

EQUAL JUSTICE UNDER LAW



■ LEGAL PRECEDENT | STATE OF MINNESOTA

BATC v. DLI

Housing Affordability Institute's Legal Precedents outlines influential, precedent-setting court decisions at the state and federal level and illustrates their impact on housing and development and their impact on housing and development.

CASE OVERVIEW

Builders Association of the Twin Cities (BATC) v. Minnesota Department of Labor and Industry (DLI) questioned whether DLI, the Minnesota agency responsible for building code adoption, followed Minnesota law when the 2014 Minnesota Residential Building Code required fire sprinklers on homes with a size of 4,500 sq. ft. or greater.

BATC filed suit under a Minnesota law allowing affected parties to challenge agency rules before going into effect and argued, among other things, that the 4,500 sq. ft. threshold for fire sprinklers lacked a rational basis and was unconstitutional.

In 2015, the Minnesota Court of Appeals ruled for BATC, invalidating the sprinkler mandate. The Minnesota Supreme Court declined to grant review of the State's appeal, making the ruling of the court of appeals final.

PRECEDENT

The Minnesota Court of Appeals, in a 3-0 vote, ruled that DLI's establishment of a 4,500 sq. ft. threshold triggering the sprinkler requirement lacked a rational basis.

"DLI failed to establish a record supporting the 4,500 sq. ft. threshold for sprinklers as required by Minnesota law invalidating the sprinkler mandate... We are mindful today that we are declaring a rule adopted by an administrative agency of the state invalid. We do not do so lightly, but rather thoughtfully and unanimously. Nevertheless, we are bound to apply the law.

Minnesota Courts have shown hesitancy to intervene on agency rulemaking. For the Court of Appeals, DLI's adoption of an arbitrary standard without an evidentiary basis was a bridge too far.

IMPACT ON HOUSING

For larger homes of more than 4,500 square feet, the sprinkler mandate was immediately invalidated. Following this ruling, the Minnesota Legislature passed legislation directing DLI to modify the definition of a "twin home" to not require fire sprinklers. DLI did not proceed forward with seeking to implement fire sprinklers for one- and two-family homes in Minnesota in the 2020 Minnesota Building Code.

Additionally, the agency strengthened its stakeholder engagement process following the ruling for the adoption of subsequent building codes.

DISCLOSURE

BATC, the plaintiff in this case is known today as Housing First Minnesota and is the parent organization of Housing Affordability Institute