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State of Minnesota

HOUSE OF REPRESENTATIVES

A bill for an act

relating to housing; allowing local government to implement rent stabilization measures; prohibiting rent stabilization for some residential buildings; allowing

NINETIETH SESSION

H. F. No. 2929

02/22/2018 Authored by Clark; Dehn, R.; Allen; Lee; Moran and others
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

.4	local ordinances for eviction actions to control over state law; proposing coding
.5	for new law in Minnesota Statutes, chapters 471; 504B; repealing Minnesota
.6	Statutes 2016, section 471.9996.
.7	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
.8	Section 1. [471.9994] RENT STABILIZATION.
.9	Subdivision 1. In general. (a) A statutory or home rule charter city, county, or town
.10	may adopt or renew an ordinance to stabilize rent on private residential property that had
11	initial tenant occupancy prior to January 1, 2008. The rent stabilization ordinance must
12	allow for annual increases to rent either:
3	(1) based on a set formula or standard annual increase provided in the ordinance; or
4	(2) based on actual costs to property owner including utility costs, necessary repair and
5	maintenance, or increased property taxes.
5	(b) A rent stabilization ordinance may include provisions for just cause evictions and
7	tenant repair remedies that are different than the eviction laws and tenant repair remedies
3	provided in chapter 504B.
)	(c) This section does not impair the right of any statutory or home rule charter city,
0	county, or town:
1	(1) to manage or control property in which it has a financial interest through a housing
2	authority or similar agency;
3	(2) to contract with a property owner;
	Section 1.

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2.1	(3) to act as required or authorized by laws or regulations of the United States government
2.2	or this state; or
2.3	(4) to mediate between property owners and tenants for the purpose of negotiating rents.
2.4	(d) For the purposes of this section, "private residential property" means residential
2.5	property that is not public and contains at least one rental unit.
2.6	Subd. 2. Exception. No statutory or home rule charter city, county, or town may adopt
2.7	or renew an ordinance to stabilize rent on private residential property that was constructed
2.8	after January 1, 2008, or which had initial residential tenant occupancy after January 1,
2.9	<u>2008.</u>
2.10	EFFECTIVE DATE. This section is effective the day after final enactment.
2.11	Sec. 2. [504B.280] LOCAL CONTROLS; EVICTION ACTIONS.
2.12	If a local government has passed a rent stabilization ordinance under section 471.994
2.13	that includes eviction provisions or tenant repair remedies that differ from the provisions
2.14	in this chapter then those provisions apply and the local ordinance is controlling. The local
2.15	ordinance must specifically provide which state eviction laws apply, and if, and whether
2.16	any rental units are exempt from the local ordinance. In all other cases, evictions are governed
2.17	exclusively by this chapter.
2.18	EFFECTIVE DATE. This section is effective the day after final enactment.
2.19	Sec. 3. REPEALER.
2.20	Minnesota Statutes 2016, section 471.9996, is repealed.

Sec. 3. 2

APPENDIX

Repealed Minnesota Statutes: HF2929-0

471,9996 RENT CONTROL PROHIBITED.

Subdivision 1. **In general.** No statutory or home rule charter city, county, or town may adopt or renew by ordinance or otherwise any law to control rents on private residential property except as provided in subdivision 2. This section does not impair the right of any statutory or home rule charter city, county, or town:

- (1) to manage or control property in which it has a financial interest through a housing authority or similar agency;
 - (2) to contract with a property owner;
- (3) to act as required or authorized by laws or regulations of the United States government or this state; or
 - (4) to mediate between property owners and tenants for the purpose of negotiating rents.
- Subd. 2. **Exception.** Subdivision 1 does not preclude a statutory or home rule charter city, county, or town from controlling rents on private residential property to the extent that the city, county, or town has the power to adopt an ordinance, charter amendment, or law to control these rents if the ordinance, charter amendment, or law that controls rents is approved in a general election. Subdivision 1 does not limit any power or authority of the voters of a statutory or home rule charter city, county, or town to petition for an ordinance or charter amendment to control rents on private residential property to the extent that the power or authority is otherwise provided for by law, and if the ordinance or charter amendment is approved in a general election. This subdivision does not grant any additional power or authority to the citizens of a statutory or home rule charter city, county, or town to vote on any question beyond that contained in other law.

Subdivision 1 does not apply to any statutory city unless the citizens of the statutory city have the authority to vote on the issue of rent control granted by other law.