

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 2298

(SENATE AUTHORS: PORT, Boldon, Clark and Putnam)

DATE	D-PG	OFFICIAL STATUS
03/10/2025	701	Introduction and first reading Referred to Housing and Homelessness Prevention
04/07/2025	1425a	Comm report: To pass as amended and re-refer to Finance
04/10/2025	1741a	Comm report: To pass as amended
	1784	Second reading
04/22/2025	3722a	Special Order: Amended
	3728	Third reading Passed as amended
04/30/2025	4201	Returned from House with amendment Laid on table
05/01/2025	4376	Taken from table
	4377	Senate not concur, conference committee of 3 requested
	4377	Senate conferees Port; Boldon; Lucero
05/05/2025	4382	House conferees Igo; Nash; Howard; Kozlowski
05/17/2025	5527c	Conference committee report, delete everything
	5255	Senate adopted CC report and repassed bill
	5255	Third Reading Repassed

1.1A bill for an act

1.2relating to housing; establishing budget for Minnesota Housing Finance Agency;

1.3making policy, finance, and technical changes to housing provisions; establishing

1.4a task force on homeowners and commercial property insurance; removing certain

1.5real property recording fees; transferring money; requiring a report; appropriating

1.6money; amending Minnesota Statutes 2024, sections 327C.095, subdivision 12;

1.7462A.051, subdivision 2; 462A.07, subdivision 19, by adding a subdivision;

1.8462A.2095, subdivision 3; 462A.222, by adding a subdivision; 462A.33,

1.9subdivisions 2, 9; 462A.40, subdivision 3; 507.18, subdivisions 5, 6; Laws 2023,

1.10chapter 37, article 1, section 2, subdivisions 20, 21, 29, as amended; article 2,

1.11section 10; proposing coding for new law in Minnesota Statutes, chapter 462A;

1.12repealing Minnesota Statutes 2024, sections 16A.287; 462A.43.

1.13BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.14ARTICLE 1

1.15APPROPRIATIONS

1.16Section 1. APPROPRIATIONS.

1.17The sums shown in the columns marked "Appropriations" are appropriated to the agency

1.18for the purposes specified in this article. The appropriations are from the general fund, or

1.19another named fund, and are available for the fiscal years indicated for each purpose. The

1.20figures "2026" and "2027" used in this article mean that the appropriations listed under them

1.21are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "The

1.22first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium" is

1.23fiscal years 2026 and 2027.

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<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

2.1      **Sec. 2. HOUSING FINANCE AGENCY**

3.1	<b><u>Subd. 3. Workforce Housing Development</u></b>	<b><u>2,000,000</u></b>	<b><u>2,000,000</u></b>
3.2	<u>This appropriation is for the Greater</u>		
3.3	<u>Minnesota workforce housing development</u>		
3.4	<u>program under Minnesota Statutes, section</u>		
3.5	<u>462A.39. If requested by the applicant and</u>		
3.6	<u>approved by the agency, funded properties</u>		
3.7	<u>may include a portion of income and rent</u>		
3.8	<u>restricted units. Funded properties may include</u>		
3.9	<u>owner-occupied homes.</u>		
3.10	<b><u>Subd. 4. Manufactured Home Park</u></b>	<b><u>1,000,000</u></b>	<b><u>1,000,000</u></b>
3.11	<b><u>Infrastructure Grants</u></b>		
3.12	<u>This appropriation is for manufactured home</u>		
3.13	<u>park infrastructure grants under Minnesota</u>		
3.14	<u>Statutes, section 462A.2035, subdivision 1b.</u>		
3.15	<b><u>Subd. 5. Workforce Homeownership Program</u></b>	<b><u>250,000</u></b>	<b><u>250,000</u></b>
3.16	<u>This appropriation is for the workforce</u>		
3.17	<u>homeownership program under Minnesota</u>		
3.18	<u>Statutes, section 462A.38.</u>		
3.19	<b><u>Subd. 6. Rent Assistance Program</u></b>	<b><u>23,000,000</u></b>	<b><u>23,000,000</u></b>
3.20	<u>This appropriation is for the rent assistance</u>		
3.21	<u>program under Minnesota Statutes, section</u>		
3.22	<u>462A.2095.</u>		
3.23	<b><u>Subd. 7. Housing Trust Fund</u></b>	<b><u>11,646,000</u></b>	<b><u>11,646,000</u></b>
3.24	<u>This appropriation is for deposit in the housing</u>		
3.25	<u>trust fund account created under Minnesota</u>		
3.26	<u>Statutes, section 462A.201, and may be used</u>		
3.27	<u>for the purposes provided in that section.</u>		
3.28	<b><u>Subd. 8. Homework Starts with Home</u></b>	<b><u>2,750,000</u></b>	<b><u>2,750,000</u></b>
3.29	<u>This appropriation is for the homework starts</u>		
3.30	<u>with home program under Minnesota Statutes,</u>		
3.31	<u>sections 462A.201, subdivision 2, paragraph</u>		
3.32	<u>(a), clause (4), and 462A.204, subdivision 8,</u>		
3.33	<u>to provide assistance to homeless families,</u>		

4.1 those at risk of homelessness, or highly mobile  
4.2 families.

4.3 **Subd. 9. Rental Assistance for Mentally Ill** 5,338,000 5,338,000

4.4 (a) This appropriation is for the rental housing  
4.5 assistance program for persons with a mental  
4.6 illness or families with an adult member with  
4.7 a mental illness under Minnesota Statutes,  
4.8 section 462A.2097. Among comparable  
4.9 proposals, the agency shall prioritize those  
4.10 proposals that target, in part, eligible persons  
4.11 who desire to move to more integrated,  
4.12 community-based settings.

4.13 (b) Notwithstanding any law to the contrary,  
4.14 this appropriation may be used for risk  
4.15 mitigation funds, landlord incentives, or other  
4.16 costs necessary to decrease the risk of  
4.17 homelessness, as determined by the agency.

4.18 **Subd. 10. Family Homeless Prevention** 20,419,000 10,269,000

4.19 (a) This appropriation is for the family  
4.20 homeless prevention and assistance program  
4.21 under Minnesota Statutes, section 462A.204.

4.22 (b) Notwithstanding any law to the contrary,  
4.23 this appropriation may be used for program  
4.24 costs necessary to decrease the risk of  
4.25 homelessness and improve the effectiveness  
4.26 of the program, as determined by the agency.

4.27 (c) When a new grantee works with a current  
4.28 or former grantee in a given geographic area,  
4.29 a new grantee may work with either an  
4.30 advisory committee as required under  
4.31 Minnesota Statutes, section 462A.204,  
4.32 subdivision 6, or the local continuum of care  
4.33 and is not required to meet the requirements

5.1 of Minnesota Statutes, section 462A.204,  
 5.2 subdivision 4.

5.3 **Subd. 11. Home Ownership Assistance Fund** 885,000 885,000

5.4 This appropriation is for the home ownership  
 5.5 assistance program under Minnesota Statutes,  
 5.6 section 462A.21, subdivision 8. The agency  
 5.7 shall continue to strengthen its efforts to  
 5.8 address the disparity gap in the  
 5.9 homeownership rate between white  
 5.10 households and indigenous American Indians  
 5.11 and communities of color. To better  
 5.12 understand and address the disparity gap, the  
 5.13 agency is required to collect, on a voluntary  
 5.14 basis, demographic information regarding  
 5.15 race, color, national origin, and sex of  
 5.16 applicants for agency programs intended to  
 5.17 benefit homeowners and homebuyers.

5.18 **Subd. 12. Affordable Rental Investment Fund** 4,218,000 4,218,000

5.19 (a) This appropriation is for the affordable  
 5.20 rental investment fund program under  
 5.21 Minnesota Statutes, section 462A.21,  
 5.22 subdivision 8b, to finance the acquisition,  
 5.23 rehabilitation, and debt restructuring of  
 5.24 federally assisted rental property and for  
 5.25 making equity take-out loans under Minnesota  
 5.26 Statutes, section 462A.05, subdivision 39.

5.27 (b) The owner of federally assisted rental  
 5.28 property must agree to participate in the  
 5.29 applicable federally assisted housing program  
 5.30 and to extend any existing low-income  
 5.31 affordability restrictions on the housing for  
 5.32 the maximum term permitted.

5.33 (c) The appropriation also may be used to  
 5.34 finance the acquisition, rehabilitation, and debt

6.1 restructuring of existing supportive housing  
6.2 properties and naturally occurring affordable  
6.3 housing as determined by the commissioner.  
6.4 For purposes of this paragraph, "supportive  
6.5 housing" means affordable rental housing with  
6.6 links to services necessary for individuals,  
6.7 youth, and families with children to maintain  
6.8 housing stability.

6.9 **Subd. 13. Owner-Occupied Housing**  
6.10 **Rehabilitation**

2,772,000

2,772,000

6.11 (a) This appropriation is for the rehabilitation  
6.12 of owner-occupied housing under Minnesota  
6.13 Statutes, section 462A.05, subdivisions 14 and  
6.14 14a.

6.15 (b) Notwithstanding any law to the contrary,  
6.16 grants or loans under this subdivision may be  
6.17 made without rent or income restrictions of  
6.18 owners or tenants. To the extent practicable,  
6.19 grants or loans must be made available  
6.20 statewide.

6.21 **Subd. 14. Rental Housing Rehabilitation**

3,743,000

3,743,000

6.22 (a) This appropriation is for the rehabilitation  
6.23 of eligible rental housing under Minnesota  
6.24 Statutes, section 462A.05, subdivision 14. In  
6.25 administering a rehabilitation program for  
6.26 rental housing, the agency may apply the  
6.27 processes and priorities adopted for  
6.28 administration of the economic development  
6.29 and housing challenge program under  
6.30 Minnesota Statutes, section 462A.33, and may  
6.31 provide grants or forgivable loans if approved  
6.32 by the agency.

6.33 (b) Notwithstanding any law to the contrary,  
6.34 grants or loans under this subdivision may be  
6.35 made without rent or income restrictions of

7.1 owners or tenants. To the extent practicable,  
 7.2 grants or loans must be made available  
 7.3 statewide.

7.4 Subd. 15. **Homeownership Education,** 857,000 857,000  
 7.5 **Counseling, and Training**

7.6 This appropriation is for the homeownership  
 7.7 education, counseling, and training program  
 7.8 under Minnesota Statutes, section 462A.209.

7.9 Subd. 16. **Capacity Building Grants** 645,000 645,000

7.10 This appropriation is for capacity building  
 7.11 grants under Minnesota Statutes, section  
 7.12 462A.21, subdivision 3b.

7.13 Subd. 17. **Build Wealth MN** 500,000 500,000

7.14 This appropriation is for a grant to Build  
 7.15 Wealth Minnesota to provide a family  
 7.16 stabilization plan program including program  
 7.17 outreach, financial literacy education, and  
 7.18 budget and debt counseling.

7.19 Subd. 18. **Greater Minnesota Housing**  
 7.20 **Infrastructure Grant Program** 2,000,000 -0-

7.21 This appropriation is for the greater Minnesota  
 7.22 housing infrastructure grant program under  
 7.23 Minnesota Statutes, section 462A.395. The  
 7.24 base for this appropriation is \$500,000 in fiscal  
 7.25 year 2028 and each year thereafter.

7.26 Subd. 19. **Community-Based First-Generation**  
 7.27 **Homebuyers Down Payment Assistance**  
 7.28 **Program** 2,000,000 -0-

7.29 This appropriation is for a grant to Midwest  
 7.30 Minnesota Community Development  
 7.31 Corporation (MMCDC), through its wholly  
 7.32 owned subsidiary CDC Investments, Inc., for  
 7.33 the community-based first-generation  
 7.34 homebuyers down payment assistance

8.1 program under Minnesota Statutes, section  
8.2 462A.415. At the end of each biennium,  
8.3 MMCDC must remit any unused funds to the  
8.4 Minnesota Housing Finance Agency. Funds  
8.5 remitted to the agency under this subdivision  
8.6 are appropriated to the agency to administer  
8.7 the workforce and affordable homeownership  
8.8 development program under Minnesota  
8.9 Statutes, section 462A.38. The base for this  
8.10 appropriation is \$450,000 in fiscal year 2028  
8.11 and each year thereafter.

8.12 **Subd. 20. Availability and Transfer of Funds**

8.13 Money appropriated in the first year in this  
8.14 article is available the second year. The  
8.15 commissioner may shift or transfer money in  
8.16 the second year in subdivisions 2, 3, 4, 5, 12,  
8.17 13, and 14 to address high-priority housing  
8.18 needs.

8.19 **Sec. 3. LEGISLATIVE COORDINATING**  
8.20 **COMMISSION**

\$	<u>200,000</u>	\$	<u>-0-</u>
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8.21 \$200,000 the first year is to provide  
8.22 administrative support to the Task Force on  
8.23 Homeowners and Commercial Property  
8.24 Insurance established in article 2, section 18.  
8.25 This is a onetime appropriation.

8.26     Sec. 4. Laws 2023, chapter 37, article 1, section 2, subdivision 29, as amended by Laws  
8.27     2024, chapter 127, article 14, section 11, is amended to read:

8.28			<del>70,000,000</del>
8.29	Subd. 29. <b>Community Stabilization</b>	45,000,000	<u>60,000,000</u>

8.30     (a) This appropriation is for the community  
8.31     stabilization program. This a onetime  
8.32     appropriation.

8.33     (b) The first year and second year  
8.34     appropriations are available as follows:



- 9.1 (1) \$10,000,000 is for a grant to AEON for  
9.2 Huntington Place;
- 9.3 (2) notwithstanding Minnesota Statutes,  
9.4 sections 16B.98, subdivisions 5 and 12, and  
9.5 16B.981, subdivision 2, \$3,250,000 is for a  
9.6 grant to the Wilder Park Association to assist  
9.7 with the cost of a major capital repair project  
9.8 for the rehabilitation of portions of the  
9.9 owner-occupied senior high-rise facility. The  
9.10 grantee must verify that 50 percent of units  
9.11 are occupied by households with incomes at  
9.12 or below 60 percent of area median income;
- 9.13 (3) \$41,750,000 is for multiunit rental housing;  
9.14 and
- 9.15 ~~(4) \$10,000,000 is for single-family housing;~~  
9.16 ~~and~~
- 9.17 ~~(5)~~ (4) \$50,000,000 is for recapitalization of  
9.18 distressed buildings. Of this amount, up to  
9.19 \$15,000,000 is for preservation or  
9.20 recapitalization of housing that includes  
9.21 supportive housing.
- 9.22 (c) Notwithstanding Minnesota Statutes,  
9.23 section 16B.98, subdivision 14, the  
9.24 commissioner may use up to one percent of  
9.25 this appropriation for administrative costs for  
9.26 the grants in paragraph (b), clauses (1) and  
9.27 (2). This is a onetime appropriation.

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

9.29 Sec. 5. **TRANSFER; HOUSING SUPPORT ACCOUNT.**

9.30 The commissioner of management and budget must transfer any unencumbered balance  
9.31 from the housing support account under Minnesota Statutes, section 462A.43, to the general  
9.32 fund by June 15, 2025.

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

10.1 Sec. 6. **REPEALER.**

10.2 (a) Minnesota Statutes 2024, section 16A.287, is repealed.

10.3 (b) Minnesota Statutes 2024, section 462A.43, is repealed.

10.4 **EFFECTIVE DATE.** Paragraph (a) is effective the day following final enactment.

10.5 **ARTICLE 2**

10.6 **POLICY**

10.7 Section 1. Minnesota Statutes 2024, section 327C.095, subdivision 12, is amended to read:

10.8 Subd. 12. **Payment to the Minnesota manufactured home relocation trust fund.** (a)

10.9 If a manufactured home owner is required to move due to the conversion of all or a portion  
10.10 of a manufactured home park to another use, the closure of a park, or cessation of use of  
10.11 the land as a manufactured home park, the manufactured park owner shall, upon the change  
10.12 in use, pay to the Minnesota Housing Finance Agency for deposit in the Minnesota  
10.13 manufactured home relocation trust fund under section 462A.35, the lesser amount of the  
10.14 actual costs of moving or purchasing the manufactured home approved by the neutral third  
10.15 party and paid by the Minnesota Housing Finance Agency under subdivision 13, paragraph  
10.16 (a) or (e), or \$3,250 for each single section manufactured home, and \$6,000 for each  
10.17 multisection manufactured home, for which a manufactured home owner has made  
10.18 application for payment of relocation costs under subdivision 13, paragraph (c). The  
10.19 manufactured home park owner shall make payments required under this section to the  
10.20 Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice  
10.21 from the neutral third party.

10.22 (b) A manufactured home park owner is not required to make the payment prescribed  
10.23 under paragraph (a), nor is a manufactured home owner entitled to compensation under  
10.24 subdivision 13, paragraph (a) or (e), if:

10.25 (1) the manufactured home park owner relocates the manufactured home owner to  
10.26 another space in the manufactured home park or to another manufactured home park at the  
10.27 park owner's expense;

10.28 (2) the manufactured home owner is vacating the premises and has informed the  
10.29 manufactured home park owner or manager of this prior to the mailing date of the closure  
10.30 statement under subdivision 1;

10.31 (3) a manufactured home owner has abandoned the manufactured home, or the  
10.32 manufactured home owner is not current on the monthly lot rental, personal property taxes;

11.1 (4) the manufactured home owner has a pending eviction action for nonpayment of lot  
11.2 rental amount under section 327C.09, which was filed against the manufactured home owner  
11.3 prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery  
11.4 has been ordered by the district court;

11.5 (5) the conversion of all or a portion of a manufactured home park to another use, the  
11.6 closure of a park, or cessation of use of the land as a manufactured home park is the result  
11.7 of a taking or exercise of the power of eminent domain by a governmental entity or public  
11.8 utility; or

11.9 (6) the owner of the manufactured home is not a resident of the manufactured home  
11.10 park, as defined in section 327C.015, subdivision 14; the owner of the manufactured home  
11.11 is a resident, but came to reside in the manufactured home park after the mailing date of  
11.12 the closure statement under subdivision 1; or the owner of the manufactured home has not  
11.13 paid the \$15 assessment when due under paragraph (c).

11.14 (c) If the unencumbered fund balance in the manufactured home relocation trust fund  
11.15 is less than \$2,000,000 as of June 30 of each year, the Minnesota Housing Finance Agency  
11.16 shall assess each manufactured home park owner by mail the total amount of \$15 for each  
11.17 licensed lot in their park, payable on or before December 15 of that year. Failure to notify  
11.18 and timely assess the manufactured home park owner by July 31 of any year shall waive  
11.19 the assessment and payment obligations of the manufactured home park owner for that year.  
11.20 Together with said assessment notice, each year the Minnesota Housing Finance Agency  
11.21 shall prepare and distribute to park owners a letter explaining whether funds are being  
11.22 collected for that year, information about the collection, an invoice for all licensed lots, a  
11.23 notice for distribution to the residents, and a sample form for the park owners to collect  
11.24 information on which park residents and lots have been accounted for. The agency must  
11.25 also include information in the letter about the tax credit available for sales of manufactured  
11.26 home parks to cooperatives in section 290.0694 and about notice requirements for unsolicited  
11.27 sales in section 327C.097. The agency may include additional information in the letter about  
11.28 programs and resources available to manufactured home park residents and owners. In a  
11.29 font no smaller than 14-point, the notice provided by the Minnesota Housing Finance Agency  
11.30 for distribution to residents by the park owner will include the payment deadline of October  
11.31 31 and the following language: "THIS IS NOT AN OPTIONAL FEE. IF YOU OWN A  
11.32 MANUFACTURED HOME ON A LOT YOU RENT IN A MANUFACTURED HOME  
11.33 PARK, AND YOU RESIDE IN THAT HOME, YOU MUST PAY WHEN PROVIDED  
11.34 NOTICE." If assessed under this paragraph, the park owner may recoup the cost of the \$15  
11.35 assessment as a lump sum or as a monthly fee of no more than \$1.25 collected from park

12.1 residents together with monthly lot rent as provided in section 327C.03, subdivision 6. If,  
12.2 by September 15, a park owner provides the notice to residents for the \$15 lump sum, a  
12.3 park owner may adjust payment for lots in their park that are vacant or otherwise not eligible  
12.4 for contribution to the trust fund under section 327C.095, subdivision 12, paragraph (b),  
12.5 and for park residents who have not paid the \$15 assessment when due to the park owner  
12.6 by October 31, and deduct from the assessment accordingly. The Minnesota Housing Finance  
12.7 Agency shall deposit any payments in the Minnesota manufactured home relocation trust  
12.8 fund and maintain an annual record for each manufactured home park of the amount received  
12.9 for that park and the number of deductions made for each of the following reasons: vacant  
12.10 lots, ineligible lots, and uncollected fees.

12.11 (d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by  
12.12 the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action  
12.13 in a court of appropriate jurisdiction. The court may award a prevailing party reasonable  
12.14 attorney fees, court costs, and disbursements.

12.15 Sec. 2. Minnesota Statutes 2024, section 462A.051, subdivision 2, is amended to read:

12.16 Subd. 2. **Application.** This section applies to all forms of financial assistance provided  
12.17 by the Minnesota Housing Finance Agency, as well as the allocation and award of federal  
12.18 low-income housing credits by all allocating agencies as defined under section 462A.221,  
12.19 for the development, construction, rehabilitation, renovation, or retrofitting of ~~multiunit~~  
12.20 ~~residential~~ multifamily housing, including loans, grants, tax credits, loan guarantees, loan  
12.21 insurance, and other financial assistance.

12.22 Sec. 3. Minnesota Statutes 2024, section 462A.07, subdivision 19, is amended to read:

12.23 Subd. 19. **Report to the legislature.** (a) By February 15 each year, the commissioner  
12.24 must submit a report to the chairs and ranking minority members of the legislative committees  
12.25 having jurisdiction over housing finance and policy containing the following information:

12.26 (1) the total number of applications for funding;

12.27 (2) the amount of funding requested;

12.28 (3) the amounts of funding awarded; and

12.29 (4) the number of housing units that are affected by funding awards, including the number  
12.30 of:

12.31 (i) newly constructed owner-occupied units;

13.1 (ii) renovated owner-occupied units;

13.2 (iii) newly constructed rental units; and

13.3 (iv) renovated rental units.

13.4 (b) This reporting requirement applies to appropriations for competitive development  
13.5 programs made in Laws 2023 and in subsequent laws.

13.6 (c) By January 5 each year, the commissioner must report on the financial stability of  
13.7 the affordable housing industry. The report must include:

13.8 (1) the ratio of operating expenses to revenue in affordable rental housing projects; and

13.9 (2) the percent of rents collected on time, divided into four regions of the state:

13.10 (i) the cities of St. Paul and Minneapolis;

13.11 (ii) the metropolitan counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and  
13.12 Washington, except for the cities of St. Paul and Minneapolis;

13.13 (iii) urban greater Minnesota, including the cities of Duluth, Mankato, Moorhead,  
13.14 Rochester, and St. Cloud; and

13.15 (iv) rural greater Minnesota, which includes all of Minnesota except for the places listed  
13.16 in items (i), (ii), and (iii).

13.17 Sec. 4. Minnesota Statutes 2024, section 462A.07, is amended by adding a subdivision to  
13.18 read:

13.19 Subd. 21. **Affordable housing annual meeting.** At least once each year, the  
13.20 commissioner must convene a meeting with the Interagency Council to End Homelessness  
13.21 and the cities and counties with high levels of cost-burdened households, meaning the cities  
13.22 and counties where gross rent or homeownership costs are 30 percent or more of household  
13.23 income. The purpose of the meeting is to discuss:

13.24 (1) resources received by cities and counties;

13.25 (2) regional needs for affordable housing; and

13.26 (3) recommendations for the collaborative use of funds to effectively address  
13.27 homelessness, housing insecurity, security of affordable housing, and the lack of housing  
13.28 supply.

14.1 Sec. 5. Minnesota Statutes 2024, section 462A.2095, subdivision 3, is amended to read:

14.2 Subd. 3. **Grants to program administrators.** (a) The agency may make grants to  
14.3 program administrators to provide rental assistance for eligible households. Notwithstanding  
14.4 section 16C.06, the commissioner may use a formula to determine award amounts to program  
14.5 administrators. For both tenant-based and project-based assistance, program administrators  
14.6 shall pay assistance directly to housing providers. Rental assistance may be provided in the  
14.7 form of tenant-based assistance or project-based assistance. Notwithstanding the amounts  
14.8 awarded under subdivision 1, paragraph (b), and to the extent practicable, the agency must  
14.9 make grants statewide in proportion to the number of households eligible for assistance in  
14.10 each county according to the most recent American Community Survey of the United States  
14.11 Census Bureau. The agency may, at its discretion, redistribute unused or underutilized  
14.12 money among eligible program administrators to increase program efficiency and  
14.13 effectiveness.

14.14 (b) The program administrator may use its existing procedures to administer the rent  
14.15 assistance program or may develop alternative procedures with the goals of reaching  
14.16 households most in need and incentivizing landlord participation. The agency must approve  
14.17 a program administrator's alternative procedures. Priority for rental assistance shall be given  
14.18 to households with children 18 years of age and under, and annual incomes of up to 30  
14.19 percent of the area median income. Program administrators may establish additional priority  
14.20 populations based on local need.

14.21 Sec. 6. Minnesota Statutes 2024, section 462A.222, is amended by adding a subdivision  
14.22 to read:

14.23 Subd. 5. **Limitation on rental increases.** A project awarded tax credits under this section  
14.24 must not increase rent in any 12-month period by a percentage exceeding the lesser of:

14.25 (1) the percent change in the Consumer Price Index for all urban consumers, as published  
14.26 by the Bureau of Labor Statistics of the Department of Labor, for the most recent 12-month  
14.27 period; or

14.28 (2) the percent change in the area median income levels for a household size of four  
14.29 between the current and previous calendar years.

14.30 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to rent  
14.31 increases that take effect on or after that date.

15.1 Sec. 7. Minnesota Statutes 2024, section 462A.33, subdivision 2, is amended to read:

15.2 Subd. 2. **Eligible recipients.** Challenge grants or loans may be made to a city; a federally  
15.3 recognized American Indian Tribe or subdivision located in Minnesota; a Tribal housing  
15.4 corporation; a private developer; a nonprofit organization; a school district; a cooperative  
15.5 unit, as defined in section 123A.24, subdivision 2; a charter school; a contract alternative  
15.6 school; a Tribal contract school; or the owner of the housing, including individuals. For the  
15.7 purpose of this section, "city" has the meaning given it in section 462A.03, subdivision 21.  
15.8 To the extent practicable, grants and loans shall be made so that an approximately equal  
15.9 number of housing units are financed in the metropolitan area and in the nonmetropolitan  
15.10 area.

15.11 Sec. 8. Minnesota Statutes 2024, section 462A.33, subdivision 9, is amended to read:

15.12 Subd. 9. **Grant funding to schools.** A school district; a cooperative unit, as defined in  
15.13 section 123A.24, subdivision 2; ~~or a charter school;~~ a contract alternative school; or a Tribal  
15.14 contract school may receive funding under this section in the form of a grant less than  
15.15 \$100,000. A school district; intermediate district; ~~or;~~ charter school; contract alternative  
15.16 school; or Tribal contract school that uses a grant under this section to construct a home for  
15.17 owner occupancy must require the future occupant to participate in the homeownership  
15.18 education counseling and training program under section 462A.209.

15.19 Sec. 9. Minnesota Statutes 2024, section 462A.40, subdivision 3, is amended to read:

15.20 Subd. 3. **Eligible recipients; definitions; restrictions; use of funds.** (a) The agency  
15.21 may award a grant or a loan to any recipient that qualifies under subdivision 2. The agency  
15.22 must not award a grant or a loan to a disqualified individual or disqualified business.

15.23 (b) For the purposes of this subdivision disqualified individual means:

15.24 (1) an individual who or an individual whose immediate family member made a  
15.25 contribution to the account in the current or prior taxable year and received a credit certificate;

15.26 (2) an individual who or an individual whose immediate family member owns the housing  
15.27 for which the grant or loan will be used;

15.28 (3) an individual who meets the following criteria:

15.29 (i) the individual is an officer or principal of a business entity; and

15.30 (ii) that business entity made a contribution to the account in the current or previous  
15.31 taxable year and received a credit certificate; or

16.1 (4) an individual who meets the following criteria:

16.2 (i) the individual directly owns, controls, or holds the power to vote 20 percent or more  
16.3 of the outstanding securities of a business entity; and

16.4 (ii) that business entity made a contribution to the account in the current or previous  
16.5 taxable year and received a credit certificate.

16.6 (c) For the purposes of this subdivision disqualified business means a business entity  
16.7 that:

16.8 (1) made a contribution to the account in the current or prior taxable year and received  
16.9 a credit certificate;

16.10 (2) has an officer or principal who is an individual who made a contribution to the  
16.11 account in the current or previous taxable year and received a credit certificate; or

16.12 (3) meets the following criteria:

16.13 (i) the business entity is directly owned, controlled, or is subject to the power to vote 20  
16.14 percent or more of the outstanding securities by an individual or business entity; and

16.15 (ii) that controlling individual or business entity made a contribution to the account in  
16.16 the current or previous taxable year and received a credit certificate.

16.17 (d) For purposes of this subdivision, "immediate family" means the taxpayer's spouse,  
16.18 parent or parent's spouse, sibling or sibling's spouse, or child or child's spouse. For a married  
16.19 couple filing a joint return, the limitations in this subdivision apply collectively to the  
16.20 taxpayer and spouse.

16.21 (e) For purposes of this subdivision, "officer or principal" excludes an individual serving  
16.22 as a volunteer board member of a nonprofit organization governed by chapter 317A.

16.23 ~~(e)~~ (f) Before applying for a grant or loan, all recipients must sign a disclosure that the  
16.24 disqualifications under this subdivision do not apply. The Minnesota Housing Finance  
16.25 Agency must prescribe the form of the disclosure. The Minnesota Housing Finance Agency  
16.26 may rely on the disclosure to determine the eligibility of recipients under paragraph (a).

16.27 ~~(f)~~ (g) The agency may award grants or loans to a city as defined in section 462A.03,  
16.28 subdivision 21; a federally recognized American Indian tribe or subdivision located in  
16.29 Minnesota; a tribal housing corporation; a private developer; a nonprofit organization; a  
16.30 housing and redevelopment authority under sections 469.001 to 469.047; a public housing  
16.31 authority or agency authorized by law to exercise any of the powers granted by sections  
16.32 469.001 to 469.047; or the owner of the housing. The provisions of subdivision 2, and



17.1 paragraphs (a) to ~~(e)~~ (f) and ~~(g)~~ (h) of this subdivision, regarding the use of funds and eligible  
17.2 recipients apply to grants and loans awarded under this paragraph.

17.3 ~~(g)~~ (h) Except for projects receiving funding under section 462A.39, eligible recipients  
17.4 must use the funds to serve households that meet the income limits as provided in section  
17.5 462A.33, subdivision 5.

17.6 Sec. 10. **[462A.415] COMMUNITY-BASED FIRST-GENERATION HOMEBUYERS**  
17.7 **DOWN PAYMENT ASSISTANCE PROGRAM.**

17.8 Subdivision 1. **Establishment.** A community-based first-generation homebuyers down  
17.9 payment assistance program is established as a noncompetitive program under the  
17.10 administration of a community development financial institution (CDFI) as defined under  
17.11 the Riegle Community Development and Regulatory Improvement Act of 1994 to provide  
17.12 targeted assistance to eligible homebuyers.

17.13 Subd. 2. **Administration.** The community-based first-generation homebuyers down  
17.14 payment assistance program is available statewide and shall be administered by a designated  
17.15 central CDFI. The administering CDFI may originate and service funds and authorize other  
17.16 CDFIs, Tribal entities, and nonprofit organizations administering down payment assistance  
17.17 to reserve, originate, fund, and service funds for eligible homebuyers. Administrative costs  
17.18 must not exceed ten percent of the fiscal year appropriation.

17.19 Subd. 3. **Eligible homebuyer.** For purposes of this section, "eligible homebuyer" means  
17.20 an adult person:

17.21 (1) whose income is at or below 100 percent of the statewide median income at the time  
17.22 of application;

17.23 (2) who is preapproved for a first mortgage loan; and

17.24 (3)(i) who either never owned a home or who owned a home but lost it due to foreclosure;  
17.25 and

17.26 (ii) whose parent or prior legal guardian either never owned a home or owned a home  
17.27 but lost it due to foreclosure.

17.28 The eligible homebuyer must complete an approved homebuyer education course prior to  
17.29 signing a purchase agreement and, following the purchase of the home, must occupy it as  
17.30 their primary residence.

17.31 Subd. 4. **Use of funds.** Assistance under this section is limited to ten percent of the  
17.32 purchase price of a one unit or two unit home, not to exceed \$32,000. Beginning in fiscal

18.1 year 2027, the maximum amount of assistance may be increased to up to ten percent of the  
18.2 median home sales price as reported in the previous year's Minnesota Realtors Annual  
18.3 Report on the Minnesota Housing Market. Funds are reserved at the issuance of preapproval.  
18.4 Reservation of funds is not contingent on having an executed purchase agreement. The  
18.5 assistance must be provided in the form of a no-interest loan that is forgiven over five years,  
18.6 forgivable at a rate of 20 percent per year on the day after the anniversary date of the note,  
18.7 with the final 20 percent forgiven on the down payment assistance loan maturity date. There  
18.8 is no monthly pro rata or partial-year credit. The loan has no monthly payment and does  
18.9 not accrue interest. The prorated balance due is repayable if the property converts to  
18.10 nonowner occupancy, is sold, is subjected to an ineligible refinance, is subjected to an  
18.11 unauthorized transfer of title, or is subjected to a completed foreclosure action within the  
18.12 five-year loan term. Recapture can be waived in the event of financial or personal hardship.  
18.13 The administering CDFI may retain recaptured funds for assisting eligible homebuyers as  
18.14 provided in this section. Funds may be used for closing costs, down payment, or principal  
18.15 reduction. The eligible household may select any first mortgage lender or broker of their  
18.16 choice, provided that the funds are used in conjunction with a conforming first mortgage  
18.17 loan that is fully amortizing and meets the standards of a qualified mortgage or meets the  
18.18 minimum standards for exemption under Code of Federal Regulations, title 12, section  
18.19 1026.43. Funds may be used in conjunction with other programs the eligible household may  
18.20 qualify for and the loan placed in any priority position.

18.21 Subd. 5. **Report to legislature.** By January 15 each year, the administering CDFI must  
18.22 report to the chairs and ranking minority members of the legislative committees with  
18.23 jurisdiction over housing finance and policy the following information:

18.24 (1) the number and amounts of loans closed;

18.25 (2) the mean and median loan amount;

18.26 (3) the number and amounts of loans issued by race or ethnic categories;

18.27 (4) the mean and median home purchase price;

18.28 (5) the interest rates and types of mortgages;

18.29 (6) the total amount returned to the fund;

18.30 (7) the number and amounts of loans issued by county;

18.31 (8) the number of each type of housing purchased, including but not limited to  
18.32 single-family houses, townhouses, condominiums, and manufactured housing; and

19.1 (9) the mean and median price of each type of housing, including but not limited to  
19.2 single-family houses, townhouses, condominiums, and manufactured housing.

19.3 Sec. 11. Minnesota Statutes 2024, section 507.18, subdivision 5, is amended to read:

19.4 Subd. 5. **Discharge of restrictive covenants related to protected classes.** The owner  
19.5 of any interest in real property may record, at no cost, the statutory form provided in  
19.6 subdivision 6 in the office of the county recorder of any county where the real property is  
19.7 located to discharge and release a restrictive covenant related to a protected class permanently  
19.8 from the title. This subdivision does not apply to real property registered under chapters  
19.9 508 and 508A. The discharge of the restrictive covenant is valid and enforceable under the  
19.10 law of Minnesota when the statutory form provided in subdivision 6 is properly recorded,  
19.11 but the instrument containing such restrictive covenants shall have full force in all other  
19.12 respects and shall be construed as if no such restrictive covenant were contained therein. A  
19.13 restrictive covenant affecting a protected class is void regardless of whether a statutory form  
19.14 as provided for in this section has been recorded in the office of the county recorder in the  
19.15 county where the real property affected by the restrictive covenant is located.

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

19.17 Sec. 12. Minnesota Statutes 2024, section 507.18, subdivision 6, is amended to read:

19.18 Subd. 6. **Filing; recording.** (a) The county recorder must accept the statutory form  
19.19 provided in this subdivision for recording when the form:

19.20 (1) has been executed before a notary;

19.21 (2) contains the legal description of the real property affected by the restrictive covenant  
19.22 related to a protected class;

19.23 (3) contains the date of recording of the instrument containing the restrictive covenant,  
19.24 and the volume and page number or document number of the instrument; and

19.25 (4) complies with all other recording requirements, ~~and applicable recording fees have~~  
19.26 ~~been paid.~~

19.27 (b) The commissioner of commerce must provide electronic copies of the statutory form  
19.28 in this subdivision to the public ~~free of~~ at no cost.

19.29 (c) The recording of this form does not alter or affect the duration or expiration of  
19.30 covenants, conditions, or restrictions under section 500.20 and may not be used to extend  
19.31 the effect of a covenant, condition, or restriction.

(d) The statutory form that follows may be used to discharge restrictive covenants on property that limit the ownership, occupancy, use, or financing based on protected class:

#### DISCHARGE OF RESTRICTIVE COVENANT AFFECTING PROTECTED CLASSES

Pursuant to Minnesota Statutes, section 507.18, any restrictive covenant affecting a protected class, including covenants which were placed on the real property with the intent of restricting the use, occupancy, ownership, or financing because of a person's race, color, creed, national origin, or religious beliefs, is discharged and released from the land described herein.

State of Minnesota, County of .....

I/we, ....., having an ownership or other interest in all or part of the real property described herein, solemnly swear that the contents of this form are true to the best of my/our knowledge, except as to those matters stated on information and belief, and that as to those matters I/we believe them to be true.

Name and Address of Owner(s) .....

The real property owned by owner(s) is located in ..... County, Minnesota, and is legally described as follows:

OWNER(s), ....., swears and affirms that Owner(s) is/are 18 years of age or older and is/are not under any legal incapacity and that the information provided in this form is true and correct based on the information available and based on reasonable information and belief:

(1) a restrictive covenant which had the intent to restrict the use, occupancy, ownership, or financing of this property based on a protected class, including race, color, creed, national origin, or religion, existed at one time related to the property described in this form;

(2) the restrictive covenant is contained in an instrument dated ....., and recorded as Document Number ..... (or in Book ..... of ....., Page.....) in the Office of the County Recorder of ....., Minnesota;

(3) restrictive covenants relating to or affecting protected classes are unenforceable and void pursuant to Minnesota Statutes, sections 507.18 and 363A.09, the United States Constitution, and the Minnesota Constitution;

(4) Minnesota Statutes, section 507.18, provides for the discharge of a restrictive covenant of the nature described herein through the use of this statutory form to permanently discharge

21.1

such covenants from the land described herein and release the current and future landowner(s)

21.2

from any such restrictive covenant related to or affecting protected classes;

21.3

(5) the instrument containing such restrictive covenants shall have full force in all other

21.4

respects and shall be construed as if no such restrictive covenant was contained therein; and

21.5

(6) the filing of this form does not alter or change the duration or expiration of covenants,

21.6

conditions, or restrictions under Minnesota Statutes, section 500.20.

21.7

The affiant(s) know(s) the matters herein stated are true and make(s) this affidavit for

21.8

the purpose of documenting the discharge of the illegal and unenforceable restrictive

21.9

covenants affecting protected classes.

21.10

.....

21.11

Affiant (Owner(s) Signature)

21.12

Signed and sworn before me on

21.13

..... (Date), by

21.14

.....(Affiant/Owner)

21.15

.....

21.16

Signature of Notary

21.17

Stamp

21.18

My commission expires .....

21.19

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

21.20

Sec. 13. Laws 2023, chapter 37, article 1, section 2, subdivision 20, is amended to read:

21.21

**Subd. 20. Community-Based First-Generation**

21.22

**Homebuyers Down Payment Assistance** 100,000,000 -0-

21.23

This appropriation is for a grant to Midwest

21.24

Minnesota Community Development

21.25

Corporation (MMCDC) to act as the

21.26

administrator of the community-based

21.27

first-generation homebuyers down payment

21.28

assistance program. The funds shall be

21.29

available to MMCDC for a three-year period

21.30

commencing with issuance of the funds to

21.31

MMCDC. At the expiration of that period, any

21.32

unused funds shall be remitted to the agency.

21.33

~~Any funds recaptured by MMCDC after the~~

21.34

~~expiration of that period shall be remitted to~~

22.1 ~~the agency.~~ Funds remitted to the agency  
22.2 under this paragraph are appropriated to the  
22.3 agency for administration of the  
22.4 first-generation homebuyers down payment  
22.5 assistance fund.

22.6 Sec. 14. Laws 2023, chapter 37, article 1, section 2, subdivision 21, is amended to read:

22.7	Subd. 21. <b>Local Housing Trust Fund Grants</b>	4,800,000	-0-
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22.8 (a) This appropriation is for deposit in the  
22.9 housing development fund for grants to local  
22.10 housing trust funds established under  
22.11 Minnesota Statutes, section 462C.16, to  
22.12 incentivize local funding. This is a onetime  
22.13 appropriation.

22.14 (b) A grantee is eligible to receive a grant  
22.15 amount equal to 100 percent of the public  
22.16 revenue committed to the local housing trust  
22.17 fund from any source other than the state or  
22.18 federal government, up to \$150,000, and in  
22.19 addition, an amount equal to 50 percent of the  
22.20 public revenue committed to the local housing  
22.21 trust fund from any source other than the state  
22.22 or federal government that is more than  
22.23 \$150,000 but not more than \$300,000.

22.24 (c) A grantee must use grant funds within ~~eight~~  
22.25 five years of receipt for purposes (1)  
22.26 authorized under Minnesota Statutes, section  
22.27 462C.16, subdivision 3, and (2) benefiting  
22.28 households with incomes at or below 115  
22.29 percent of the state median income. A grantee  
22.30 must return any grant funds not used for these  
22.31 purposes within eight years of receipt to the  
22.32 commissioner of the Minnesota Housing  
22.33 Finance Agency for deposit into the housing  
22.34 development fund.

23.1 Sec. 15. Laws 2023, chapter 37, article 2, section 10, is amended to read:

23.2 Sec. 10. **HIGH-RISE SPRINKLER SYSTEM GRANT AND LOAN PROGRAM.**

23.3 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

23.4 (b) "Eligible building" means an existing residential building in which:

23.5 (1) ~~at least one story used for human occupancy is~~ the building is seven stories or more  
23.6 in height or 75 feet or more above the lowest level of fire department vehicle access; and

23.7 (2) at least two-thirds of its units are affordable to households with an annual income at  
23.8 or below ~~50~~ 60 percent of the area median income as determined by the United States  
23.9 Department of Housing and Urban Development, adjusted for family size, ~~that is paying~~  
23.10 ~~no more than 30 percent of annual income on rent.~~

23.11 (c) "Sprinkler system" means the same as the term "fire protection system" as defined  
23.12 in Minnesota Statutes, section 299M.01.

23.13 Subd. 2. ~~Grant program~~ **Use of funds.** The commissioner of the Housing Finance  
23.14 Agency must make grants or loans to owners of eligible buildings for installation of sprinkler  
23.15 systems and, if necessary, for relocation of residents during the installation of sprinkler  
23.16 systems. Priority shall be given to nonprofit applicants. The maximum grant per eligible  
23.17 building shall be \$2,000,000. Each grant to a nonprofit organization shall require a 25  
23.18 percent match. Each grant to a for-profit organization shall require a 50 percent match.

23.19 Sec. 16. **POLICY FRAMEWORK FOR TARGETED STABILIZATION OF**  
23.20 **REGULATED AFFORDABLE HOUSING.**

23.21 (a) The commissioner of the Housing Finance Agency must work with affordable housing  
23.22 stakeholders, including the Interagency Stabilization Group, to develop a policy framework  
23.23 for targeted stabilization of affordable rental housing. In developing this framework, the  
23.24 commissioner must identify:

23.25 (1) strategies, tools, and funding mechanisms for targeted stabilization of affordable  
23.26 rental housing and recapitalization of distressed properties;

23.27 (2) potential improvements for regulatory relief for affordable rental housing providers  
23.28 and must implement these improvements where feasible;

23.29 (3) a specific plan for relief when an operator of permanent housing cannot identify and  
23.30 secure adequate service funding that matches the tenants' needs; and

(4) a strategy with the commissioner of human services to integrate the awarding of state service dollars to permanent supportive housing so that state service dollars can accompany capital awards in the consolidated request for proposal process.

(b) The commissioner of the Housing Finance Agency must report quarterly to the Minnesota Housing Finance Agency Board of Directors on the policy framework, improvements implemented, and any potential changes to legislation that may be needed to support targeted stabilization of regulated affordable housing and recapitalization of distressed properties.

(c) By January 5, 2026, the commissioner of the Housing Finance Agency must report to the chairs and ranking minority members of the legislative committees having jurisdiction over housing finance and policy on the policy framework, improvements implemented, and any potential changes to legislation that may be needed to support targeted stabilization of regulated affordable housing and recapitalization of distressed properties.

Sec. 17. **INTERAGENCY STABILIZATION GROUP.**

The commissioner of the Housing Finance Agency may convene regular meetings of public funders and affordable housing stakeholders to seek funding solutions that support the preservation and stabilization of affordable properties.

Sec. 18. **TASK FORCE ON HOMEOWNERS AND COMMERCIAL PROPERTY INSURANCE.**

Subdivision 1. **Establishment.** A task force is established to evaluate issues and provide recommendations relating to insurance affordability of single-family housing and multifamily rental housing and for preventing disruptions or loss to the development, preservation, and long-term sustainability of Minnesota's housing infrastructure.

Subd. 2. **Membership.** (a) The task force consists of the following:

(1) one member appointed by the commissioner of commerce;

(2) one member appointed by the speaker of the house;

(3) one member appointed by the house minority leader;

(4) one member appointed by the senate majority leader;

(5) one member appointed by the senate minority leader;

(6) one member appointed by the Minnesota Consortium of Community Developers;



- 25.1 (7) two members appointed by the Insurance Federation of Minnesota, one with expertise  
25.2 in homeowners insurance and one with expertise in commercial insurance;
- 25.3 (8) one member appointed by Big I Minnesota;
- 25.4 (9) one member appointed by the Minnesota Realtors;
- 25.5 (10) one member appointed by the Minnesota Community Development Financial  
25.6 Institutions Coalition;
- 25.7 (11) one member appointed by the Minnesota Homeownership Center;
- 25.8 (12) one member appointed by the Housing Justice Center;
- 25.9 (13) one member appointed by the Professional Insurance Agents of Minnesota;
- 25.10 (14) one member appointed by the Minnesota Bankers Association;
- 25.11 (15) one member appointed by the Minnesota Commercial Real Estate Association;
- 25.12 (16) one member appointed by the Minnesota Multi Housing Association; and
- 25.13 (17) one member appointed by Ceres with expertise in climate risk mitigation and  
25.14 insurance markets.
- 25.15 (b) The appointing authorities must make the appointments by August 15, 2025.
- 25.16 Subd. 3. **Duties.** (a) The task force must identify recommendations to strengthen and  
25.17 stabilize the homeowners and commercial property insurance industry.
- 25.18 (b) The task force must consult with the commissioner of the Housing Finance Agency,  
25.19 the commissioner of employment and economic development, other relevant state and local  
25.20 agencies, and key stakeholders in the insurance and housing industries.
- 25.21 (c) The task force must review:
- 25.22 (1) risk mitigation and property resilience to natural hazards, and the effect on insurance  
25.23 costs;
- 25.24 (2) the effect of liability laws on insurance costs and whether tort reform could reduce  
25.25 costs;
- 25.26 (3) minimum notice for coverage changes, including enforcement and oversight;
- 25.27 (4) public reporting of aggregated data relating to insurance plan costs and coverage;
- 25.28 (5) the reinsurance market for homeowners and commercial property insurance;

(6) the current state-supported insurance program and the potential to expand the program to include a catastrophic reinsurance fund and a self-insured pool;

(7) factors that increase claim costs, including but not limited to post-loss contractors, fraudulent claims, climate, inflation, and discontinued building materials;

(8) regulatory factors that increase insurance costs or decrease access to insurance products; and

(9) other areas that would strengthen and stabilize the homeowners and commercial property insurance industry.

Subd. 4. **Administration.** The Legislative Coordinating Commission must provide administrative support to the task force. Upon request of the task force, the commissioners of commerce, the Housing Finance Agency, and employment and economic development must provide technical support and expertise.

Subd. 5. **Meetings.** (a) The Legislative Coordinating Commission must ensure the first meeting of the task force convenes no later than September 15, 2025, and must provide accessible physical or virtual meeting space as necessary for the task force to conduct work.

(b) At the first meeting, the task force must elect a chair or cochairs from those appointed by the house and senate by a majority vote of those members present and may elect a vice-chair as necessary.

(c) The task force must establish a schedule for meetings and must meet as necessary to accomplish the duties under subdivision 3.

(d) The task force is subject to Minnesota Statutes, chapter 13D.

Subd. 6. **Report required.** (a) The task force must submit a report to the commissioners of commerce, the Housing Finance Agency, and employment and economic development and the chairs and ranking minority members of the legislative committees having jurisdiction over the agencies listed in this paragraph by February 15, 2026.

(b) The report must:

(1) summarize the activities of the task force;

(2) provide findings and recommendations adopted by the task force;

(3) make recommendations related to tort reform that could reduce insurance costs;

(4) include any draft legislation required to implement recommendations; and

(5) include other information the task force believes is necessary to report.

- 27.1        Subd. 7. **Expiration.** The task force expires upon submission of the report required
- 27.2        under subdivision 6.
- 27.3        **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX  
Article locations for S2298-3

ARTICLE 1   APPROPRIATIONS..... Page.Ln 1.14

ARTICLE 2   POLICY..... Page.Ln 10.5

APPENDIX  
Repealed Minnesota Statutes: S2298-3

**16A.287 TRANSFER; HOUSING SUPPORT.**

In fiscal year 2025 and each year thereafter, the commissioner of management and budget must transfer \$450,000 from the general fund to the housing support account, under section 462A.43.

**462A.43 HOUSING SUPPORT ACCOUNT.**

The commissioner of management and budget shall establish the housing support account in the special revenue fund for the deposit of certain funds provided by law. Money appropriated from the account by law must provide housing support for Minnesotans.