



AARP MN Written Testimony

Submitted to the Senate Judiciary Committee on April 18th, 2024

Support for Senate File 4985

Chair Latz and members of the Committee, my name is Mary Jo George, and I am the State Director of Advocacy for AARP Minnesota. On behalf of our 620,000 members statewide, we thank you for the opportunity to testify on Senator Westlin's bill SF 4985.

First, we want to thank Senator Westlin for listening to our concerns and incorporating changes to the bill that will make it much easier for homeowners, especially older vulnerable homeowners to recover their equity in cases of tax forfeiture.

The new claims process makes it much easier for homeowners to file a claim for the excess surplus after the sale of their home in a public auction. It does this by:

- providing more time, now up to 60 days from 6 weeks to file a claim,
- it provides better notification to a homeowner to understand the claims process including having a certified letter mailed to them and
- it takes the guesswork out of what is due to them

However, we would encourage additional changes in two areas:

First, we would recommend including " **heirs** " in the definition of "interested party," where the prior owner of the property is deceased. We believe counties should be required to do more to notify the heirs of the property when a homeowner has passed away. Heirs of a deceased homeowner have ownership rights even if the estate has not been probated and they aren't on the deed. This is important as home equity is one of the best ways to build generational wealth.

Second, concerning the expiration of surplus, if someone does not file a claim within 60 days, we would recommend the proceeds be transferred to the state's unclaimed property fund where former owners can access the funds per that division's policies. Otherwise, it is a very short window of time to claim the proceeds before they are lost forever. **A loss of equity can have a devastating impact on the financial security of lower-income homeowners, particularly for older adults who depend most heavily on this equity for their economic survival.**

Thank you again for the improvements in bill and for the committee's consideration in supporting our other suggestions.

