



HousingMinnesota Capitol Update

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Distributed weekly during the legislative session and periodically outside of session, the Capitol Update provides information about bill introductions, committee hearings, policy analysis and political chatter. Contact us with items to include in future issues.

Capitol Notes

FIRST BONDING RECOMMENDATIONS – GOOD NEWS FOR SUPPORTIVE HOUSING

The House Jobs Committee ranked Supportive Housing 6th on its priority list and recommended \$33 million in funding. It also ranked a \$43 million proposal which includes an additional \$10 million for transitional housing 16th on its list of priority projects. These recommendations will be presented this week to the Capital Investment Committee. The Senate Ag, Environment & Economic Development Committee did not formally rank proposals. It forwarded committee members personal recommendations. We believe that Supportive Housing will be included on a number of these lists as supporters visited most members in the last week. It is not clear what will happen next. It's become a 'who goes first' contest and neither body has set a firm date to get the bonding bills to the floor. Insiders suspect that both bodies would like to have them on the floor or passed by Easter. The Senate went first last year and may want the House to take the lead.

NOT MUCH ACTION BUT A LOT OF WORK

This last week not much official action was taken on housing matters as you will note below. Housing supporters were working quietly lining up support for the bonding proposals and preparing tax proposals for introduction and hearings. The *will there be – won't there be a tax bill* saga continues particularly in the House. The Administration's supplemental budget contains a number of tax items which would seem to indicate a tax bill. The pending court decision on the 'health impact fee' still looms in the background. The House Tax Committee had its first official hearing on the constitutional amendment to dedicate funds for the environment but no other full committee hearings are scheduled for other topics. HousingMinnesota staff are working with the House Tax Committee members on drafting legislation and bill introductions but we have been given no indication as to when we may get a hearing(s). The chair did announce that he would hear the Twins Stadium Bill on May 16th. It doesn't look like they will adjourn early this year. The Senate Tax Committee is starting to crank up its activity and we suspect that they will hold a number of hearings then release their tax bill. Senators Moua and Pogemiller are discussing the inclusion of housing items but again funding allocations will impact the final proposal. We will provide a status report on HousingMinnesota tax initiatives next week.

Committee Action

HOUSE

Wednesday, March 15

Local Government

H.F. 2846 (Johnson, J) – The eminent domain bill was *heard, amended, passed and referred to the Agriculture committee*. This bill continues to move through the process after hours of debate. Local government officials remain concerned about the impact on redevelopment activities, particularly affordable housing initiatives.

Wednesday, March 15

Property and Local Tax Division

Department of Revenue presented its report on resort property valuation and suggested some minor statute changes. The discussion did give insight into how the department might approach next year's study on rent-restricted properties

SENATE

Monday, March 13

State and Local Government Operations

S.F. 2750 – The eminent domain bill was *amended, passed and referred to the Transportation Committee*. Local government officials were not able to amend the bill to lessen its impact on affordable housing development.

Tuesday, March 14

Joint Health and Human Services Budget Division and Early Childhood Policy and Budget Division

S.F. 3016 & S.F. 3015 (Berglin) – Both were *discussed and laid on the table for possible inclusion in the committee omnibus bill*. The legislation relating to TANF funding includes repealers of the MFIP housing penalty which has a cost to the state of approximately \$8 million a year. NAHRO has a stand alone repealer bill S.F. 3070 as well.

Tuesday, March 14

Environment, Agriculture and Economic Development Budget Division

Members discussed bonding prioritization process. There will be no official committee recommendations.

Wednesday, March 15

Jobs, Energy and Community Development Committee

S.F. 2656 (Anderson) – The bill was *amended, passed & referred to the Finance Committee*. The bill authorizes the expenditure of \$25 million for emergency heating assistance to be directed at helping schools, nursing homes and individuals pay for their heating bills.

Friday, March 17

Jobs, Energy and Community Development Housing Subcommittee

S.F. 2887 (Dibble) - The bill was *amended, passed & referred to the Jobs, Energy, and Community Development Committee*. The bill proposes that the park owner must prepare a closure statement at least nine months before the conversion or closure of the manufactured home park and provide a copy of it to the commissioner of the housing finance agency, the local planning agency and to all residents affected.

Friday, March 17

Jobs, Energy and Community Development Housing Subcommittee

S.F. 3216 (Dibble) - The bill was *amended, passed & referred to the Jobs, Energy, and Community Development Committee*. This bill will eliminate the 18 month sunset period in which condominium developers have to currently adhere to.

Committee Hearings – Week of 3/20/06

Please note as we near the first deadline, committee meetings and schedules change almost daily. Use the website below to sign up for daily schedules or contact a specific committee to get on their email notice list.

House

Tuesday, March 21

Jobs and Economic Opportunity Policy and Finance

8:15 a.m., Rm 10 State Office Building
Governor's supplemental budget proposal

Tuesday, March 21

Capital Investment

2:30 p.m., Rm 200 State Office Building
Presentation of the Job and Economic Opportunity Policy and Finance Committee bonding recommendations including Supportive Housing proposals.

Thursday, March 23

Transportation Finance

12:30 p.m., Rm 10 State Office Building
H.F. 2846 (Johnson, J.) – Eminent domain

For more up to date committee schedules for the House, go to:

<http://www.house.leg.state.mn.us/comm/commemlist.asp>.

Senate

Monday, March 20

Jobs, Energy and Community Development Committee

3 p.m. Rm 15 Capitol
S.F. 2767(Rosen) – Low income home energy assistance program fuel prepurchase requirement.
S.F. 2913 (Metzen) – Prepurchased delivered fuel program.
S.F. 2956 (Anderson) – Public utilities energy conservation investment and objective requirements.

Tuesday, March 21

Health and Human Services Budget Division

9 a.m. Rm 123 Capitol
S.F. 3016 (Berglin) – Child care assistance and Minnesota Family Investment Program (welfare reform program for low-income families with children).

Tuesday, March 21

Health and Family Security

Noon Rm 15 Capitol
S.F. 2741 (Lourey) – Runaway and Homeless Youth Act.

For more up to date committee schedules for the Senate, go to:
<http://www.senate.leg.state.mn.us/committees/index.htm#header>.

Bill Introductions

HOUSE

H.F. 3631 (Hornstein) / S.F. 3216 (Dibble) - Condominium conversions regulated.
H.F. 3573 (Davnie) / S.F. 2662 (Higgins) - Blighted housing rehabilitation program
H.F. 3559 (Goodwin) / S.F. 3263 (Pogemiller) - Statutory housing warranties regulated and modified.
H.F. 3558 (Goodwin) / S.F. 3234 (Anderson) - Statutory housing warranties regulated and legislative intent clarified.
H.F. 3513 (Nelson, M.) / S.F. 3160 (Dibble) - Homeless Management Information System and capacity building grant money appropriated.
H.F. 3480 (Clark) / S.F. 3070 (Berglin) – Repealing the MFIP (Minnesota Family Investment Program) housing penalty.
H.F. 3469 (Greiling) - Residential lease termination upon tenant's admission to nursing home provided.
H.F. 3468 (Sailer) / S.F. 2669 (Skoe) – Increase funding for the Challenge Program by \$500,000 and reestablish to tribal Indian housing program
H.F. 3465 (Thissen) / S.F. 2656 (Anderson) – Providing funding for low-income heating assistance.
H.F. 3449 (Clark) / S.F. 2887 (Dibble) - Manufactured home park conversions regulated.
H.F. 3430 (Clark) / S.F. 3015 (Berglin) – Repealing the MFIP (Minnesota Family Investment Program) housing and SSI penalties.
H.F. 3419 (Gunther) / S.F. 2913 (Metzen) –Creating a prepurchase delivered fuel program.

SENATE

S.F. 3216 (Dibble) / H.F. 3631 (Hornstein) - Common interest community local requirements application requirements modification
S.F. 3016 (Berglin) - Repealing the MFIP (Minnesota Family Investment Program) housing and SSI penalties.
S.F. 2990 (Bachmann) / H.F. 3292 (Vandever) –Changing the interest rate on delinquent property taxes.

Bits & Bytes

Tax and Spending Bills Start in the House

The constitution requires that all tax and spending bills must originate in the House which often requires the Senate to *wait for messages from the House* before they can pass their version of tax and/or finance bills. Often this means that the Senate will hear their bills on the floor and then *lay them on the table* until the House sends over a companion bill at which point they will take up their bill and substitute it for the House version.

Insider Baseball – VEHICLES

Legislative machinations often include the use of a ‘vehicle’ to send a policy or a funding proposal over to the other body. Keeping on the general calendar, a bill that is ‘germane’ to the topic at hand allows for this type of legislative parlay. For example, a simple sales tax bill authorizing a small city to raise a sales tax may become the vehicle for the omnibus tax bill.

For more information on affordable housing, the content of this document or if you have information to include in future issues, contact Joanna Dornfeld at (651) 649-1710 ext. 108, email jdornfeld@mhponline.org or see HousingMinnesota's website at www.housingminnesota.org.