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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **4376**

03/17/2022 Authored by Hausman
The bill was read for the first time and referred to the Committee on Housing Finance and Policy
04/08/2022 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

1.2 relating to housing; modifying provisions governing housing finance, housing

1.3 policy, and various other housing-related provisions; appropriating money for the

1.4 governor's supplemental housing budget; appropriating money for the Minnesota

1.5 Housing Finance Agency; appropriating money for the Department of Human

1.6 Rights to investigate income discrimination in housing; establishing the community

1.7 stabilization housing program; establishing the strengthening supportive housing

1.8 model program; establishing the lead-safe homes grant program; establishing the

1.9 housing mediation grant program; establishing the first-generation homebuyers

1.10 down payment assistance fund pilot project; establishing the manufactured home

1.11 park cooperative purchase program; modifying eligible uses for housing trust fund

1.12 loans and grants; modifying eligible uses for housing infrastructure bonds;

1.13 modifying provisions governing rental covenants and evictions; amending

1.14 Minnesota Statutes 2020, sections 363A.09, subdivisions 1, 2, by adding a

1.15 subdivision; 462A.03, subdivision 13; 462A.05, by adding subdivisions; 462A.07,

1.16 subdivisions 9, 10, 14; 462A.201, subdivision 2; 462A.204, subdivisions 3, 8;

1.17 462A.21, subdivision 4a; 462A.22, subdivision 1; 462A.36, subdivision 4, by

1.18 adding a subdivision; 462A.37, subdivisions 1, 2, 4, by adding subdivisions;

1.19 462A.38, subdivision 1; 462A.39, subdivisions 2, 5; 484.014, subdivisions 2, 3;

1.20 500.20, subdivision 2a; 504B.135; 504B.161, subdivision 1; 504B.211, subdivisions

1.21 2, 6; 504B.291; 504B.321; 504B.375, subdivision 1; 504B.381, subdivisions 1, 5,

1.22 by adding a subdivision; Minnesota Statutes 2021 Supplement, sections 462A.05,

1.23 subdivision 14; 462A.37, subdivision 5; Laws 2021, First Special Session chapter

1.24 8, article 1, section 3, subdivision 11; proposing coding for new law in Minnesota

1.25 Statutes, chapters 462A; 504B.

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

1.27 **ARTICLE 1**

1.28 **HOUSING APPROPRIATIONS**

1.29 Section 1. **APPROPRIATIONS.**

1.30 The sums shown in the columns marked "Appropriations" are added to the appropriations

1.31 in Laws 2021, First Special Session chapter 8, or other law, to specified agencies. The

1.32 appropriations are from the general fund, or another named fund, and are available for the

2.1 fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article
2.2 mean that the appropriations listed under them are available for the fiscal year ending June
2.3 30, 2022, or June 30, 2023, respectively.

2.4		<u>APPROPRIATIONS</u>	
2.5		<u>Available for the Year</u>	
2.6		<u>Ending June 30</u>	
2.7		<u>2022</u>	<u>2023</u>

2.8 Sec. 2. **HOUSING FINANCE AGENCY**

2.9 Subdivision 1. **Total Appropriation** **\$ 229,617,000**

2.10 The amounts that may be spent for each
2.11 purpose are specified in the following
2.12 subdivisions.

2.13 Subd. 2. **Challenge Program** 20,000,000

2.14 (a) This appropriation is for the economic
2.15 development and housing challenge program
2.16 under Minnesota Statutes, sections 462A.07,
2.17 subdivision 14, and 462A.33.

2.18 (b) In fiscal years 2024 and 2025, \$17,117,000
2.19 is added to the agency's base.

2.20 Subd. 3. **Housing Trust Fund** 10,000,000

2.21 This appropriation is for deposit in the housing
2.22 trust fund account created under Minnesota
2.23 Statutes, section 462A.201, and may be used
2.24 for the purposes provided in that section. In
2.25 fiscal years 2024 and 2025, \$10,000,000 is
2.26 added to the agency's base.

2.27 Subd. 4. **Homework Starts with Home** 10,000,000

2.28 (a) This appropriation is for the homework
2.29 starts with home program under Minnesota
2.30 Statutes, sections 462A.201, subdivision 2,
2.31 paragraph (a), clause (4), and 462A.204,
2.32 subdivision 8, to provide assistance to
2.33 homeless or highly mobile families with minor
2.34 children or with adult children eligible for

3.1 enrollment in an academic program through
 3.2 grade 12. Funding must prioritize families
 3.3 with younger children not yet in school who
 3.4 are identified as being at risk of homelessness
 3.5 or experiencing homelessness.

3.6 (b) In fiscal years 2024 and 2025, \$10,000,000
 3.7 is added to the agency's base.

3.8 **Subd. 5. Family Homeless Prevention** 14,000,000

3.9 (a) This appropriation is for the family
 3.10 homeless prevention and assistance programs
 3.11 under Minnesota Statutes, section 462A.204.

3.12 (b) In fiscal years 2024 and 2025, \$10,000,000
 3.13 is added to the agency's base.

3.14 **Subd. 6. Community Stabilization** 100,000,000

3.15 (a) This appropriation is for the community
 3.16 stabilization program under Minnesota
 3.17 Statutes, section 462A.41, to finance
 3.18 improvements for naturally occurring
 3.19 affordable housing.

3.20 (b) In fiscal years 2024 and 2025, \$40,000,000
 3.21 is added to the agency's base.

3.22 **Subd. 7. Flexible Financing for Capital Costs** 5,000,000

3.23 This appropriation is to provide gap financing
 3.24 to rental housing developments financed by
 3.25 the agency. This is a onetime appropriation.

3.26 **Subd. 8. Strengthening Supportive Housing**
 3.27 **Model** 5,000,000

3.28 This appropriation is for the strengthening
 3.29 supportive housing model program under
 3.30 Minnesota Statutes, section 462A.42, to
 3.31 provide funding to strengthen supportive
 3.32 housing for individuals and families who are
 3.33 at risk of homelessness or have experienced

4.1 homelessness. In fiscal years 2024 and 2025,
 4.2 \$5,000,000 is added to the agency's base.

4.3 **Subd. 9. Lead-Safe Homes** 2,000,000

4.4 This appropriation is for the lead-safe homes
 4.5 grant program under Minnesota Statutes,
 4.6 section 462A.2095. This is a onetime
 4.7 appropriation.

4.8 **Subd. 10. Stable Housing Mediation** 425,000

4.9 This appropriation is for the housing mediation
 4.10 grant program for grants to mediation facilities
 4.11 certified by the state under Minnesota Statutes,
 4.12 section 494.015. This is a onetime
 4.13 appropriation.

4.14 **Subd. 11. Homeownership Education,**
 4.15 **Counseling, and Training Program** 1,000,000

4.16 This appropriation is for the homeownership
 4.17 education, counseling, and training program
 4.18 under Minnesota Statutes, section 462A.209.
 4.19 This is a onetime appropriation.

4.20 **Subd. 12. First-Generation Homebuyers Down**
 4.21 **Payment Assistance Fund** 50,000,000

4.22 This appropriation is for a grant to Midwest
 4.23 Minnesota Community Development
 4.24 Corporation (MMCDC) for a first-generation
 4.25 homebuyers down payment assistance fund.
 4.26 This is a onetime appropriation and is
 4.27 available until June 30, 2025.

4.28 **Subd. 13. Local Housing Trust Fund Grants** 7,000,000

4.29 This appropriation is for the local housing trust
 4.30 fund grant program. This is a onetime
 4.31 appropriation.

5.1 **Subd. 14. Manufactured Home Park Cooperative**
 5.2 **Purchase Program** 5,192,000

5.3 This appropriation is for the manufactured
 5.4 home park cooperative purchase program. This
 5.5 is a onetime appropriation.

5.6 **Sec. 3. DEPARTMENT OF HUMAN RIGHTS** **\$ 383,000**

5.7 (a) \$383,000 in fiscal year 2023 is to the
 5.8 commissioner of human rights for increased
 5.9 capacity and associated costs to investigate
 5.10 sources of income discrimination cases in
 5.11 housing.

5.12 (b) In fiscal years 2024 and 2025, \$383,000
 5.13 is added to the department's base.

5.14 **ARTICLE 2**

5.15 **HOUSING FINANCE GRANT PROGRAMS AND POLICY**

5.16 Section 1. Minnesota Statutes 2020, section 462A.201, subdivision 2, is amended to read:

5.17 Subd. 2. **Low-income housing.** (a) The agency may use money from the housing trust
 5.18 fund account to provide loans or grants for:

5.19 (1) projects for the development, construction, acquisition, preservation, and rehabilitation
 5.20 of low-income rental and limited equity cooperative housing units, including temporary
 5.21 and transitional housing;

5.22 (2) the costs of operating rental housing, as determined by the agency, that are unique
 5.23 to the operation of low-income rental housing or supportive housing;

5.24 (3) rental assistance, either project-based or tenant-based; and

5.25 (4) programs to secure stable housing for families with minor children eligible for
 5.26 enrollment in a prekindergarten through grade 12 academic program or with adult children
 5.27 eligible for enrollment in an academic program through grade 12.

5.28 For purposes of this section, "transitional housing" has the meaning given by the United
 5.29 States Department of Housing and Urban Development. Loans or grants for residential
 5.30 housing for migrant farmworkers may be made under this section.

5.31 (b) The housing trust fund account must be used for the benefit of persons and families
 5.32 whose income, at the time of initial occupancy, does not exceed 60 percent of median income

6.1 as determined by the United States Department of Housing and Urban Development for the
6.2 metropolitan area. At least 75 percent of the funds in the housing trust fund account must
6.3 be used for the benefit of persons and families whose income, at the time of initial occupancy,
6.4 does not exceed 30 percent of the median family income for the metropolitan area as defined
6.5 in section 473.121, subdivision 2. For purposes of this section, a household with a housing
6.6 assistance voucher under Section 8 of the United States Housing Act of 1937, as amended,
6.7 is deemed to meet the income requirements of this section.

6.8 The median family income may be adjusted for families of five or more.

6.9 (c) Rental assistance under this section must be provided by governmental units which
6.10 administer housing assistance supplements or by for-profit or nonprofit organizations
6.11 experienced in housing management. Rental assistance shall be limited to households whose
6.12 income at the time of initial receipt of rental assistance does not exceed 60 percent of median
6.13 income, as determined by the United States Department of Housing and Urban Development
6.14 for the metropolitan area. Priority among comparable applications for tenant-based rental
6.15 assistance will be given to proposals that will serve households whose income at the time
6.16 of initial application for rental assistance does not exceed 30 percent of median income, as
6.17 determined by the United States Department of Housing and Urban Development for the
6.18 metropolitan area. Rental assistance must be terminated when it is determined that 30 percent
6.19 of a household's monthly income for four consecutive months equals or exceeds the market
6.20 rent for the unit in which the household resides plus utilities for which the tenant is
6.21 responsible. Rental assistance may only be used for rental housing units that meet the housing
6.22 maintenance code of the local unit of government in which the unit is located, if such a code
6.23 has been adopted, or the housing quality standards adopted by the United States Department
6.24 of Housing and Urban Development, if no local housing maintenance code has been adopted.

6.25 (d) In making the loans or grants, the agency shall determine the terms and conditions
6.26 of repayment and the appropriate security, if any, should repayment be required. To promote
6.27 the geographic distribution of grants and loans, the agency may designate a portion of the
6.28 grant or loan awards to be set aside for projects located in specified congressional districts
6.29 or other geographical regions specified by the agency. The agency may adopt rules for
6.30 awarding grants and loans under this subdivision.

6.31 Sec. 2. Minnesota Statutes 2020, section 462A.204, subdivision 8, is amended to read:

6.32 Subd. 8. **School Stability for learning and development.** (a) The agency in consultation
6.33 with the Interagency Council on Homelessness may establish a ~~school~~ school stability for learning
6.34 and development project under the family homeless prevention and assistance program.

7.1 The purpose of the project is to secure stable housing for families with ~~school-age~~ minor
7.2 children who have moved frequently, for families with adult children eligible for enrollment
7.3 in an academic program through grade 12 who have moved frequently, and for
7.4 unaccompanied youth. For purposes of this subdivision, "unaccompanied youth" are minors
7.5 who are leaving foster care or juvenile correctional facilities, or minors who meet the
7.6 definition of a child in need of services or protection under section 260C.007, subdivision
7.7 6, but for whom no court finding has been made pursuant to that statute.

7.8 (b) The agency shall make grants to family homeless prevention and assistance projects
7.9 in communities with a school or schools that have a significant degree of student mobility
7.10 or in communities with a significant degree of homelessness among families with minor
7.11 children.

7.12 (c) Each project must be designed to reduce school absenteeism; stabilize children in
7.13 one home setting or, at a minimum, in one school setting; and reduce shelter usage. Each
7.14 project must include plans for the following:

7.15 (1) targeting of families with minor children ~~who are eligible for a prekindergarten~~
7.16 ~~through grade 12 academic program and~~ or with adult children eligible for enrollment in
7.17 an academic program through grade 12 if those families are living in overcrowded conditions
7.18 in their current housing; are paying more than 50 percent of their income for rent; or who
7.19 lack a fixed, regular, and adequate nighttime residence;

7.20 (2) targeting of unaccompanied youth in need of an alternative residential setting;

7.21 (3) connecting families with the social services necessary to maintain the families'
7.22 stability in their home, including but not limited to housing navigation, legal representation,
7.23 and family outreach; and

7.24 (4) one or more of the following:

7.25 (i) provision of rental assistance for a specified period of time, which may exceed 24
7.26 months; or

7.27 (ii) provision of support and case management services to improve housing stability,
7.28 including but not limited to housing navigation and family outreach.

7.29 (d) In selecting projects for funding under this subdivision, preference shall be given to
7.30 organizations granted funding under section 462A.201, subdivision 2, paragraph (a), clause
7.31 (4).

7.32 (e) No grantee under this subdivision is required to have an advisory committee as
7.33 described in subdivision 6.

8.1 Sec. 3. 462A.2095] LEAD-SAFE HOMES GRANT PROGRAM.

8.2 Subdivision 1. Establishment. The Housing Finance Agency shall establish a lead-safe
8.3 homes grant program to provide grants to increase lead testing and make residential rental
8.4 units lead safe. The initial pilot program shall provide one grant to a project serving an area
8.5 in a metropolitan county, as defined in section 473.121, subdivision 4, and one grant to a
8.6 project serving an area outside a metropolitan county with a priority for targeting grant
8.7 resources to landlords and tenants where there are high concentrations of lead poisoning in
8.8 children based on information provided by the commissioner of health.

8.9 Subd. 2. Eligibility. (a) Eligible grantees must be a nonprofit or political subdivision
8.10 capable of providing funding and services to a defined geographic area. The grant programs
8.11 receiving funding under this section must provide lead risk assessments completed by a
8.12 lead inspector or a lead risk assessor licensed by the commissioner of health pursuant to
8.13 section 144.9505 for properties built before 1978 to determine the presence of lead hazards
8.14 and to provide interim controls to reduce lead health hazards. The grant program must
8.15 provide funding for testing and lead hazard reduction to:

8.16 (1) landlords of residential buildings with 11 units or less where the tenant's income
8.17 does not exceed 60 percent of area median income;

8.18 (2) landlords of residential buildings with 12 units or more where at least 50 percent of
8.19 the tenants are below 60 percent of the median income; and

8.20 (3) a tenant with an income that does not exceed 60 percent of area median income.

8.21 (b) A landlord or tenant must first access other available state and federal funding related
8.22 to lead testing and lead hazard reduction for which they are eligible.

8.23 (c) Up to ten percent of a grant award to a nonprofit or political subdivision may be used
8.24 to administer the grant and provide education and outreach about lead health hazards.

8.25 Subd. 3. Short title. This section shall be known as the "Dustin Luke Shields Act."

8.26 Sec. 4. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

8.27 Subd. 2. Authorization. (a) The agency may issue up to \$30,000,000 in aggregate
8.28 principal amount of housing infrastructure bonds in one or more series to which the payment
8.29 made under this section may be pledged. The housing infrastructure bonds authorized in
8.30 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on
8.31 terms and conditions the agency deems appropriate, made for one or more of the following
8.32 purposes:

9.1 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
9.2 housing for individuals and families who are without a permanent residence;

9.3 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
9.4 housing to be used for affordable rental housing and the costs of new construction of rental
9.5 housing on abandoned or foreclosed property where the existing structures will be demolished
9.6 or removed;

9.7 (3) to finance that portion of the costs of acquisition of property that is attributable to
9.8 the land to be leased by community land trusts to low- and moderate-income home buyers;

9.9 (4) to finance the acquisition, improvement, and infrastructure of manufactured home
9.10 parks under section 462A.2035, subdivision 1b;

9.11 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
9.12 of senior housing, with up to 20 percent of the units serving low-income individuals of any
9.13 age;

9.14 (6) to finance the costs of acquisition and rehabilitation of federally assisted rental
9.15 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
9.16 of federally assisted rental housing, including providing funds to refund, in whole or in part,
9.17 outstanding bonds previously issued by the agency or another government unit to finance
9.18 or refinance such costs; ~~and~~

9.19 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
9.20 of single-family housing; and

9.21 (8) to finance the costs of construction, acquisition, and rehabilitation of permanent
9.22 housing that is affordable to households with incomes at or below 50 percent of the area
9.23 median income for the applicable county or metropolitan area as published by the Department
9.24 of Housing and Urban Development, as adjusted for household size.

9.25 (b) Among comparable proposals for permanent supportive housing, preference shall
9.26 be given to permanent supportive housing for veterans and other individuals or families
9.27 who:

9.28 (1) either have been without a permanent residence for at least 12 months or at least four
9.29 times in the last three years; or

9.30 (2) are at significant risk of lacking a permanent residence for 12 months or at least four
9.31 times in the last three years.

10.1 (c) Among comparable proposals for senior housing, the agency must give priority to
10.2 requests for projects that:

10.3 (1) demonstrate a commitment to maintaining the housing financed as affordable to
10.4 seniors;

10.5 (2) leverage other sources of funding to finance the project, including the use of
10.6 low-income housing tax credits;

10.7 (3) provide access to services to residents and demonstrate the ability to increase physical
10.8 supports and support services as residents age and experience increasing levels of disability;

10.9 (4) provide a service plan containing the elements of clause (3) reviewed by the housing
10.10 authority, economic development authority, public housing authority, or community
10.11 development agency that has an area of operation for the jurisdiction in which the project
10.12 is located; and

10.13 (5) include households with incomes that do not exceed 30 percent of the median
10.14 household income for the metropolitan area.

10.15 (d) To the extent practicable, the agency shall balance the loans made between projects
10.16 in the metropolitan area and projects outside the metropolitan area. Of the loans made to
10.17 projects outside the metropolitan area, the agency shall, to the extent practicable, balance
10.18 the loans made between projects in counties or cities with a population of 20,000 or less,
10.19 as established by the most recent decennial census, and projects in counties or cities with
10.20 populations in excess of 20,000.

10.21 (e) Among comparable proposals for permanent housing, the agency must give preference
10.22 to projects that will provide housing that is affordable to households at or below 30 percent
10.23 of area median income.

10.24 (f) If a loan recipient uses the loan for any of the purposes in paragraph (a) on a building
10.25 containing more than four units, the recipient must construct, convert, or otherwise adapt
10.26 the building to include:

10.27 (1) the greater of at least one unit or at least five percent of units that are accessible units,
10.28 as defined by section 1002 of the current State Building Code Accessibility Provisions for
10.29 Dwelling Units in Minnesota, and include at least one roll-in shower; and

10.30 (2) the greater of at least one unit or at least five percent of units that are
10.31 sensory-accessible units that include:

10.32 (i) soundproofing between shared walls for first and second floor units;

11.1 (ii) no florescent lighting in units and common areas;

11.2 (iii) low-fume paint;

11.3 (iv) low-chemical carpet; and

11.4 (v) low-chemical carpet glue in units and common areas.

11.5 Nothing in this paragraph relieves projects being funded by these loans from meeting other
11.6 applicable accessibility requirements.

11.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.8 Sec. 5. Minnesota Statutes 2020, section 462A.37, is amended by adding a subdivision to
11.9 read:

11.10 Subd. 2i. **Additional authorization.** In addition to the amount authorized in subdivisions
11.11 2 to 2h, the agency may issue up to \$400,000,000 in housing infrastructure bonds in one or
11.12 more series to which the payments under this section may be pledged.

11.13 **EFFECTIVE DATE.** This section is effective the day following final enactment. If the
11.14 authorization in this section is enacted more than once in the 2022 legislative session, the
11.15 authorization must be given effect only once.

11.16 Sec. 6. **[462A.41] COMMUNITY STABILIZATION PROGRAM.**

11.17 Subdivision 1. **Establishment.** The agency shall establish a community stabilization
11.18 program for the purpose of providing grants or loans for the preservation of naturally
11.19 occurring affordable housing through acquisition or rehabilitation.

11.20 Subd. 2. **Definitions.** For the purposes of this section, "naturally occurring affordable
11.21 housing" means:

11.22 (1) multiunit rental housing that:

11.23 (i) is at least 20 years old; and

11.24 (ii) has rents in a majority of units that are affordable to households at or below 60
11.25 percent of the greater of state or area median income as determined by the United States
11.26 Department of Housing and Urban Development; or

11.27 (2) owner-occupied housing located in communities where market pressures or significant
11.28 deferred rehabilitation needs, as defined by the agency, are creating opportunities for
11.29 displacement or the loss of owner-occupied housing affordable to households at or below

12.1 115 percent of the greater of state or area median income as determined by the United States
12.2 Department of Housing and Urban Development.

12.3 Subd. 3. **Eligible recipients.** (a) Grants or loans may be made to a local unit of
12.4 government; a federally recognized American Indian tribe located in Minnesota or its
12.5 Tribally Designated Housing Entity; a private developer; limited equity cooperatives;
12.6 cooperatives created under chapter 308A or 308B; community land trusts created for the
12.7 purposes outlined in section 462A.31, subdivision 1; or a nonprofit organization.

12.8 (b) The agency shall make a grant to a statewide intermediary to facilitate the acquisition
12.9 and associated rehabilitation of existing multiunit rental housing and may use an intermediary
12.10 or intermediaries for the acquisition and associated rehabilitation of owner-occupied housing.

12.11 Subd. 4. **Eligible uses.** The program shall provide grants or loans for the purpose of
12.12 acquisition, rehabilitation, interest rate reduction, or gap financing of housing to support
12.13 the preservation of naturally occurring affordable housing. Priority in funding shall be given
12.14 to proposals that serve lower incomes and maintain longer periods of affordability.

12.15 Subd. 5. **Owner-occupied housing income limits.** Households served through grants
12.16 or loans related to owner-occupied housing must have, at initial occupancy, income that is
12.17 at or below 115 percent of the greater of state or area median income as determined by the
12.18 United States Department of Housing and Urban Development.

12.19 Subd. 6. **Multifamily housing rent limits.** Multifamily housing financed through grants
12.20 or loans under this section must remain affordable to low-income or moderate-income
12.21 households as defined by the agency.

12.22 Subd. 7. **Application.** (a) The agency shall develop forms and procedures for soliciting
12.23 and reviewing applications for loans or grants under this section. The agency shall consult
12.24 with interested stakeholders when developing the guidelines and procedures for the program.

12.25 (b) Notwithstanding any other applicable law, the agency may accept applications on a
12.26 noncompetitive, rolling basis in order to provide funds for eligible properties as they become
12.27 available.

12.28 Subd. 8. **Voucher requirement for multifamily properties.** Rental properties that
12.29 receive funds must accept rental subsidies, including but not limited to vouchers under
12.30 Section 8 of the United States Housing Act of 1937, as amended.

13.1 Sec. 7. **[462A.42] STRENGTHENING SUPPORTIVE HOUSING MODEL.**

13.2 Subdivision 1. **Establishment.** The agency shall establish a strengthening supportive
13.3 housing model program for the purpose of providing funding to strengthen supportive
13.4 housing for individuals and families who are at risk of homelessness or have experienced
13.5 homelessness.

13.6 Subd. 2. **Definition.** For the purposes of this section, "supportive housing" means housing
13.7 that is not time-limited and provides or coordinates with linkages to services necessary for
13.8 residents to maintain housing stability and maximize opportunities for education and
13.9 employment.

13.10 Subd. 3. **Eligible recipients.** Funding may be made to a local unit of government, a
13.11 federally recognized American Indian Tribe or its Tribally Designated Housing Entity
13.12 located in Minnesota, a private developer, or a nonprofit organization.

13.13 Subd. 4. **Eligible uses.** (a) Funds shall be used to cover costs needed for supportive
13.14 housing to operate effectively that are not covered by other federal or state resources. Costs
13.15 may include but are not limited to building operating expenses such as front desk, tenant
13.16 service coordination, revenue shortfall, and security costs.

13.17 (b) Funds shall be used to create partnerships with the health care sector and other sectors
13.18 to demonstrate sustainable ways to provide services for supportive housing residents, improve
13.19 access to health care, and reduce the use of expensive emergency and institutional care.
13.20 This may be done in partnership with other state agencies, including the Department of
13.21 Health and the Department of Human Services.

13.22 Subd. 5. **Application.** The commissioner shall develop forms and procedures for soliciting
13.23 and reviewing applications for funding under this section. The commissioner shall consult
13.24 with interested stakeholders when developing the guidelines and procedures for the program.

13.25 Sec. 8. Minnesota Statutes 2020, section 500.20, subdivision 2a, is amended to read:

13.26 **Subd. 2a. Restriction of duration of condition.** Except for any right to reenter or to
13.27 repossess as provided in subdivision 3, all private covenants, conditions, or restrictions
13.28 created by which the title or use of real property is affected, cease to be valid and operative
13.29 30 years after the date of the deed, or other instrument, or the date of the probate of the will,
13.30 creating them, and may be disregarded.

13.31 This subdivision does not apply to covenants, conditions, or restrictions:

14.1 (1) that were created before August 1, 1959, under which a person who owns or has an
14.2 interest in real property against which the covenants, conditions, or restrictions have been
14.3 filed claims a benefit of the covenant, condition, or restriction if the person records in the
14.4 office of the county recorder or files in the office of the registrar of titles in the county in
14.5 which the real estate affected is located, on or before March 30, 1989, a notice sworn to by
14.6 the claimant or the claimant's agent or attorney: setting forth the name of the claimant;
14.7 describing the real estate affected; describing the deed, instrument, or will creating the
14.8 covenant, condition, or restriction; and stating that the covenant, condition, or restriction is
14.9 not nominal and may not be disregarded under subdivision 1;

14.10 (2) that are created by the declaration, bylaws, floor plans, or condominium plat of a
14.11 condominium created before August 1, 1980, under chapter 515, or created on or after
14.12 August 1, 1980, under chapter 515A or 515B, or by any amendments of the declaration,
14.13 bylaws, floor plans, or condominium plat;

14.14 (3) that are created by the articles of incorporation, bylaws, or proprietary leases of a
14.15 cooperative association formed under chapter 308A;

14.16 (4) that are created by a declaration or other instrument that authorizes and empowers
14.17 a corporation of which the qualification for being a stockholder or member is ownership of
14.18 certain parcels of real estate, to hold title to common real estate for the benefit of the parcels;

14.19 (5) that are created by a deed, declaration, reservation, or other instrument by which one
14.20 or more portions of a building, set of connecting or adjacent buildings, or complex or project
14.21 of related buildings and structures share support, structural components, ingress and egress,
14.22 or utility access with another portion or portions;

14.23 (6) that were created after July 31, 1959, under which a person who owns or has an
14.24 interest in real estate against which covenants, conditions, or restrictions have been filed
14.25 claims a benefit of the covenants, conditions, or restrictions if the person records in the
14.26 office of the county recorder or files in the office of the registrar of titles in the county in
14.27 which the real estate affected is located during the period commencing on the 28th
14.28 anniversary of the date of the deed or instrument, or the date of the probate of the will,
14.29 creating them and ending on the 30th anniversary, a notice as described in clause (1); ~~or~~

14.30 (7) that are created by a declaration or bylaws of a common interest community created
14.31 under or governed by chapter 515B, or by any amendments thereto; or

14.32 (8) that are created by a declaration or other instrument required by a government entity
14.33 related to affordable housing.

15.1 A notice filed in accordance with clause (1) or (6) delays application of this subdivision
15.2 to the covenants, conditions, or restrictions for a period ending on the later of seven years
15.3 after the date of filing of the notice, or until final judgment is entered in an action to determine
15.4 the validity of the covenants, conditions, or restrictions, provided in the case of an action
15.5 the summons and complaint must be served and a notice of lis pendens must be recorded
15.6 in the office of the county recorder or filed in the office of the registrar of titles in each
15.7 county in which the real estate affected is located within seven years after the date of
15.8 recording or filing of the notice under clause (1) or (6).

15.9 County recorders and registrars of titles shall accept for recording or filing a notice
15.10 conforming with this subdivision and charge a fee corresponding with the fee charged for
15.11 filing a notice of lis pendens of similar length. The notice may be discharged in the same
15.12 manner as a notice of lis pendens and when discharged, together with the information
15.13 included with it, ceases to constitute either actual or constructive notice.

15.14 **Sec. 9. MINNESOTA STABLE HOUSING MEDIATION GRANT PROGRAM.**

15.15 The commissioner of the Housing Finance Agency shall establish a housing mediation
15.16 grant program to increase access to voluntary housing mediation services for renters and
15.17 homeowners. The grant program shall provide funding to mediation facilities certified by
15.18 the state under Minnesota Statutes, section 494.015, that can increase access to housing
15.19 mediation throughout the state, increase the availability of culturally specific dispute
15.20 resolution programs, reduce the need for court actions, and bring stability in housing. The
15.21 grant funding must be used to:

15.22 (1) provide mediation services to benefit renters, property owners, households, utility
15.23 providers, and homeowners statewide and increase awareness of access to mediation services
15.24 and expand statewide mediation services;

15.25 (2) provide eviction prevention services including access to mediation services that
15.26 prevent eviction court costs and reduce negative consequences to families, schools,
15.27 employers, neighborhoods, and communities;

15.28 (3) partner with culturally specific dispute resolution programs to provide training and
15.29 assist in providing mediation services virtually and in person;

15.30 (4) increase mediation services for seniors and tenants with disabilities and illnesses
15.31 who face housing instability;

15.32 (5) increase the diversity of the housing mediator roster;

16.1 (6) integrate existing and future housing mediation services with legal assistance and
16.2 court services programs; and

16.3 (7) develop and administer evaluation tools in order to design, modify, and replicate
16.4 effective program outcomes.

16.5 **Sec. 10. FIRST-GENERATION HOMEBUYERS DOWN PAYMENT ASSISTANCE**
16.6 **FUND.**

16.7 Subdivision 1. **Establishment.** A first-generation homebuyers down payment assistance
16.8 fund is established as a pilot project under the administration of the Midwest Minnesota
16.9 Community Development Corporation (MMCDC), a community development financial
16.10 institution (CDFI) as defined under the Riegle Community Development and Regulatory
16.11 Improvement Act of 1994, to provide targeted assistance to eligible first-generation
16.12 homebuyers.

16.13 Subd. 2. **Eligible homebuyer.** For purposes of this section, "eligible first-generation
16.14 homebuyer" means an individual:

16.15 (1) whose income is at or below 100 percent of the area median income at the time of
16.16 purchase;

16.17 (2) who is a first-time homebuyer as defined under Code of Federal Regulations, title
16.18 24, section 92.2;

16.19 (3) who is preapproved for a first mortgage loan; and

16.20 (4) whose parent or prior legal guardian does not, or did not at the time of their death,
16.21 own a home.

16.22 An eligible homebuyer must complete an approved homebuyer education course prior to
16.23 signing a purchase agreement and, following the purchase of the home, must occupy it as
16.24 the homebuyer's primary residence. The home must be purchased within the maximum loan
16.25 amount established by the federal Housing Finance Agency, and the eligible homebuyer
16.26 must contribute a minimum of \$1,000 to down payment or closing costs.

16.27 Subd. 3. **Use of funds.** Assistance under this section is limited to ten percent of the
16.28 purchase price of a home, not to exceed \$30,000 per eligible first-generation homebuyer.
16.29 The assistance must be provided in the form of a loan that is forgivable at a rate of 20 percent
16.30 per year on the day after the anniversary date of the note. The prorated balance due is
16.31 repayable if the property converts to nonowner occupancy, is sold, is subjected to an ineligible
16.32 refinance, is subjected to an unauthorized transfer of title, or is subjected to a completed

17.1 foreclosure action within the five-year loan term. Recapture can be waived in the event of
17.2 financial or personal hardship. The loan may be reserved and used for closing costs, down
17.3 payment, or principal reduction. The loan must be used in conjunction with a conforming
17.4 first mortgage loan that is fully amortizing and meets the standards of a qualified mortgage
17.5 or meets the minimum standards for exemption under Code of Federal Regulations, title
17.6 12, section 1026.43. The loan may be used in conjunction with funds from other programs
17.7 for which the eligible homebuyer may qualify and the loan may be placed in any priority
17.8 position.

17.9 Subd. 4. **Administration.** The first-generation homebuyers down payment assistance
17.10 fund is available statewide and shall be administered by MMCDC, the designated central
17.11 CDFI. MMCDC may originate and service funds and authorize other CDFIs, Tribal entities,
17.12 and nonprofit organizations administering down payment assistance to reserve, originate,
17.13 fund, and service funds for eligible first-generation homebuyers. Administrative costs must
17.14 not exceed \$3,000 per loan. Any funds made available due to early resale of a home must
17.15 be returned to MMCDC for redistribution to eligible first-generation homebuyers.

17.16 Subd. 5. **Legislative auditor.** The first-generation homebuyers down payment assistance
17.17 fund is subject to audit by the legislative auditor. MMCDC and participating CDFIs must
17.18 cooperate with the audit.

17.19 Subd. 6. **Creditor immunity for reliance on borrower self-attestations.** No creditor
17.20 shall be subject to liability, including monetary penalties or requirements to indemnify a
17.21 federal or state agency or repurchase a loan that has been sold or securitized, for the provision
17.22 of down payment assistance under this section to a borrower who does not meet the eligibility
17.23 requirements if the creditor does so in good faith reliance on borrower attestations of
17.24 eligibility required by this section or regulation.

17.25 Subd. 7. **Report to legislature.** By January 15 each year, the fund administrator,
17.26 MMCDC, must report to the chairs and ranking minority members of the legislative
17.27 committees with jurisdiction over housing with the following information:

17.28 (1) the number and amount of loans closed;

17.29 (2) the median loan amount;

17.30 (3) the number and amount of loans issued by race or ethnic categories;

17.31 (4) the median home purchase price;

17.32 (5) the type of mortgage;

17.33 (6) the total amount returned to the fund; and

18.1 (7) the number and amount of loans issued by county.

18.2 Subd. 8. **Sunset.** This section sunsets June 30, 2025.

18.3 **EFFECTIVE DATE.** This section is effective July 1, 2022.

18.4 Sec. 11. **MANUFACTURED HOME PARK COOPERATIVE PURCHASE**
18.5 **PROGRAM.**

18.6 (a) The Housing Finance Agency shall establish a manufactured home park cooperative
18.7 purchase program for grants to nonprofit organizations to assist manufactured home park
18.8 residents in organizing and purchasing manufactured home parks, and for grants to provide
18.9 down payment assistance to residents to purchase manufactured home parks.

18.10 (b) The agency may develop criteria for grant requests under this section. Within 90
18.11 days of final enactment, the commissioner shall develop the forms, applications, and reporting
18.12 requirements for use by eligible organizations. In developing these materials, the
18.13 commissioner shall consult with manufactured housing cooperatives, resident-owned
18.14 manufactured home communities, and nonprofit organizations working with manufactured
18.15 housing cooperatives and resident-owned communities.

18.16 (c) Grantees must use funds to assist in the creation and preservation of housing that is
18.17 affordable to households with incomes at or below 80 percent of the greater of state or area
18.18 median income.

18.19 (d) A deed purchased with a grant under this section must contain a covenant running
18.20 with the land requiring that the land be used as a manufactured home park for 30 years from
18.21 the date of purchase.

18.22 (e) For purposes of this section, "manufactured home," "manufactured home park," "park
18.23 owner," "representative acting on behalf of residents," "resident," and "resident association"
18.24 have the meanings given in Minnesota Statutes, section 327C.01.

18.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

18.26 Sec. 12. **LOCAL HOUSING TRUST FUND GRANTS.**

18.27 (a) As provided in this section, the Housing Finance Agency shall award grants to local
18.28 housing trust funds established under Minnesota Statutes, section 462C.16, to incentivize
18.29 local funding.

18.30 (b) A grantee is eligible to receive a grant amount equal to 100 percent of the public
18.31 revenue committed to the local housing trust fund from any source other than the state or

19.1 federal government, up to \$150,000, and in addition, an amount equal to 50 percent of the
 19.2 public revenue committed to the local housing trust fund from any source other than the
 19.3 state or federal government that is more than \$150,000 but not more than \$300,000.

19.4 (c) \$100,000 of the appropriation in paragraph (b) is for technical assistance grants to
 19.5 local and regional housing trust funds. A housing trust fund may apply for a technical
 19.6 assistance grant at the time and in the manner and form required by the agency. The agency
 19.7 shall make grants on a first-come, first-served basis. A technical assistance grant must not
 19.8 exceed \$5,000.

19.9 (d) A grantee must use grant funds within eight years of receipt for purposes (1)
 19.10 authorized under Minnesota Statutes, section 462C.16, subdivision 3, and (2) benefiting
 19.11 households with incomes at or below 115 percent of the state median income. A grantee
 19.12 must return any grant funds not used for these purposes within eight years of receipt to the
 19.13 commissioner of the Housing Finance Agency for deposit into the housing development
 19.14 fund.

19.15 **EFFECTIVE DATE.** This section is effective July 1, 2022.

19.16 **ARTICLE 3**

19.17 **HOUSING FINANCE TECHNICAL CHANGES**

19.18 Section 1. Minnesota Statutes 2020, section 462A.03, subdivision 13, is amended to read:

19.19 Subd. 13. **Eligible mortgagor.** "Eligible mortgagor" means a nonprofit or cooperative
 19.20 housing corporation; the Department of Administration for the purpose of developing
 19.21 community-based programs as defined in section 252.50; a limited profit entity or a builder
 19.22 as defined by the agency in its rules, which sponsors or constructs residential housing as
 19.23 defined in subdivision 7; or a natural person of low or moderate income, except that the
 19.24 return to a limited dividend entity shall not exceed 15 percent of the capital contribution of
 19.25 the investors or such lesser percentage as the agency shall establish in its rules, provided
 19.26 that residual receipts funds of a limited dividend entity may be used for agency-approved,
 19.27 housing-related investments owned by the limited dividend entity without regard to the
 19.28 limitation on returns. Owners of existing residential housing occupied by renters shall be
 19.29 eligible for rehabilitation loans, only if, as a condition to the issuance of the loan, the owner
 19.30 agrees to conditions established by the agency in its rules relating to rental or other matters
 19.31 that will ~~insure~~ ensure that the housing will be occupied by persons and families of low or
 19.32 moderate income. The agency shall require by rules that the owner give preference to those

20.1 persons of low or moderate income who occupied the residential housing at the time of
20.2 application for the loan.

20.3 Sec. 2. Minnesota Statutes 2021 Supplement, section 462A.05, subdivision 14, is amended
20.4 to read:

20.5 Subd. 14. **Rehabilitation loans.** It may agree to purchase, make, or otherwise participate
20.6 in the making, and may enter into commitments for the purchase, making, or participation
20.7 in the making, of eligible loans for rehabilitation, with terms and conditions as the agency
20.8 deems advisable, to persons and families of low and moderate income, and to owners of
20.9 existing residential housing for occupancy by such persons and families, for the rehabilitation
20.10 of existing residential housing owned by them. Rehabilitation may include the addition or
20.11 rehabilitation of a detached accessory dwelling unit. The loans may be insured or uninsured
20.12 and may be made with security, or may be unsecured, as the agency deems advisable. The
20.13 loans may be in addition to or in combination with long-term eligible mortgage loans under
20.14 subdivision 3. They may be made in amounts sufficient to refinance existing indebtedness
20.15 secured by the property, if refinancing is determined by the agency to be necessary to permit
20.16 the owner to meet the owner's housing cost without expending an unreasonable portion of
20.17 the owner's income thereon. No loan for rehabilitation shall be made unless the agency
20.18 determines that the loan will be used primarily to make the housing more desirable to live
20.19 in, to increase the market value of the housing, for compliance with state, county or municipal
20.20 building, housing maintenance, fire, health or similar codes and standards applicable to
20.21 housing, or to accomplish energy conservation related improvements. In unincorporated
20.22 areas and municipalities not having codes and standards, the agency may, solely for the
20.23 purpose of administering the provisions of this chapter, establish codes and standards. No
20.24 loan under this subdivision for the rehabilitation of owner-occupied housing shall be denied
20.25 solely because the loan will not be used for placing the owner-occupied residential housing
20.26 in full compliance with all state, county, or municipal building, housing maintenance, fire,
20.27 health, or similar codes and standards applicable to housing. Rehabilitation loans shall be
20.28 made only when the agency determines that financing is not otherwise available, in whole
20.29 or in part, from private lenders upon equivalent terms and conditions. Accessibility
20.30 rehabilitation loans authorized under this subdivision may be made to eligible persons and
20.31 families without limitations relating to the maximum incomes of the borrowers if:

20.32 (1) the borrower or a member of the borrower's family requires a level of care provided
20.33 in a hospital, skilled nursing facility, or intermediate care facility for persons with
20.34 developmental disabilities;

21.1 (2) home care is appropriate; and

21.2 (3) the improvement will enable the borrower or a member of the borrower's family to
21.3 reside in the housing.

21.4 The agency may waive any requirement that the housing units in a residential housing
21.5 development be rented to persons of low and moderate income if the development consists
21.6 of four or less dwelling units, one of which is occupied by the owner.

21.7 Sec. 3. Minnesota Statutes 2020, section 462A.05, is amended by adding a subdivision to
21.8 read:

21.9 Subd. 42. **Indian Tribes.** Notwithstanding any other provision in this chapter, at its
21.10 discretion the agency may make any federally recognized Indian Tribe in Minnesota, or
21.11 their associated Tribally Designated Housing Entity (TDHE) as defined by United States
21.12 Code, title 25, section 4103(22), eligible for funding authorized under this chapter.

21.13 Sec. 4. Minnesota Statutes 2020, section 462A.05, is amended by adding a subdivision to
21.14 read:

21.15 Subd. 43. **Housing disparities.** The agency must prioritize its use of appropriations for
21.16 any program under this chapter to serve households most affected by housing disparities.

21.17 Sec. 5. Minnesota Statutes 2020, section 462A.07, subdivision 9, is amended to read:

21.18 Subd. 9. **Priority where State Building Code is adopted.** It may establish such rules
21.19 as may be necessary to ~~insure~~ ensure that priority for assistance by the agency will be given
21.20 to projects located in municipal jurisdictions or counties, which have adopted the uniform
21.21 State Building Code.

21.22 Sec. 6. Minnesota Statutes 2020, section 462A.07, subdivision 10, is amended to read:

21.23 Subd. 10. **Human rights.** It may establish and enforce such rules as may be necessary
21.24 to ~~insure~~ ensure compliance with chapter 363A, and to ~~insure~~ ensure that occupancy of
21.25 housing assisted under this chapter shall be open to all persons, and that contractors and
21.26 subcontractors engaged in the construction of such housing shall provide an equal opportunity
21.27 for employment to all persons, without discrimination as to race, color, creed, religion,
21.28 national origin, sex, marital status, age, and status with regard to public assistance or
21.29 disability.

22.1 Sec. 7. Minnesota Statutes 2020, section 462A.07, subdivision 14, is amended to read:

22.2 Subd. 14. **American Indians.** (a) It may engage in housing programs for low- and
22.3 moderate-income American Indians developed and administered separately or in combination
22.4 by the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux
22.5 communities as determined by such tribe, band, or communities. In furtherance of the policy
22.6 of economic integration stated in section 462A.02, subdivision 6, it may engage in housing
22.7 programs for American Indians who intend to reside on reservations and who are not persons
22.8 of low and moderate income, provided that the aggregate dollar amount of the loans for
22.9 persons who are not of low- or moderate-income closed in each lender's fiscal year shall
22.10 not exceed an amount equal to 25 percent of the total dollar amount of all loans closed by
22.11 that lender during the same fiscal year. In developing such housing programs, the tribe,
22.12 band, or communities shall take into account the housing needs of all American Indians
22.13 residing both on and off reservations within the state. A plan for each such program, which
22.14 specifically describes the program content, utilization of funds, administration, operation,
22.15 implementation and other matter, as determined by the agency, must be submitted to the
22.16 agency for its review and approval prior to the making of eligible loans pursuant to section
22.17 462A.21. All such programs must conform to rules promulgated by the agency concerning
22.18 program administration, including but not limited to rules concerning costs of administration;
22.19 the quality of housing; interest rates, fees, and charges in connection with making eligible
22.20 loans; and other matters determined by the agency to be necessary in order to effectuate the
22.21 purposes of this subdivision and section 462A.21, subdivisions 4b and 4c. All such programs
22.22 must provide for a reasonable balance in the distribution of funds appropriated for the
22.23 purpose of this section between American Indians residing on and off reservations within
22.24 the state. Nothing in this section shall preclude such tribe, band, or communities from
22.25 requesting and receiving cooperation, advice, and assistance from the agency as regards
22.26 program development, operation, delivery, financing, or administration. As a condition to
22.27 the making of such eligible loans, the Minnesota Chippewa tribe, the Red Lake band of
22.28 Chippewa Indians, and the Sioux communities shall:

22.29 (1) enter into a loan agreement and other contractual arrangements with the agency for
22.30 the purpose of transferring the allocated portion of loan funds and to ~~insure~~ ensure compliance
22.31 with the provisions of this section and this chapter; and

22.32 (2) agree that all of their official books and records related to such housing programs
22.33 shall be subjected to audit by the legislative auditor in the manner prescribed for agencies
22.34 of state government.

23.1 The agency shall submit a biennial report concerning the various housing programs for
 23.2 American Indians, and related receipts and expenditures as provided in section 462A.22,
 23.3 subdivision 9, and such tribe, band, or communities to the extent that they administer such
 23.4 programs, shall be responsible for any costs and expenses related to such administration
 23.5 provided, however, they shall be eligible for payment for costs, expenses, and services
 23.6 pursuant to subdivision 12 and section 462A.21. The agency may provide or cause to be
 23.7 provided essential general technical services as set forth in subdivision 2, and general
 23.8 consultative project assistance services, including, but not limited to, management training,
 23.9 and home ownership counseling as set forth in subdivision 3. Members of boards,
 23.10 committees, or other governing bodies of the tribe, band, and communities administering
 23.11 the programs authorized by this subdivision must be compensated for those services as
 23.12 provided in section 15.0575.

23.13 (b) The agency may engage in demonstration projects to encourage the participation of
 23.14 financial institutions or other leveraging sources in providing housing opportunities for
 23.15 American Indians. The agency shall consult with the Minnesota Chippewa tribe, the Red
 23.16 Lake band of Chippewa Indians, and the Sioux communities in developing the demonstration
 23.17 projects. The income limits specified in paragraph (a) do not apply to the demonstration
 23.18 projects.

23.19 (c) The agency may make home improvement loans under this subdivision without
 23.20 regard to household income.

23.21 Sec. 8. Minnesota Statutes 2020, section 462A.204, subdivision 3, is amended to read:

23.22 Subd. 3. **Set aside.** At least one grant must be awarded in an area located outside of the
 23.23 metropolitan area. A county, a group of contiguous counties jointly acting together, a Tribe,
 23.24 a group of Tribes, or a community-based nonprofit organization with a sponsoring resolution
 23.25 ~~from each of the county boards of the counties located within its operating jurisdiction~~ may
 23.26 apply for and receive grants ~~for areas located outside the metropolitan area.~~

23.27 Sec. 9. Minnesota Statutes 2020, section 462A.21, subdivision 4a, is amended to read:

23.28 Subd. 4a. **Correction of housing defects.** It may make rehabilitation grants and
 23.29 expenditures for correction of residential housing defects as provided in section 462A.05,
 23.30 subdivisions 15 and 16. In order to ~~insure~~ ensure the preservation of the maximum number
 23.31 of housing units with the money appropriated by the legislature, grants shall be recovered
 23.32 by the agency to the extent provided in this section to be used for future grants. Grants made

24.1 under the terms of this subdivision shall contain a requirement that the grant be recovered
24.2 by the agency in accordance with the following schedule:

24.3 (1) if the property is sold, transferred, or otherwise conveyed within the first three years
24.4 after the date of a grant, the recipient shall repay the full amount of the grant;

24.5 (2) if the property is sold, transferred, or otherwise conveyed within the fourth year after
24.6 the date of a grant, the recipient shall repay 75 percent of the amount of the grant;

24.7 (3) if the property is sold, transferred, or otherwise conveyed within the fifth year after
24.8 the date of a grant, the recipient shall repay 50 percent of the amount of the grant;

24.9 (4) if the property is sold, transferred, or otherwise conveyed within the sixth year after
24.10 the date of a grant, the recipient shall repay 25 percent of the amount of the grant;

24.11 (5) if the property is sold, transferred, or otherwise conveyed within the seventh year
24.12 after the date of the grant, or thereafter, there is no repayment requirement; provided that
24.13 no repayment is required to the extent that the grants are made to improve the accessibility
24.14 of residential housing to a disabled occupant.

24.15 Sec. 10. Minnesota Statutes 2020, section 462A.22, subdivision 1, is amended to read:

24.16 Subdivision 1. **Debt ceiling.** The aggregate principal amount of general obligation bonds
24.17 and notes which are outstanding at any time, excluding the principal amount of any bonds
24.18 and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of
24.19 \$5,000,000,000.

24.20 Sec. 11. Minnesota Statutes 2020, section 462A.36, is amended by adding a subdivision
24.21 to read:

24.22 Subd. 2a. **Refunding bonds.** (a) The agency may issue nonprofit housing bonds in one
24.23 or more series to refund bonds authorized in subdivision 2. The amount of refunding nonprofit
24.24 housing bonds that may be issued from time to time will not be subject to the dollar limitation
24.25 contained in subdivision 2 nor will those bonds be included in computing the amount of
24.26 bonds that may be issued within that dollar limitation.

24.27 (b) In the refunding of nonprofit housing bonds, each bond must be called for redemption
24.28 prior to its maturity in accordance with its terms no later than the earliest date on which it
24.29 may be redeemed. No refunding bonds may be issued unless as of the date of the refunding
24.30 bonds the present value of the dollar amount of the debt service on the refunding bonds,
24.31 computed to their stated maturity dates, is lower than the present value of the dollar amount
24.32 of debt service on all nonprofit housing bonds refunded computed to their stated maturity

25.1 dates. For purposes of this subdivision, "present value of the dollar amount of debt service"
25.2 means the dollar amount of debt service to be paid, discounted to the nominal date of the
25.3 refunding bonds at a rate equal to the yield on the refunding bonds.

25.4 (c) If as a result of the issuance of refunding bonds the amount of debt service for an
25.5 annual period is less than the amount transferred by the commissioner of management and
25.6 budget to pay debt service for that annual period, the agency must deduct the excess amount
25.7 from the actual amount of debt service on those bonds certified for the next subsequent
25.8 annual period.

25.9 Sec. 12. Minnesota Statutes 2020, section 462A.36, subdivision 4, is amended to read:

25.10 Subd. 4. **Appropriation; payment to agency or trustee.** (a) The agency must certify
25.11 annually to the commissioner of management and budget the actual amount of annual debt
25.12 service on each series of bonds issued under subdivision 2.

25.13 (b) Each July 15, beginning in 2009 and through 2031, if any nonprofit housing bonds
25.14 issued under subdivision 2, or nonprofit housing bonds issued to refund those bonds, remain
25.15 outstanding, the commissioner of management and budget must transfer to the nonprofit
25.16 housing bond account established under section 462A.21, subdivision 32, the amount
25.17 certified under paragraph (a), not to exceed \$2,400,000 annually. The amounts necessary
25.18 to make the transfers are appropriated from the general fund to the commissioner of
25.19 management and budget.

25.20 (c) The agency may pledge to the payment of the nonprofit housing bonds the payments
25.21 to be made by the state under this section.

25.22 Sec. 13. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:

25.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
25.24 the meanings given.

25.25 (b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.

25.26 (c) "Community land trust" means an entity that meets the requirements of section
25.27 462A.31, subdivisions 1 and 2.

25.28 (d) "Debt service" means the amount payable in any fiscal year of principal, premium,
25.29 if any, and interest on housing infrastructure bonds and the fees, charges, and expenses
25.30 related to the bonds.

26.1 (e) "Foreclosed property" means residential property where foreclosure proceedings
 26.2 have been initiated or have been completed and title transferred or where title is transferred
 26.3 in lieu of foreclosure.

26.4 (f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter
 26.5 that:

26.6 (1) are qualified 501(c)(3) bonds, within the meaning of section 145(a) of the Internal
 26.7 Revenue Code;

26.8 (2) finance qualified residential rental projects within the meaning of section 142(d) of
 26.9 the Internal Revenue Code; or

26.10 ~~(3) finance the construction or rehabilitation of single-family houses that qualify for~~
 26.11 ~~mortgage financing within the meaning of section 143 of the Internal Revenue Code; or~~

26.12 ~~(4)~~ (3) are tax-exempt bonds that are not private activity bonds, within the meaning of
 26.13 section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing
 26.14 affordable housing authorized under this chapter.

26.15 (g) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

26.16 (h) "Senior" means a person 55 years of age or older ~~with an annual income not greater~~
 26.17 ~~than 50 percent of:~~

26.18 ~~(1) the metropolitan area median income for persons in the metropolitan area; or~~

26.19 ~~(2) the statewide median income for persons outside the metropolitan area.~~

26.20 (i) "Senior household" means a household with one or more senior members and with
 26.21 an annual combined income not greater than 50 percent of:

26.22 (1) the metropolitan area median income for persons in the metropolitan area; or

26.23 (2) the statewide median income for persons outside the metropolitan area.

26.24 ~~(j)~~ (j) "Senior housing" means housing intended and operated for occupancy by ~~at least~~
 26.25 ~~one senior per unit~~ senior households with at least 80 percent of the units occupied by ~~at~~
 26.26 ~~least one senior per unit~~ senior households, and for which there is publication of, and
 26.27 adherence to, policies and procedures that demonstrate an intent by the owner or manager
 26.28 to provide housing for seniors. Senior housing may be developed in conjunction with and
 26.29 as a distinct portion of mixed-income senior housing developments that use a variety of
 26.30 public or private financing sources.

27.1 ~~(j)~~ (k) "Supportive housing" means housing that is not time-limited and provides or
27.2 coordinates with linkages to services necessary for residents to maintain housing stability
27.3 and maximize opportunities for education and employment.

27.4 Sec. 14. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

27.5 Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate
27.6 principal amount of housing infrastructure bonds in one or more series to which the payment
27.7 made under this section may be pledged. The housing infrastructure bonds authorized in
27.8 this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on
27.9 terms and conditions the agency deems appropriate, made for one or more of the following
27.10 purposes:

27.11 (1) to finance the costs of the construction, acquisition, and rehabilitation of supportive
27.12 housing for individuals and families who are without a permanent residence;

27.13 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
27.14 housing to be used for affordable rental housing and the costs of new construction of rental
27.15 housing on abandoned or foreclosed property where the existing structures will be demolished
27.16 or removed;

27.17 (3) to finance that portion of the costs of acquisition of property that is attributable to
27.18 the land to be leased by community land trusts to low- and moderate-income home buyers;

27.19 (4) to finance the acquisition, improvement, and infrastructure of manufactured home
27.20 parks under section 462A.2035, subdivision 1b;

27.21 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
27.22 of senior housing;

27.23 (6) to finance the costs of acquisition ~~and~~, rehabilitation, and replacement of federally
27.24 assisted rental housing and for the refinancing of costs of the construction, acquisition, and
27.25 rehabilitation of federally assisted rental housing, including providing funds to refund, in
27.26 whole or in part, outstanding bonds previously issued by the agency or another government
27.27 unit to finance or refinance such costs; and

27.28 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
27.29 of single-family housing.

27.30 (b) Among comparable proposals for permanent supportive housing, preference shall
27.31 be given to permanent supportive housing for veterans and other individuals or families
27.32 who:

28.1 (1) either have been without a permanent residence for at least 12 months or at least four
 28.2 times in the last three years; or

28.3 (2) are at significant risk of lacking a permanent residence for 12 months or at least four
 28.4 times in the last three years.

28.5 (c) Among comparable proposals for senior housing, the agency must give priority to
 28.6 requests for projects that:

28.7 (1) demonstrate a commitment to maintaining the housing financed as affordable to
 28.8 ~~seniors~~ senior households;

28.9 (2) leverage other sources of funding to finance the project, including the use of
 28.10 low-income housing tax credits;

28.11 (3) provide access to services to residents and demonstrate the ability to increase physical
 28.12 supports and support services as residents age and experience increasing levels of disability;
 28.13 and

28.14 ~~(4) provide a service plan containing the elements of clause (3) reviewed by the housing~~
 28.15 ~~authority, economic development authority, public housing authority, or community~~
 28.16 ~~development agency that has an area of operation for the jurisdiction in which the project~~
 28.17 ~~is located; and~~

28.18 ~~(5)~~ (4) include households with incomes that do not exceed 30 percent of the median
 28.19 household income for the metropolitan area.

28.20 To the extent practicable, the agency shall balance the loans made between projects in the
 28.21 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
 28.22 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
 28.23 made between projects in counties or cities with a population of 20,000 or less, as established
 28.24 by the most recent decennial census, and projects in counties or cities with populations in
 28.25 excess of 20,000.

28.26 Sec. 15. Minnesota Statutes 2020, section 462A.37, is amended by adding a subdivision
 28.27 to read:

28.28 Subd. 2j. Refunding bonds. (a) The agency may issue housing infrastructure bonds in
 28.29 one or more series to refund bonds authorized in this section. The amount of refunding
 28.30 housing infrastructure bonds that may be issued from time to time will not be subject to the
 28.31 dollar limitation contained in any of the authorizations in this section nor will those bonds

29.1 be included in computing the amount of bonds that may be issued within those dollar
29.2 limitations.

29.3 (b) In the refunding of housing infrastructure bonds, each bond must be called for
29.4 redemption prior to its maturity in accordance with its terms no later than the earliest date
29.5 on which it may be redeemed. No refunding bonds may be issued unless as of the date of
29.6 the refunding bonds the present value of the dollar amount of the debt service on the
29.7 refunding bonds, computed to their stated maturity dates, is lower than the present value of
29.8 the dollar amount of debt service on all housing infrastructure bonds refunded computed to
29.9 their stated maturity dates. For purposes of this subdivision, "present value of the dollar
29.10 amount of debt service" means the dollar amount of debt service to be paid, discounted to
29.11 the nominal date of the refunding bonds at a rate equal to the yield on the refunding bonds.

29.12 (c) If as a result of the issuance of refunding bonds the amount of debt service for an
29.13 annual period is less than the amount transferred by the commissioner of management and
29.14 budget to pay debt service for that annual period, the agency must deduct the excess amount
29.15 from the actual amount of debt service on those bonds certified for the next subsequent
29.16 annual period.

29.17 Sec. 16. Minnesota Statutes 2020, section 462A.37, subdivision 4, is amended to read:

29.18 Subd. 4. **Appropriation; payment to agency or trustee.** (a) The agency must certify
29.19 annually to the commissioner of management and budget the actual amount of annual debt
29.20 service on each series of bonds issued under subdivision 2.

29.21 (b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure
29.22 bonds issued under subdivision 2, or housing infrastructure bonds issued to refund those
29.23 bonds, remain outstanding, the commissioner of management and budget must transfer to
29.24 the ~~affordable~~ housing infrastructure bond account established under section 462A.21,
29.25 subdivision 33, the amount certified under paragraph (a), not to exceed \$2,200,000 annually.
29.26 The amounts necessary to make the transfers are appropriated from the general fund to the
29.27 commissioner of management and budget.

29.28 (c) The agency may pledge to the payment of the housing infrastructure bonds the
29.29 payments to be made by the state under this section.

30.1 Sec. 17. Minnesota Statutes 2021 Supplement, section 462A.37, subdivision 5, is amended
30.2 to read:

30.3 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the
30.4 commissioner of management and budget the actual amount of annual debt service on each
30.5 series of bonds issued under this section.

30.6 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
30.7 bonds issued under subdivision 2a, or housing infrastructure bonds issued to refund those
30.8 bonds, remain outstanding, the commissioner of management and budget must transfer to
30.9 the housing infrastructure bond account established under section 462A.21, subdivision 33,
30.10 the amount certified under paragraph (a), not to exceed \$6,400,000 annually. The amounts
30.11 necessary to make the transfers are appropriated from the general fund to the commissioner
30.12 of management and budget.

30.13 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
30.14 bonds issued under subdivision 2b, or housing infrastructure bonds issued to refund those
30.15 bonds, remain outstanding, the commissioner of management and budget must transfer to
30.16 the housing infrastructure bond account established under section 462A.21, subdivision 33,
30.17 the amount certified under paragraph (a), not to exceed \$800,000 annually. The amounts
30.18 necessary to make the transfers are appropriated from the general fund to the commissioner
30.19 of management and budget.

30.20 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
30.21 bonds issued under subdivision 2c, or housing infrastructure bonds issued to refund those
30.22 bonds, remain outstanding, the commissioner of management and budget must transfer to
30.23 the housing infrastructure bond account established under section 462A.21, subdivision 33,
30.24 the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts
30.25 necessary to make the transfers are appropriated from the general fund to the commissioner
30.26 of management and budget.

30.27 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
30.28 bonds issued under subdivision 2d, or housing infrastructure bonds issued to refund those
30.29 bonds, remain outstanding, the commissioner of management and budget must transfer to
30.30 the housing infrastructure bond account established under section 462A.21, subdivision 33,
30.31 the amount certified under paragraph (a). The amounts necessary to make the transfers are
30.32 appropriated from the general fund to the commissioner of management and budget.

30.33 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
30.34 bonds issued under subdivision 2e, or housing infrastructure bonds issued to refund those

31.1 bonds, remain outstanding, the commissioner of management and budget must transfer to
31.2 the housing infrastructure bond account established under section 462A.21, subdivision 33,
31.3 the amount certified under paragraph (a). The amounts necessary to make the transfers are
31.4 appropriated from the general fund to the commissioner of management and budget.

31.5 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
31.6 bonds issued under subdivision 2f, or housing infrastructure bonds issued to refund those
31.7 bonds, remain outstanding, the commissioner of management and budget must transfer to
31.8 the housing infrastructure bond account established under section 462A.21, subdivision 33,
31.9 the amount certified under paragraph (a). The amounts necessary to make the transfers are
31.10 appropriated from the general fund to the commissioner of management and budget.

31.11 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
31.12 bonds issued under subdivision 2g, or housing infrastructure bonds issued to refund those
31.13 bonds, remain outstanding, the commissioner of management and budget must transfer to
31.14 the housing infrastructure bond account established under section 462A.21, subdivision 33,
31.15 the amount certified under paragraph (a). The amounts necessary to make the transfers are
31.16 appropriated from the general fund to the commissioner of management and budget.

31.17 (i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure
31.18 bonds issued under subdivision 2h, or housing infrastructure bonds issued to refund those
31.19 bonds, remain outstanding, the commissioner of management and budget must transfer to
31.20 the housing infrastructure bond account established under section 462A.21, subdivision 33,
31.21 the amount certified under paragraph (a). The amounts necessary to make the transfers are
31.22 appropriated from the general fund to the commissioner of management and budget.

31.23 (j) The agency may pledge to the payment of the housing infrastructure bonds the
31.24 payments to be made by the state under this section.

31.25 Sec. 18. Minnesota Statutes 2020, section 462A.38, subdivision 1, is amended to read:

31.26 Subdivision 1. **Establishment.** A workforce and affordable homeownership development
31.27 program is established to award homeownership development grants to cities, counties,
31.28 Tribal governments, nonprofit organizations, cooperatives created under chapter 308A or
31.29 308B, and community land trusts created for the purposes outlined in section 462A.31,
31.30 subdivision 1, for development of workforce and affordable homeownership projects. The
31.31 purpose of the program is to increase the supply of workforce and affordable, owner-occupied
31.32 multifamily or single-family housing throughout Minnesota.

32.1 Sec. 19. Minnesota Statutes 2020, section 462A.39, subdivision 2, is amended to read:

32.2 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
 32.3 meanings given.

32.4 (b) "Eligible project area" means a home rule charter or statutory city located outside
 32.5 of ~~the~~ a metropolitan area county as defined in section 473.121, subdivision ~~2~~ 4, with a
 32.6 population exceeding 500; a community that has a combined population of 1,500 residents
 32.7 located within 15 miles of a home rule charter or statutory city located outside ~~the~~ a
 32.8 metropolitan ~~area~~ county as defined in section 473.121, subdivision ~~2~~ 4; federally recognized
 32.9 Tribal reservations; or an area served by a joint county-city economic development authority.

32.10 (c) "Joint county-city economic development authority" means an economic development
 32.11 authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between
 32.12 a city and county and excluding those established by the county only.

32.13 (d) "Market rate residential rental properties" means properties that are rented at market
 32.14 value, including new modular homes, new manufactured homes, and new manufactured
 32.15 homes on leased land or in a manufactured home park, and may include rental developments
 32.16 that have a portion of income-restricted units.

32.17 (e) "Qualified expenditure" means expenditures for market rate residential rental
 32.18 properties including acquisition of property; construction of improvements; and provisions
 32.19 of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing
 32.20 costs.

32.21 Sec. 20. Minnesota Statutes 2020, section 462A.39, subdivision 5, is amended to read:

32.22 Subd. 5. **Allocation.** The amount of a grant or deferred loans may not exceed 25 percent
 32.23 of the rental housing development project cost. The commissioner shall not award a grant
 32.24 or deferred loans to ~~a city~~ an eligible project area without certification by the ~~city~~ eligible
 32.25 project area that the amount of the grant or deferred loans shall be matched by a local unit
 32.26 of government, business, ~~or nonprofit organization,~~ or federally recognized Tribe, with \$1
 32.27 for every \$2 provided in grant or deferred loans funds.

32.28 Sec. 21. Laws 2021, First Special Session chapter 8, article 1, section 3, subdivision 11,
 32.29 is amended to read:

32.30 Subd. 11. **Affordable Rental Investment Fund** 4,218,000 4,218,000

32.31 (a) This appropriation is for the affordable
 32.32 rental investment fund program under

33.1 Minnesota Statutes, section 462A.21,
 33.2 subdivision 8b, to finance the acquisition,
 33.3 rehabilitation, replacement, and debt
 33.4 restructuring of federally assisted rental
 33.5 property and for making equity take-out loans
 33.6 under Minnesota Statutes, section 462A.05,
 33.7 subdivision 39.

33.8 (b) The owner of federally assisted rental
 33.9 property must agree to participate in the
 33.10 applicable federally assisted housing program
 33.11 and to extend any existing low-income
 33.12 affordability restrictions on the housing for
 33.13 the maximum term permitted.

33.14 (c) The appropriation also may be used to
 33.15 finance the acquisition, rehabilitation, and debt
 33.16 restructuring of existing supportive housing
 33.17 properties and naturally occurring affordable
 33.18 housing as determined by the commissioner.
 33.19 For purposes of this paragraph, "supportive
 33.20 housing" means affordable rental housing with
 33.21 links to services necessary for individuals,
 33.22 youth, and families with children to maintain
 33.23 housing stability.

33.24 ARTICLE 4

33.25 LANDLORD TENANT LAW

33.26 Section 1. Minnesota Statutes 2020, section 363A.09, subdivision 1, is amended to read:

33.27 Subdivision 1. **Real property interest; action by owner, lessee, and others.** It is an
 33.28 unfair discriminatory practice for an owner, lessee, sublessee, assignee, or managing agent
 33.29 of, or other person having the right to sell, rent or lease any real property, or any agent of
 33.30 any of these:

33.31 (1) to refuse to sell, rent, or lease or otherwise deny to or withhold from any person or
 33.32 group of persons any real property because of race, color, creed, religion, national origin,

34.1 sex, marital status, status with regard to public assistance, participation in or requirements
34.2 of a public assistance program, disability, sexual orientation, or familial status; or

34.3 (2) to discriminate against any person or group of persons because of race, color, creed,
34.4 religion, national origin, sex, marital status, status with regard to public assistance,
34.5 participation in or requirements of a public assistance program, disability, sexual orientation,
34.6 or familial status in the terms, conditions or privileges of the sale, rental or lease of any real
34.7 property or in the furnishing of facilities or services in connection therewith, except that
34.8 nothing in this clause shall be construed to prohibit the adoption of reasonable rules intended
34.9 to protect the safety of minors in their use of the real property or any facilities or services
34.10 furnished in connection therewith; or

34.11 (3) in any transaction involving real property, to print, circulate or post or cause to be
34.12 printed, circulated, or posted any advertisement or sign, or use any form of application for
34.13 the purchase, rental or lease of real property, or make any record or inquiry in connection
34.14 with the prospective purchase, rental, or lease of real property which expresses, directly or
34.15 indirectly, any limitation, specification, or discrimination as to race, color, creed, religion,
34.16 national origin, sex, marital status, status with regard to public assistance, participation in
34.17 or requirements of a public assistance program, disability, sexual orientation, or familial
34.18 status, or any intent to make any such limitation, specification, or discrimination except that
34.19 nothing in this clause shall be construed to prohibit the advertisement of a dwelling unit as
34.20 available to adults-only if the person placing the advertisement reasonably believes that the
34.21 provisions of this section prohibiting discrimination because of familial status do not apply
34.22 to the dwelling unit.

34.23 Sec. 2. Minnesota Statutes 2020, section 363A.09, subdivision 2, is amended to read:

34.24 Subd. 2. **Real property interest; action by brokers, agents, and others.** It is an unfair
34.25 discriminatory practice for a real estate broker, real estate salesperson, or employee, or agent
34.26 thereof:

34.27 (1) to refuse to sell, rent, or lease or to offer for sale, rental, or lease any real property
34.28 to any person or group of persons or to negotiate for the sale, rental, or lease of any real
34.29 property to any person or group of persons because of race, color, creed, religion, national
34.30 origin, sex, marital status, status with regard to public assistance, participation in or
34.31 requirements of a public assistance program, disability, sexual orientation, or familial status
34.32 or represent that real property is not available for inspection, sale, rental, or lease when in
34.33 fact it is so available, or otherwise deny or withhold any real property or any facilities of
34.34 real property to or from any person or group of persons because of race, color, creed, religion,

35.1 national origin, sex, marital status, status with regard to public assistance, participation in
35.2 or requirements of a public assistance program, disability, sexual orientation, or familial
35.3 status; or

35.4 (2) to discriminate against any person because of race, color, creed, religion, national
35.5 origin, sex, marital status, status with regard to public assistance, participation in or
35.6 requirements of a public assistance program, disability, sexual orientation, or familial status
35.7 in the terms, conditions or privileges of the sale, rental or lease of real property or in the
35.8 furnishing of facilities or services in connection therewith; or

35.9 (3) to print, circulate, or post or cause to be printed, circulated, or posted any
35.10 advertisement or sign, or use any form of application for the purchase, rental, or lease of
35.11 any real property or make any record or inquiry in connection with the prospective purchase,
35.12 rental or lease of any real property, which expresses directly or indirectly, any limitation,
35.13 specification or discrimination as to race, color, creed, religion, national origin, sex, marital
35.14 status, status with regard to public assistance, participation in or requirements of a public
35.15 assistance program, disability, sexual orientation, or familial status or any intent to make
35.16 any such limitation, specification, or discrimination except that nothing in this clause shall
35.17 be construed to prohibit the advertisement of a dwelling unit as available to adults-only if
35.18 the person placing the advertisement reasonably believes that the provisions of this section
35.19 prohibiting discrimination because of familial status do not apply to the dwelling unit.

35.20 Sec. 3. Minnesota Statutes 2020, section 363A.09, is amended by adding a subdivision to
35.21 read:

35.22 Subd. 2a. **Definition; public assistance program.** For purposes of this section, "public
35.23 assistance program" means federal, state, or local assistance, including but not limited to
35.24 rental assistance, rent supplements, and housing choice vouchers.

35.25 Sec. 4. Minnesota Statutes 2020, section 484.014, subdivision 2, is amended to read:

35.26 Subd. 2. **Discretionary expungement.** The court may order expungement of an eviction
35.27 case court file ~~only upon motion of a defendant and decision by the court, if the court finds~~
35.28 ~~that the plaintiff's case is sufficiently without basis in fact or law, which may include lack~~
35.29 ~~of jurisdiction over the case, that~~ if the court makes the following findings: (1) the eviction
35.30 case court file is no longer a reasonable predictor of future tenant behavior; and (2) the
35.31 expungement is clearly in the interests of justice and those interests are not outweighed by
35.32 the public's interest in knowing about the record.

36.1 Sec. 5. Minnesota Statutes 2020, section 484.014, subdivision 3, is amended to read:

36.2 Subd. 3. **Mandatory expungement.** The court shall order expungement of an eviction
36.3 case:

36.4 (1) commenced solely on the grounds provided in section 504B.285, subdivision 1,
36.5 clause (1), if the court finds that the defendant occupied real property that was subject to
36.6 contract for deed cancellation or mortgage foreclosure and:

36.7 (1)(i) the time for contract cancellation or foreclosure redemption has expired and the
36.8 defendant vacated the property prior to commencement of the eviction action; or

36.9 (2)(ii) the defendant was a tenant during the contract cancellation or foreclosure
36.10 redemption period and did not receive a notice under section 504B.285, subdivision 1a, 1b,
36.11 or 1c, to vacate on a date prior to commencement of the eviction case;

36.12 (2) if the defendant prevailed on the merits;

36.13 (3) if the court dismissed the plaintiff's complaint for any reason;

36.14 (4) if the parties to the action have agreed to an expungement;

36.15 (5) if the court finds an eviction was ordered at least three years before the date the
36.16 expungement was filed; or

36.17 (6) upon motion of a defendant, if the case is settled and the defendant fulfills the terms
36.18 of the settlement.

36.19 Sec. 6. **[504B.120] PROHIBITED FEES.**

36.20 Subdivision 1. **Prohibited fees.** Except for actual services rendered for an optional
36.21 service offered by the landlord, a landlord shall not charge a tenant any nonrefundable fee
36.22 in relation to a residential tenancy.

36.23 Subd. 2. **Penalties.** A landlord who violates this section is liable to the residential tenant
36.24 for each unenforceable fee for three times the amount of each fee imposed that was not for
36.25 an actual optional service or \$500, whichever is greater, and the court may award the tenant
36.26 reasonable attorney fees.

36.27 **EFFECTIVE DATE.** This section applies to leases signed before, on, or after August
36.28 1, 2022.

37.1 Sec. 7. Minnesota Statutes 2020, section 504B.135, is amended to read:

37.2 **504B.135 TERMINATING TENANCY AT WILL.**

37.3 ~~(a)~~ A tenancy at will may be terminated by either party by giving notice in writing. The
37.4 time of the notice must be at least as long as the interval between the time rent is due or
37.5 three months, whichever is less.

37.6 ~~(b) If a tenant neglects or refuses to pay rent due on a tenancy at will, the landlord may~~
37.7 ~~terminate the tenancy by giving the tenant 14 days notice to quit in writing.~~

37.8 Sec. 8. Minnesota Statutes 2020, section 504B.161, subdivision 1, is amended to read:

37.9 Subdivision 1. **Requirements.** (a) In every lease or license of residential premises, the
37.10 landlord or licensor covenants:

37.11 (1) that the premises and all common areas are fit for the use intended by the parties;

37.12 (2) to keep the premises in reasonable repair during the term of the lease or license,
37.13 except when the disrepair has been caused by the willful, malicious, or irresponsible conduct
37.14 of the tenant or licensee or a person under the direction or control of the tenant or licensee;

37.15 (3) to make the premises reasonably energy efficient by installing weatherstripping,
37.16 caulking, storm windows, and storm doors when any such measure will result in energy
37.17 procurement cost savings, based on current and projected average residential energy costs
37.18 in Minnesota, that will exceed the cost of implementing that measure, including interest,
37.19 amortized over the ten-year period following the incurring of the cost; ~~and~~

37.20 (4) to maintain the premises in compliance with the applicable health and safety laws
37.21 of the state, and of the local units of government where the premises are located during the
37.22 term of the lease or license, except when violation of the health and safety laws has been
37.23 caused by the willful, malicious, or irresponsible conduct of the tenant or licensee or a
37.24 person under the direction or control of the tenant or licensee; and

37.25 (5) to supply or furnish heat at a minimum temperature of at least 68 degrees Fahrenheit,
37.26 measured at a distance of 36 inches above floor level, and not closer than 36 inches from
37.27 any wall, from October 1 through April 30.

37.28 (b) The parties to a lease or license of residential premises may not waive or modify the
37.29 covenants imposed by this section.

38.1 Sec. 9. Minnesota Statutes 2020, section 504B.211, subdivision 2, is amended to read:

38.2 Subd. 2. **Entry by landlord.** Except as provided in subdivision 4, a landlord may enter
38.3 the premises rented by a residential tenant without the residential tenant's permission only
38.4 for a reasonable business purpose and after making a good faith effort to give the residential
38.5 tenant reasonable notice under the circumstances of not less than 24 hours in advance of
38.6 the intent to enter. The notice must specify a time of entry that does not exceed four hours
38.7 and the landlord may only enter between the hours of 8:00 a.m. and 8:00 p.m. A tenant may
38.8 withdraw the tenant's permission at any time. A residential tenant may not waive and the
38.9 landlord may not require the residential tenant to waive the residential tenant's right to prior
38.10 notice of entry under this section as a condition of entering into or maintaining the lease.

38.11 Sec. 10. Minnesota Statutes 2020, section 504B.211, subdivision 6, is amended to read:

38.12 Subd. 6. **Penalty.** If a landlord ~~substantially~~ violates ~~subdivision 2~~ this section, the
38.13 residential tenant is entitled to a penalty which may include a rent reduction up to full
38.14 rescission of the lease, recovery of any damage deposit less any amount retained under
38.15 section 504B.178, and ~~up to a \$100 civil penalty for each violation.~~ If a landlord violates
38.16 ~~subdivision 5, the residential tenant is entitled to up to a \$100 civil penalty for each violation~~
38.17 damages not less than an amount equal to one month's rent and reasonable attorney fees. A
38.18 residential tenant ~~shall~~ may follow the procedures in sections 504B.381, 504B.385, and
38.19 504B.395 to 504B.471 to enforce the provisions of this section. A violation of this section
38.20 by the landlord is a violation of section 504B.161.

38.21 **EFFECTIVE DATE.** This section applies to matters commenced on or after August
38.22 1, 2022.

38.23 Sec. 11. **[504B.266] TERMINATION OF LEASE UPON INFIRMITY OF TENANT.**

38.24 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have
38.25 the meanings given them.

38.26 (b) "Authorized representative" means a person acting as an attorney-in-fact under a
38.27 power of attorney under section 523.24 or a court-appointed conservator or guardian under
38.28 chapter 524.

38.29 (c) "Disability" means any condition or characteristic that is a physical, sensory, or
38.30 mental impairment that materially limits one or more major life activity.

38.31 (d) "Medical care facility" means:

38.32 (1) a nursing home, as defined in section 144A.01, subdivision 5;

- 39.1 (2) hospice care, as defined in section 144A.75, subdivision 8;
- 39.2 (3) a residential hospice facility, as defined in section 144A.75, subdivision 13;
- 39.3 (4) a boarding care home, as licensed under chapter 144 and regulated by the Department
39.4 of Health under Minnesota Rules, chapter 4655;
- 39.5 (5) a supervised living facility, as licensed under chapter 144;
- 39.6 (6) a facility providing assisted living, as defined in section 144G.08, subdivision 7;
- 39.7 (7) an accessible unit, as defined in section 363A.40, subdivision 1, paragraph (b);
- 39.8 (8) a state facility, as defined in section 246.50, subdivision 3;
- 39.9 (9) a facility providing a foster care for adults program, as defined in section 245A.02,
39.10 subdivision 6c; or
- 39.11 (10) a facility providing intensive residential treatment services, as defined in section
39.12 245I.23.
- 39.13 (e) "Medical professional" means:
- 39.14 (1) a physician who is currently licensed to practice medicine under section 147.02,
39.15 subdivision 1;
- 39.16 (2) an advanced practice registered nurse, as defined in section 148.171, subdivision 3;
39.17 or
- 39.18 (3) a mental health professional, as defined in section 245I.04, subdivision 2.
- 39.19 **Subd. 2. Termination of lease upon infirmity of tenant.** (a) A tenant or the authorized
39.20 representative of the tenant may terminate the lease before the expiration of the lease in the
39.21 manner provided in subdivision 3 if the tenant has, or if there is more than one tenant, all
39.22 the tenants have, been found by a medical professional to need to move into a medical care
39.23 facility and:
- 39.24 (1) require assistance with instrumental activities of daily living or personal activities
39.25 of daily living due to medical reasons or a disability;
- 39.26 (2) meet one of the nursing facility level of care criteria under section 144.0724,
39.27 subdivision 11; or
- 39.28 (3) have a disability or functional impairment in three or more of the areas listed in
39.29 section 245.462, subdivision 11a, so that self-sufficiency is markedly reduced because of
39.30 a mental illness.

40.1 (b) If a tenant requires an accessible unit as defined in section 363A.40, subdivision 1,
40.2 and the landlord can provide an accessible unit in the same complex where the tenant
40.3 currently resides that is available within two months of the request, then the provisions of
40.4 this section do not apply and the tenant may not terminate the lease.

40.5 Subd. 3. **Notice.** If the conditions in subdivision 2 have been met, the tenant or the
40.6 tenant's authorized representative may terminate the lease by providing at least two months'
40.7 written notice to be effective on the last day of a calendar month. The notice must be either
40.8 hand delivered or mailed by postage prepaid, first class United States mail. The notice must
40.9 include: (1) a copy of the medical professional's written documentation of the infirmity;
40.10 and (2) documentation showing that the tenant has been accepted as a resident or has a
40.11 pending application at a location where the medical professional has indicated that the tenant
40.12 needs to move. The termination of a lease under this section shall not relieve the eligible
40.13 tenant from liability either for the payment of rent or other sums owed prior to or during
40.14 the notice period, or for the payment of amounts necessary to restore the premises to the
40.15 condition at the beginning of the tenancy, ordinary wear and tear excepted.

40.16 Subd. 4. **Waiver prohibited.** Any waiver of the rights of termination provided by this
40.17 section, including lease provisions or other agreements that require a longer notice period
40.18 than those provided for in this section, shall be void and unenforceable.

40.19 Subd. 5. **Other laws.** Nothing in this section affects the rights or remedies available in
40.20 this chapter or other law, including but not limited to chapter 363A.

40.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to leases
40.22 entered into or renewed on or after January 1, 2023. For purposes of this section, estates at
40.23 will shall be deemed to be renewed at the beginning of each rental period.

40.24 Sec. 12. Minnesota Statutes 2020, section 504B.291, is amended to read:

40.25 **504B.291 EVICTION ACTION FOR NONPAYMENT; REDEMPTION; OTHER**
40.26 **RIGHTS.**

40.27 Subdivision 1. **Action to recover.** (a) Subject to subdivision 1a, a landlord may bring
40.28 an eviction action for nonpayment of rent irrespective of whether the lease contains a right
40.29 of reentry clause. Such an eviction action is equivalent to a demand for the rent. There is a
40.30 rebuttable presumption that the rent has been paid if the tenant produces a copy or copies
40.31 of one or more money orders or produces one or more original receipt stubs evidencing the
40.32 purchase of a money order, if the documents: (i) total the amount of the rent; (ii) include a
40.33 date or dates approximately corresponding with the date rent was due; and (iii) in the case

41.1 of copies of money orders, are made payable to the landlord. This presumption is rebutted
41.2 if the landlord produces a business record that shows that the tenant has not paid the rent.
41.3 The landlord is not precluded from introducing other evidence that rebuts this presumption.
41.4 In such an action, unless the landlord has also sought to evict the tenant by alleging a material
41.5 violation of the lease under section 504B.285, subdivision 5, the tenant may, at any time
41.6 before possession has been delivered, redeem the tenancy and be restored to possession by
41.7 paying to the landlord or bringing to court the amount of the rent that is in arrears, with
41.8 interest, costs of the action, and an attorney's fee not to exceed \$5, and by performing any
41.9 other covenants of the lease.

41.10 (b) If the tenant has paid to the landlord or brought into court the amount of rent in
41.11 arrears but is unable to pay the interest, costs of the action, and attorney's fees required by
41.12 paragraph (a), the court may permit the tenant to pay these amounts into court and be restored
41.13 to possession within the same period of time, if any, for which the court stays the issuance
41.14 of the order to vacate under section 504B.345.

41.15 (c) Prior to or after commencement of an action to recover possession for nonpayment
41.16 of rent, the parties may agree only in writing that partial payment of rent in arrears which
41.17 is accepted by the landlord prior to issuance of the order granting restitution of the premises
41.18 pursuant to section 504B.345 may be applied to the balance due and does not waive the
41.19 landlord's action to recover possession of the premises for nonpayment of rent.

41.20 (d) Rental payments under this subdivision must first be applied to rent claimed as due
41.21 in the complaint from prior rental periods before applying any payment toward rent claimed
41.22 in the complaint for the current rental period, unless the court finds that under the
41.23 circumstances the claim for rent from prior rental periods has been waived.

41.24 Subd. 1a. **Eviction prohibited pending rental assistance application determination.** A
41.25 landlord may not bring an eviction action for the nonpayment of rent against a tenant, or
41.26 proceed with an eviction action for nonpayment of rent if one has already been filed, if the
41.27 tenant demonstrates the tenant has a pending application for rental assistance with a federal
41.28 agency, state agency, local unit of government, or nonprofit corporation incorporated under
41.29 chapter 317A. A landlord may bring an eviction action or proceed on a previously filed
41.30 eviction action if the tenant has been denied rental assistance, or within 45 days of notice
41.31 by the tenant of a pending application for rental assistance, whichever comes first. A landlord
41.32 who is notified that rental assistance for the tenant has been approved shall not file or proceed
41.33 with an eviction action for 15 business days pending distribution of the funds awarded. For
41.34 purposes of this section, "rental assistance" means funds distributed to provide direct
41.35 assistance for the payment of rent:

- 42.1 (1) under chapters 256D, 256I, and 256J;
- 42.2 (2) under sections 116L.17, 245.99, 256.484, 256K.45, 462A.204, 462C.16, and 477A.30;
- 42.3 (3) distributed by or through a county or municipal government;
- 42.4 (4) provided by a federal agency to be administered and distributed by the state or local
- 42.5 government; or
- 42.6 (5) distributed by a nonprofit that has been funded by the federal, state, or local
- 42.7 government when the funding was provided for the purpose of providing rental assistance.

42.8 **Subd. 2. Lease greater than 20 years.** (a) If the lease under which an action is brought

42.9 under subdivision 1 is for a term of more than 20 years, the action may not begin until the

42.10 landlord serves a written notice on the tenant and on all creditors with legal or equitable

42.11 recorded liens on the property. The notice must state: (1) the lease will be canceled unless

42.12 the amounts, agreements, and legal obligations in default are paid or performed within 30

42.13 days, or a longer specified period; and (2) if the amounts, agreements, and legal obligations

42.14 are not paid or performed within that period, then the landlord may evict the tenant at the

42.15 expiration of the period.

42.16 (b) If the lease provides that the landlord must give more than the 30 days' notice provided

42.17 in paragraph (a), then notice must be the same as that provided in the lease.

42.18 (c) The tenant may be restored to possession of the property under the terms of the

42.19 original lease if, before the expiration of six months after the landlord obtains possession

42.20 due to the tenant's abandonment or surrender of the property or the landlord prevails in the

42.21 action, the tenant or a creditor holding a legal or equitable lien on the property: (1) pays to

42.22 the landlord or brings into court the amount of rent then in arrears, with interest and the

42.23 costs of the action; and (2) performs the other agreements or legal obligations that are in

42.24 default.

42.25 **Subd. 3. Recording of eviction or ejectment actions.** Upon recovery of possession by

42.26 the landlord in the action, a certified copy of the judgment shall, upon presentation, be

42.27 recorded in the office of the county recorder of the county where the land is situated if

42.28 unregistered land or in the office of the registrar of titles of the county if registered land and

42.29 upon recovery of possession by the landlord by abandonment or surrender by the tenant an

42.30 affidavit by the landlord or the landlord's attorney setting forth the fact shall be recorded in

42.31 a like manner and the recorded certified copy of the judgment or the recorded affidavit shall

42.32 be prima facie evidence of the facts stated therein in reference to the recovery of possession

42.33 by the landlord.

43.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
43.2 applies to evictions filed on or after that date and evictions pending but not yet adjudicated
43.3 on the date of final enactment.

43.4 Sec. 13. Minnesota Statutes 2020, section 504B.321, is amended to read:

43.5 **504B.321 COMPLAINT AND SUMMONS.**

43.6 Subdivision 1. **Procedure.** (a) To bring an eviction action, the person complaining shall
43.7 file a complaint with the court, stating the full name and date of birth of the person against
43.8 whom the complaint is made, unless it is not known, describing the premises of which
43.9 possession is claimed, stating the facts which authorize the recovery of possession, and
43.10 asking for recovery thereof.

43.11 (b) The lack of the full name and date of birth of the person against whom the complaint
43.12 is made does not deprive the court of jurisdiction or make the complaint invalid.

43.13 (c) The court shall issue a summons, commanding the person against whom the complaint
43.14 is made to appear before the court on a day and at a place stated in the summons.

43.15 (d) The appearance shall be not less than seven nor more than 14 days from the day of
43.16 issuing the summons, except as provided by subdivision 2.

43.17 (e) A copy of the complaint shall be attached to the summons, which shall state that the
43.18 copy is attached and that the original has been filed.

43.19 (f) If applicable, the person filing a complaint must attach a copy of the written notice
43.20 described in subdivision 1a. The court shall dismiss an action without prejudice for failure
43.21 to provide a notice as described in subdivision 1a and grant an expungement of the eviction
43.22 case court file.

43.23 Subd. 1a. **Written notice.** (a) Before bringing an eviction action alleging nonpayment
43.24 of rent, a landlord must provide written notice to the residential tenant specifying the basis
43.25 for a future eviction action.

43.26 (b) For an allegation of nonpayment of rent or other unpaid financial obligations in
43.27 violation of the lease, the landlord must include the following in a written notice:

43.28 (1) the total amount due;

43.29 (2) a specific accounting of the amount of the total due that is comprised of unpaid rents,
43.30 late fees, or other charges under the lease; and

44.1 (3) the name and address of the person authorized to receive rent and fees on behalf of
44.2 the landlord.

44.3 (c) A notice provided under this section must:

44.4 (1) provide a disclaimer that a low-income tenant may be eligible for financial assistance
44.5 from the county;

44.6 (2) provide a description on how to access legal and financial assistance through the
44.7 "Law Help" website at www.lawhelpmn.org and "Minnesota 211" through its website
44.8 www.211unitedway.org or by calling 211; and

44.9 (3) state that the landlord may bring an eviction action following expiration of the 14-day
44.10 notice period if the tenant fails to pay the total amount due or fails to vacate.

44.11 (d) The landlord or an agent of the landlord must deliver the notice personally or by first
44.12 class mail to the residential tenant at the address of the leased premises.

44.13 (e) If the tenant fails to correct the rent delinquency within 14 days of the delivery or
44.14 mailing of the notice or fails to vacate, the landlord may bring an eviction action under
44.15 subdivision 1 based on the nonpayment of rent.

44.16 (f) Receipt of a notice under this section is an emergency situation under section 256D.06,
44.17 subdivision 2, and Minnesota Rules, chapter 9500. For purposes of chapter 256J and
44.18 Minnesota Rules, chapter 9500, a county agency verifies an emergency situation by receiving
44.19 and reviewing a notice under this section. If a residential tenant applies for financial
44.20 assistance from the county, the landlord must cooperate with the application process by:

44.21 (1) supplying all information and documentation requested by the tenant or the county;
44.22 and

44.23 (2) accepting or placing into escrow partial rent payments where necessary to establish
44.24 a tenant's eligibility for assistance.

44.25 **Subd. 2. Expedited procedure.** (a) In an eviction action brought under section 504B.171
44.26 or on the basis that the residential tenant is causing a nuisance or other illegal behavior that
44.27 seriously endangers the safety of other residents, their property, or the landlord's property,
44.28 the person filing the complaint shall file an affidavit stating specific facts and instances in
44.29 support of why an expedited hearing is required.

44.30 (b) The complaint and affidavit shall be reviewed by a referee or judge and scheduled
44.31 for an expedited hearing only if sufficient supporting facts are stated and they meet the
44.32 requirements of this paragraph.

45.1 (c) The appearance in an expedited hearing shall be not less than five days nor more
45.2 than seven days from the date the summons is issued. The summons, in an expedited hearing,
45.3 shall be served upon the residential tenant within 24 hours of issuance unless the court
45.4 orders otherwise for good cause shown.

45.5 (d) If the court determines that the person seeking an expedited hearing did so without
45.6 sufficient basis under the requirements of this subdivision, the court shall impose a civil
45.7 penalty of up to \$500 for abuse of the expedited hearing process.

45.8 Subd. 3. **Nonpublic record.** An eviction action is not accessible to the public until the
45.9 court enters a final judgment.

45.10 Sec. 14. Minnesota Statutes 2020, section 504B.375, subdivision 1, is amended to read:

45.11 Subdivision 1. **Unlawful exclusion or removal.** (a) This section applies to actual or
45.12 constructive removal or exclusion of a residential tenant which may include the termination
45.13 of utilities or the removal of doors, windows, or locks. A residential tenant to whom this
45.14 section applies may recover possession of the premises as described in paragraphs (b) to
45.15 (e).

45.16 (b) The residential tenant shall present a verified petition to the district court of the
45.17 judicial district of the county in which the premises are located that:

45.18 (1) describes the premises and the landlord;

45.19 (2) specifically states the facts and grounds that demonstrate that the exclusion or removal
45.20 was unlawful, including a statement that no writ of recovery of the premises and order to
45.21 vacate has been issued under section 504B.345 in favor of the landlord and against the
45.22 residential tenant and executed in accordance with section 504B.365; and

45.23 (3) asks for possession.

45.24 (c) If it clearly appears from the specific grounds and facts stated in the verified petition
45.25 or by separate affidavit of the residential tenant or the residential tenant's attorney or agent
45.26 that the exclusion or removal was unlawful, the court shall immediately order that the
45.27 residential tenant have possession of the premises.

45.28 (d) The residential tenant shall furnish security, if any, that the court finds is appropriate
45.29 under the circumstances for payment of all costs and damages the landlord may sustain if
45.30 the order is subsequently found to have been obtained wrongfully. In determining the
45.31 appropriateness of security, the court shall consider the residential tenant's ability to afford
45.32 monetary security.

46.1 (e) The court shall direct the order to the sheriff of the county in which the premises are
46.2 located and the sheriff shall execute the order immediately by making a demand for
46.3 possession on the landlord, if found, or the landlord's agent or other person in charge of the
46.4 premises. If the landlord fails to comply with the demand, the officer shall take whatever
46.5 assistance may be necessary and immediately place the residential tenant in possession of
46.6 the premises. If the landlord, the landlord's agent, or other person in control of the premises
46.7 cannot be found and if there is no person in charge, the officer shall immediately enter into
46.8 and place the residential tenant in possession of the premises. The officer shall also serve
46.9 the order and verified petition or affidavit immediately upon the landlord or agent, in the
46.10 same manner as a summons is required to be served in a civil action in district court.

46.11 (f) The court administrator may charge a filing fee in the amount set for complaints and
46.12 counterclaims in conciliation court, subject to the filing of an inability to pay affidavit.

46.13 Sec. 15. Minnesota Statutes 2020, section 504B.381, subdivision 1, is amended to read:

46.14 Subdivision 1. **Petition.** A person authorized to bring an action under section 504B.395,
46.15 subdivision 1, may petition the court for relief ~~in cases of emergency involving the loss of~~
46.16 ~~running water, hot water, heat, electricity, sanitary facilities, or other essential services or~~
46.17 ~~facilities that the landlord is responsible for providing.;~~

46.18 (1) when a unit of government has issued a condemnation order or a notice of intent to
46.19 condemn; or

46.20 (2) in cases of emergency involving the following services and facilities when the landlord
46.21 is responsible for providing them:

46.22 (i) a serious infestation;

46.23 (ii) the loss of running water;

46.24 (iii) the loss of hot water;

46.25 (iv) the loss of heat;

46.26 (v) the loss of electricity;

46.27 (vi) the loss of sanitary facilities;

46.28 (vii) a nonfunctioning refrigerator;

46.29 (viii) if included in the lease, a nonfunctioning air conditioner;

46.30 (iv) if included in the lease, no functioning elevator;

- 47.1 (x) any conditions, services, or facilities that pose a serious and negative impact on
47.2 health or safety; or
- 47.3 (xi) other essential services or facilities.

47.4 Sec. 16. Minnesota Statutes 2020, section 504B.381, subdivision 5, is amended to read:

- 47.5 **Subd. 5. Relief; service of petition and order.** Provided proof that the petitioner has
47.6 given the notice required in subdivision 4 to the landlord, if the court finds based on the
47.7 petitioner's emergency ex parte motion for relief, affidavit, and other evidence presented
47.8 that the landlord violated subdivision 1, then the court shall order that the landlord
47.9 immediately begin to remedy the violation and may order relief as provided in section
47.10 504B.425. The court and petitioner shall serve the petition and order on the landlord
47.11 personally or by mail as soon as practicable. The court shall include notice of a hearing and,
47.12 at the hearing, shall consider evidence of alleged violations, defenses, compliance with the
47.13 order, and any additional relief available under section 504B.425. The court and petitioner
47.14 shall serve the notice of hearing on the ex parte petition and emergency order personally or
47.15 by mail as soon as practicable.

47.16 Sec. 17. Minnesota Statutes 2020, section 504B.381, is amended by adding a subdivision
47.17 to read:

- 47.18 **Subd. 8. Filing fee.** The court administrator may charge a filing fee in the amount set
47.19 for complaints and counterclaims in conciliation court, subject to the filing of an inability
47.20 to pay affidavit.