**SF2691 - 0 - Manufactured Home Park Provisions Modification**

| | |
|---|---|
| Chief Author: | **Liz Boldon** |
| Commitee: | **Housing And Homelessness Prevention** |
| Date Completed: | **3/20/2025 9:45:54 AM** |
| Lead Agency: | Housing Finance Agency |
| Other Agencies: | |
| Attorney General | Commerce Dept |

| State Fiscal Impact | Yes | No |
|---|---|---|
| Expenditures | | X |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |

| | | |
|---|---|---|
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
Reductions shown in the parentheses.

| **State Cost (Savings)** | | **Biennium** | | **Biennium** | |
|---|---|---|---|---|---|
| **Dollars in Thousands** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **FY2029** |
| State Total | | | | | |
| **Total** | - | - | - | - | - |
| **Biennial Total** | | | - | | - |

| **Full Time Equivalent Positions (FTE)** | | **Biennium** | | **Biennium** | |
|---|---|---|---|---|---|
| | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **FY2029** |
| **Total** | - | - | - | - | - |

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

| | | | |
|---|---|---|---|
| **LBO Signature:** | Steve McDaniel | **Date:** | 3/20/2025 9:45:54 AM |
| **Phone:** | 651-284-6437 | **Email:** | steve.mcdaniel@lbo.mn.gov |

**State Cost (Savings) Calculation Details**
This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.
*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| Dollars in Thousands | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |
| 2 - Revenues, Transfers In* | | | | | |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |

**SF2691 - 0 - Manufactured Home Park Provisions Modification**

| | |
|---|---|
| Chief Author: | **Liz Boldon** |
| Commitee: | **Housing And Homelessness Prevention** |
| Date Completed: | **3/20/2025 9:45:54 AM** |
| Agency: | Housing Finance Agency |

| State Fiscal Impact | Yes | No |
|---|---|---|
| Expenditures | | X |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |

| | | |
|---|---|---|
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings) | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| Dollars in Thousands | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |

| Full Time Equivalent Positions (FTE) | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| Total | - | - | - | - | - |

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Steve McDaniel **Date:** 3/19/2025 8:56:19 PM
**Phone:** 651-284-6437 **Email:** steve.mcdaniel@lbo.mn.gov

**State Cost (Savings) Calculation Details**
This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.
*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | | Biennium | | Biennium | |
|---|---|---|---|---|---|---|
| Dollars in Thousands | | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |
| 2 - Revenues, Transfers In* | | | | | | |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |

## Bill Description

SF 2691 makes various changes to Minnesota Statutes 327C related to manufactured home parks. The changes include limits to late fees and rent increases, modification to rent payments, establishment of opportunity for resident purchase, changes to enforcement by the Attorney General’s Office and other changes.

## Assumptions

We assume no fiscal impact related to the changes proposed. The changes do not impact Minnesota Housing’s overall scope and responsibilities related to manufactured home park closures or sales or other provisions under M.S. 327C.097.

Section 10, subdivision 10 does require the agency to distribute copies of the notice of sale and make a list of ‘interested organizations’ but that work is already done under current law (M.S. 327C.097, subd. 3).

## Expenditure and/or Revenue Formula

Not applicable

## Long-Term Fiscal Considerations

Not applicable

## Local Fiscal Impact

Not applicable.

## References/Sources


**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Ryan Baumtrog **Date:** 3/19/2025 3:03:36 PM

**Phone:** 651-296-9820 **Email:** ryan.baumtrog@state.mn.us

## SF2691 - 0 - Manufactured Home Park Provisions Modification

| | |
|---|---|
| Chief Author: | **Liz Boldon** |
| Commitee: | **Housing And Homelessness Prevention** |
| Date Completed: | **3/20/2025 9:45:54 AM** |
| Agency: | Attorney General |

| State Fiscal Impact | Yes | No |
|---|---|---|
| Expenditures | | X |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |

| | | |
|---|---|---|
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings) | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| Dollars in Thousands | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| **Total** | - | - | - | - | - |
| **Biennial Total** | | | - | | - |

| Full Time Equivalent Positions (FTE) | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| **Total** | - | - | - | - | - |

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

| | | | |
|---|---|---|---|
| **LBO Signature:** | Chloe Burns | **Date:** | 3/18/2025 10:07:37 PM |
| **Phone:** | 651-297-1423 | **Email:** | chloe.burns@lbo.mn.gov |

**State Cost (Savings) Calculation Details**
This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.
*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| Dollars in Thousands | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |
| **1 - Expenditures, Absorbed Costs*, Transfers Out*** | | | | | |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |
| **2 - Revenues, Transfers In*** | | | | | |
| Total | - | - | - | - | - |
| Biennial Total | | | - | | - |

## Bill Description

This bill makes a number of changes to the laws related to manufactured home parks. Statutory amendments clarify the percentage of homeowners in a park that need to sign on to give a representative authority to act on their behalf, that late fees are limited to 8%, and that park residents are not responsible for the costs of repairs by utility providers. The changes also establish that residents are entitled to itemized billing for any charges they receive and that residents have the right to give utility providers access to the utilities in the park. The amendments further provide that a park owner must trim and care for trees and remove any trees from the park that present safety hazards. The bill also limits rent increases to one per year, requires the reason for the increase to be stated, and requires an increase to be reasonable.

Further amendments require park owners to provide alternatives to paying rent electronically and prevent a resident from being evicted due to a problem with a digital rent platform.

Changes are made to the manner in which a park owner notifies the residents of a sale of the park, the largest being that the owner must offer the residents an opportunity to purchase the park first.

## Assumptions

A significant portion of these amendments clarify the law, such as establishing a precise limit on late fees and more clearly defining the number of residents that need to sign on to appoint a representative for the park residents, which will create less work for the AGO. The section giving residents a right to purchase the park provides for enforcement specifically by the AGO, so this type of right could create large enforcement actions for the AGO. The many changes to the laws related to manufactured home parks will also require a lot of attorney time to educate the public, as well as engaging in mediations and enforcements of the legal changes with park owners.

The work outlined above will be done by the Office's exisiting attorneys and investigators.

## Expenditure and/or Revenue Formula

n/a

## Long-Term Fiscal Considerations

n/a

## Local Fiscal Impact

n/a

**References/Sources**

n/a

**Agency Contact:** Laura Sayles

**Agency Fiscal Note Coordinator Signature:** Laura Capuana **Date:** 3/18/2025 11:44:06 AM

**Phone:** 651-402-2213 **Email:** laura.capuana@ag.state.mn.us

**SF2691 - 0 - Manufactured Home Park Provisions Modification**

| | |
|---|---|
| Chief Author: | **Liz Boldon** |
| Commitee: | **Housing And Homelessness Prevention** |
| Date Completed: | **3/20/2025 9:45:54 AM** |
| Agency: | Commerce Dept |

| State Fiscal Impact | Yes | No |
|---|---|---|
| Expenditures | | X |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |

| | | |
|---|---|---|
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| **State Cost (Savings)** | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| Dollars in Thousands | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| **Total** | - | - | - | - | - |
| **Biennial Total** | | | - | | - |

| **Full Time Equivalent Positions (FTE)** | | Biennium | | Biennium | |
|---|---|---|---|---|---|
| | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| **Total** | - | - | - | - | - |

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

| | | | |
|---|---|---|---|
| **LBO Signature:** | Karl Palm | **Date:** | 3/20/2025 9:34:20 AM |
| **Phone:** | 651-296-6055 | **Email:** | karl.palm@lbo.mn.gov |

**State Cost (Savings) Calculation Details**
This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.
*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | | Biennium | | Biennium | |
|---|---|---|---|---|---|---|
| Dollars in Thousands | | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |
| **1 - Expenditures, Absorbed Costs*, Transfers Out*** | | | | | | |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |
| **2 - Revenues, Transfers In*** | | | | | | |
| | Total | - | - | - | - | - |
| | Biennial Total | | | - | | - |

**Bill Description**

SF2691 incorporates changes to 327C involving access by utility providers, habitability covenants regarding trees that present safety hazards, rent increases, payment of rent, and notice of opportunity to purchase.

**Assumptions**

The bill requires park owners to file a certification with Commerce that the property will be preserved as a manufactured home park for ten years from the date of sale to preserve affordable housing. All other parts of this proposal are outside of the jurisdiction of Commerce. Commerce is only required to hold the certifications. Enforcement of this proposal is through the Attorney General. Commerce assumes no fiscal impact from this bill.

**Expenditure and/or Revenue Formula**

N/A

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Amy Trumper **Date:** 3/20/2025 8:12:45 AM

**Phone:** 651-539-1517 **Email:** amy.trumper@state.mn.us