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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. **2193**

02/13/2012 Authored by Nelson

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

1.1 A bill for an act
1.2 relating to real property; expanding utility disconnection notice requirements;
1.3 requiring service of notice of sale on energy service providers; providing for
1.4 payment of utilities by the holder of a sheriff's certificate; amending Minnesota
1.5 Statutes 2010, sections 216B.0976; 580.03; 582.031, subdivisions 2, 3.

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

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

1.8 **216B.0976 NOTICE TO CITIES OF UTILITY DISCONNECTION.**

1.9 Subdivision 1. **Notice required.** (a) Notwithstanding section 13.685 or any other
1.10 law or administrative rule to the contrary, a public utility, cooperative electric association,
1.11 or municipal utility must provide notice ~~to a statutory city or home rule charter city, as~~
1.12 ~~prescribed by this section,~~ of disconnection of a customer's gas or electric service to a
1.13 statutory or home rule charter city or town in which the premises are located or the holder
1.14 of a sheriff's certificate of sale for the premises, as provided under this section.

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

1.21 (c) The holder of a sheriff's certificate of sale may request information about the
1.22 property's utility connection status. The request must be made in writing and include the
1.23 address of the property. Upon receipt of a request, a public utility, cooperative electric

2.1 association, or municipal utility must indicate whether service to the property is currently
 2.2 disconnected, including the date of any disconnection.

2.3 (d) A city provided notice under this section must provide the information on
 2.4 disconnection to the police and fire departments of the city within three business days
 2.5 of receipt of the notice.

2.6 (e) For the purpose of this section, "disconnection" means a cessation of services
 2.7 initiated by the public utility, cooperative electric association, or municipal utility that
 2.8 affects the primary heat source of a residence ~~and service~~ or electric service and that is
 2.9 not reconnected within 24 hours.

2.10 Subd. 2. **Data.** Data on customers that are provided to cities or towns under
 2.11 subdivision 1 are private data on individuals or nonpublic data, as defined in section 13.02.

2.12 Sec. 2. Minnesota Statutes 2010, section 580.03, is amended to read:

2.13 **580.03 NOTICE OF SALE; SERVICE ON OCCUPANT AND GAS AND**
 2.14 **ELECTRIC SERVICE PROVIDERS.**

2.15 Six weeks' published notice shall be given that such mortgage will be foreclosed by
 2.16 sale of the mortgaged premises or some part thereof, and at least four weeks before the
 2.17 appointed time of sale a copy of such notice shall be served in like manner as a summons
 2.18 in a civil action in the district court upon the person in possession of the mortgaged
 2.19 premises, if the same are actually occupied, and must be mailed or delivered to the gas and
 2.20 electric service providers in the city or town where the premises are located. If there be a
 2.21 building on such premises used by a church or religious corporation, for its usual meetings,
 2.22 service upon any officer or trustee of such corporation shall be a sufficient service upon it.
 2.23 The notices required by sections 580.041 and 580.042 must be served simultaneously with
 2.24 the notice of foreclosure required by this section. Failure to mail or deliver the notice to
 2.25 the gas and electric service providers does not invalidate the foreclosure sale.

2.26 Sec. 3. Minnesota Statutes 2010, section 582.031, subdivision 2, is amended to read:

2.27 Subd. 2. **Authorized actions.** (a) The holder of the mortgage or sheriff's certificate
 2.28 may take the following actions to protect the premises from waste, trespass, or from falling
 2.29 below minimum community standards for public safety and sanitation: make reasonable
 2.30 periodic inspections; install or change locks on doors and windows; board windows,
 2.31 doors, and other openings; install and operate an alarm system; and otherwise prevent or
 2.32 minimize damage to the premises from the elements, vandalism, trespass, or other illegal
 2.33 activities. If the holder of the mortgage or sheriff's certificate installs or changes locks

3.1 under this section, a key to the premises must be promptly delivered to the mortgagor or
3.2 any person lawfully claiming through the mortgagor, upon request.

3.3 (b) If the gas or electric service to the premises has been disconnected, the holder of
3.4 the sheriff's certificate of sale may pay the charges necessary to restore or continue service,
3.5 or become the bill payer responsible and customer of record for the service. A holder who
3.6 becomes the customer of record of a cooperative electric association does not acquire
3.7 membership rights. Exercise of the right to pay charges does not preclude the holder from
3.8 exercising the right to become the bill payer responsible and customer of record.

3.9 Sec. 4. Minnesota Statutes 2010, section 582.031, subdivision 3, is amended to read:

3.10 Subd. 3. **Costs.** All costs incurred by the holder of the mortgage or sheriff's
3.11 certificate ~~to protect the premises from waste or trespass or from falling below minimum~~
3.12 ~~community standards for public safety and sanitation~~ under this section may be added
3.13 to the principal balance of the mortgage or the costs allowable upon redemption. The
3.14 costs may bear interest to the extent provided in the mortgage and may be added to
3.15 the redemption price if the costs are incurred after a foreclosure sale. If the costs are
3.16 incurred after a foreclosure sale, the holder of any sheriff's certificate of sale or certificate
3.17 of redemption must comply with the provisions of section 582.03. The provisions of
3.18 this section are in addition to, and do not limit or replace, any other rights or remedies
3.19 available to holders of mortgages and sheriff's certificates, at law or under the applicable
3.20 mortgage agreements.