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State of Minnesota

HOUSE OF REPRESENTATIVES

A bill for an act

H. F. No. 12 NINETY-SECOND SESSION

| 01/07/2021 | Authored by Hausman; Howard; Olson, L.; Frazier; Noor and others |
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| | The bill was read for the first time and referred to the Committee on Housing Finance and Policy |
| 03/15/2021 | Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law |

| 1.2 1.3 1.4 1.5 1.6 | relating to housing; providing for eviction and nonrenewal of lease procedures during and after a peacetime emergency; allowing for expungement of certain eviction actions filed during and after a peacetime emergency; preventing certain home foreclosure or contract for deed termination during and after a peacetime emergency. |
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| 1.7 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: |
| 1.8 | Section 1. PEACETIME EMERGENCY; EVICTION AND NONRENEWAL OF |
| 1.9 | LEASE. |
| 1.10 | Subdivision 1. Prohibitions; evictions and nonrenewal of lease. (a) The following |
| 1.11 | actions are prohibited related to residential property during the peacetime emergency declared |
| 1.12 | in Executive Order 20-01 and all subsequent extensions of that public health emergency. |
| 1.13 | For purposes of this section, the term "landlord" refers to entities defined in Minnesota |
| 1.14 | Statutes, section 504B.001, subdivision 7. |
| 1.15 | (b) A landlord is prohibited from filing of eviction actions or any other action to recover |
| 1.16 | possession of residential property from a tenant. The prohibition does not include actions |
| 1.17 | where the tenant: |
| 1.18 | (1) causes unlawful destruction of the residential property, as defined in Minnesota |
| 1.19 | Statutes, section 504B.165; |
| 1.20 | (2) violates Minnesota Statutes, section 504B.171, subdivision 1; |
| 1.21 | (3) remains in the property past the vacate date after receiving a proper notice to vacate |
| 1.22 | or notice of nonrenewal under paragraph (c); or |
| 1.23 | (4) materially violates a residential lease. |

Section 1. 1

| 2.1 | For the purposes of this section, a "material violation" is a substantial breach of the lease |
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| 2.2 | so fundamental that the violation defeats an essential purpose of the lease. A material |
| 2.3 | violation does not include nonpayment of rent or fees related to the tenancy or holding over |
| 2.4 | past the expiration of a lease. A landlord filing a complaint alleging grounds for eviction |
| 2.5 | under this paragraph shall file an affidavit with the court stating specific facts in support of |
| 2.6 | the filing, identifying the legal basis for the eviction, and providing information on how the |
| 2.7 | eviction falls under an exception in this paragraph. |
| 2.8 | (c) A landlord is prohibited from issuing a notice of termination or nonrenewal of a |
| 2.9 | residential lease, except: |
| 2.10 | (1) as provided in subdivision 2, to allow a family member to occupy the unit; |
| 2.11 | (2) at the request of the tenant; or |
| 2.12 | (3) where the termination is based upon one of the grounds permitted by paragraph (b). |
| 2.13 | (d) Execution of writs of recovery for residential property under Minnesota Statutes, |
| 2.14 | section 504B.365, subdivision 1, is prohibited, with the exception of: |
| 2.15 | (1) a writ of recovery designated as priority execution under Minnesota Statutes, section |
| 2.16 | 504B.365, subdivision 2; |
| 2.17 | (2) a writ issued as a result of an eviction action judgment entered prior to March 24, |
| 2.18 | 2020, at 5:00 p.m.; or |
| 2.19 | (3) a writ issued as a result of a lawfully filed eviction action permitted under this section. |
| 2.20 | (e) A landlord is prohibited from assessing late fees or related fees when nonpayment |
| 2.21 | of rent is due to the residential tenant's COVID-related loss of income. |
| 2.22 | (f) A landlord is prohibited from increasing the rent for a residential tenancy more than |
| 2.23 | six percent. In no case during the application of the peacetime emergency may there be a |
| 2.24 | rent increase, if there has been a rent increase in the previous 12 months. |
| 2.25 | (g) Termination of a residential rental agreement or filing an eviction action under |
| 2.26 | Minnesota Statutes, section 327C.09, are prohibited, except that terminations or eviction |
| 2.27 | actions under Minnesota Statutes, section 327C.09, subdivision 3, or for cases brought under |
| 2.28 | Minnesota Statutes, section 327C.09, subdivision 5, are allowed if the case is based on the |
| 2.29 | resident endangering the safety of other residents or park personnel. |
| 2.30 | (h) Delivery of default notices by owners of security interests in manufactured homes |
| 2.31 | located in Minnesota, pursuant to Minnesota Statutes, section 327.64, is prohibited. A |

Section 1. 2

| se | cured party is also prohibited from commencing an action for a court order to remove |
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| oc | cupants from manufactured homes. |
| | Subd. 2. Exceptions. Consistent with subdivision 1, paragraph (c), clause (1), residential |
| laı | ndlords may issue a lawful termination of tenancy or nonrenewal of lease due to the need |
| to | move the property owner or property owner's family member into the property, if the |
| pr | operty owner or property owner's family member moves into the property within seven |
| da | ys of the property being vacated by the residential tenant. For purposes of this section, |
| "f | amily member" includes a spouse, domestic partner, parent, sibling, child, in-law, or other |
| re | lative, as defined in Minnesota Statutes, section 273.124, subdivision 1, paragraph (c), of |
| th | e property owner or the property owner's spouse or domestic partner. |
| | Subd. 3. Notice required. For evictions allowed under this section, a landlord must |
| pr | ovide a written notice of intent to file an eviction action to the tenant at least seven days |
| pr | ior to filing the action, or any specified notice to cure or eviction action notice period |
| in | cluded in the lease, whichever is longer. If an eviction action is filed, the written notice |
| m | ust be attached to the filing. |
| | Subd. 4. Relief; Minnesota Statutes, chapters 518B and 629. Nothing in this section |
| is | intended to modify the relief available, including exclusion from the dwelling, in an order |
| fo | r protection issued under Minnesota Statutes, section 518B.01, or in a domestic abuse no |
| co | ntact order issued under Minnesota Statutes, section 629.75. |
| | Subd. 5. Rent and late fees. Nothing in this section reduces the rent owed by the |
| re | sidential tenant to the landlord, prevents the landlord from collecting rent owed, or reduces |
| ar | rears owed by a residential tenant for rent. |
| | Subd. 6. Application; Minnesota Statutes, chapter 504B. Nothing in this section |
| cr | eates grounds for eviction or lease termination beyond what is provided for by Minnesota |
| | atutes, chapter 504B. |
| | EFFECTIVE DATE. This section is effective the day following final enactment. |
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| , | Sec. 2. EVICTIONS AND NONRENEWAL AT THE CONCLUSION OF |
| Pl | EACETIME EMERGENCY. |
| | Subdivision 1. Eviction notice required; 12 months after peacetime emergency |
| en | ds. (a) For a period of 12 months after the end of the peacetime emergency declared in |
| Ex | xecutive Order 20-01 and extensions of that peacetime emergency order, a landlord who |
| fil | es an eviction action must first provide a written notice to the residential tenant at least |
| 60 | days prior to filing the eviction action. No late fees or related fees may be assessed by |

Sec. 2. 3

| 1.1 | the landlord during that 60-day period, and rents may not be increased during the 60-day |
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| 1.2 | notice period required in this section. Eviction actions listed in section 1, subdivision 1, |
| 1.3 | paragraph (b), are exempt from the 60-day notice requirement. For purposes of this section, |
| 1.4 | the term "landlord" refers to entities defined in Minnesota Statutes, section 504B.001, |
| 1.5 | subdivision 7. |
| 1.6 | (b) For a period of 12 months running from the date of the conclusion of the peacetime |
| 1.7 | emergency declared in Executive Order 20-01, and extensions of that peacetime emergency |
| 1.8 | order, no landlord may file an eviction action for nonpayment of rent if the landlord was |
| 1.9 | eligible to collect the alleged rent owed through a rental assistance or emergency assistance |
| 1.10 | program, and either refused the payment or refused to comply with requirements needed to |
| 1.11 | process the payment. |
| 1.12 | Subd. 2. Notice requirements. (a) Before bringing an eviction action alleging |
| 1.13 | nonpayment of rent, a landlord must provide written notice to the residential tenant specifying |
| 1.14 | the basis for a future eviction action. |
| 1.15 | (b) For an allegation of nonpayment of rent or other unpaid financial obligations in |
| 1.16 | violation of the lease, the landlord must include the following in a written notice: |
| 1.17 | (1) the total amount due; |
| 1.18 | (2) a specific accounting of the amount of the total due that is comprised of unpaid rents, |
| 1.19 | late fees, or other charges under the lease; and |
| 1.20 | (3) the name and address of the person authorized to receive rent and fees on behalf of |
| 1.21 | the landlord. |
| 1.22 | (c) A notice provided under this section must: |
| 1.23 | (1) provide a disclaimer that a low-income tenant may be eligible for financial assistance |
| 1.24 | from the county; |
| 1.25 | (2) provide a description on how to access legal and financial assistance through the |
| 1.26 | "Law Help" website at www.lawhelpmn.org and "Minnesota 211" through its website |
| 1.27 | www.211unitedway.org or by calling 211; and |
| 1.28 | (3) state that the landlord may bring an eviction action following expiration of the 60-day |
| 1.29 | notice period if the tenant fails to pay the total amount due or fails to vacate. |
| 1.30 | (d) The landlord or an agent of the landlord must deliver the notice personally or by first |
| 1.31 | class mail to the residential tenant at the address of the leased premises. |
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Sec. 2. 4

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| (e) If the tenant fails to correct the rent delinquency within 60 days of the delivery of |
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| mailing of the notice or fails to vacate, the landlord may bring an eviction action based |
| the nonpayment of rent. |
| (f) Receipt of a notice under this section is an emergency situation under Minnesota |
| Statutes, section 256D.06, subdivision 2, and Minnesota Rules, chapter 9500. For purpos |
| of Minnesota Statutes, chapter 256J, and Minnesota Rules, chapter 9500, a county agend |
| verifies an emergency situation by receiving and reviewing a notice under this section. I |
| residential tenant applies for financial assistance from the county, the landlord must coopera |
| with the application process by: |
| (1) supplying all information and documentation requested by the tenant or the count |
| <u>and</u> |
| (2) accepting or placing into escrow partial rent payments where necessary to establi |
| a tenant's eligibility for assistance. |
| (g) If applicable, the person filing an eviction action or other legal action to recover |
| possession of residential rental property from a tenant must attach a copy of the written |
| notice required by this section. |
| (h) If the court finds that a plaintiff has violated a provision of this section, the court |
| must dismiss the action without prejudice and expunge the action. |
| Subd. 3. Rent owed. Nothing in this section reduces the rent owed by a residential tena |
| to the landlord. This section does not prevent the landlord from collecting rent owed and |
| does not reduce the arrears owed by a residential tenant for rent. |
| EFFECTIVE DATE. This section is effective the day following final enactment. |
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| Sec. 3. <u>DISTRICT COURT PETITION REVIEW</u> ; <u>DISMISSAL AND</u> EXPUNGEMENT OF ACTIONS. |
| |
| (a) The court must conduct an initial review of all eviction filings for compliance wi |
| sections 1 and 2. If the court finds that an eviction action has been filed in violation of |
| section 1 or Executive Order 20-14, 20-73, or 20-79, the action must be dismissed and |
| expunged if the eviction filing has not yet been adjudicated. This paragraph applies to a |
| eviction actions filed on or after March 23, 2020. |
| (b) If a landlord is required under section 2 to provide a 60-day written notice, the notice |
| must be attached to any eviction filing. If the notice is not attached, the court must reject |
| the filing. |

Sec. 3. 5 6.2

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| Sec. 4. FORECLOSURE; CONT | RACT FOR DEEL |); DURING ANI | D 60 DAYS |
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| AFTER PEACETIME EMERGEN | ICY. | | |

(a) During the peacetime emergency declared in Executive Order 20-01 and extensions of that peacetime emergency order, and for 60 days after the conclusion of that peacetime emergency:

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- (1) no notice of a pendency for a foreclosure by advertisement may be recorded and no action may commence under Minnesota Statutes, chapter 580 or 581, except for an action necessary to protect holders of bonds issued under Minnesota Statutes, chapter 462A; and
- (2) no vendor may terminate a contract for deed. 6.10
- (b) Nothing in this section alters the payments owed or any other obligations under the 6.11 mortgage, common interest community bylaws, contract for deed, or the pledge made by 6.12 6.13 the state to holders of bonds issued under Minnesota Statutes, chapter 462A.
- EFFECTIVE DATE. This section is effective the day following final enactment and 6.14 6.15 applies to actions taken on or after that date.

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