

April 25, 2021

Chair Moran and Members of the House Ways and Means Committee:

Thank you for the opportunity to submit written testimony on SF 1470/HF 12 (as amended to reflect the language of HF 12), addressing eviction and nonrenewal of lease procedures and preventing certain home foreclosure or contract for deed termination during and after a peacetime emergency.

Minnesota Realtors® (MNR) was founded in 1919 and is a statewide business trade association with a membership of over 21,000 real estate professionals working with buyers and sellers of all types of property in every corner of the state.

COVID-19 has presented challenges for homeowners, renters, and housing providers.

The longer the eviction moratorium is in place without a plan for an orderly and reasonable process for emerging from it, the more difficult that transition will be.

Unfortunately, this bill does not create an orderly process for ending the eviction moratorium and transitioning back to practices dictated by current law.

While we understand this is a challenging issue, the availability of substantial resources from the federal government for rental assistance should allow for the design of an “off-ramp” that helps eligible tenants affected by COVID-19 access the help they need to pay their rent, while also gradually phasing out the restrictions in Executive Order 20-79.

In addition to the \$100 million Minnesota allocated to rental assistance last summer from the federal CARES Act, Minnesota received \$375 million for rental assistance from the federal Consolidated Appropriations Act (CAA), signed into law in December. Most recently, the federal American Rescue Plan was enacted and guarantees all states another \$152 million, plus further allocations based on population, for rental assistance.

With MN Housing launching RentHelpMN.org last week to distribute the CAA rental assistance dollars and with another \$150 million plus from the American Rescue Plan allocated to Minnesota, the resources should be available to assist those in need while implementing a phased wind-down of the eviction moratorium.

Those rental assistance resources represent an important tool to help build a bridge from where we are today to the post-eviction moratorium period ahead. However, this

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bill does not attempt to leverage those rental assistance resources to craft a phased off-ramp that could minimize impacts on both tenants and housing providers.

This bill also includes additional policy provisions that go beyond developing an “off-ramp” from the eviction moratorium. Specifically, MNR does not support rent control policies and is concerned with the language on page 2, lines 22-24.

Finally, Sec. 4 addresses foreclosures and contract for deed cancellations. This is an expansion of the existing Executive Order 20-79 and a new requirement, which we would like to better understand.

Thank you again for the opportunity to provide written testimony on SF 1470/HF 12 (as amended to reflect the language of HF 12).

Sincerely,



Paul Eger
Vice President, Governmental Affairs
Minnesota Realtors®