



2021-2022 Legislative End of Session Report

Community Associations Institute's (CAI) Minnesota Legislative Action Committee (MN LAC) had a busy legislative session advocating on behalf of the approximately [1,506,000 Minnesotans living in 608,000 homes in more than 7,700 community associations](#). There were more than 9,854 bills introduced, and the MN LAC closely monitored 51 bills that would have directly affected community associations. Below is a brief overview:

On January 31, the Minnesota Legislature convened for the 2022 legislative session. Leading up to session, legislators were energized facing a historic budget surplus and agreeing on top priorities. In February, the Department of Management and Budget released part one of the annual budget forecast, unveiling a historic \$9.253 billion surplus. Typically, in even-numbered years, the Legislature focuses on bonding projects and filling in the budget where necessary. With the incredible size of the surplus and shared priorities (such as repaying the federal unemployment insurance loans and replenishing the Unemployment Insurance Trust Fund, addressing public safety concerns, and cutting taxes), Legislators and the entire state were hopeful for a productive and potentially significant legislative session.

As one of the only divided legislatures in the country, priorities may have been mutual but plans to implement them differed between parties. Very little was agreed upon and few bills passed. With one week left in the regular session, Legislative leaders and the Governor announced spending targets and divided the surplus between spending, tax cuts, and money left on the bottom line. Even with the bi-partisan spending targets, Legislators could not agree on a final product. On May 22, the deadline for the Minnesota Legislature to pass bills came and went with little accomplished. Legislators returned home for the summer, many campaigning for re-election this fall and awaiting the chance of a special session.

It was a busy session for the members of the Legislative Action Committee (LAC) because many bills negotiated and debated would have impacted community associations in Minnesota. Ultimately, none of the proposals became law, but will likely be revisited by the 2023 Legislature.



HF 3337 - [HOA Approval of Solar Panels](#)

As residential solar projects become increasingly common, HOAs across the nation are faced with requests to install solar panels on their buildings. Many states have passed laws limiting the ability of HOAs to prohibit a homeowner from installing solar panels within an HOA. CAI-MN has been working with legislators for years to maximize the ability of HOAs to regulate the installation of solar panels. The Democratic-controlled House has passed such legislation for the past two years, but the Republican-controlled Senate has refused to do so. Members of the LAC spent many hours negotiating with legislators and interest groups to limit the scope of the legislation, so it only applies to single-family homes (i.e., stand-alone buildings), and to impose liability related to installation and operation solely on the homeowner installing the panels.

Status: Failed Sine Die

HF 2711 - [Attorney Fees, Fines, and Foreclosure](#)

LAC members also spent many hours working with various stakeholders, including the Legal Aid Society of Minnesota, on legislation which would have accomplished the following: limiting the ability of HOAs to impose attorney fees on homeowners involved in disputes with the HOA; requiring alternative dispute resolution; and providing additional notice regarding the ability of an HOA to foreclose on a unit with unpaid fines and attorney fees. While the LAC views the foreclosure of a unit based on fines uncommon in Minnesota, Legal Aid argued that unit owners might not understand the implications of unpaid fines, and that attorney fees imposed pursuant to MCIOA, could make it difficult for homeowners to resolve disputes. Ultimately, the LAC negotiated a more limited proposal which would have clarified the existing law when attorney fees can be imposed on homeowners and would have provided additional notice explaining the implications of not paying fines or fees. The bill was passed by the House as part of a larger omnibus bill but was not heard in the Senate and did not become law.

Status: Failed Sine Die

HF 2678 - [CIC Ombudsperson](#)

Legal Aid also introduced legislation that would have created an ombudsperson for CIC. Six states currently have some form of a CIC ombudsperson and CAI has extensive experience working on this issue nationally. CAI advocates for communities to adopt policies offering resolutions for disputes between individuals and their associations. If states are considering ombudsperson programs, CAI tries to ensure that the ombudsperson does not simply act as a homeowner advocate, but that it acts as a neutral arbiter, giving boards of directors the right to file complaints against homeowners as well. The CIC Ombudsperson bill did not receive a hearing in either body, but the concept has been brought forward to the legislature many times and will likely be debated again in the future.



Status: Failed Sine Die

Looking Ahead to 2023

Due to the redistricting results following the 2020 federal census, a high number of freshman legislators can be anticipated for the 2023 Legislature. These freshman legislators will have to work with returning veterans to hash out a new biennial budget, which will be the focus of the next regular session.

Working closely with CAI National, the volunteer members of the Minnesota LAC work with their contract lobbyist to advocate on behalf of CAI at the Minnesota Capitol. In addition to reviewing legislation LAC members interact directly with legislators, testify in committee, and make sure that policymakers hear the voices of CAI members.

Your Assistance is Needed

To help fund CAI advocacy activities in 2022 and beyond, donations are vital to our continued successes. We encourage donations from Minnesota community associations and individuals. Please visit www.caionline.org/lacdonate/ and donate to CAI's Minnesota's Legislative Action Committee to support our continued efforts.

We need YOUR voice! [Sign up today](#) to become a CAI Advocacy Ambassador and help shape legislation in your state!

Minnesota Contact Information

- Visit <https://www.caionline.org/Advocacy/LAC/MN/Pages/default.aspx>