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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3097

03/23/2023

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

1.1 A bill for an act
1.2 relating to real property; landlord and tenant; providing for care facilities; proposing
coding for new law in Minnesota Statutes, chapter 504B.

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

1.5 Section 1. 504B.50 MUNICIPAL RENTAL LICENSES.

1.6 Subdivision 1. Definitions. (a) "Action of the licensing agency" means any licensing
1.7 agency action denying the application, or on a rental license granted to an applicant under
1.8 this section, revocation of the rental license or notice of intent to revoke the rental license.

1.9 (b) "Applicant" means a person or entity that applied for a rental license.

1.10 (c) "Application" means an application for a rental license from a care facility or a person
1.11 or entity stating in the application the intent to operate as a care facility.

1.12 (d) "Care facility" means a residential facility or establishment under chapters 144A,
1.13 144G, 245A, and 245D, and a residential building, facility, or establishment eligible for
1.14 payment under chapter 256I.

1.15 (e) "Dwelling unit" means any building or portion thereof that contains living facilities,
1.16 including provisions for sleeping, eating, cooking and sanitation.

1.17 (f) "Interested party" means:

1.18 (1) the applicant, rental licensee, landlord, and tenant; and

1.19 (2) in the case of a care facility, the applicant, rental licensee, owner, operator, resident,
1.20 Office of Ombudsman for Long-Term Care, Office of the Ombudsman for Mental Health
1.21 and Developmental Disabilities, the agency of the State of Minnesota that regulates the care

2.1 facility, the Minnesota Department of Human Rights, the Minnesota Attorney General, and
2.2 the Minnesota Disability Law Center.

2.3 (g) "Other interested party" means:

2.4 (1) a guardian of a resident of a care facility under chapter 524;

2.5 (2) a conservator of a resident of a care facility under chapter 524;

2.6 (3) a health care agent of a resident of a care facility under chapter 145C;

2.7 (4) an attorney-in-fact of a resident of a care facility under chapter 523;

2.8 (5) a designated representative of a resident of a care facility under chapter 144G;

2.9 (6) a care coordinator of a resident of a care facility; or

2.10 (7) an adult mental health case manager of a resident of a care facility.

2.11 (h) "Licensing agency" means a county, city, or municipality or agency thereof that
2.12 grants, denies, and revokes rental licenses.

2.13 (i) "Rental license" means a license or permit required by a county, city, or municipality
2.14 for a person or entity to operate, let, or cause to be let a rental dwelling unit.

2.15 (j) "Rental licensee" means a person or entity possessing a rental license.

2.16 Subd. 2. **Notice of licensing agency action.** The licensing agency shall provide written
2.17 notice of any action of the licensing agency to interested parties by first class mail. All
2.18 notices of an action of the licensing agency shall state that the applicant, rental licensee,
2.19 and interested parties have the right to file an action under this section to challenge the
2.20 licensing agency action within 30 days. Within seven days of receiving notice of any action
2.21 of the licensing agency, a care facility shall provide notice of the action of the licensing
2.22 agency to other interested parties by first class mail.

2.23 Subd. 3. **Municipal rental license action.** (a) An interested party or other interested
2.24 party may challenge an action of the licensing agency by filing an action in the district court
2.25 that hears actions under this chapter within 30 days of the licensing agency's notice action
2.26 of the licensing agency. The filing of the action stays the action of the licensing agency.
2.27 The complaint shall state the grounds for challenging the action of the licensing agency that
2.28 may include: (1) licensing agency violations of federal, state, or local law; (2) findings and
2.29 conclusions of the licensing agency not supported by the evidence; and (3) in the case of a
2.30 care facility, that the care facility is complying with the law, regulations, and orders of the
2.31 agency of the State of Minnesota that regulates the care facility. The court must provide a
2.32 simplified form affidavit for use under this paragraph.

3.1 (b) The court administrator may charge a filing fee in the amount set for complaints in
 3.2 conciliation court, subject to the filing of an inability to pay affidavit.

3.3 (c) The court must set the date for a first hearing not less than 20 nor more than 30 days
 3.4 from the day of filing the complaint. The court may schedule additional hearings.

3.5 (d) The court administrator shall notify the parties of the time and place of the first
 3.6 hearing by first class mail.

3.7 (e) The licensing agency shall notify interested parties by first class mail within seven
 3.8 days of receipt of notice from the court administrator. The notice shall include the complaint
 3.9 and all interested parties notified by the licensing agency.

3.10 (f) A care facility shall notify all other interested parties by first class mail within seven
 3.11 days of receipt of notice from the licensing agency.

3.12 (g) If the court determines that the applicant or rental licensee is complying with federal,
 3.13 state, or local law, or if the licensing agency is violating federal, state, or local law, the court
 3.14 shall reverse or modify the action of the licensing agency. If the court determines that the
 3.15 applicant or rental licensee is not complying with federal, state, or local law, the court may
 3.16 affirm the action of the licensing agency or order the applicant or rental licensee to take
 3.17 corrective action, stay the action of the licensing agency, and retain jurisdiction of the action
 3.18 to determine if the applicant or rental licensee has complied with the court's order.

3.19 **Sec. 2. [504B.51] EVICTION OR TERMINATION OF LEASE OF CARE**
 3.20 **FACILITIES.**

3.21 Subdivision 1. **Definition.** "Care facility" means a residential facility or establishment
 3.22 under chapters 144A, 144G, 245A, and 245D, and a residential building, facility, or
 3.23 establishment eligible for payment under chapter 256I.

3.24 Subd. 2. **Notice prior to eviction or termination.** (a) Where a tenant is a care facility,
 3.25 a landlord must provide a written notice of intent to evict, terminate a tenancy at will, or
 3.26 issue a notice to quit to the tenant, Office of Ombudsman for Long-Term Care, Office of
 3.27 the Ombudsman for Mental Health and Developmental Disabilities, and the agency of the
 3.28 State of Minnesota that regulates the care facility. The notice shall:

3.29 (1) be delivered personally or mailed to the tenant at the tenant's business address and,
 3.30 if different, the address of leased premises, and the Office of Ombudsman for Long-Term
 3.31 Care, Office of the Ombudsman for Mental Health and Developmental Disabilities, and the
 3.32 agency of the State of Minnesota that regulates the care facility;

4.1 (2) include the reasons for the eviction or termination or notice to quit; and

4.2 (3) provide the proposed time by which the tenant must vacate in no less than 30 days.

4.3 (b) The landlord must attach to the pretermination notice a copy of the intended notice
4.4 to terminate the tenancy or notice to quit, with a statement that the attachment is an intended
4.5 notice and does not yet serve as official notice.

4.6 (c) Within seven days of receiving notice of a pretermination notice, the care facility
4.7 shall submit a closure plan to the agency of the State of Minnesota that regulates the care
4.8 facility.

4.9 Subd. 3. **Restriction on issuance of notice.** The landlord must not proceed with an
4.10 eviction or termination until the agency of the State of Minnesota that regulates the care
4.11 facility has approved a closure plan and provided the notice of approval to the landlord.
4.12 The eviction or termination of the care facility must comply with all applicable laws and
4.13 must not require the care facility or its residents to vacate the premises prior to the date
4.14 approved for closure of the care facility.

4.15 Subd. 4. **Affirmative defense.** It is an affirmative defense to an eviction action if a
4.16 landlord has not complied with this section.