



**MINNESOTA**  
**LEGISLATIVE ACTION COMMITTEE**  
Community Associations Institute

## 2025 CAI Minnesota Legislative Session Report

Community Associations Institute (CAI) Minnesota Legislative Action Committee (MN LAC) spent the 2024 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](#). Minnesota's legislative session began on January 14 and adjourned on May 19, 2025, failing to pass a majority of budget bills needed to establish the state budget. Governor Walz called a special session on June 9, 2025 for the legislature to vote on the remaining budget bills. The Legislature completed their work in one day, and the new state budget will take effect on July 1, 2025.

The Minnesota Legislature operates on a two-year cycle, and any legislation that did not pass in 2025 can be passed during the 2026 session, which will begin on February 17, 2026.

Below are highlights from the 2025 Minnesota State Legislature:

### **[SF 1063/HF 856](#) - Establishes Common interest community ombudsperson**

MN LAC **opposed** this bill when it was first introduced as it ran contrary to CAI's [Alternative Dispute Resolution Public Policy](#). During the legislative session, MN LAC **successfully** negotiated amendments to SF 1063, legislation that created an ombudsperson program that balances the needs of associations with those of homeowners. While an ombudsperson is still not MN LAC's first choice for dispute resolution, instead preferring the empowerment of associations to adopt dispute resolution procedures that best work for them, the program created in this bill represents the best possible outcome.

The provisions of SF 1063 were ultimately migrated into [SF 2216 Omnibus Commerce and Consumer Protections policy and appropriations](#), which served as a vehicle for a number of legislative initiatives that were prioritized by Senators, but failed to pass in the regular session. This legislation was then migrated into [HF 4 Commerce finance and policy bill](#), which was passed during the special session.

This bill would establish a common interest community ombudsperson office within the Minnesota Department of Commerce. The ombudsperson would have the power to help unit owners understand their rights and governing documents, facilitate the resolution of disputes, and act as a mediator upon request. Disputes in a pending judicial or administrative proceeding have been resolved by the association's existing alternative dispute resolution process or are duplicative instances where there is a court or administrative order in effect against the unit owner would not be eligible for mediation. The ombudsperson would be responsible for developing and disseminating information to help explain common provisions of governing documents, referrals to dispute resolutions, and analyzing complaints to identify trends.

A call-to-action email campaign was sent to advocates in Minnesota, urging them to reach out to the Senate Judiciary and Public Safety Committee to oppose an earlier version of SF 1063 which did not incorporate agreed-to amendments. In response, 12 messages were sent by 12 advocates to 6 legislators.

**Status:** [SF 1063/HF 856 DIED](#). [SF 2216 carried to Special Session as HF 4](#). [HF 4 PASSED, signed by Governor. Effective immediately.](#)

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

While MN LAC **opposed** the bill upon initial introduction, the 2025 legislative session was spent making good faith negotiations with bill authors on amendments, understanding the need for comprehensive protections for associations and homeowners across the state. However, the final legislation fell short of creating a fair and equitable framework of reforms for Minnesota associations.

The package would have limited an association's ability to collect assessments and enforce its rules, passing costs onto the compliant homeowners without providing the needed safeguards like protections against runaway insurance costs. It also would have made it easier for associations to be terminated, jeopardizing mortgage availability, turning communities into rental hubs, shrinking the buyer pool, and lowering property values.

The package would additionally have led to increases in management fees. Management companies keep fees low by offering additional services only when needed, but removing their ability to perform and bill for these services would lead to a significant increase in base management fees.

A call-to-action email campaign was sent to advocates in Minnesota, urging them to reach out to the Senate Judiciary and Public Safety Committee to oppose the bill. In response, 2,472 messages were sent by 206 advocates to the 12 members of the Committee. A similar call to action directed to the full Senate saw 125 messages sent by 125 advocates to 45 Senators.

**Status:** [Passed Senate, Failed to pass House.](#)

#### [SF 2205/HF 2228](#) - **Task force on homeowners and commercial property insurance establishment**

MN LAC **supported** this bill, provided that CAI would be given an opportunity to participate in the task force, which was accepted by the bill sponsors.

This bill establishes a task force to identify recommendations to stabilize the insurance industry, specifically including community association insurance. This bill was eventually folded into the draft of the HF 4 Commerce finance and policy bill which was passed during the special session.

**Status:** [HF 4 PASSED, signed by Governor. Effective immediately.](#)

**HF 2618/SF 3200 - Plain-language explanations for condo associations and homeowners associations required, funding provided for creation of a guide to explain laws governing common interest communities and homeowners associations, and money appropriated.**

CAI MN LAC **opposed** this bill, as the proposed materials did not align with the recommendations of CAI's [Board Member Education Public Policy](#).

This bill appropriates funds to the Minnesota Homeownership Center to prepare plain language materials explaining Minnesota's common interest community laws. These materials would be required to be included in real estate transactions in associations, and board members would be required to review the materials when elected.

**Status: Failed to pass.**

**SF 1564 - Homeowners' associations prohibition from limiting the right to display any flag**

MN LAC **opposed** this bill due to its infringement on the authority of associations to enforce reasonable rules and regulations, consistent with CAI's [Display of the American Flag Public Policy](#), and CAI's [Political and Non-Commercial Signs Public Policy](#).

This bill expands current protections for flying the US and Minnesota flags to include any flag. Associations may only regulate in order to protect health or safety, or to prevent the incitement of violence or unlawful activity, as well as size, installation on common property, and illumination.

**Status: Failed to pass.**

**SF 2324/HF 1931 - Authority provision to the attorney general to enforce laws related to common interest communities**

MN LAC **opposed** this bill due to its conflict with CAI's [Alternative Dispute Resolution Public Policy](#).

This bill would authorize the Attorney General's office to investigate and prosecute alleged violations of Minnesota's Common Interest Ownership Act.

**Status: Failed to pass.**

**SF 1253 - Common interest communities prohibition from charging fees for estoppel letters or certificates**

CAI MN LAC **opposed** this bill due to its conflict with CAI's [Disclosure Before Sales in Community Associations Public Policy](#).

This bill prohibits the charging of fees for the preparation of estoppel letters or certificates by either associations or managers.

**Status: Failed to pass.**

## NOT A CAI MEMBER? BECOME A MEMBER TODAY!

CAI provides advocacy trainings and opportunities, education programs, best practices, and robust resources to help you stay up-to-date on the latest news, laws, legislation, policies, and issues affecting homeowners associations, condominiums, and housing cooperatives. As a CAI member, you'll also get a membership to your local chapter and gain a network of industry colleagues — over 50,000 of them in [64 chapters worldwide](#).

[Join today!](#)

## GET INVOLVED IN CAI MINNESOTA ADVOCACY EFFORTS!

### Track MN Legislation

CAI keeps track of legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock [here](#).

### Support and Donate Today

CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Minnesota. To support their efforts, visit [caionline.org/lacdonate](http://caionline.org/lacdonate) and select “Minnesota.”

### Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so [sign up now](#) to make your mark!

### CAI MN LAC and Chapter Contact Information:

[CAI Minnesota Legislative Action Committee](#) - (888) 224-4321

[CAI Minnesota Chapter](#) - (612) 504-0567