



MHP Capitol Update

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Capitol Notes

House's Commitment to Housing in Doubt

Over the next week and a half, the House will finalize its budget bills and pass them off the floor. MHP and other housing advocates remain concerned about the House appropriations for housing and homeless programs. Reliance on one-time and TANF (Temporary Assistance for Needy Families) funds, and significant reductions in housing program base funding (particularly in the Challenge Program), leave the future of housing funding in question. However, the one-time money does provide some positioning options for conference committees. MHP is asking the House to make three funding commitments:

- 1) SAFEGUARD \$90 million base budget for the long-term future of affordable housing,
- 2) SPECIFY \$35 million for the Challenge Program this biennium, and
- 3) SECURE \$155 million overall for affordable housing and homelessness programs.

Creating Conference Committees

Up until recently, it was unclear how legislators were going to deal with the House's and Senate's incompatible committee structures. As part of the House's new super committee structure, housing and homelessness issues have their own committee. Unfortunately, the Senate doesn't have a comparable committee, so bills were chopped up and the pieces added to sundry omnibus bills in order to create legislation that can be brought to a conference committee. Last week, the omnibus housing and public health bill was divided and rolled into two larger omnibus budget bills. Homelessness and supportive housing issues are now a part of **H.F. 297** in the health and human services budget bill and housing is included in **H.F. 797** the higher education and workforce development budget bill.

We do not expect conference committees dealing with housing and human services issues to begin meeting until the week of April 23rd. Although we don't know who the conferees will be, a significant factor in the final budget outcomes, we expect the Senate Conference Committee members to be well versed and supportive of Housing. However, prognostications for the House are a bit murky. Advocates are concerned that most House conferees will not have a good understanding of housing and homeless budget proposals and those that do understand will trade in support for other, larger items in the omnibus bills.

The murkiness will remain until we know how many members of the House's Housing and Public Health Division will sit on the Higher Education and Workforce Development Conference Committee, where housing and supportive services bills will be conferenced. This committee's budget bill has a lot of special projects tucked into it on both the House and Senate side. Housing advocates will need to work hard to get a solid target that includes a lot of one-time money and ensure that housing is not nicked to pay for these projects.

Also, though the administration has been quiet since offering its budget in January, they will play a bigger role in reaching a final conference committee compromise. Minnesota Housing fared very well in the interagency funding game, with the governor proposing significant increases in both the base budget and one-time dollars. In many ways, we believe this will be the starting point for negotiations.

The homeless services programs will be another story, with these appropriations are now shifted back to the health and human services budget. Only one member of the House Housing Committee sits on the Human

Services Budget Division. There is a bit more overlap between the Senate Health and Human Services Committee and its respective conference committee members. However, only with insistence of leadership did they increase funding for housing beyond the governor's recommendation. How TANF funding in the House was appropriated will also be a significant issue. These programs will only be a small portion of a much larger budget bill, but homeless programs have not had strong support in the Senate Human Services Committee.

Committee Hearings

Please note committee meetings and schedules can change almost daily. Use the websites below to sign up for daily schedules or contact a specific committee to get on their email notice list.

House

Finance

Monday, April 16th, 9 a.m., Room 200, State Office Building

Agenda:

- **H.F. 931 (Mullery) / S.F. 988 (Higgins)** — Prohibits predatory lending practices and establishes civil penalties

[Click here for updated House Committee information.](#)

Senate

State and Local Government Operations

Agenda:

S.F. 1196 (Jungbauer) / H. F. 1205 (Kranz) — Relocation reimbursement to displaced manufactured homeowners; although at this point it does not appear on the schedule, we anticipate a hearing this week

[Click here for updated Senate Committee information.](#)

Omnibus Bills

S.F. 2089 (Tomassoni) / H.F. 797 (Rukavina) — Omnibus higher education and workforce development bill; this contains funding for Housing and the Minnesota Housing and will go to conference committee after the House passes H.F. 797

S.F. 2171 (Berglin) / H.F. 297 (Huntley) — Omnibus health and human services finance bill; this contains homelessness programs and supportive housing programs and will go to conference committee after the House passes H.F. 297

S.F. 1024 (Bakk) / H.F. 3 (Lenczewski) — Omnibus tax bill

S.F. 2190 (Cohen) / H.F. ### — Omnibus onetime appropriations

Bits and Bytes

Leadership Talking

Capitol insiders have been concerned since the beginning of session that leadership in the House and Senate weren't talking. The mismatch of deadlines and the House's failure to sing from same hymnal on the budget surplus added to the chatter. We think it is good news to know that the DFL leadership are meeting weekly, and have been for some time. It also appears that there have been a number of get-togethers with the governor as well. As we all know, talking and listening are different skills, but the murmuring about there being a special session has been low. Everybody wants to go home on time.

Housing Makes Some Noise

It appears that our efforts last week to nudge the House Finance Committee members on Housing had some impact. A number of legislators indicated they heard from the public, with one senior minority party member mentioning during a committee that he had heard from a number of advocates not from his district. The overall committee discussion on the housing budget was that it was inadequate and there was bi-partisan agreement that we need to do more. Additionally, an MHP board member made the rounds in the House and indicated that leadership was aware of housing funding problems.

HF3 One of these Days

There's been no mention of the tax bill, because there isn't one yet. Some time ago, the Senate passed their tax bill and laid it on the table awaiting action by the House on its tax proposal. To date, the Sales and Property Tax Division in the House have issued their division report to the full tax committee. We expect to see a House tax bill late this week, or early the following week.

One Side, One Time

Only the Senate chose to put all of the onetime money into a single bill. The House spread it out amongst the divisions and incorporated it into the respective omnibus bills. We aren't sure how the House and Senate will attempt to conference this, but we are betting that the Senate will split their bill up and conference it within the conference committees working on the other omnibus bills.

Distributed weekly during the legislative session and periodically outside of session, the MHP Capitol Update provides information about bill introductions, committee hearings, policy analysis, and political chatter in St. Paul. MHP Capitol Update is published by Minnesota Housing Partnership, and content is provided by MHP's lobbying team, Cindy Jepson and Julian Loscalzo. To share ideas for future issues, to ask questions, or to unsubscribe, please contact Barb Jacobs at bjacobs@mhponline.org or 651-649-1710 ext. 117.

Minnesota Housing Partnership's mission is to promote homes for all Minnesotans and to assist Minnesota communities in the creation and preservation of housing affordable to low- and moderate-income people.