

CONFERENCE COMMITTEE REPORT ON H. F. No. 1141

A bill for an act

relating to housing; establishing a supplemental budget for the Minnesota Housing Finance Agency; authorizing the issuance of housing infrastructure bonds; modifying the authority of the Minnesota Housing Finance Agency over the housing development fund; requiring reports; transferring money; appropriating money; amending Minnesota Statutes 2024, sections 462A.05, subdivision 8; 462A.20, subdivisions 3, 4, by adding a subdivision; 462A.21, subdivisions 10, 12a; 462A.37, by adding a subdivision; Minnesota Statutes 2025 Supplement, section 462A.37, subdivision 5; Laws 2025, chapter 32, article 1, section 2, subdivisions 1, 3, 15, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 2024, section 462A.21, subdivision 5.

May 12, 2026

The Honorable Lisa M. Demuth
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

We, the undersigned conferees for H. F. No. 1141 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1141, the second engrossment, be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
HOUSING APPROPRIATIONS

Section 1. Laws 2023, chapter 37, article 1, section 2, subdivision 18, as amended by Laws 2024, chapter 127, article 14, section 9, and Laws 2026, chapter 43, section 1, is amended to read:

Subd. 18. Supportive Housing	10,000,000	-0-
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2.1 (a) This appropriation is for the supportive
 2.2 housing program under Minnesota Statutes,
 2.3 section 462A.42. This is a onetime
 2.4 appropriation.

2.5 (b) Of this amount, \$9,000,000 is for grants
 2.6 to United States Department of Housing and
 2.7 Urban Development Continuum of Care
 2.8 Program grantees for fiscal year 2024 or fiscal
 2.9 year 2025 whose contracts have expired or
 2.10 will expire before December 31, ~~2026~~ 2027,
 2.11 and have experienced or will experience
 2.12 funding gaps. The agency may prioritize
 2.13 awards to grantees based on need. The agency
 2.14 shall coordinate with local Continuums of
 2.15 Care to identify grantee prioritization.

2.16 Notwithstanding the application provisions
 2.17 outlined in Minnesota Statutes, section
 2.18 462A.42, subdivision 5, and the procurement
 2.19 provisions outlined in Minnesota Statutes,
 2.20 section 16C.06, subdivisions 1, 2, and 6, the
 2.21 agency may noncompetitively award grants
 2.22 to existing and previous federal continuum of
 2.23 care funding recipients. Notwithstanding
 2.24 Minnesota Statutes, section 462A.42,
 2.25 subdivision 4, funding ~~may~~ must be used as
 2.26 supplemental emergency support resources,
 2.27 which can include matching funds, for
 2.28 permanent supportive housing, rapid
 2.29 rehousing, transitional housing, and
 2.30 system-related activities for the identified
 2.31 grantees. The agency will coordinate with
 2.32 stakeholders on a distribution process and
 2.33 establish such a process within 30 days of
 2.34 enactment.

3.1 (c) Beginning 90 days after the agency
3.2 obligates the appropriation and every 90 days
3.3 thereafter, each grantee shall report to the
3.4 commissioner detailing the use of grant money
3.5 and the number of people served. The
3.6 requirement for a grantee to report to the
3.7 commissioner under this paragraph expires
3.8 upon submission of a final report to the
3.9 commissioner following the exhaustion or
3.10 return of grant money. Within ten days after
3.11 the reports from each grantee are due, the
3.12 commissioner shall compile the reports
3.13 required by this paragraph from each grantee.
3.14 The compiled report shall also identify any
3.15 grantee that has not submitted a report required
3.16 by this paragraph to the commissioner. The
3.17 commissioner shall submit a copy of each
3.18 compiled report to the chairs and ranking
3.19 minority members of the legislative
3.20 committees with jurisdiction over housing.
3.21 The commissioner shall also file each
3.22 compiled report with the Legislative Reference
3.23 Library in compliance with Minnesota
3.24 Statutes, section 3.195.

3.25 (d) In the event that the amount specified in
3.26 paragraph (b) is no longer needed to address
3.27 financial needs of existing and previous
3.28 federal Continuum of Care funding recipients
3.29 as set out in paragraph (b), then remaining
3.30 funds may be used by the agency for purposes
3.31 set out in paragraph (a).

3.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.1 Sec. 2. MINNESOTA HOUSING FINANCE AGENCY APPROPRIATIONS.

4.2 (a) Notwithstanding Minnesota Statutes, sections 462A.20, subdivision 3, and 462A.21,
4.3 subdivision 10, \$25,000,000 in fiscal year 2027 is appropriated from the aggregated earnings
4.4 from investments of state appropriations made pursuant to Minnesota Statutes, section
4.5 462A.20, subdivision 3, in the housing development fund to the commissioner of the
4.6 Minnesota Housing Finance Agency for the following purposes:

4.7 (1) \$14,275,000 is for the workforce housing development program under Minnesota
4.8 Statutes, section 462A.39;

4.9 (2) \$4,000,000 is for the supportive housing program under Minnesota Statutes, section
4.10 462A.42, and must be used for the purposes provided in section 1, paragraph (b), except
4.11 that, as provided in section 1, paragraph (d), if this amount is not needed for those purposes,
4.12 it may be used for the purposes provided in Minnesota Statutes, section 462A.42;

4.13 (3) \$4,000,000 is for the manufactured home park infrastructure grant and loan program
4.14 under Minnesota Statutes, section 462A.2035, subdivision 1b;

4.15 (4) \$2,000,000 is for the family homeless prevention and assistance program under
4.16 Minnesota Statutes, section 462A.204, and may be used in the manner provided in section
4.17 3, subdivision 3;

4.18 (5) \$425,000 is for the capacity-building grants program under Minnesota Statutes,
4.19 section 462A.21, subdivision 3b, for a grant to a statewide tenant education and hotline
4.20 service that provides free and confidential legal advice for all Minnesota renters. This amount
4.21 may be awarded to existing grantees notwithstanding Minnesota Statutes, section 16C.06,
4.22 subdivisions 1, 2, and 6;

4.23 (6) \$150,000 is for the homeownership education, counseling, and training program
4.24 under Minnesota Statutes, section 462A.209. This amount may be awarded to existing
4.25 grantees notwithstanding Minnesota Statutes, section 16C.06, subdivisions 1, 2, and 6; and

4.26 (7) \$150,000 is for the Minnesota Nice HomeShare pilot program established under
4.27 paragraph (b).

4.28 (b) The commissioner of the Minnesota Housing Finance Agency must award a grant
4.29 to St. Louis County for the county to establish and administer the Minnesota Nice HomeShare
4.30 pilot program to assist seniors in the counties of Lake, St. Louis, and Washington to reduce
4.31 living expenses by matching seniors who own homes with spare rooms to adults in need of
4.32 affordable housing. For the purposes of this section, "senior" means a person 55 years of
4.33 age or older. St. Louis County may partner with the Arrowhead Area Agency on Aging,

the other named counties in this paragraph, or organizations that advocate for seniors, to promote the program. The program must:

(1) assist hosts and renters over the telephone, through a text chat function or by video;

(2) collect and process rental payments from renters and distribute payments to hosts in a timely manner;

(3) protect the private information and data of hosts and renters;

(4) conduct background checks on hosts and renters, including contacting at least two references for each host and renter;

(5) acquire from renters employment verification or proof of school enrollment; and

(6) review and process all applications.

(c) This is a onetime appropriation.

Sec. 3. RETURN OF UNUSED TAX-FORFEITED SETTLEMENT APPROPRIATION; CANCELLATION; APPROPRIATION.

Subdivision 1. Return of money. Notwithstanding Laws 2024, chapter 113, section 1, subdivision 5, on June 29, 2026, the claims administrator appointed under Laws 2024, chapter 113, to settle litigation related to the state's retention of tax-forfeited lands, surplus proceeds from the sale of tax-forfeited lands, and mineral rights in those lands must return to the commissioner of management and budget the amount of the appropriation under Laws 2024, chapter 113, section 1, subdivision 5, that is not needed to settle claims under Laws 2024, chapter 113.

Subd. 2. Cancellation. The commissioner of management and budget must cancel the amount received under subdivision 1 to the general fund within one day of the receipt of the money.

Subd. 3. Appropriation. The amount canceled under subdivision 2, less \$2,000,000, is appropriated in fiscal year 2027 from the general fund to the commissioner of the Minnesota Housing Finance Agency for the family homeless prevention and assistance program under Minnesota Statutes, section 462A.204. This is a onetime appropriation and is made available for the purposes of the housing development fund. Notwithstanding the procurement provisions outlined in Minnesota Statutes, section 16C.06, subdivisions 1, 2, and 6, the agency may award grants to federally recognized Indian Tribes, to existing program grantees, and to former program grantees. The agency must consider community need, grantee capacity, and geographic distribution when awarding money. Notwithstanding Minnesota

Statutes, section 16B.97, the agency must use all available methods and schedule of payments, including advanced payments, to effectuate legislative intent. Money must be spent by December 31, 2026. The agency may, at its discretion, redistribute unused or underutilized money among grantees to increase program efficiency and effectiveness.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 2

HOUSING INFRASTRUCTURE BONDS

Section 1. Minnesota Statutes 2024, section 462A.37, is amended by adding a subdivision to read:

Subd. 2l. **Additional authorization.** In addition to the amount authorized in subdivisions 2 to 2k and 3a, the agency may issue up to \$100,000,000 in one or more series to which the payments under this section may be pledged.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2025 Supplement, section 462A.37, subdivision 5, is amended to read:

Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under this section.

(b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure bonds issued under subdivision 2a, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure bonds issued under subdivision 2b, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure bonds issued under subdivision 2c, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2d, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2e, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2f, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2g, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure bonds issued under subdivision 2h, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to

the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(j) Each July 15, beginning in 2026 and through 2047, if any housing infrastructure bonds issued under subdivision 2j, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(k) Each July 15, beginning in 2027 and through 2048, if any housing infrastructure bonds issued under subdivision 2k, or housing infrastructure bonds issued to refund those bonds, remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(l) Each July 15, beginning in 2028 and through 2049, if any housing infrastructure bonds issued under subdivision 2l or housing infrastructure bonds issued to refund those bonds remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(m) The agency may pledge to the payment of the housing infrastructure bonds the payments to be made by the state under this section.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 3

HOUSING POLICY

Section 1. Minnesota Statutes 2024, section 118A.09, subdivision 2, is amended to read:

Subd. 2. **Additional investment authority.** Qualifying governments may invest the amount described in subdivision 3:

(1) in index mutual funds based in the United States and indexed to a broad market United States equity index, on the condition that index mutual fund investments must be made directly with the main sales office of the fund; ~~or~~

- 9.1 (2) in shares of a company that:
- 9.2 (i) is registered with the United States Securities and Exchange Commission;
- 9.3 (ii) concentrates in investment grade fixed income securities;
- 9.4 (iii) holds, at the time of purchase, at least 80 percent of its investments in federally
- 9.5 insured or guaranteed securities, including by government sponsored entities; and
- 9.6 (iv) has a mission, in part, to provide direct investment in local multifamily housing
- 9.7 development; or
- 9.8 (3) with the Minnesota State Board of Investment subject to such terms and minimum
- 9.9 amounts as may be adopted by the board.

9.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.11 Sec. 2. Minnesota Statutes 2024, section 118A.09, is amended by adding a subdivision to

9.12 read:

9.13 Subd. 3a. **Housing and redevelopment authorities; investment authority.** A housing

9.14 and redevelopment authority created in a county or statutory or home rule charter city that

9.15 meets the criteria of subdivision 1, paragraph (a), clause (1) or (2), may invest its funds in

9.16 investments that meet the criteria of subdivision 2, clause (2), subject to the limitations and

9.17 requirements for qualifying governments under subdivisions 3 and 4.

9.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.19 Sec. 3. Minnesota Statutes 2024, section 118A.09, subdivision 4, is amended to read:

9.20 Subd. 4. **Approval.** Before investing pursuant to this section, the governing body of the

9.21 qualifying government must adopt a resolution or investment policy that includes the

9.22 following statements:

9.23 (1) the governing body understands that investments under subdivision 2 have a risk of

9.24 loss;

9.25 (2) the governing body understands the type of funds that are being invested and the

9.26 specific investment itself; and

9.27 (3) the governing body certifies that all funds designated for investment through the

9.28 State Board of Investment meet the requirements of this section and the policies and

9.29 procedures established by the State Board of Investment.

9.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2024, section 462A.041, is amended to read:

462A.041 MEETINGS BY ~~TELEPHONE OR OTHER ELECTRONIC MEANS~~ INTERACTIVE TECHNOLOGY.

(a) For the purposes of this section, "interactive technology" has the meaning in section 13D.001, subdivision 2.

~~(a) Notwithstanding sections 13D.01 and 13D.02,~~ (b) The Housing Finance Agency may conduct a meeting of its members by ~~telephone or other electronic means~~ interactive technology so long as the following conditions are met:

(1) all members of the agency participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the agency can hear all discussion and testimony and all votes of members of the agency;

(3) at least one member of the agency, the commissioner, the deputy commissioner, or an attorney for the agency is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

~~(b) (c)~~ (c) Each member of the agency participating in a meeting by ~~electronic means~~ interactive technology is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

~~(e) (d) If ~~telephone or another electronic means~~ interactive technology is used to conduct a meeting, the agency to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The agency may require the person making such a connection to pay for documented marginal costs that the agency incurs as a result of the additional connection. Meetings must be made available on a website for live video streaming and be archived on a website for playback at a later time.~~

~~(d) (e)~~ (e) If ~~telephone or another electronic means~~ interactive technology is used to conduct a regular, special, or emergency meeting, the agency shall provide notice of the regular meeting location, of the fact that some members may participate by ~~electronic means~~ interactive technology, and of the provisions of paragraph ~~(e) (d)~~. The timing and method of providing notice is governed by section 13D.04.

EFFECTIVE DATE. This section is effective August 1, 2026.

11.1 Sec. 5. Minnesota Statutes 2024, section 462A.05, subdivision 8, is amended to read:

11.2 Subd. 8. **Service charges.** (a) It may collect reasonable interest, fees, and charges in
 11.3 connection with making and servicing its loans, notes, bonds, obligations, commitments
 11.4 and other evidences of indebtedness, and in connection with providing technical, consultative
 11.5 and project assistance services. Such interest, fees and charges shall be limited to the amounts
 11.6 required to pay the costs of the agency, including operating and administrative expenses,
 11.7 and reasonable allowances for losses which may be incurred.

11.8 (b) Notwithstanding section 16B.98, subdivision 14, or any other law to the contrary,
 11.9 the agency may not retain any portion of any amount appropriated to the agency, unless the
 11.10 aggregated earnings from investments of state appropriations are insufficient to pay the
 11.11 costs and expenses necessary and incidental to the development and operation of programs
 11.12 funded by state appropriations. Retentions from state appropriations may not exceed the
 11.13 amount by which the costs and expenses necessary and incidental to the development and
 11.14 operation of state programs exceed the aggregated earnings from investments of state
 11.15 appropriations. Prior to retaining any portion of an appropriation to the agency, the agency
 11.16 must notify the chairs and ranking minority members of the legislative committees having
 11.17 jurisdiction over housing finance and policy. This paragraph expires June 30, 2028.

11.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.19 Sec. 6. Minnesota Statutes 2024, section 462A.20, subdivision 2, is amended to read:

11.20 Subd. 2. **Which money in fund.** (a) There shall be paid into the housing development
 11.21 fund:

11.22 (1) any moneys appropriated and made available by the state for the purposes of the
 11.23 fund;

11.24 (2) any moneys transferred into and made available by the state for the purposes of the
 11.25 fund;

11.26 ~~(2)~~ (3) any moneys which the agency receives in repayment of advances made from the
 11.27 fund;

11.28 ~~(3)~~ (4) any other moneys which may be made available to the agency for the purpose of
 11.29 the fund from any other source or sources;

11.30 ~~(4)~~ (5) all fees and charges collected by the agency;

11.31 ~~(5)~~ (6) all interest or other income not required by the provisions of a resolution or
 11.32 indenture securing notes or bonds to be paid into another special fund.

12.1 (b) Money in the housing development fund may be used only for the purposes of the
 12.2 housing development fund and may not be transferred from the fund for other purposes.

12.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

12.4 Sec. 7. Minnesota Statutes 2024, section 462A.20, subdivision 3, is amended to read:

12.5 Subd. 3. **Separate accounts; transfers; limits.** Whenever any money is appropriated
 12.6 by the state to the agency solely for a specified purpose or purposes, the agency shall establish
 12.7 a separate bookkeeping account or accounts in the housing development fund to record the
 12.8 receipt and disbursement of such money and of the income, gain, and loss from the
 12.9 investment and reinvestment thereof. Earnings from investment of any amounts appropriated
 12.10 by the state to the agency for a specified purpose or purposes may be aggregated. The costs
 12.11 and expenses necessary and incidental to the development and operation of all programs
 12.12 funded by state appropriations may be paid from the aggregated earnings from investments
 12.13 ~~prior to periodic distributions of earnings to separate accounts to be used for the same~~
 12.14 ~~purpose as the respective original appropriation.~~ The agency must distribute earnings as
 12.15 provided in subdivision 5. The agency may transfer unencumbered balances from one
 12.16 appropriated account to another, provided that no money appropriated for the purpose of
 12.17 agency loan programs may be transferred to an account to be used for making grants, except
 12.18 that money appropriated for the purpose of section 462A.05, subdivision 14a, may be
 12.19 transferred for the purpose of section 462A.05, subdivision 15a. The commissioner must
 12.20 inform the chairs and ranking minority members of the legislative committees with
 12.21 jurisdiction over housing finance and policy in writing prior to making a transfer pursuant
 12.22 to this subdivision. The written notice must include how much money will be transferred,
 12.23 why the transfer will be made, and when the transfer will occur. The written notice must
 12.24 also be filed with the Legislative Reference Library in compliance with section 3.195.

12.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

12.26 Sec. 8. Minnesota Statutes 2024, section 462A.20, subdivision 4, is amended to read:

12.27 Subd. 4. **Operating costs Report.** (a) On or before February 15 of each year, the agency
 12.28 ~~shall deliver~~ must submit a report to the chairs ~~of the finance and appropriations committees~~
 12.29 ~~of the legislature~~ and ranking minority members of the legislative committees having
 12.30 jurisdiction over housing finance and policy, ways and means, and finance on the costs of
 12.31 operating the agency in the previous fiscal year. The report ~~shall include~~ must differentiate
 12.32 between costs to administer programs funded by state appropriations and other agency
 12.33 activities. For both types of costs, the report must include the following: (1) the expenditures

13.1 for salaries and benefits, rent, professional and technical services, and general agency
 13.2 administration; (2) the number of full-time equivalent staff positions; and (3) the agency's
 13.3 audited financial statements which include information on expenditures and receipts relating
 13.4 to debt issuance and administration and loan origination and administration. The report shall
 13.5 must also include a budget plan for operating costs that differentiates between the costs to
 13.6 administer programs funded by state appropriations and other agency activities. For both
 13.7 types of costs, the report must include projected costs for salaries and benefits, rent,
 13.8 professional and technical services, and general administration for the current fiscal year,
 13.9 including estimates of changes in costs from the previous fiscal year. If it appears that the
 13.10 costs in the current fiscal year will exceed the budget plan contained in the report submitted
 13.11 under this subdivision, the agency must notify the chairs and ranking minority members of
 13.12 the legislative committees or divisions with jurisdiction over the agency's budget housing
 13.13 finance and policy that the costs in the current fiscal year will exceed the submitted budget
 13.14 plan and the reasons for the changes in costs and must submit a revised budget plan to the
 13.15 commissioner of management and budget and obtain the commissioner's concurrence with
 13.16 the revised plan. The agency must also notify the chairs and ranking minority members of
 13.17 the legislative committees or divisions with jurisdiction over the agency's budget housing
 13.18 finance and policy when the agency is considering an expansion of agency activities that
 13.19 were was not contemplated in the submitted budget plan.

13.20 (b) The report under this subdivision must additionally provide:

13.21 (1) the amount of aggregated earnings from investments of state appropriations as of
 13.22 January 1 of the year the report is to be submitted;

13.23 (2) the amounts used pursuant to subdivision 5 in the prior calendar year and the programs
 13.24 for which each amount was originally appropriated and through which each amount was
 13.25 used;

13.26 (3) the amounts of any administrative retentions from state appropriations in the prior
 13.27 calendar year;

13.28 (4) the amount, as of January 1 of the year the report is to be submitted, of the
 13.29 unencumbered balance that was appropriated prior to the current fiscal year, including
 13.30 citations to the laws making the original appropriations and explanations why the amounts
 13.31 remain unencumbered; and

13.32 (5) the amount that the agency projected pursuant to subdivision 5, paragraph (a), clause
 13.33 (2), in its most recent calculation pursuant to that subdivision, along with information on
 13.34 the assumptions used in creating those projections.

14.1 Sec. 9. Minnesota Statutes 2024, section 462A.20, is amended by adding a subdivision to
14.2 read:

14.3 Subd. 5. Use of earnings from investments of state appropriations required. (a) By
14.4 September 1 each odd-numbered year, the agency must determine the difference between:
14.5 (1) the amount as of June 30 of that year of aggregated earnings from investments of state
14.6 appropriations in the housing development fund; and (2) the amount that the agency projects
14.7 that it will incur in costs and expenses necessary and incidental to the development and
14.8 operation of programs funded by state appropriations in the fiscal year beginning that July
14.9 1 and in the following fiscal year.

14.10 (b) Each biennium the commissioner must use 25 percent of the difference determined
14.11 in paragraph (a), in the manner provided in this subdivision. Before December 31 of the
14.12 even-numbered year in each biennium, the agency must encumber the amount to be used
14.13 under this subdivision, or the agency must provide public notice of the solicitations through
14.14 which the amount will be awarded. Earnings must be used for purposes that are comparable
14.15 to the purposes of the respective original appropriations and consistent with legislative
14.16 intent.

14.17 (c) Use of aggregated earnings from investment of state appropriations is not required
14.18 under this subdivision if, when completing the calculation under paragraph (a), the amount
14.19 in paragraph (a), clause (2), exceeds the amount in paragraph (a), clause (1).

14.20 (d) The agency must consult with the commissioner of management and budget when
14.21 projecting its costs pursuant to paragraph (a), clause (2).

14.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

14.23 Sec. 10. Minnesota Statutes 2024, section 462A.21, subdivision 10, is amended to read:

14.24 Subd. 10. Certain appropriations available until expended. Notwithstanding the
14.25 repeal of section 462A.26 and the provisions of section 16A.28 or any other law relating to
14.26 lapse of an appropriation, the appropriations made to the agency by the legislature in 1976
14.27 and subsequent years are available until fully expended, and the allocations provided in the
14.28 appropriations remain in effect. Earnings from investments of any of the amounts
14.29 appropriated to the agency are appropriated to the agency to be used for the same purposes
14.30 as the respective original appropriations or for the purposes provided in section 462A.20,
14.31 subdivision 5, after payment of the costs and expenses necessary and incidental to the
14.32 development and operation of the programs authorized under this chapter all programs
14.33 funded by state appropriations.

15.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.2 Sec. 11. Minnesota Statutes 2024, section 462A.21, subdivision 12a, is amended to read:

15.3 Subd. 12a. **Program money transfer.** Unencumbered balances of money appropriated
 15.4 for the purpose of loans or grants for agency programs under these subdivisions may be
 15.5 transferred between programs created by these subdivisions or in accordance with section
 15.6 462A.20, subdivision 3. The commissioner must inform the chairs and ranking minority
 15.7 members of the legislative committees with jurisdiction over housing finance and policy in
 15.8 writing prior to making a transfer pursuant to this subdivision. The written notice must
 15.9 include how much money will be transferred, why the transfer will be made, and when the
 15.10 transfer will occur. The written notice must also be filed with the Legislative Reference
 15.11 Library in compliance with section 3.195.

15.12 Sec. 12. Minnesota Statutes 2025 Supplement, section 462A.44, subdivision 3, is amended
 15.13 to read:

15.14 Subd. 3. **Eligible recipient.** (a) A city, as defined in section 462C.02, subdivision 6, or
 15.15 a county is eligible to apply for and receive a grant from ~~either account established in~~
 15.16 ~~subdivision 2~~ the bond proceeds fund or a loan from the local public housing development
 15.17 fund.

15.18 (b) A federally recognized American Indian Tribe or a Tribally designated housing entity
 15.19 is eligible to apply for and receive a loan from the local public housing program account in
 15.20 the housing development fund.

15.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.22 Sec. 13. **[462A.45] LIVED-EXPERIENCE ENGAGEMENT EXEMPTION.**

15.23 (a) Notwithstanding any law to the contrary, income received from lived-experience
 15.24 engagement is not considered income, assets, or personal property for purposes of
 15.25 determining eligibility or recertifying eligibility for state public assistance, including but
 15.26 not limited to:

15.27 (1) child care assistance programs under chapter 142E;

15.28 (2) general assistance, Minnesota supplemental aid, and food support under chapters
 15.29 142F and 256D;

15.30 (3) housing support under chapter 256I;

15.31 (4) Minnesota family investment program under chapter 142G; and

16.1 (5) economic assistance programs under chapter 256P.

16.2 (b) For purposes of this section, "lived-experience engagement" means the agency
 16.3 engaging with people with relevant experience identified by the agency for the purposes of
 16.4 (1) serving as a community reviewer of proposals submitted as part of an agency request
 16.5 for proposals, or (2) gathering and sharing feedback on the impact of housing programs.

16.6 Sec. 14. **LEGISLATIVE FISCAL STAFF ACCESS TO ACCOUNTING**
 16.7 **SUBSYSTEM.**

16.8 By February 15, 2027, the commissioner of the Minnesota Housing Finance Agency
 16.9 must report to the chairs and ranking minority members of the legislative committees with
 16.10 jurisdiction over housing finance and policy on how the agency will provide legislative
 16.11 fiscal staff with remote access to the agency accounting subsystem.

16.12 Sec. 15. **REPEALER.**

16.13 Minnesota Statutes 2024, section 462A.21, subdivision 5, is repealed.

16.14 **EFFECTIVE DATE.** This section is effective the day following final enactment."

16.15 Delete the title and insert:

16.16 "A bill for an act
 16.17 relating to housing; establishing supplemental budget for the Minnesota Housing
 16.18 Finance Agency; making policy, finance, and technical changes to housing
 16.19 provisions; authorizing an issuance of housing infrastructure bonds; modifying
 16.20 agency authority over the housing development fund; authorizing certain investment
 16.21 authority for housing and redevelopment agencies; modifying certain income
 16.22 provisions for lived-experience engagement with the agency; modifying agency
 16.23 meeting requirements; requiring reports; transferring money; appropriating money;
 16.24 amending Minnesota Statutes 2024, sections 118A.09, subdivisions 2, 4, by adding
 16.25 a subdivision; 462A.041; 462A.05, subdivision 8; 462A.20, subdivisions 2, 3, 4,
 16.26 by adding a subdivision; 462A.21, subdivisions 10, 12a; 462A.37, by adding a
 16.27 subdivision; Minnesota Statutes 2025 Supplement, sections 462A.37, subdivision
 16.28 5; 462A.44, subdivision 3; Laws 2023, chapter 37, article 1, section 2, subdivision
 16.29 18, as amended; proposing coding for new law in Minnesota Statutes, chapter
 16.30 462A; repealing Minnesota Statutes 2024, section 462A.21, subdivision 5."

17.1 We request the adoption of this report and repassage of the bill.

17.2 House Conferees:

17.3		
17.4	Michael Howard	Liish Kozlowski

17.5		
17.6	Spencer Igo	Jim Nash

17.7 Senate Conferees:

17.8		
17.9	Lindsey Port	Liz Boldon

17.10		
17.11	Eric Lucero	