



# 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

### House Tax Committee Cranking Up – A Bill?!

It's looking more like there will be a tax bill in the House but we don't recommend betting the bank. After hearing stadium bills and the Republican proposal for a one-time property tax rebate, the committee is going to work quite a bit this week reviewing a large number and wide variety of tax bills. HousingMinnesota's Low Income Rental Certification (4d) modification proposal – HF 3960 – was heard and laid on the table Monday in the House Tax Committee Property and Local Tax Division. At this time, there is no indication whether HousingMinnesota's other bills will be heard. The 4d proposal has no fiscal implications to the state while our other proposals would cost money. The House has indicated it wants to fund primarily the tax rebate therefore there is little money available for new programs that require state funds.

*Got a housing project that has or could benefit from 4d – contact House Tax Committee Members Now!!!*

<http://www.house.leg.state.mn.us/comm/committeemembers.asp?comm=23>

### Stadiums and Abortion Take Their Swings

Stadium and abortion bills dominated legislative activity this week as the House passed a Twins bill without a referendum and then passed a bill that would prevent public funding of any abortions. These bills consumed nearly two full days of work. The Senate Tax Committee reviewed three different stadium bills over a four day period and was expected to make its recommendations on Monday. As we noted before, the House has decided to pass a single supplemental budget bill after failing to pass a series of smaller bills. The larger bill will deal exclusively with appropriations and little, if any policy items. The Senate has determined also to limit its budget bill solely to appropriations in order not to have abortion policies attached to it. Normally, budget bills contain a fair amount of policy initiatives related to the various programs or agencies being funded. These actions could affect the few housing policies currently in budget bills in both bodies. Election year politics are alive and well with three weeks to go.

### Bonding Bill Sitting in the Wings

There have been no meetings held or scheduled for this conference committee. Often, conferees will meet to compare the bills while waiting for leadership to determine the funding level for capital improvements. There have been no signs yet that the Governor and legislative leaders have begun discussions on the 'end game'. The bonding bill is the only item that has to be done this year and going home without one in an election year is not a popular idea and highly unlikely. It is thought that the bonding bill could be settled quickly but it may be held up as leverage as part of the tax and budget process. There are significant differences in the tax proposals presented by the Governor, House and Senate which leaves budget numbers floating.

## Committee Action

## **House**

### **Tax Committee**

H.F. 4142 (Krinkie) Property tax rebate. *Bill was passed as amended and referred to Ways and Means.*

### **Tax Committee Property and Local Tax Division**

H.F. 3960 (Simpson) Low Income Rental Certification (4d) modification. *Bill was heard and laid over for possible inclusion in House Tax bill.*

## **Committee Hearings**

The majority of committee activity through the end of session will take place in House and Senate Finance, Tax and Rules committees as well as conference committees. There will not be a lot of notice for hearings given and agendas may change hourly. We suggest that you use the listings below to stay abreast of hearings and floor action. You may find phone calls to the House Chief Clerks Office at (651) 296-2314 or (800) 657-3350 and Senate Information Office at (651) 296-0504 or (888) 234-1112 more helpful and timely.

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

## **House**

**Monday, May 1**

### **Property and Local Tax Division**

Meeting will convene following floor session

500N State Office Building

**H.F. 3960 (Simpson)** Application of Low Income Rental Certification (4d) property tax classification extended.

## **Bits & Bytes**

### **Hats Off To Legislative Sponsors of Housing Minnesota Tax Proposals**

As we head down to the wire, it's a good time to recognize legislators who signed-on and supported our tax agenda this year. You will note we have fostered a broad-based bipartisan group of supporters. The effort put into the Low Income Rental Certification (4d) legislation last year continues to pay dividends.

#### *Low Income Rental Certification (4d) Modifications – H.F.3960 / S.F.3578*

Representative Simpson and Senator Moua stepped up to lead the charge this year as chief authors. House co-authors include Dorman, Vandevener, Mullery, Pete Nelson, Davnie, Brod, Marquart and Lanning. Senate co-authors are Belanger, Pogemiller, Sparks and Skoe. You'll note that we have the majority of last year's conference committee members on the bill and S.F.3578 has been folded into the Senate's Omnibus Tax bill.

#### *Construction Materials Sales Tax Exemption for Nonprofit Limited Partnerships –*

*H.F.4086/S.F.3723*

Representative Dorman and Senator Moua are leading this effort with support in the House from Representatives Davids and Mullery while in the Senate Limmer and Pogemiller signed on in support. This bill is included in Senate's Omnibus Tax bill.

*Charitable Tax Credit H.F.1611 / S.F.1671*

Senator Moua who has become the lead affordable housing advocate on Senate Tax Committee, is joined by senators Belanger, Limmer, Tomassoni and Bakk on this legislation. In the House, Representative Lanning is lead author and joined by representatives Dorman, Marquart, Lenczewski, Simpson, Moe and Ruth Johnson.

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](mailto:jdornfeld@mhponline.org) or see HousingMinnesota's website at [www.housingminnesota.org](http://www.housingminnesota.org).