

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 2131

(SENATE AUTHORS: HAWJ, Hayden and Schmit)

DATE	D-PG	OFFICIAL STATUS
04/28/2015	2929	Introduction and first reading Referred to Capital Investment

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A bill for an act

relating to capital investment; authorizing housing infrastructure bonds to finance

affordable owner-occupied housing statewide; appropriating money; authorizing

the sale and issuance of state bonds; amending Minnesota Statutes 2014, section

462A.37, subdivision 1, by adding a subdivision.

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

Section 1. Minnesota Statutes 2014, section 462A.37, subdivision 1, is amended to read:

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

have the meanings given.

(b) "Abandoned property" has the meaning given in section 117.025, subdivision 5.

(c) "Community land trust" means an entity that meets the requirements of section

462A.31, subdivisions 1 and 2.

(d) "Debt service" means the amount payable in any fiscal year of principal,

premium, if any, and interest on housing infrastructure bonds and the fees, charges, and

expenses related to the bonds.

(e) "Foreclosed property" means residential property where foreclosure proceedings

have been initiated or have been completed and title transferred or where title is transferred

in lieu of foreclosure.

(f) "HOME project" means affordable home ownership financing under Laws 2014,

chapter 188, section 4.

(g) "Housing infrastructure bonds" means bonds issued by the agency under this

chapter that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the

Internal Revenue Code, finance qualified residential rental projects within the meaning of

Section 142(d) of the Internal Revenue Code, or are tax-exempt bonds that are not private

activity bonds, within the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing affordable housing authorized under this chapter.

~~(g)~~ (h) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

~~(h)~~ (i) "Supportive housing" means housing that is not time-limited and provides or coordinates with linkages to services necessary for residents to maintain housing stability and maximize opportunities for education and employment.

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

Sec. 2. Minnesota Statutes 2014, section 462A.37, is amended by adding a subdivision to read:

Subd. 6. **2015 authorization; appropriation.** (a) In addition to any other amounts authorized in this section, the agency may issue up to \$60,000,000 of housing infrastructure bonds in one or more series to which the payments made under this section may be pledged.

(b) The housing infrastructure bonds authorized in this subdivision may be issued to fund loans, on terms and conditions the agency deems appropriate, to finance HOME projects.

(c) 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 paragraph (a).

(d) Each July 15, beginning in 2016 and through 2038, if any housing infrastructure bonds issued under paragraph (a) 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 (b), not to exceed \$..... annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(e) 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.