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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **2741**

01/31/2022 Authored by Berg; Urdahl; Nelson, M.; Moran; Hollins and others
The bill was read for the first time and referred to the Committee on Housing Finance and Policy
03/17/2022 By motion, returned to Author

1.1 A bill for an act
1.2 relating to housing; expanding the homeownership education, counseling, and
1.3 training program to include specialized homeownership education for veterans;
1.4 amending Minnesota Statutes 2020, section 462A.209, subdivisions 1, 3, by adding
1.5 a subdivision.

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

1.7 Section 1. Minnesota Statutes 2020, section 462A.209, subdivision 1, is amended to read:

1.8 Subdivision 1. **Full cycle homeownership services.** The homeownership education,
1.9 counseling, and training program shall be used to provide funding to community-based
1.10 nonprofit organizations and political subdivisions to assist them in building the capacity to
1.11 provide and providing full cycle homeownership services to low and moderate income home
1.12 buyers and homeowners, including seniors and veterans. The purpose of the program is to
1.13 encourage private investment in affordable housing and collaboration of nonprofit
1.14 organizations and political subdivisions with each other and private lenders in providing
1.15 full cycle homeownership services.

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

1.17 Sec. 2. Minnesota Statutes 2020, section 462A.209, subdivision 3, is amended to read:

1.18 Subd. 3. **Eligibility.** The agency shall establish eligibility criteria for nonprofit
1.19 organizations and political subdivisions to receive funding under this section. The eligibility
1.20 criteria must require the nonprofit organization or political subdivision to provide, to build
1.21 capacity to provide, or support full cycle homeownership services for eligible home buyers.
1.22 The agency may fund a nonprofit organization or political subdivision that will provide full
1.23 cycle homeownership services by coordinating with one or more other organizations that

will provide specific components of full cycle homeownership services. The agency may make exceptions to providing all components of full cycle lending if justified by the application. If there are more applicants requesting funding than there are funds available, the agency shall award the funds on a competitive basis and also assure an equitable geographic distribution of the available funds. The eligibility criteria must require the nonprofit organization or political subdivision to have a demonstrated involvement in the local community and to target the housing affordability needs of the local community or to have demonstrated experience with counseling veterans or older persons on housing, or both. The eligibility criteria may include a requirement for specific training provided by designated state or national entities. The agency may also include an eligibility criteria that requires counselor certification or organizational accreditation by specified organizations which provide certification or accreditation services. Partnerships and collaboration with innovative, grass roots, or community-based initiatives shall be encouraged. The agency shall give priority to nonprofit organizations and political subdivisions that have funding from other sources for full cycle homeownership services. Applicants for funds under section 462A.057 may also apply funds under this program.

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

Sec. 3. Minnesota Statutes 2020, section 462A.209, is amended by adding a subdivision to read:

Subd. 7a. Full-cycle homeownership services to veterans. The agency shall require nonprofits and political subdivisions receiving funding under this section to provide full-cycle homeownership services to veterans. Full-cycle homeownership services to veterans shall include education and counseling regarding homeownership grants and programs made available to veterans both under this chapter and through the United States Department of Veterans Affairs.

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