S.F. No. 1758, 1st Engrossment - 87th Legislative Session (2011-2012) [S1758-1]

SENATE STATE OF MINNESOTA EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1758

(SENATE AUTHORS: BAKK and Tomassoni)

DATE	D-PG	OFFICIAL STATUS
02/09/2012	3771	Introduction and first reading
		Referred to Energy, Utilities and Telecommunications
03/15/2012	4487a	Comm report: To pass as amended and re-refer to Judiciary and Public Safety

1.1	A bill for an act
1.2	relating to real property; expanding utility disconnection notice requirements;
1.3	providing for payment of utilities by the holder of a sheriff's certificate; amending
1.4	Minnesota Statutes 2010, sections 216B.0976; 582.031, subdivisions 2, 3.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2010, section 216B.0976, is amended to read:

1.7 **216B.0976 NOTICE TO CITIES OF UTILITY DISCONNECTION.**

1.8 Subdivision 1. Notice required. (a) Notwithstanding section 13.685 or any other

1.9 law or administrative rule to the contrary, a public utility, cooperative electric association,

1.10 or municipal utility must provide notice to a statutory city or home rule charter city, as

1.11 prescribed by this section, of disconnection of a customer's gas or electric service to a

1.12 statutory or home rule charter city or town in which the premises are located or the holder

1.13 of a sheriff's certificate of sale for the premises, as provided under this section.

(b) Upon written request from a city or town, on October 15 and November 1 of each
year, or the next business day if that date falls on a Saturday or Sunday, a report must be
made available to the city or town of the address of properties in the city or town currently
disconnected and the date of the disconnection. Upon written request from a city, between
October 15 and April 15, daily reports must be made available of the address and date of
any newly disconnected properties.

1.20 (c) The holder of a sheriff's certificate of sale may request information about the

1.21 property's utility connection status. The utility must provide a method by which the holder

- 1.22 of the certificate may request the property's utility connection status and may require the
- 1.23 request to be submitted in writing, electronically, or by telephone. The request must
- 1.24 include the address of the property. Upon receipt of a request, a public utility, cooperative

S.F. No. 1758, 1st Engrossment - 87th Legislative Session (2011-2012) [S1758-1]

2.1 <u>electric association, or municipal utility must indicate whether service to the property is</u>

2.2 <u>currently disconnected, including the date of any disconnection; however, the utility is not</u>

- 2.3 required to provide that information more frequently than once per calendar week. The
- 2.4 public utility, cooperative electric association, or municipal utility is not responsible for
- 2.5 <u>resolving differences between an address submitted by the holder of the sheriff's certificate</u>
- 2.6 <u>and the address in the records of the utility or association.</u>
- 2.7 (d) A city provided notice under this section must provide the information on
 2.8 disconnection to the police and fire departments of the city within three business days
 2.9 of receipt of the notice.
- 2.10 (e) For the purpose of this section, "disconnection" means a cessation of services 2.11 initiated by the public utility, cooperative electric association, or municipal utility that 2.12 affects the primary heat source of a residence and service or electric service and that is 2.13 not reconnected within 24 hours.
- 2.14 Subd. 2. Data. Data on customers that are provided to cities <u>or towns</u> under
 2.15 subdivision 1 are private data on individuals or nonpublic data, as defined in section 13.02.
- Sec. 2. Minnesota Statutes 2010, section 582.031, subdivision 2, is amended to read: 2.16 Subd. 2. Authorized actions. (a) The holder of the mortgage or sheriff's certificate 2.17 may take the following actions to protect the premises from waste, trespass, or from falling 2.18 below minimum community standards for public safety and sanitation: make reasonable 2.19 periodic inspections; install or change locks on doors and windows; board windows, 2.20 doors, and other openings; install and operate an alarm system; and otherwise prevent or 2.21 2.22 minimize damage to the premises from the elements, vandalism, trespass, or other illegal activities. If the holder of the mortgage or sheriff's certificate installs or changes locks 2.23 under this section, a key to the premises must be promptly delivered to the mortgagor or 2.24 2.25 any person lawfully claiming through the mortgagor, upon request.
- (b) If the gas or electric service to the premises has been disconnected, the holder of 2.26 the sheriff's certificate of sale may have service restored or continued by paying the unpaid 2.27 charges incurred after the sheriff's sale, if the person who incurred those charges still 2.28 occupies the premises, or by becoming the bill payer responsible and customer of record 2.29 for the service if the person who incurred those charges does not occupy the premises. 2.30 A holder who becomes the customer of record of a cooperative electric association does 2.31 not acquire membership rights. Exercise of the right to pay charges does not preclude 2.32 the holder from exercising the right to become the bill payer responsible and customer 2.33
- 2.34 <u>of record.</u>

2

S.F. No. 1758, 1st Engrossment - 87th Legislative Session (2011-2012) [S1758-1]

3.1	Sec. 3. Minnesota Statutes 2010, section 582.031, subdivision 3, is amended to read:
3.2	Subd. 3. Costs. All costs incurred by the holder of the mortgage or sheriff's
3.3	certificate to protect the premises from waste or trespass or from falling below minimum
3.4	community standards for public safety and sanitation for authorized actions under
3.5	subdivision 2, may be added to the principal balance of the mortgage or the costs allowable
3.6	upon redemption. The costs may bear interest to the extent provided in the mortgage and
3.7	may be added to the redemption price if the costs are incurred after a foreclosure sale.
3.8	If the costs are incurred after a foreclosure sale, the holder of any sheriff's certificate of
3.9	sale or certificate of redemption must comply with the provisions of section 582.03. The
3.10	provisions of this section are in addition to, and do not limit or replace, any other rights or
3.11	remedies available to holders of mortgages and sheriff's certificates, at law or under the
3.12	applicable mortgage agreements.