CHAPTER 491A

CONCILIATION COURT

491A.01 ESTABLISHMENT; POWERS; JURISDICTION.
491A.02 PROCEDURE.
491A.03 JUDGES; ADMINISTRATOR; REPORTER; SUPPLIES.

491A.01 ESTABLISHMENT; POWERS; JURISDICTION.

Subdivision 1. **Establishment.** The district court in each county shall establish a conciliation court division with the jurisdiction and powers set forth in this chapter.

Subd. 2. **Powers; issuance of process.** The conciliation court has all powers, and may issue process as necessary or proper to carry out the purposes of this chapter. No writ of execution or garnishment summons may be issued out of conciliation court.

Subd. 3. [Expired, 2012 c 283 s 1]

Subd. 3a. **Jurisdiction; general.** (a) Except as provided in subdivisions 4 and 5, the conciliation court has jurisdiction to hear, conciliate, try, and determine civil claims if the amount of money or property that is the subject matter of the claim does not exceed: (1) $20,000; or (2) $4,000, if the claim involves a consumer credit transaction.

(b) "Consumer credit transaction" means a sale of personal property, or a loan arranged to facilitate the purchase of personal property, in which:

(1) credit is granted by a seller or a lender who regularly engages as a seller or lender in credit transactions of the same kind;

(2) the buyer is a natural person;

(3) the claimant is the seller or lender in the transaction; and

(4) the personal property is purchased primarily for a personal, family, or household purpose and not for a commercial, agricultural, or business purpose.

(c) Except as otherwise provided in this subdivision and subdivisions 5 to 11, the territorial jurisdiction of conciliation court is coextensive with the county in which the court is established. The summons in a conciliation court action under subdivisions 6 to 10 may be served anywhere in the state, and the summons in a conciliation court action under subdivision 7, paragraph (b), may be served outside the state in the manner provided by law. The court administrator shall serve the summons in a conciliation court action by first class mail, except that if the amount of money or property that is the subject of the claim exceeds $2,500, the summons must be served by the plaintiff by certified mail, and service on nonresident defendants must be made in accordance with applicable law or rule. Subpoenas to secure the attendance of nonparty witnesses and the production of documents at trial may be served anywhere within the state in the manner provided by law.

When a court administrator is required to summon the defendant by certified mail under this paragraph, the summons may be made by personal service in the manner provided in the Rules of Civil Procedure for personal service of a summons of the district court as an alternative to service by certified mail.

Subd. 4. **Jurisdiction; exclusions.** The conciliation court does not have jurisdiction over the following actions:

(1) involving title to real estate, including actions to determine boundary lines;

(2) involving claims of defamation by libel or slander;

(3) for specific performance, except to the extent authorized in subdivision 5;

(4) brought or defended on behalf of a class;

(5) requesting or involving prejudgment remedies;

(6) involving injunctive relief, except to the extent authorized in subdivision 5;

(7) pursuant to chapters 256, 257, 259, 260, 518, 518A, 518B, and 518C, except for actions involving debts owed to state agencies or political subdivisions that arise under those chapters;

(8) pursuant to chapters 524 and 525;

(9) where jurisdiction is vested exclusively in another court or division of district court;

(10) for eviction; and

(11) involving medical malpractice.

Subd. 5. **Jurisdiction; personal property.** If the controversy concerns the ownership or possession of personal property the value of which does not exceed the jurisdictional limit under subdivision 3, the conciliation court has jurisdiction to determine the ownership and possession of the property and direct any party to deliver the property to another party. Notwithstanding any other law to the contrary, once the judgment of the court directing return of the property becomes final, it is enforceable by the sheriff of the county in which the property is located without further legal process. The sheriff is authorized to effect repossession of the property according to law, including, but not limited to: (1) entry upon the premises for the purposes of demanding the property and ascertaining whether the property is present and taking possession of it; and (2) causing the building or enclosure where the property is located to be broken open and the property taken out of the building and if necessary to that end, the sheriff may call the power of the county to the sheriff's aid. If the party against whom the judgment is directed is not physically present at the time of entry by the sheriff, then a copy of the judgment must be served upon any person in possession of the property or if no person is present, a copy of the judgment must be left on the premises. After taking possession of the property, the sheriff shall turn the property over to the prevailing party.

Subd. 6. **Jurisdiction; student loans.** The conciliation court also has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state college or university governed by the Board of Trustees of the Minnesota State Colleges and Universities, with administrative offices in the county in which the conciliation court is located, to recover the amount of a student loan or loans even though the defendant or defendants are not residents of the county under the following conditions:

(1) the student loan or loans were originally awarded in the county in which the conciliation court is located;

(2) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(3) the notice states that the educational institution may commence a conciliation court action in the county where the loan was awarded to recover the amount of the loan.

Subd. 7. **Jurisdiction; foreign defendants.** (a) If a foreign corporation is subject by law to service of process in this state or is subject to service of process outside this state under section 543.19, a conciliation court action may be commenced against the foreign corporation:

(1) in the county where the corporation's registered agent is located;

(2) in the county where the cause of action arose, if the corporation has a place of business in that county either at the time the cause of action arose or at the time the action was commenced; or

(3) in the county in which the plaintiff resides, if the corporation does not appoint or maintain a registered agent in this state, withdraws from the state, or the certificate of authority of the corporation is canceled or revoked.

(b) If a nonresident other than a foreign corporation is subject to service of process outside this state under section 543.19, a conciliation court action may be commenced against the nonresident in the county in which the plaintiff resides.

Subd. 8. **Jurisdiction; multiple defendants.** The conciliation court also has jurisdiction to determine a civil action commenced against two or more defendants in the county in which one or more of the defendants resides. Counterclaims may be commenced in the county where the original action was commenced.

Subd. 9. **Jurisdiction; rental property.** The conciliation court also has jurisdiction to determine an action for damages arising from the landlord and tenant relationship under chapter 504B or under the rental agreement in the county in which the rental property is located.

Subd. 10. **Jurisdiction; dishonored checks.** The conciliation court also has jurisdiction to determine a civil action commenced by a plaintiff, resident of the county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of the county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified in that section and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This subdivision does not apply to a check that has been dishonored by stop payment order.

Subd. 11. **Jurisdiction; county claim against nonresident.** The conciliation court has jurisdiction to determine a civil action commenced by the county in which it is established to recover debts owed to the county for fees, services, overpayments, or similar obligations, even though the defendant is not a resident of the county provided that notice of the overdue debt:

(1) has previously been sent by first class mail to the nonresident defendant at the defendant's last known address; and

(2) states that the county may commence a conciliation court action in the county where the debt owed was incurred.

For the purposes of this section, "overpayments" does not include any overpayments that are governed by the procedures set forth under chapter 256.

History: *1993 c 321 s 2; 1994 c 465 art 1 s 57; 1994 c 502 s 2; 1996 c 395 s 18; 1999 c 199 art 2 s 28; 2003 c 2 art 2 s 15; 2010 c 391 s 6; 2012 c 128 s 15; 2012 c 283 s 1,2; 2015 c 27 s 1,2; 2024 c 123 art 15 s 6*

491A.02 PROCEDURE.

Subdivision 1. **Procedure; rules; forms.** The determination of claims in conciliation court must be without jury trial and by a simple and informal procedure. Conciliation court proceedings must not be reported. By July 1, 1993, the supreme court shall promulgate rules governing pleading, practice, and procedure for conciliation courts, and shall promulgate uniform claim and counterclaim forms. The claim and summons must include a conspicuous notice in at least 10-point bold type regarding the consequences of a failure to appear at a conciliation court hearing. Each conciliation court shall accept a uniform claim or counterclaim that has been properly completed and forwarded to the court together with the entire filing fee, if any.

Subd. 2. **Assistance to litigants.** Under the supervision of the conciliation court judges, the court administrator shall explain to litigants the procedure and functions of the conciliation court and shall on request assist them in filling out all forms and pleading necessary for the presentation of their claims or counterclaims to the court. The uniform claim and counterclaim forms must be accepted by any court administrator and shall on request be forwarded together with the entire filing fee, if any, to the court administrator of the appropriate conciliation court. The court administrator shall on request assist judgment creditors and debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties prescribed in this subdivision do not constitute the practice of law for purposes of section 481.02, subdivision 8.

Subd. 3. **Fees.** The court administrator shall charge and collect the fee established pursuant to section 357.022, together with applicable law library fees established pursuant to law, from a plaintiff and from a defendant when the first paper for that party is filed in any conciliation court action. The rules promulgated by the supreme court shall provide for commencement of an action without payment of fees when a litigant who is a natural person claims an inability to pay the fees, provided that if the litigant prevails on a claim or counterclaim, the fees must be paid to the administrator out of any money recovered by the litigant.

Subd. 4. **Representation.** (a) A corporation, partnership, limited liability company, sole proprietorship, or association may be represented in conciliation court by an officer, manager, or partner or an agent in the case of a condominium, cooperative, or townhouse association, or may appoint a natural person who is an employee or commercial property manager to appear on its behalf or settle a claim in conciliation court. The state or a political subdivision of the state may be represented in conciliation court by an employee of the pertinent governmental unit without a written authorization. The state also may be represented in conciliation court by an employee of the Division of Risk Management of the Department of Administration without a written authorization. Representation under this subdivision does not constitute the practice of law for purposes of section 481.02, subdivision 8. In the case of an officer, employee, commercial property manager, or agent of a condominium, cooperative, or townhouse association, an authorized power of attorney, corporate authorization resolution, corporate bylaw, or other evidence of authority acceptable to the court must be filed with the claim or presented at the hearing. This subdivision also applies to appearances in district court by a corporation or limited liability company with five or fewer shareholders or members and to any condominium, cooperative, or townhouse association, if the action was removed from conciliation court.

(b) "Commercial property manager" means a corporation, partnership, or limited liability company or its employees who are hired by the owner of commercial real estate to perform a broad range of administrative duties at the property including tenant relations matters, leasing, repairs, maintenance, the negotiation and resolution of tenant disputes, and related matters. In order to appear in conciliation court, a property manager's employees must possess a real estate license under section 82.87 and be authorized by the owner of the property to settle all disputes with tenants and others within the jurisdictional limits of conciliation court.

(c) A commercial property manager who is appointed to settle a claim in conciliation court may not charge or collect a separate fee for services rendered under paragraph (a).

Subd. 5. **Installment payments.** A judgment ordered may provide for satisfaction by payments in installments in amounts and at such times, not exceeding one year for the last installment, as the judge determines to be just and reasonable. If any installment is not paid when due, the entire balance of the judgment order becomes immediately due and payable.

Subd. 6. **Appeal by removal to district court; trial de novo; notice of costs.** The rules promulgated by the supreme court must provide for a right of appeal from the decision of the conciliation court by removal to the district court for a trial de novo. The notice of order for judgment must contain a statement that if the removing party does not prevail in district court as provided in subdivision 7, the opposing party may be awarded an additional $50 as costs.

Subd. 7. **Costs in district court.** (a) For the purposes of this subdivision, "removing party" means the first party who serves or files a demand for removal. "Opposing party" means any party as to whom the removing party seeks a reversal in whole or in part.

(b) If the removing party prevails in district court, the removing party may recover costs from the opposing party as though the action were commenced in district court. If the removing party does not prevail, the court shall order an additional $50 to be paid to the opposing party as costs. If the removing party is eligible to proceed under section 563.01, the additional $50 costs may be waived if the court, in its discretion, determines that a hardship exists and that the case was removed from conciliation court in good faith.

(c) For purposes of this section, the removing party prevails in district court if:

(1) the removing party recovers at least $500 or 50 percent of the amount of value of property that the removing party requested on removal, whichever is less, when the removing party was denied any recovery in conciliation court;

(2) the opposing party does not recover any amount or any property from the removing party in district court when the opposing party recovered some amount or some property in conciliation court;

(3) the removing party recovers an amount or value of property in district court that exceeds the amount or value of property that the removing party recovered in conciliation court by at least $500 or 50 percent, whichever is less; or

(4) the amount or value of property that the opposing party recovers from the removing party in district court is reduced from the amount or value of property that the opposing party recovered in conciliation court by at least $500 or 50 percent, whichever is less.

(d) Costs or disbursements in conciliation or district court must not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this section.

Subd. 8. **Appeal from district court.** Decisions of the district court on removal from a conciliation court determination on the merits may be appealed to the court of appeals as in other civil actions.

Subd. 9. **Judgment debtor disclosure.** Notwithstanding any contrary provision in rule 518 of the Conciliation Court Rules, unless the parties have otherwise agreed, if a conciliation court judgment or a judgment of district court on removal from conciliation court has been docketed in district court, the judgment creditor's attorney as an officer of the court may or the district court in the county in which the judgment

originated shall, upon request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and locations of all the debtor's assets, liabilities, and personal earning. The information must be provided on a form prescribed by the supreme court, and the information shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The order must contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for civil contempt of court. Cash bail posted as a result of being cited for civil contempt of court order under this section may be ordered payable to the creditor to satisfy the judgment, either partially or fully, subject to section 588.04, paragraph (b).

History: *1993 c 321 s 3; 1994 c 502 s 3; 1995 c 254 art 5 s 15; 2004 c 226 s 1; 2007 c 148 art 2 s 69; 2009 c 83 art 2 s 32; 2013 c 104 s 1*

491A.03 JUDGES; ADMINISTRATOR; REPORTER; SUPPLIES.

Subdivision 1. **Judges; referees.** The judges of district court may serve as judges of conciliation court. The chief judge of the district may appoint one or more suitable persons to act as referees in conciliation court; the chief judge of the district shall establish qualifications for the office, specify the duties and length of service of referees, and fix their compensation.

Subd. 2. **Administrator.** The court administrator of the district court shall serve as the court administrator of conciliation court. The court administrator shall account for and pay over to the appropriate official all fees received by the court administrator.

Subd. 3. **Court reporter.** Each court reporter appointed by a judge of district court shall, at the request of the judge, assist that judge in performing the judge's duties as conciliation court judge. A court reporter may not take official notes of any trial or proceedings in conciliation court.

Subd. 4. **Quarters; supplies.** The county in which the court is established shall provide suitable quarters for the court. Except as otherwise provided by law, all expenses for necessary blanks, stationery, books, furniture, furnishings, and other supplies for the use of the court and the officers of the court shall be included in the budget for the court administrator's office provided by the county board pursuant to section 485.018, subdivision 6.

History: *1993 c 192 s 98; 1993 c 321 s 4; 2009 c 59 art 3 s 3; 2009 c 83 art 2 s 33*