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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2612

03/03/2014 Authored by Laine

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

1.1 A bill for an act  
1.2 relating to civil actions; statutory housing warranties; allowing recovery of  
1.3 attorney fees by a prevailing vendor or owner for breaches; amending Minnesota  
1.4 Statutes 2012, section 327A.05.

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

1.6 Section 1. Minnesota Statutes 2012, section 327A.05, is amended to read:

1.7 **327A.05 REMEDIES.**

1.8 Subdivision 1. **New home warranties.** Upon breach of any warranty imposed by  
1.9 section 327A.02, subdivision 1, the vendee shall have a cause of action against the vendor  
1.10 for damages arising out of the breach, or for specific performance. If the vendee is the  
1.11 prevailing party, the court may award the vendee reasonable attorney fees. Damages  
1.12 shall be limited to:

- 1.13 (a) the amount necessary to remedy the defect or breach; or
- 1.14 (b) the difference between the value of the dwelling without the defect and the value  
1.15 of the dwelling with the defect.

1.16 Subd. 2. **Home improvement warranty.** Upon breach of any warranty imposed by  
1.17 section 327A.02, subdivision 3, the owner shall have a cause of action against the home  
1.18 improvement contractor for damages arising out of the breach, or for specific performance.  
1.19 If the owner is the prevailing party, the court may award the owner reasonable attorney  
1.20 fees. Damages shall be limited to the amount necessary to remedy the defect or breach.

1.21 **Sec. 2. EFFECTIVE DATE; APPLICATION.**

1.22 Section 1 is effective the day following final enactment and applies to causes of  
1.23 action pending on or commenced on or after that date.