

2026 Minnesota Legislative Session Report



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Community Associations Institute (CAI) Minnesota Legislative Action Committee (MN LAC) spent the 2026 legislative session advocating on behalf of the [approximately 1,531,000 Minnesotans living in 612,000 homes in more than 7,850 community associations across the North Star State.](#)

Legislative Overview

Minnesota's legislative session began on February 17, with one of the most equally divided legislatures in the country. Minnesota's House of Representatives is evenly split with 67 Republicans and 67 Democrats (in Minnesota, the Democratic Farmer Labor (DFL) party is affiliated with the national Democratic Party). In the Minnesota State Senate, the DFL holds a one seat majority. The Minnesota Legislature operates on a biennial system, so while all bills from 2025 were carried over to 2026, the state operating budget was approved and passed last session.

Minnesota's Common Interest Community Ombudsperson Office, established following enactment of [SF 1063/HF 856](#), was operational in 2025 and continued implementation and outreach efforts in 2026. CAI Minnesota LAC leadership held an introductory meeting with the office's Director to establish communication and discuss issues impacting community associations. However, significant staff turnover in recent months may delay reporting of the office's early operations and effectiveness.

2026 Key Bills of Interest to Community Associations in Minnesota:

Below is a brief overview of highlights from the 2026 Minnesota Legislative Session:

CAI SOUGHT AMENDMENTS TO THE BELOW BILLS

CAI works with legislators to champion legislative amendments to better align the language with CAI's public policy positions on topics impacting the community association industry.

[SF 1750/HF 1268](#) - Modifies Common interest communities provisions

This bill was introduced following the final report of a legislative working group established in 2024 to "study the prevalence and impact of common interest communities (CICs) and homeowners associations (HOAs) in Minnesota and how existing laws regulating CICs and HOAs help homeowners and tenants access safe and affordable housing." The group was directed to submit a report of its review and recommendations to the Legislature by February 2025.

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The task force began meeting in September 2024, held 11 meetings and 3 public listening sessions from September 2024 to January 2025. MN LAC members were appointed to the working group, and we thank JoAnn Borden and LAC Chair Phaedra Howard, for speaking on behalf of community associations throughout the state. Shaun Zavadsky, with the Minnesota CAI Chapter also served on the task force and was a strong advocate for the industry. We are grateful for their leadership and dedication, as well as for all CAI members and representatives who presented on behalf of CAI and the industry, and who contributed their expertise throughout this process.

Despite this engagement, the task force's recommendations were informed partly by media reports and constituent feedback, alongside input from industry experts. The recommendations were adopted in a single vote rather than considered individually, which limited discussion of specific provisions. These recommendations resulted in a bill which would have been disastrous for community associations. Immediately, MN LAC **opposed** the bill and began working with legislators on amendments.

Over the last two years, MN LAC has spent countless hours reviewing amendments, meeting with legislators, and providing testimony on the real-world impacts this legislation would have had. MN CAI advocates held their inaugural Advocacy Day in March 2026 with the primary focus of improving the original language for Minnesota's community associations. CAI MN advocates held in-person meetings with 25 legislators and their staff and reached 46 additional legislators as a result of the virtual call to action campaign. Attendees also visited nearly 50 legislative offices to drop off material about CAI and facts and figures on Minnesota's community associations. Homeowners, property managers, attorneys, and other stakeholders met in Saint Paul to provide valuable expertise and lived experience when meeting with legislators.

These tireless and diligent efforts resulted in productive conversations with the goal of strengthening community associations. The bill went through multiple versions, including multiple "delete-everything" amendments. While the final version of SF 1750 still contains several provisions CAI objects to, the collective advocacy of this group successfully prevented some of the most detrimental language from becoming law.

Key Provisions Defeated or Significantly Improved with SF 1750:

- **Pre-enforcement mandate** - Earlier versions would have required board members to personally engage with owners prior to any enforcement action, creating significant delays and discouraging volunteer board participation. This requirement was removed.
- **Severe limitations on collections and cost recovery** - Proposals that would have capped recoverable legal fees, eliminated interest, restricted lien rights, and delayed foreclosure actions were significantly scaled back, preserving an association's ability to collect assessments and operate effectively.
- **Owner-driven revocation of rules and bylaws** – Language allowing governing documents to be amended or revoked through informal owner action at meetings was removed, maintaining governance stability.
- **Overly expansive meeting and participation requirements** – Earlier provisions that would have significantly disrupted board operations and decision-making processes were refined.

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Areas of Ongoing Concern in the Final Law:

- **Limitations on fines and enforcement tools remain** – While improved, the final law still constrains an association’s ability to enforce governing documents. As a result, associations may experience increased administrative effort and legal involvement to achieve compliance.
- **Payment application and collection processes still create added complexity** – Changes to how payments are applied and how certain charges are treated will require updates to accounting practices and may reduce incentives for timely payment, increasing operational burden.
- **Overall increase in administrative and compliance burden** – Even with improvements, the cumulative effect of the final law introduces additional procedural and operational requirements that will require continued adjustment by associations and management companies and will likely result in increased costs for associations.
- **Expanded disclosure requirements raise ongoing privacy and operational considerations** – Broader transparency obligations remain and may create challenges related to confidential information and the association’s ability to efficiently manage sensitive matters.

Our work is not finished. Implementation of this legislation will require careful attention and education of our members. Additionally, many provisions of the bill include vague language and undefined terms, creating ambiguity that may result in increased litigation. As the legislation takes effect, ongoing follow-up surveys, stakeholder feedback, and data collection will be critical to evaluating the real-world impact this legislation will have. Members should stay tuned for future outreach and data collection opportunities as we continue monitoring implementation to identify trends and challenges.

This process reinforced a critical point: communities’ function best when they are empowered to make decisions that reflect their unique needs. Thank you to everyone who contributed time, expertise, and persistence to ensure that message was heard.

Status: SF 1750 PASSED. Governor signed 5/12 and is effective January 1, 2027. [Chapter 82](#)

CAI MONITORED THE BELOW BILLS

CAI LACs monitor legislation with the potential to impact those living and working in community associations across their state, as well as legislation that may indirectly or unintentionally impact community associations.

[HF 2185](#) / [SF 2061](#) – Residential property rights with regard to flag display

Carried over from 2025, this legislation would have expanded the list of flags that homeowners’ associations could not prohibit. In addition to the United States and the Minnesota state flag, associations would have been prohibited from restricting the display of the National League of Families POW/MIA flag, flags of any branch of the United States Armed Forces, and a Blue Star or Gold Star service flag.

MN LAC monitored this legislation as it could lead to conversations regarding the unilateral display of other flags or décor in common areas. Both bills passed out of their respective committees of jurisdiction and while the language was initially included in the Legislature’s large scale Housing Omnibus bill ([SB 203/HF 1411](#)), the amendment was removed.

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Status: Died in Committee

[SF 4035](#) / [HF 3808](#) - Common interest group provisions

This legislation was introduced as a potential alternative to SF 1750. Early in session, there was a clear desire from lawmakers to pass some sort “reform” bill for community associations. Community association stakeholders discussed this bill as a potential alternative. MN LAC engaged in these discussions and remained engaged in the progress of this bill. MN LAC elected to monitor this legislation in the early stages of its drafting, however, had ongoing conversations regarding amendments and legislator support. Unfortunately, the momentum behind SF 1750 was too strong and this potential alternative did not receive a hearing.

Status: Died in Committee.

[SF 4944](#) / [HF 4816](#) - Housing cooperatives organization and operation modifications

This bill focused on Minnesota Statute Chapter 308C, revising the new law governing housing cooperatives prior to its effective date. The legislation attempted to correct a number of the concerns raised by stakeholders with Chapter 308C that have made it unworkable and that have resulted in its effective date being postponed twice. The bill was introduced late in the legislative session and did not receive a hearing. However, it is expected to be reintroduced in 2027 with the intent that the revised Act can finally be implemented in August 2027. MN LAC will attempt to engage with other stakeholders to work on improvements to 308C.

Status: Died in Committee.

[SF 3622](#) / [HF 3459](#) - Minnesota Common Interest Ownership Act technical and conforming changes

This legislation is largely a technical, clarifying updates to the Minnesota Common Interest Ownership Act (MCIOA) rather than a policy overhaul. These technical bills are often the result of legal professionals examining current statutory language and noting outdated references to reduce disputes over interpretation. There were only minor substantive changes in the bill that are not likely to have any negative impact on associations. The bill does extend the effective date of Chapter 308C, the Cooperative Housing Act, from August 1, 2026 until August 1, 2027. MN LAC monitored the bill and remained engaged with the bill sponsor to ensure no unexpected amendments were brought forward and that the bill remained technical in nature.

Status: Passed unanimously in both Chambers. Governor signed 4/29 and is effective August 1, 2026.
[Chapter 61](#)

Get Involved in CAI's Minnesota Advocacy Work through Your Local Chapter!

In addition to strong and effective advocacy work in Saint Paul, CAI's Minnesota Chapter provides information, resources, education programs and best practices designed to help you and your communities throughout Minnesota thrive.

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Not a member yet? Join a growing global network of more than 51,000 community managers, management company executives, homeowner leaders, and business partners, and open up a world of opportunities for professional growth, networking and industry knowledge.

Find your local chapter at <https://www.caionline.org/find-a-chapter/>.

<p>Track MN Legislation CAI tracks legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.</p>	<p>CAI MN Legislative Resources and Contact Information CAI Minnesota Legislative Action Committee - (888) 224-4321 CAI Minnesota Chapter- (612) 504-0567</p>
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<p>Tell Us Why You Advocate: We’re inviting CAI advocates across the county to share <i>your why</i>: why do you advocate for policy changes on behalf of the people who live and work in community associations? Through our Action Center, CAI is gathering stories and testimonials to share with legislators and the public. Your story helps highlight the positive impact, the real experiences, and the strong communities that define community associations.</p>	
<p>Register for CAI’s 2026 Congressional Advocacy Summit - Sept. 24 in Washington, D.C. This exclusive members-only event brings together industry leaders and advocates to engage directly with members of Congress and their staff. As the premier advocacy event of the year for the community association housing model, CAI’s Advocacy Summit offers a unique opportunity to meet face-to-face with federal lawmakers and help shape public policy impacting the industry. Learn More and Register</p>	



Review CAI’s Public Policy Positions



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