



H.F. 4541

Second engrossment

Subject Housing Late Fees and Lease Renewals; Foreclosure Moratorium; Emergency Housing Grant Funding Related to COVID-19

Authors Hausman and others

Analyst Mary Mullen

Date May 5, 2020

Overview

This bill provides financial assistance to residential tenants, homeowners, and manufactured home owners to pay for housing costs if they have lost income due to COVID-19. This section also limits landlords from assessing late fees and terminating or failing to renew leases during the peacetime emergency, and initiating evictions after a peacetime emergency related to COVID-19. This section also prevents foreclosures from being started during a peacetime emergency related to COVID-19.

Effective dates. All of the provisions of this bill are effective the day following final enactment. Tenant's rights apply to actions taken during a peacetime emergency related to COVID-19, and the moratorium on foreclosures apply to actions taken after the date of final enactment.

Summary

Section	Description
1	Eviction notice and late fees; state of emergency. Prohibits landlords from changing late fees and terminating leases or failing to renew leases during a peacetime emergency related to COVID-19 until January 15, 2021. This section also requires landlords in residential units to provide a notice after a peacetime emergency related to COVID-19 before initiating an eviction action. A defendant tenant may request an action against them be dismissed if the landlord has violated the provision of this section.
2	Foreclosure; state of emergency. Prevents the initiation of a foreclosure by advertisement or judicial action from the date of enactment during a peacetime emergency related to COVID-19 until January 15, 2021.

Section	Description
3	Assistance fraud. Provides that an individual who lies while attempting to claim relief under the tenant’s rights or foreclosure moratorium, or in an application for rental assistance, is guilty of public assistance fraud.
4	Appropriation; 2020 emergency housing assistance grants. Provides \$100 million dollars in funding to the Minnesota Housing Finance Agency to administer a grant fund under the Family Homeless Prevention and Assistance Program to provide funding to households to pay rent, mortgage payments, mobile home lot rent, or payments on a contract for deed, as well as utility payments and property taxes in order to remain in their home after they have lost income due to illness related to COVID-19, or due to lost income because of a government action related to COVID-19. This section provides grant distribution requirements, grant eligibility, and requires the agency to submit a report on the use of the funding.
5	Alternate appropriation. Requires that if the funding provided in section 4 is an eligible expenditure under the federal CARES Act funding, then the CARES Act funding shall be appropriated for the 2020 Emergency Housing Assistance Grants and that money appropriated in section 4 be returned to the general fund.



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