

## **VERSIONS OF MINN. STAT. § 504B.178, SUBDIVISION 8 OVER TIME**

### **Minn. Stat. § 504.20 (1976), as originally enacted in 1975 Minn. Laws ch. 410, s. 9**

Subd. 7a. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that such deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that such deposit should serve as payment for the rent. Violation of this subdivision after written demand and notice of this subdivision shall subject the tenant to damages of twice the deposit and forfeiture of any interest due on the deposit in addition to actual damages.

### **Minn. Stat. § 504.20 (1978), as amended by 1977 Minn. Laws ch. 280, s. 5.**

Subd. 7a. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that the deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that the deposit should serve as payment for the rent. Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for damages in an amount equal to the portion of the deposit which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent, plus interest on the deposit as provided in subdivision 2, as a penalty, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

### **Minn. Stat. § 504B.178 (2000), as enacted in the recodification bill<sup>1</sup> at 1999 Minn. Laws ch. 199, art. 1, s. 16.**

Subd. 8. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to

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<sup>1</sup> The "recodification bill" was a bill designed to modernize archaic language in most of the landlord-tenant statutes and renumber the landlord-tenant statutes from chapters 504 and 566 into a single new chapter without changing meaning. For a discussion of the recodification bill, see *Occhino v. Grover*, 640 N.W.2d 357,363 (Minn. Ct. App. 2002) (paragraph starting "Section 504B.255 came into effect in July 1999 as part of a larger housing bill"), available at [https://scholar.google.com/scholar\\_case?case=7995007659523373036&hl=en&as\\_sdt=6,24](https://scholar.google.com/scholar_case?case=7995007659523373036&hl=en&as_sdt=6,24)

month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that the deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that the deposit should serve as payment for the rent. Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for the following:

(1) a penalty in an amount equal to the portion of the deposit which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent; and

(2) interest on the whole deposit as provided in subdivision 2, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

**Minn. Stat. § 504B.178 (2008), as amended by 2008 Minn. Laws ch. 177, s. 2 (most recent amendment as of 12/31/15)**

Subd. 8. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, or for the last month of a contract for deed cancellation period under section 559.21 or a mortgage foreclosure redemption period under chapter 580 or 582, on the grounds that the deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that the deposit should serve as payment for the rent. Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for the following:

(1) a penalty in an amount equal to the portion of the deposit which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent; and

(2) interest on the whole deposit as provided in subdivision 2, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

## Detailed Legislative History of 1977 Minn. Laws ch. 280, s. 5

1977 Minn. Laws ch. 280 began as 1977 HF 829. Below is a summary of the entries pertaining to this bill in the House and Senate Journals. The language of the two committee reports relating to what became s. 5 of the law – called Reports #1 and #2 below – is shown at the end of this detailed history.

Journal	Journal Page/s	Date	Event
House	476	3/14/77	First Reading, referred to Commerce & Economic Committee
House	1139	4/18/77	Reported by Commerce & Economic Committee, see Report #1 below
House	1157	4/18/77	Second Reading
House	1190	4/20/77	Member files
House	1782	5/2/77	Special orders, act on today
House	1797	5/2/77	Third Reading, passed 122-3
House	2768-9	5/17/77	Senate transmits w/ amend, move to concur passes, final vote, passed 128-0
House	4027	5/26/77	Signed by Governor
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Senate	1716-7	5/3/77	Transmitted by House, referred to Judiciary Committee
Senate	1861	5/9/77	Reported by Judiciary Committee, see Report #2 below
Senate	1872	5/9/77	Second Reading, referred to Bill Scheduling Subcommittee of Rules Committee
Senate	1974	5/10/77	Place on general orders
Senate	2180	5/12/77	Comm of the Whole, move do pass prevails
Senate	2254	5/13/77	Third Reading, passed 51-3

### Report #1, House Commerce & Economic Development Committee Report

The bill as introduced had no language related to the tenant attempting to use the deposit to pay rent. The report did have such language and proposed to amend Minnesota Statutes 1976, Section 504.20, subdivision 7a as follows (using standard Revisor's font<sup>2</sup>) with colored type to highlight the changes:

Subd. 7a. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that such deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that such deposit should serve as payment for the rent. ~~Violation of this subdivision after written demand and notice of this subdivision shall subject the tenant to damages of twice the deposit and forfeiture of any interest due on the deposit in addition to actual damages.~~ Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for damages in an amount equal to the portion of the deposit plus interest on the deposit as provided in subdivision 2, as a penalty, in addition to the amount of rent withheld by the tenant in violation of this subdivision.

### Report #2, Senate Judiciary Committee Report

The Senate report amended the House bill by adding the language below in green bold face (the rest of this passage is the same as in #1 just above):

<sup>2</sup> New language is underlined, removed language printed with "strikeout" (a line through the middle of the words), and unchanged language printed without enhancement.

Subd. 7a. No tenant may withhold payment of all or any portion of rent for the last payment period of a residential rental agreement, except an oral or written month to month residential rental agreement concerning which neither the tenant nor landlord has served a notice to quit, on the grounds that such deposit should serve as payment for the rent. Withholding all or any portion of rent for the last payment period of the residential rental agreement creates a rebuttable presumption that the tenant withheld the last payment on the grounds that such deposit should serve as payment for the rent. ~~Violation of this subdivision after written demand and notice of this subdivision shall subject the tenant to damages of twice the deposit and forfeiture of any interest due on the deposit in addition to actual damages.~~ Any tenant who remains in violation of this subdivision after written demand and notice of this subdivision shall be liable to the landlord for damages in an amount equal to the portion of the deposit **which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent**, plus interest on the deposit as provided in subdivision 2, as a penalty, in addition to the amount of rent withheld by the tenant in violation of this subdivision.