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State of Minnesota HOUSE OF REPRESENTATIVES

SEVENTH SPECIAL SESSION

H. F. No. 7

12/14/2020 Authored by Hausman and Howard The bill was read for the first time and referred to the Committee on Ways and Means By motion, recalled from the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to housing; appropriating funding for emergency housing assistance grants
1.3 during the peacetime emergency related to COVID-19.

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

1.5 Section 1. APPROPRIATION; 2021 EMERGENCY HOUSING ASSISTANCE
1.6 GRANTS.

1.7 (a) \$50,000,000 in fiscal year 2021 is appropriated from the general fund to the
1.8 commissioner of the Minnesota Housing Finance Agency for transfer to the housing
1.9 development fund for emergency housing assistance grants. Notwithstanding the requirements
1.10 of Minnesota Statutes, sections 16B.98 and 16C.06, and applicable policies, the agency
1.11 may use grantees of the COVID Housing Assistance Program that were funded with federal
1.12 CARES Act resources, and those grantees are approved to distribute money under this
1.13 section. If necessary, the commissioner of the Minnesota Housing Finance Agency may
1.14 distribute money to other entities including counties, cities, nonprofit organizations, tribes,
1.15 or other entities the agency identifies to fulfill the purposes of this section. This is a onetime
1.16 appropriation and available until March 31, 2021. Grants not obligated by March 31, 2021,
1.17 shall cancel to the general fund.

1.18 (b) Grants under this section shall be for individuals, families, and homeowners in
1.19 Minnesota to prevent homelessness and help maintain homeownership during the peacetime
1.20 emergency declared by the governor in an executive order that relates to the infectious
1.21 disease known as COVID-19. To be eligible for funding, applicants must:

1.22 (1) have a rent payment, mortgage payment, homeowner association dues, lot rent due
1.23 to a manufactured home park, contract for deed payment, homeowner insurance payment,

2.1 property tax payment, or utility payment with a due date of March 1, 2020, or later, that is
2.2 past due, or have another expense that is needed to maintain housing as determined by the
2.3 agency;

2.4 (2) be unable to pay the money owed as a direct or indirect result of the public health
2.5 emergency; and

2.6 (3) be a household, with a current gross income at or below 300 percent of the federal
2.7 poverty guidelines.

2.8 (c) The financial assistance provided for any individual or family must not exceed the
2.9 minimum payments owed.

2.10 (d) Grants under this section must be paid directly to:

2.11 (1) the landlord or leasing agent for a rental unit;

2.12 (2) the financial service company for a mortgage or the entity who owns the mortgage
2.13 for a homeowner;

2.14 (3) the contract for deed vendor or seller;

2.15 (4) the purchase-money mortgagor;

2.16 (5) the manufactured home park cooperative, manufactured home owner, or park owner;

2.17 (6) the utility company; or

2.18 (7) any other identified entity to whom payment is owed.

2.19 (e) In addition to the grants to individuals and families provided under paragraph (b),
2.20 grants under this section may also be used to provide assistance to housing providers who
2.21 have lost rental income due to their low-income or moderate-income tenants being impacted
2.22 by COVID-19. Eligible expenses include unpaid rents, rental unit utility costs, and other
2.23 housing expenses as determined by the agency, incurred on or after March 1, 2020. For the
2.24 purposes of this paragraph, low-income or moderate-income tenants has the meaning given
2.25 in Minnesota Statutes, section 462A.03, subdivision 10.

2.26 (f) Notwithstanding any other provision of law or policy, the commissioner may develop
2.27 and administer an application, award, and disbursement process for the program that takes
2.28 into account the emergency state of the needs these funds are intended to address and a
2.29 procedure to oversee and monitor grantees.

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