No. Length/Width

- 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is attached.
- 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached.
- 4. The home is or will be located at the following "Property Address":

APPENDIX Repealed Minnesota Statutes: H1077-1

Street or Route City Coun	ty Zip Code
5. The legal description of the property address ("la	and") is as follows or as attached hereto:
6. The homeowner is the owner of the land.	
7. The home is, or must be promptly upon delivery, permanent foundation and connected to appropriate sewer).	
8. The homeowner intends that the home be an impute of any personal property security interest.	novable permanent improvement to the land,
9. A copy of the written statement from the county which the manufactured home is then located, stating year (pursuant to Minnesota Statutes, section 273.1 paid, or are not applicable, is attached.	ng that all property taxes payable in the current
10. The home must be assessed and taxed as an imp	provement to the land.
11. The name and address of the person designated by of surrender with the county recorder or registrar of located is:	
Name	
Street Address	
City, State, Zip Code	
Phone	
E-mail	
IN WITNESS WHEREOF, homeowner(s) have executed 20	
Homeowner Signature A	ddress
Printed Name C	ity, State
Homeowner Signature (if applicable)	
Printed Name	
This instrument was drafted by, and when recor	rded return to:
Subscribed and sworn to before me this day of	f,

APPENDIX Repealed Minnesota Statutes: H1077-1

Subd. 2. **Perfected security interest prevents surrender.** The department may not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department must notify the owner that each secured party must release or satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate of origin or certificate of title to the department for cancellation. Permanent attachment to real property or the recording of an affidavit of affixation does not extinguish an otherwise valid security interest in or tax lien on the manufactured home, unless the requirements of section 168A.141, subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

Subd. 3. **Notice of security interest.** When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of section 168A.141, subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal

APPENDIX

Repealed Minnesota Statutes: H1077-1

description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.

327C.096 NOTICE OF SALE.

When a park owner offers to sell a manufactured home park to the public through advertising in a newspaper or by listing the park with a real estate broker licensed by the Department of Commerce, the owner must provide concurrent written notice to a resident of each manufactured home in the park that the park is being offered for sale. Written notice provided once within a one-year period satisfies the requirement under this section. The notice provided by the park owner to a resident of each manufactured home does not grant any property rights in the park and is for informational purposes only. This section does not apply in the case of a taking by eminent domain, a transfer by a corporation to an affiliate, a transfer by a partnership to one or more of its partners, or a sale or transfer to a person who would be an heir of the owner if the owner were to die intestate. If at any time a manufactured home park owner receives an unsolicited bona fide offer to purchase the park that the owner intends to consider or make a counter offer to, the owner is under no obligation to notify the residents as required under this section.

504B.341 CONTINUANCE OF TRIAL.

- (a) In an eviction action, the court, in its discretion, may grant a continuance of the trial for no more than six days unless all parties consent to longer continuance.
- (b) However, in all actions brought under section 504B.285, other than actions on a written lease signed by both parties, the court shall continue the trial as necessary but for no more than three months if the defendant or the defendant's agent or attorney:
- (1) states under oath that the defendant cannot proceed to trial because a material witness is not present;
 - (2) names the witness;
 - (3) states under oath that the defendant has made due exertion to obtain the witness;
- (4) states the belief that if the continuance is allowed the defendant will be able to procure the attendance of the witness at the trial or to obtain the witness's deposition; and
- (5) gives a bond that the plaintiff will be paid all rent that accrues during the pendency of the action and all costs and damages that accrue due to the adjournment.