

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 3596

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DATE	D-PG	OFFICIAL STATUS
02/17/2026	6316	Introduction and first reading Referred to Housing and Homelessness Prevention
02/19/2026	6344	Author added Dibble
02/23/2026	6354a	Comm report: To pass as amended and re-refer to Taxes
	6355	Rule 12.10: report of votes in committee
03/04/2026		Comm report: To pass as amended and re-refer to Judiciary and Public Safety
		Comm report: Amended, No recommendation, re-referred to Finance
03/05/2026		Author added Champion

1.1 A bill for an act

1.2 relating to taxation; aids to local governments; establishing a onetime emergency

1.3 rental assistance aid for counties and Tribal governments; requiring the claims

1.4 administrator to return unused funds; canceling a prior appropriation; appropriating

1.5 money; requiring a report.

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

1.7 Section 1. APPROPRIATION; EMERGENCY RENTAL ASSISTANCE AID.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have

1.9 the meanings given.

1.10 (b) "Commissioner" means the commissioner of revenue.

1.11 (c) "Household" means all individuals who occupy a single detached dwelling unit or a

1.12 single unit of a multiple dwelling unit as their primary residence.

1.13 (d) "Eligible household" means a household that:

1.14 (1) has a rent obligation for the household's primary residence at an address in Minnesota;

1.15 (2) has income at or below 200 percent of federal poverty guidelines;

1.16 (3) experienced financial hardship after August 31, 2025, including but not limited to

1.17 loss of income or unemployment; and

1.18 (4) is at risk of experiencing housing instability or homelessness, including but not

1.19 limited to risk of lease termination or eviction.

1.20 (e) "Emergency rental assistance" means direct financial support for any or all of the

1.21 following rent obligations for an eligible household's primary residence:

2.1 (1) up to two months of prospective rent;

2.2 (2) rent arrears incurred after August 31, 2025;

2.3 (3) up to two months of prospective utility costs;

2.4 (4) utility arrears incurred after August 31, 2025; or

2.5 (5) fines and fees related to nonpayment of rent or utilities.

2.6 (f) "Median rent" means the most recent estimates of median gross rent made or conducted
2.7 by the United States Bureau of the Census that are available as of the effective date of this
2.8 section. For a federally recognized American Indian reservation or off-reservation trust land
2.9 that does not have an estimate of median gross rent available for any of the preceding three
2.10 years, median rent means the average of the most recent estimates of median gross rent
2.11 made or conducted by the United States Bureau of the Census that are available as of the
2.12 effective date of this section for the Minnesota counties in which the reservation or
2.13 off-reservation trust land are physically located.

2.14 (g) "Tribal government" means any of the 11 federally recognized Indian Tribes located
2.15 wholly or partially in Minnesota.

2.16 Subd. 2. **Distribution.** (a) The commissioner must calculate the amount of emergency
2.17 rental assistance aid payable to each county and Tribal government under this section.

2.18 (b) Each county shall receive an amount of aid calculated using the county distribution
2.19 formula under Minnesota Statutes, section 477A.30, subdivision 3; the population data and
2.20 distribution factors used to certify aids payable in 2026 under Minnesota Statutes, section
2.21 477A.30; and the appropriation amount provided in subdivision 7 for aid to counties.

2.22 (c) Each Tribal government shall receive an equal share of the appropriation amount
2.23 provided in subdivision 7 for aid to Tribal governments.

2.24 Subd. 3. **Use of proceeds; administration.** (a) Counties and Tribal governments must
2.25 use aid received under this section for emergency rental assistance to eligible households.
2.26 Emergency rental assistance under this section may be administered by the same entities
2.27 allowed to administer family homeless prevention and assistance projects or programs under
2.28 Minnesota Statutes, section 477A.30, subdivision 4, paragraph (a).

2.29 (b) Eligible households that include at least one minor must be prioritized in the
2.30 distribution of emergency rental assistance under this section.

2.31 (c) Each eligible household may receive a total amount of emergency rental assistance
2.32 under this section no greater than five times the median rent for the county or federally

3.1 recognized American Indian reservation or off-reservation trust land where the household's
 3.2 primary residence is located.

3.3 (d) Counties and Tribal governments must spend aid received under this section by the
 3.4 last day of the fourth month following the month of the effective date of this section. Counties
 3.5 and Tribal governments must notify the commissioner of the amount of aid not spent by
 3.6 the deadline imposed under this paragraph and return that amount to the commissioner
 3.7 within three months of the spending deadline for cancellation to the general fund. The
 3.8 commissioner shall prescribe the form and manner of the notification and the return of
 3.9 unspent aid.

3.10 Subd. 4. **Data privacy.** Data on applicants or eligible households collected or created
 3.11 pursuant to this section is private data on individuals, as defined in Minnesota Statutes,
 3.12 section 13.02, subdivision 12, except the data may be disseminated to verify that an applicant
 3.13 is an eligible household.

3.14 Subd. 5. **Emergency rental assistance not income.** Notwithstanding any other law to
 3.15 the contrary to the extent permitted by federal law, emergency rental assistance distributed
 3.16 to eligible households under this section must not be considered income, assets, or personal
 3.17 property for purposes of determining or recertifying eligibility for state public assistance,
 3.18 including but not limited to:

3.19 (1) child care assistance programs under Minnesota Statutes, chapter 142E;

3.20 (2) food support under Minnesota Statutes, chapter 142F;

3.21 (3) the Minnesota family investment program and diversionary work program under
 3.22 Minnesota Statutes, chapter 142G;

3.23 (4) medical assistance under Minnesota Statutes, chapter 256B;

3.24 (5) general assistance and Minnesota supplemental aid under Minnesota Statutes, chapter
 3.25 256D;

3.26 (6) housing support under Minnesota Statutes, chapter 256I;

3.27 (7) MinnesotaCare under Minnesota Statutes, chapter 256L; and

3.28 (8) economic assistance programs under Minnesota Statutes, chapter 256P.

3.29 Subd. 6. **Certification and payment.** No later than 15 days after the effective date of
 3.30 this section, the commissioner must:

3.31 (1) pay the emergency rental assistance aid calculated under subdivision 2 to each county
 3.32 and Tribal government; and

4.1 (2) certify the maximum amount of emergency rental assistance each eligible household
4.2 may receive in each county and federally recognized American Indian reservation and
4.3 off-reservation trust land under subdivision 3.

4.4 Subd. 7. **Appropriation.** (a) \$40,000,000 in fiscal year 2026 is appropriated from the
4.5 general fund to the commissioner of revenue for emergency rental assistance aid under this
4.6 section. This is a onetime appropriation.

4.7 (b) Of the amount appropriated in paragraph (a), \$35,200,000 is for aid to counties and
4.8 \$4,800,000 is for aid to Tribal governments.

4.9 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner
4.10 may not retain any portion of the amount appropriated in paragraph (a) for administrative
4.11 costs of this section.

4.12 Subd. 8. **Report.** (a) Within three months of the spending deadline imposed under
4.13 subdivision 3, each county and Tribal government that receives aid under this section must
4.14 submit the following information to the commissioner in the form and manner prescribed
4.15 by the commissioner for each entity that administers emergency rental assistance on behalf
4.16 of the county or Tribal government:

4.17 (1) the total number of households to which emergency rental assistance was distributed;

4.18 (2) demographic characteristics of recipient households, including household size,
4.19 income, and how many include at least one minor;

4.20 (3) the minimum, median, and maximum amounts of emergency rental assistance
4.21 distributed per recipient household; and

4.22 (4) the number of households to which the maximum amount of emergency rental
4.23 assistance allowed under subdivision 3 was distributed.

4.24 (b) Within five months of the spending deadline imposed under subdivision 3, the
4.25 commissioner must compile the information received from counties and Tribal governments
4.26 under paragraph (a) and submit the compilation in a report to the legislative auditor and to
4.27 the chairs and ranking minority members of the legislative committees with jurisdiction
4.28 over taxes and housing.

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

5.1 Sec. 2. **RETURN OF UNUSED TAX-FORFEITED SETTLEMENT**
5.2 **APPROPRIATION; CANCELLATION.**

5.3 Subdivision 1. **Return of funds.** Notwithstanding Laws 2024, chapter 113, section 1,
5.4 subdivision 5, on June 29, 2026, the claims administrator appointed under Laws 2024,
5.5 chapter 113, to settle litigation related to the state's retention of tax-forfeited lands, surplus
5.6 proceeds from the sale of tax-forfeited lands, and mineral rights in those lands, must return
5.7 to the commissioner of management and budget the lesser of \$40,000,000 or the amount of
5.8 the appropriation under Laws 2024, chapter 113, section 1, subdivision 5, that is not needed
5.9 to settle claims under Laws 2024, chapter 113.

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

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