

Application for compensation – Contractor Recovery Fund

Minnesota Department of Labor and Industry
Attn: Contractor Recovery Fund
443 Lafayette Road N., St. Paul, MN 55155
Phone: 651-284-5057
Email: Contractor.RecoveryFund@state.mn.us

IMPORTANT – READ BEFORE YOU APPLY

Before completing this application, you **must** review **How to Apply to the Contractor Recovery Fund** and confirm you meet all eligibility requirements. Instructions are available at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Submitting your application

- **Paper applications:** Complete all sections, **have the form notarized**, and include all required supporting documents. Submit all materials to the address shown above.
- **Electronic applications:** Notarization is **not required**. To submit an electronic application and upload supporting documentation visit dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Applicant information

Residential property involved in the judgment

- Street address: _____
- City: _____ County: _____
- State: Minnesota ZIP code: _____

Applicant(s)

- Name of owner/lessee/HOA (applicant): _____
- Name of owner/lessee/HOA (co-applicant), if applicable: _____

Mailing address (complete only if different than the property address)

- Mailing street address/P.O. Box: _____
- City: _____ County: _____

- State: _____ ZIP code: _____

Phone numbers

- Applicant phone: _____ Co-applicant phone: _____

Email addresses

- Applicant email: _____
- Co-applicant email: _____

Contractor information

Contractor name (licensee): _____

Contractor BC or CR license number: _____

Date you entered into the contract: _____

- Was the residential building contractor (BC) or residential remodeler (CR) licensed at the time this contract was signed AND work was performed?
 - ☐ Yes. If yes, proceed with the application.
 - ☐ No. Stop – if no, you are **not eligible** for the fund. To report unlicensed activity, contact DLI Enforcement at 651-284-5069.
- You may verify your contractor was licensed at the time you signed a contract AND when work was performed at dli.mn.gov/license-and-registration-lookup.

Attorney information

Are you represented by an attorney for this application?

- ☐ No
- ☐ Yes. If Yes, provide the attorney's information:

Attorney name: _____

Law Firm name: _____

Attorney mailing street address/P.O. Box: _____

Attorney city, state and ZIP: _____

Attorney phone: _____ Attorney email: _____

Eligibility affirmation

Applicant eligibility

I/we affirm that I/we am/are an owner, residential lessee or homeowners association (HOA) of the residential property involved in the judgment and meet the eligibility requirements of [Minn. Stat. 326B.89](#).

☐ Yes

☐ No – **Stop.** You are not eligible to apply.

Prohibited applicants

Review the list below and identify if any of the following apply. If any item applies, the applicant(s) are not eligible to apply.

- The applicant(s) are a contractor, subcontractor or supplier.
- The applicant(s) are the contractor's spouse or personal representative.
- The judgment was issued against an unlicensed contractor.
- The applicant(s) are seeking reimbursement for investment or rental property losses.
- The applicant(s) are claiming losses not tied to the original contract or outside the scope of licensure.

Confirm (check one option below):

☐ Applicant(s) confirm none of the above applies.

☐ Applicant(s) confirm that one or more items apply – **Stop.** You are not eligible to apply.

Grounds for recovery

I/we seek compensation based on a **final, docketed judgment** against a licensed contractor for (**select all that apply**):

- ☐ Fraudulent, deceptive or dishonest practices
- ☐ Conversion of funds
- ☐ Failure of performance

Judgment information

A **final, docketed judgment** against the licensed contractor is required before applying. If you need clarification about what a judgment is, how to docket your judgment, or how to access judgment documents on the court's website, refer to the instructions at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

- County court that issued the judgment: _____
- Final judgment amount: _____
- Date judgment was entered (final): _____
- Date judgment was docketed in **District Court**: _____
- Case number: _____

Timing requirement (two-year rule)

The judgment became final within two years before the date of this application.

- ☐ Yes. A copy of your docketed judgment must be submitted with your application.
- ☐ No – **Stop**. You are not eligible to apply. The two-year deadline is required by Minn. Stat. § 326B.89 and cannot be extended or restarted by obtaining a new judgment.

Appeal status

Are any appeals, reviews or other court actions pending regarding this judgment?

- ☐ Yes – **Stop**. You are not eligible to apply until all appeals or court actions are fully resolved and the judgment is final.
- ☐ No

Judgments must be **final** and not subject to appeal. A judgment is docketed only when the District Court assigns a judgment file number and enters it into the judgment record.

Collection efforts

Before applying, applicants must make **good-faith attempts to collect the judgment** in writing or through court-approved collection actions. Select **all efforts** taken and attach supporting documentation.

- ☐ Sent demand letters or emails requesting payment.
- ☐ Sent payment requests via certified mail.
- ☐ Attempted to arrange payment or settlement with the contractor.
- ☐ Attempted wage or bank garnishment.

- ☐ Filed for or attempted to obtain a Writ of Execution.
- ☐ Took other court-approved collection actions.
- ☐ Received responses showing the contractor is unable or unwilling to pay.
- ☐ Could not locate the contractor despite reasonable attempts.

Payments received toward the judgment

Select **one option** below:

- ☐ I have not received any payment toward the judgment.
OR
- ☐ I have received payment(s) toward the judgment (any amount collected from the contractor reduces the amount the fund may pay). Must provide documentation.
 - Total amount received: \$ _____
 - Date(s) received: _____
 - Details about the payment(s) and any relevant notes: _____

If you need clarification about what counts as a payment toward the judgment or what documentation to include, refer to the instructions at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Actual and direct out-of-pocket loss

Enter the total amount of your **actual and direct out-of-pocket loss** related to the Minnesota residential real estate:

\$ _____

- Your **actual and direct out-of-pocket loss** includes money you have already paid and *may also include* the amount you need to pay to repair or complete the work because of the contractor's conduct. Amounts already paid must be supported by documentation such as bank statements, credit card statements, canceled checks, receipts or invoices. Any repair or completion costs must be supported by bids or estimates showing what it would reasonably cost to finish or correct the work.
- **The fund does not provide compensation for attorney's fees, costs or disbursements incurred in obtaining the judgment, costs related to applying to the fund, or any interest.**
- The fund may consider both the amounts you have already paid and the reasonable cost to repair or complete the work when determining your loss. However, the fund cannot reimburse any projected costs that are not supported by documentation.

- The fund cannot pay more than the amount awarded in your judgment, even if bids or estimates to repair or complete the work are higher than the judgment amount.

For more information, refer to the instructions at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Please complete the chart below. If you prefer, you may create a similar chart of your own. If you need additional space, an extended version of this chart (**worksheet**) is available at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Payment chart

Method of payment	Date Paid	Paid to:	Amount	Exhibit #

Repair or completion information (if applicable):

Has the work been repaired or completed by another contractor?

- ☐ No
- ☐ Yes – Include in payment chart above, if applicable.

Do you have estimates from others to repair or complete the work?

- ☐ Not applicable. No completion or repair work needed.
- ☐ Yes – If another contractor needs to complete or repair the work under your original contract, estimate(s) are required to verify the value of the unfinished or defective work.

If “Yes,” please complete the chart below. If you prefer, you may create a similar chart of your own. If you need additional space, an extended version of this chart (**worksheet**) is available at dli.mn.gov/workers/homeowners/contractor-recovery-fund.

Estimates received from others to repair or complete the work under the contract

Vendor name	Estimate amount	Work to be performed	How does this estimate/bill relate to the original contract – where is it outlined?	Exhibit #

Other responsible parties

Are there any other person(s) or business(es) who may also be responsible for the loss related to this contractor?

- ☐ No
- ☐ Yes. If yes, list the person(s) or business(es) and describe their possible involvement:

Homeowner’s insurance

Was your contract based on an insurance claim?

- ☐ No
- ☐ Yes. If yes, you must **include documentation from the insurance company and complete questions below.**

Date the claim was filed: _____

Status of claim (**select one**):

- ☐ Claim is pending
- ☐ Claim was denied
- ☐ Claim was paid – Amount received: \$ _____

Did you file an insurance claim because of the contractor's breach of contract? Examples: damage caused by the contractor's work, incomplete or faulty work leading to additional loss, or fraud that resulted in an insurance-related claim.

- ☐ No
- ☐ Yes. If yes, you must **include documentation from the insurance company and complete questions below.** Any payment you receive from an insurance company reduces the amount the fund may pay.

The applicant(s) filed a claim with:

- ☐ Their homeowner's insurance carrier
- ☐ The contractor's insurance carrier

Date filed: _____

Status of claim (**select one**):

- ☐ Claim is pending
- ☐ Claim was denied
- ☐ Claim was paid – Amount received: \$ _____

Request for payment

The applicant(s) request payment from the Contractor Recovery Fund in the following amount:

Amount requested: _____

- The amount requested must match your actual and direct out-of-pocket loss.
- The fund cannot pay more than the amount awarded in your judgment.
- Missing information or documentation may delay the review of your application.
- A fund administrator may request additional documents if needed.
- For assistance, refer to How to Apply to the Contractor Recovery Fund at dli.mn.gov/workers/homeowners/contractor-recovery-fund or contact the fund at Contractor.RecoveryFund@state.mn.us or 651-284-5057.

IMPORTANT: Refer to section 9.0 of the How to apply to the Minnesota Contractor Recovery Fund for a list of the required documentation that must be submitted with this application.

Electronic applications are not submitted using this paper form. If you choose to apply electronically, you will enter your information directly into the iMS system. Do not upload this form when applying online. To submit electronically, visit dli.mn.gov/workers/homeowners/contractor-recovery-fund.

If you prefer to **submit by mail**, complete this form in full and have it notarized before mailing it to Minnesota Department of Labor and Industry, Attn: Contractor Recovery Fund, 443 Lafayette Road N., St. Paul, MN 55155.

Verification

STATE OF MINNESOTA

) ss.

COUNTY OF _____)

I have reviewed the document titled “**How to Apply to the Contractor Recovery Fund.**” I attest that I have completed this application and that I meet all requirements of [Minn. Stat. 326B.89](#), including all eligibility and documentation requirements. I declare under penalty of perjury that everything I have stated in this document, and all supporting documents submitted with it, are true and correct.

Applicant signature: _____

Printed name: _____

Co-Applicant signature (if applicable): _____

Printed name: _____