

S.F. No. 1063 – Common interest community ombudsperson; registration (as proposed to be amended by the SCS1063A-3 amendment)

Author: Senator John Marty

Prepared by: Priyanka Premo, Senate Counsel (priyanka.premo@mnsenate.gov)

Olivia Syverson, Senate Counsel (olivia.syverson@mnsenate.gov)

Date: March 20, 2025

The SCS1063A-3 amendment establishes a common interest community ombudsperson and a registry for common interest communities within the Department of Commerce.

Article 1 – Common Interest Community Ombudsperson

Section 1 (45.0137; Common interest community ombudsperson) establishes a common interest community ombudsperson, appointed by the governor, within the Department of Commerce to assist unit owners in enforcing their rights and to facilitate resolution of disputes between unit owners and associations. The ombudsperson must not be a unit owner or be affiliated with an association or a management company that provides services for associations.

The ombudsperson must assist unit owners, their tenants, and associations to understand and enforce their rights under chapter 515B and relevant governing documents, publish plain language explanations of common provisions in governing documents and other materials, provide resources and referrals, compile and analyze complaints against a common interest community, maintain a website, and provide reports to the legislature.

Upon request of a unit owner or association, the ombudsperson must provide dispute resolution services, including acting as a mediator. The ombudsperson may also resolve disputes between a tenant of a unit owner and the association, if the unit owner agrees to participate. Unit owners and associations must make a good faith effort to resolve disputes under this section. The ombudsperson may enter and view the premises within the control of the common interest community.

The ombudsperson and the commissioner of commerce are prohibited from rendering a formal legal opinion under this section. Data on unit owners, their tenants, or other complainants

collected, created, or maintained by the ombudsperson under this section are private data on individuals or nonpublic data.

This section is effective July 1, 2026.

Section 2 (Appropriation; Office of the Common Interest Community Ombudsperson) appropriates a to be determined amount in fiscal year 2025 from the general fund to the commissioner of commerce to establish and maintain the Office of the Common Interest Community Ombudsperson. This section is effective the day following final enactment.

Article 2 – Common Interest Community Registration

Section 1 (515B.5-101; Common Interest Community Registration) requires the Department of Commerce to establish a register for common interest communities or similar associations who are governed by chapter 515B, operating within Minnesota.

Common interest communities and similar associations must provide specific information to the Department of Commerce when registering. The required information includes, but is not limited to, the common interest community or association's legal name, contact information, and the current board's officer's full names and contact information. Common interest communities and associations must also provide information related to property management companies that they contract with.

Master developers are also required to register with the Department of Commerce, if they control a common interest community or an association.

Common interest communities and associations must pay a registration fee that is based on the number of units owned by a common interest community or association.

A board member's email address and contact information is classified as private data on individuals.

A common interest community or association's failure to register with the Department of Commerce is considered an unlawful business practice. The Department of Commerce must provide notice to a common interest community or association who fails to register. The attorney general has authority to enforce this section under section 8.31.

This section is effective January 1, 2026.

Section 2 (Appropriation; Common Interest Community Register) appropriates a to-be-determined amount in fiscal year 2025 from the general fund to the commissioner of commerce to establish the common interest community register. This section is effective the day following final enactment.