

SF 1750 WEBINAR SERIES



HOA
LEADERSHIP
NETWORK

By Board Leaders. For Board Leaders.



SJJ LAW

SERVING OUR CLIENTS FROM OUR OFFICES IN
MINNESOTA • COLORADO • OHIO • IOWA

SF 1750:

PART TWO | GOVERNANCE



Moderator Mark Foster
HOA Leadership Network



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Partner, SJJ Law



Webinar Format

- ← One Hour Presentation
- ← Slides will be available on HOALN Resource Hub
- ← Questions will be taken via chat; limit to only current topic
- ← Please keep your video / microphone on MUTE



Part I Replay

General Categories of Changes

3

July 29 (Recorded) PART I: COVENANT ENFORCEMENT

- Rules
- Fines
- Due Process
- Collections
- Parking
- Architectural Approval
- Grievance Rights
- Legal Fee Notice
- Retaliation

TODAY PART II: ASSOC. GOVERNANCE

- Budget
- Annual Packet
- Board Terms
- Board Meetings
 - *Agendas / Documents*
 - *Homeowner Forum*
- Working Sessions
- Conflicts of Interest
- Safe at Home
- Disclosure
 - *Resale*

SEPTEMBER 30 @ 9 A.M. PART III: CONTRACTS/CHECK LIST

- Contracts
 - *Three bids*
 - *Management Contracts*
- Miscellaneous
 - *Local Government*
 - *Termination*
 - *Definitions*
- Check List for Readiness

SF 1750 History

- ← Negative News Stories → HOA Working Group → SF 1750
- ← 2 Year Legislative Cycle
 - 2025—Passed Senate, stalled in House
 - 2026—Passed House, Senate consents, Walz signs
- ← Operative Dates
 - ← January 1, 2027
 - Other than definitions

Common Questions

- ⚡ Do Associations that are not covered under MCIOA need to comply with the new law?
- ⚡ Do we need to rewrite our governing documents?
- ⚡ Do we need to be fully in compliance on January 1, or simply start the process at that time?

Today: Association Governance



Governance: Budget

6

- Minn. Stat. § 515B.3-115(c) & 3-1151(c)
- Proposed budget provided to Owners prior to approval by the Board

(c) After an assessment has been levied by the association, assessments shall be levied at least annually, based upon a budget approved at least annually by the association. The association shall make available in any reasonable manner a copy of the proposed budget prior to the meeting at which the budget is scheduled to be discussed and approved.

Governance: Annual Packet

- Minn. Stat. § 515B.3-106
- New language about loss assessment

(5) a detailed description of the insurance coverage provided by the association including a statement as to which, if any, of the items referred to in section 515B.3-113, subsection (b), are insured by the association and the amount of the association's deductible and the following notice: "IF THE ASSOCIATION LEVIES A LOSS ASSESSMENT, THE UNIT OWNER IS PERSONALLY RESPONSIBLE FOR PAYING IT, EVEN IF THE UNIT OWNER DOES NOT HAVE SUFFICIENT INSURANCE COVERAGE"; and

Governance: Board Terms

- Minn. Stat. § 515B.3-103(e)(4)
 - Regular elections
 - Three-year terms
 - No term limits
 - Staggered terms
 - Filled vacancies serve remainder of vacated term

(4) The board shall elect the officers. The directors and officers shall take office upon election. Elections of directors must occur regularly, as provided in section 515B.3-108. Each term of a director must not exceed three years, provided there is no limit on the number of terms a director may serve. The terms of directors must be staggered, unless the duration of the terms is one year or less. If filling a vacancy on the board of directors, the director will serve the remainder of the term vacated until a new election is held at the end of the term as provided in section 515B.3-108.

Governance: Board Meetings (1 of 2)

9

- Minn. Stat. § 515B.3-103(g)
 - Agenda, Contracts, and Documents
 - Made available
 - Prior to?
 - At?

notice to the unit owners of the date, time, and place of a board meeting. The board must make the meeting agenda, and contracts or other documents the board intends to approve or disapprove at the board meeting, available to unit owners in any reasonable manner, including but not limited to electronic mailing or posting on the association's website. The requirement to make documents available to unit owners does not apply to documents related to items discussed at a closed meeting of the board. If the date, time, and place of meetings

Governance: Board Meetings (2 of 2)

10

- Minn. Stat. § 515B.3-103(g)

- Homeowner forum codified
- Limits

subdivision 14. Before any action is taken on an agenda item at any board meeting open to unit owners, a unit owner, or a person designated in writing by the owner, must be permitted to speak at a time designated by the board on an agenda item. To the extent known, a unit owner must make a good faith attempt to notify the board in advance of the owner's intent to speak on an agenda item at the meeting. Nothing prohibits a unit owner from requesting that an item be added to the agenda or providing a written comment to the board in advance of the meeting. The board may place a reasonable limit on the time a member is allowed to speak and may, after a warning by the chair of the meeting, expel any person who disrupts the meeting or causes a disturbance. A board may not impose a fine for exercising the right to speak or provide a written statement. Meetings may be closed to discuss the following:

QUESTIONS



Governance: Working Sessions

- Minn. Stat. § 515B.3-103(g)

- “Working sessions”

- No decisions, minutes, or notice

is closed under this subsection may be kept confidential at the discretion of the board. For the purposes of this subsection, an association is not required to issue a notice or keep minutes for a meeting between board members, or between one or more board members and officers, if the subject of the meeting is solely to discuss issues related to basic maintenance, or daily operations and management of the association, in accordance with their duties as outlined in the governing documents, provided the meeting does not result in a vote or formal action by the board.

Governance: Conflicts of Interest (1 of 2)

13

- Minn. Stat. § 515B.3-103(g)
 - 317A.255 conflict provisions
 - Board member abstention
 - Material financial interest

In addition to conflict of interest provisions set forth in the statute under which the association was organized, the following standards apply to elected boards:

(1) a board member must not participate in deliberations regarding or vote on the approval or disapproval of a contract to which the association is or may be a party where the board member or a member of the family of a board member has a material financial interest in the contract or is likely to realize a material financial gain as a result of entering into the contract. For the purposes of this section, "member of the family" has the meaning given in section 317A.255, subdivision 4;

Governance: Conflicts of Interest (2 of 2)

14

- Minn. Stat. § 515B.3-103(g)
 - Board member
 - Cannot accept money or compensation as inducement to vote for contract
 - “Property maintenance, construction, repair, or reconstruction”
 - Applies to management IF management enters (signs) contracts on behalf of HOA

(2) a board member must not solicit or accept any money or other compensation from any person as an inducement for the board member to vote in favor of the approval of a contract for property maintenance, construction, repair, or reconstruction services that is binding on the association. If an association has authorized a property manager to enter into contracts on behalf of the association, the property manager must not solicit or accept any money or other compensation from any person as an inducement to the property manager to enter into a contract for property maintenance, construction, repair, or reconstruction services that is binding on the association; and

Governance: Safe at Home

- Minn. Stat. § 515B.4-116(f)
 - Safe at Home (Minn. Stat. § 5B)
 - Violation of Minn. Stat. § 5B is violation of MCIOA
 - Attorney fees & punitive damages (Minn. Stat. § 515B.4-116)

(f) A disclosure by the association of data in violation of the Safe at Home program under section 5B.05, paragraph (d), is a violation of this chapter.

QUESTIONS



Governance: Resale (1 of 3)

17

- Minn. Stat. § 515B.4- 107

- Additional documents:

- List of fines
- Collection policy
- Reserve study (if applicable)

including the list of common fines and allowable remedies required under section 515B.3-102 and the collection policy adopted by the association under section 515B.3-115(k) or 515B.3-1151(k);

(4) a copy of any reserve study, if any, obtained by the association within the past three years for the purposes of evaluating the adequacy of replacement reserve contributions and compliance with section 515B.3-1141.

Governance: Resale (2 of 3)

18

- Minn. Stat. § 515B.4- 107
- New language about loss assessment

c. The association's master insurance has deductible amounts for property damage and wind or hail claims that may be assessed to a unit as a "loss assessment." The unit owner, at the time a loss assessment is due, is personally liable for payment of a loss assessment. The deductible and potential loss assessment amount is subject to change each year when the association purchases new insurance. It is recommended that you personally purchase insurance coverage for loss assessments in the amount at least equal to the association's deductible, which the unit owner should review and update if the deductible changes. IF THE ASSOCIATION LEVIES A LOSS ASSESSMENT, YOU ARE PERSONALLY RESPONSIBLE FOR PAYING IT, EVEN IF YOU DO NOT HAVE SUFFICIENT INSURANCE COVERAGE. It is recommended that each unit owner personally purchase insurance coverage for loss assessments in an amount at least equal to the association's deductible, as well as insurance to cover the interior of the unit and personal property. A unit owner should conduct a regular review of their individual insurance policy and increase coverage as necessary to fully cover their portion of the association's deductible.

Governance: Resale (3 of 3)

19

- Minn. Stat. § 515B.4- 107
- New language association living generally
- Note: similar language now required for initial sale of unit from developer to Owner (Minn. Stat. § 515B.4-1021)

(f) A purchaser should be aware of the following information:

(1) purchasing a unit in the common interest community will impact property rights and may impose certain obligations on a unit owner;

(2) governing documents for a common interest community dictate how decisions will be made related to the property, including financial decisions, maintenance decisions, and restrictions on the use of the property, which may include but not be limited to restrictions on parking, appearance, noise, smoking, pets, and rental of your unit;

(3) governing documents may also be modified or changed at any time with the appropriate approval and any modifications or amendments will apply to existing unit owners; and

(4) it is advisable to consult with an attorney before purchasing a unit.

QUESTIONS



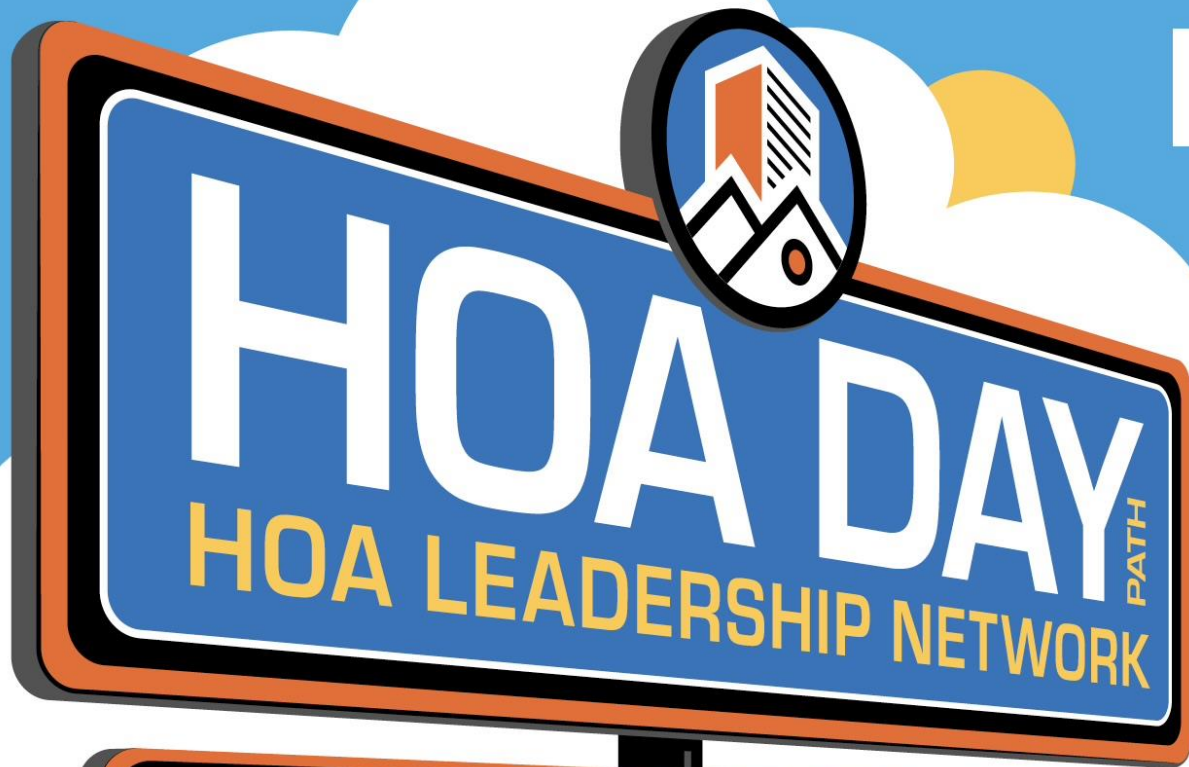
UPCOMING WEBINAR

23

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YOUR PATH TO HOA LIVING!

HOA DAY 2026
REGISTER
TODAY!

Saturday,
October 24, 2026
9 a.m. to 1 p.m.

Base Camp,
Fort Snelling



RSVP NOW>>



PART III COMING
Sept 30 | 9 a.m.
3 Bid Rule and Checklist



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