

Sec. 37. Minnesota Statutes 1978. Section 260.231, Subdivision 3, is amended to read:

Subd. 3. The court shall have notice of the time, place, and purpose of the hearing served on the parents, as defined in sections 1 to 24 or in section 35, subdivision 1, clause (2), in the manner provided in sections 260.135 and 260.141, except that personal service shall be made at least ten days before the day of the hearing ~~provided that in the case of an illegitimate child, notice shall be given to the parent of an illegitimate child meeting the requirements of section 259.26, subdivision 1, clause (3)~~. Published notice shall be made for three weeks, the last publication to be at least ten days before the day of the hearing; and notice sent by certified mail shall be mailed at least 20 days before the day of the hearing. A parent who consents to the termination of parental rights under the provisions of section 260.221, clause (a), may waive in writing the notice required by this subdivision; however, if the parent is a minor or incompetent ~~his~~ the waiver shall be effective only if ~~his~~ the parent's guardian ad litem concurs in writing.

Sec. 38. Minnesota Statutes 1978, Sections 257.251; 257.252; 257.253; 257.254; 257.255; 257.256; 257.257; 257.258; 257.259; 257.261; 257.262; 257.263; 257.264; 257.27; 257.28; 257.29; 257.30; 257.31; 257.32; and 517.19; are repealed.

Approved April 23, 1980.

CHAPTER 590—S.F.No. 630

An act relating to commerce; providing for the licensing and regulation of mobile home dealers; imposing certain duties and prohibiting certain practices; providing penalties; amending Minnesota Statutes 1978, Sections 327.43, Subdivision 1; 327.51, Subdivision 1, and by adding subdivisions; 327.55, Subdivisions 1 and 4; and Chapter 327, by adding sections; and Minnesota Statutes, 1979 Supplement, Sections 327.43, Subdivision 2; and 327.44.

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

Section 1. Minnesota Statutes 1978, Section 327.43, Subdivision 1, is amended to read:

327.43 ENTRANCE AND TRANSFER FEES PROHIBITED; SECURITY DEPOSITS LIMITED. Subdivision 1. No fee other than the periodic rental payment specified in the lease or rental agreement may be charged to a mobile home park tenant or prospective tenant or any agent of a tenant or prospective tenant for the right to obtain or retain a space or lot, provided that a lessor may impose a reasonable charge for goods and services actually furnished by or at his expense in setting up a mobile home on a space or lot.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 327.43, Subdivision 2, is amended to read:

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Subd. 2. No lessor shall deny any mobile home park tenant the right to sell said tenant's mobile home within the park or require the tenant to remove the mobile home from the park solely on the basis of the sale thereof unless the home is more than 15 years old. The lessor may reserve the right to approve the purchaser of said mobile home as a tenant, but such permission may not be unreasonably withheld, and the lessor shall not exact a commission or fee with respect to the price realized by the seller unless the lessor has acted as agent for the seller in the sale pursuant to a written contract. The rights of a tenant as provided in this subdivision shall also extend to any party holding a security interest in the tenant's mobile home who chooses to exercise its rights under a security agreement to repossess and sell the mobile home and who so notifies the lessor in writing. Temporary vacancy of a mobile home during a period not to exceed 90 days when the mobile home is being sold shall not be cause for removal so long as the mobile home is maintained in a manner consistent with the reasonable regulations of the mobile home park.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 327.44, is amended to read:

327.44 TERMINATION FOR CAUSE. A lessor may recover possession of land upon which an occupied mobile home is situated only if:

(a) The tenant fails to comply with a local ordinance or state law or regulation relating to mobile homes within the time the ordinance, law or regulation provides or, if no time is provided, within a reasonable time after the tenant has received written notice of noncompliance;

(b) The tenant fails to comply with the terms and conditions of the lease or rental agreement within 30 days after the tenant has received written notice of the alleged noncompliance except the 30 day notice shall not apply to nonpayment of rent;

(c) The owner voluntarily ceases to operate as a park all or the part of the mobile home park occupied by the tenant, and the tenant has received six months written notice of the planned cessation of operation;

(d) The tenant conducts himself upon the mobile home park premises in a manner which substantially annoys or endangers the health or safety of other tenants or causes substantial damage to the mobile home park premises and has received 30 days written notice to vacate, except the park owner may require the tenant to vacate immediately if the tenant violates this clause a second or subsequent time after receipt of the notice;

(e) The mobile home park owner intends to make improvements to the mobile home park premises which necessitate removal of the tenant's mobile home from the park and the tenant has received 90 days' written notice; or

(f) A lease of a term of at least one year expires and the lessor seeks to recover possession within 15 days after expiration; ~~2~~

(g) The lessor seeking to recover possession on grounds of nonpayment of rent or utilities gives ten days written notice to the tenant, and to any party holding a security interest in the mobile home known to the lessor, to pay the amounts then owing and cure the default. If neither the tenant nor the secured party cures within ten days from receipt of notice, the lessor may commence legal proceedings to recover possession.

Sec. 4. Minnesota Statutes 1978, Section 327.51, Subdivision 1, is amended to read:

327.51 **DEFINITIONS.** Subdivision 1. As used in sections 327.51 to 327.55 14 of this act, the terms defined in this section have the meanings given them.

Sec. 5. Minnesota Statutes 1978, Section 327.51 is amended by adding a subdivision to read:

Subd. 12. "Trust account" means a demand deposit or checking account maintained for the purpose of segregating trust funds from other funds.

Sec. 6. Minnesota Statutes 1978, Section 327.51, is amended by adding a subdivision to read:

Subd. 13. "Trust funds" means funds received by a dealer in a fiduciary capacity as a part of a mobile home sale transaction, pending the consummation or termination of a transaction, and includes all down payments, earnest money deposits, rents for clients, tax and insurance escrow payments, damage deposits, and any funds received on behalf of any person.

Sec. 7. Minnesota Statutes 1978, Section 327.51, is amended by adding a subdivision to read:

Subd. 14. "Net listing agreement" means any agreement by any dealer to sell, offer for sale, solicit or advertise the sale of a mobile home on behalf of any person which provides for the dealer to receive any consideration from any person other than a commission based on a percentage of the price at which the home is actually sold.

Sec. 8. Minnesota Statutes 1978, Section 327.55, Subdivision 1, is amended to read:

327.55 **MANUFACTURERS AND DEALERS; LICENSES.** Subdivision 1. **LICENSE.** No person, copartnership or corporation shall engage in the business, either exclusively or in addition to any other occupation, of selling or manufacturing mobile homes, new or used, or shall offer to sell, solicit or advertise the sale of mobile homes, new or used, without first having acquired a license therefor as hereinafter provided. Application for such license and renewal thereof, shall be made to the commissioner, shall be in writing, and duly verified by oath. The applicant shall submit such information as the commissioner may require, upon blanks provided by the commissioner for such purpose. No application shall be granted nor a license issued to anyone, until and unless the applicant shall furnish proof satisfactory to the commissioner of the following:

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(1) That the applicant has an established place of business; an established place of business when used in this section, means a permanent enclosed building or structure either owned in fee or leased at which a permanent business of bartering, trading and selling of mobile homes will be carried on as such in good faith and not for the purpose of evading this section, and at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business at such place and shall not mean residence, tents, temporary stands, or other temporary quarters, nor permanent quarters occupied pursuant to any temporary arrangement;

(2) That if the applicant desires to sell, solicit or advertise the sale of ~~both new and used~~ mobile homes, he must have a bona fide contract or franchise in effect with a manufacturer or distributor of the new mobile home he proposes to deal in.

(3) That the applicant has secured a surety bond executed by the applicant as principal and issued by a surety company admitted to do business in this state, which shall be in the amount of ~~\$10,000~~ \$20,000, and be conditioned upon the faithful compliance by the applicant with all of the laws and rules and regulations of this state pertaining to such business, including sections 325.772 and 325.79. Any third party sustaining injuries within the terms of the bond may proceed against the principal and surety without making the state a party to such proceedings. Provided, however, that the aggregate liability of the surety to all such persons for all such losses or damages shall in no event, exceed the amount of such bond.

(4) That the applicant has established a trust account as required by section 12, subdivision 2, unless the applicant intends to limit his business to selling, offering for sale, soliciting or advertising the sale of new mobile homes.

Sec. 9. Minnesota Statutes 1978, Section 327.55, Subdivision 4, is amended to read:

Subd. 4. **LICENSES; REVOCATION.** Such license may be revoked by the commissioner upon proof satisfactory to him of either of the following:

(1) Violations of any of the provisions of this chapter or of sections 325.772 or 325.79;

(2) Violation of or refusal to comply with the requests and order of the commissioner;

(3) Failure to make or provide to the commissioner all listings, notices, and reports required by him;

(4) Failure to pay to the commissioner all taxes, fees, and arrears due from and by such dealer;

(5) Failure to duly apply for renewal of license provided for herein;

(6) Revocation of previous license, of which the records of the commissioner relating thereto shall be prima facie evidence of such previous revocation;

(7) Failure of continued occupancy of an established place of business:

(8) Sale of a new and unused current model mobile home other than the make of mobile home described in the franchise or contract filed with the original application or renewal thereof without permission from the commissioner;

(9) Sale of a new and unused current model mobile home to anyone except for consumer use, or to a dealer duly licensed to sell the same make of mobile home; or

(10) Material misstatement or misrepresentation in application for license or renewal thereof.

Sec. 10. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.551] DEALER'S RECORDS. Subdivision 1. RETENTION. A licensed dealer shall retain for three years copies of all listings, deposit receipts, purchase money contracts, cancelled checks, trust account records and such other documents as may reasonably be related to carrying on the business of a dealer. The retention period shall run from the date of the closing of the transaction or from the date of the listing if the transaction is not consummated.

Subd. 2. EXAMINATION OF RECORDS. The commissioner may make examinations within or without this state of each dealer's records at such reasonable time and in such scope as is necessary to enforce the provisions of this chapter.

Sec. 11. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.552] RESPONSIBILITY OF DEALERS. Each dealer shall be held responsible for the activities of any person employed by or acting on behalf of that dealer when such activities occur in connection with the sale or attempted sale of a mobile home. Each officer of a corporation licensed as a dealer shall be held responsible for the activities of any person employed by or acting on behalf of the corporation when such activities occur in connection with the sale or attempted sale of a mobile home.

Sec. 12. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.553] DUTIES. Subdivision 1. DISCLOSURE REQUIRED. Prior to the consummation of the sale of any mobile home other than a new mobile home, each dealer shall disclose to all parties to the transaction all charges, payments, commissions and other fees paid or payable in connection with the transaction. This subdivision shall not require any dealer to disclose any consideration received for having acted as an insurance agent, as defined in section 60A.02, subdivision 7, in connection with the transaction, nor shall this subdivision require any dealer to disclose any consideration received in return for the dealer having agreed to any contingent liability in connection with the financing of the sale.

Subd. 2. TRUST ACCOUNT REQUIRED. Each dealer shall maintain a trust account; provided that a dealer who limits his business to dealing in new mobile homes shall not be required to maintain a trust account. A trust account shall not be an interest bearing account except by agreement of the parties and subject to regulations of the commissioner.

Subd. 3. SEGREGATION OF FUNDS. A dealer shall deposit all trust funds received in a trust account. A dealer shall deposit only trust funds in a trust account and shall not commingle personal funds or other funds in that account, except that a dealer may deposit and maintain a sum from his personal funds not to exceed \$100 in a trust account, which sum shall be specifically identified and used to pay service charges relating to the trust account.

Subd. 4. TRUST INFORMATION REQUIRED. Each dealer shall provide the financial institutions and the trust account identification numbers used by the dealer to comply with the provisions of this section at the time of application for a license or renewal of license by the dealer. The dealer shall immediately report to the commissioner any change of trust account status including changes in financial institutions, account identification numbers, or additional accounts in the same or another financial institution. No dealer may close an existing trust account without giving ten days written notice to the commissioner.

Sec. 13. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.55] PROHIBITIONS. Subdivision 1. LICENSE REQUIRED. No person, partnership, association or corporation shall, either exclusively or in addition to any other occupation, sell, offer to sell, solicit or advertise the sale of mobile homes, new or used, without being licensed as a dealer as provided in section 327.55.

Subd. 2. ADVERTISING LICENSED. No person, partnership, association or corporation shall advertise as a mobile home dealer, or as a lister, broker or agent for the sale of mobile homes, without being licensed as a dealer as provided in section 327.55.

Subd. 3. NET LISTING PROHIBITED. No dealer shall use or offer to use a net listing agreement unless the agreement includes a binding promise by the dealer to purchase the mobile home on his own account at a price specified in the agreement in the event the mobile home is not otherwise sold within a specified period of time.

Sec. 14. Minnesota Statutes 1978, Chapter 327, is amended by adding a section to read:

[327.56] REMEDIES AND ENFORCEMENT. In addition to the procedures provided in section 327.55, subdivisions 1 and 5, any person or dealer who is found in violation of section 12 or 13 shall be deemed in violation of section 325.79, subdivision 1, and the provisions of section 325.907 shall apply.

Sec. 15. EFFECTIVE DATE. Sections 1 to 7, 9 to 12 and 14 are effective the day following final enactment. Section 8 is effective July 1, 1980. Section 13 is effective the day following final enactment, provided that section 13 shall not rescind or void any otherwise valid net listing agreement executed and in effect prior to the effective date. No previously existing net listing agreement shall be renewed or extended except in accordance with section 13.

Approved April 23, 1980.

CHAPTER 591—S.F.No. 1398

An act relating to accountancy; providing for the licensing of public accountants; clarifying the law; amending Minnesota Statutes 1978, Sections 326.19, Subdivisions 3 and 4, and by adding a subdivision; Minnesota Statutes, 1979 Supplement, Sections 326.165, Subdivisions 1 and 2; 326.17; 326.18; 326.19, Subdivision 2; 326.211, Subdivisions 3 and 9; 326.212, Subdivision 2; and Laws 1979, Chapter 326, Section 16.

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

Section 1. Minnesota Statutes, 1979 Supplement, Section 326.165, Subdivision 1, is amended to read:

326.165 **BOARD OF ACCOUNTANCY.** Subdivision 1. **PURPOSE.** It is the policy of this state to promote the dependability of information which is used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private or governmental. The public interest requires that persons engaged in the practice of public accounting be qualified; that a public authority competent to prescribe and assess the qualifications of public accountants be established; that the expression of any form of assurance or of opinions on financial statements be reserved to persons who demonstrate their ability and fitness to observe and apply the standards of the accounting profession; and that the use of accounting titles likely to confuse the public be prohibited.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 326.165, Subdivision 2, is amended to read:

Subd. 2. **PRACTICE OF PUBLIC ACCOUNTING.** The "practice of public accounting" is: (a) holding one's self out to the public as skilled in the knowledge-science, and practice of accounting; or (b) expressing any form of assurance on financial statements; or (c) expressing opinions on financial statements, schedules, reports, or exhibits to be used for publication; for credit purposes, for use in courts or and for other purposes involving use by third parties.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 326.17, is amended to read:

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