



# MHP Capitol Update

Volume 2, Issue 16      April 23, 2007



## Capitol Notes

### House Adds \$14 million to Minnesota Housing Base Budget

The House responded very favorably to requests to increase funding for housing by adding \$14 million to Minnesota Housing's 2010-2011 base budget, splitting the increase between the Challenge grant and the Family Homeless Prevention programs. This action brings the House base funding numbers to the same level proposed by the Senate and Governor. This amendment was added on the floor of the House as the body debated SF 2089, the economic development bill, which contains funding for Minnesota Housing.

The House bill still provides an additional \$8-9 million more in overall funding for housing than the Senate and governor, but approximately \$6 million of the House's funding is TANF (Temporary Assistance for Needy Families) dollars, which we do not expect to remain available for housing purposes after conference committee. It appears that a concerted effort by MHP and other housing advocates convinced House leadership that providing future funding stability for housing was important. Additional credit must go to members of the House's Housing Committee, especially the freshman legislators, who battled long and hard on behalf of additional funding within the caucus.

### Conference Committee Members Appointed

As we noted last issue, housing is just one part of the higher education and workforce development funding bill, which comprises about one third of all appropriations. We are pleased with the make up of the conferees, as there are some strong housing proponents appointed as negotiators. It would appear that the housing portion of the bill could be easily settled as the House, Senate, and governor's numbers are very closely aligned. However, a mismatch in budget amounts for a number of other policy and budget items in other parts of the bill may delay passage. Rep. Rukavina was appointed to two conference committees—higher education committee and jobs and economic development committee. Rep. Clark has expressed a strong interest in serving on the health and human services negotiating team, as there are a number of public health issues and homeless services programs that she supports. We are not quite sure how actual conference negotiations will play out.

### Higher Education and Workforce Development Conference Committee Members

Representative	Tom Rukavina	651-296-0170
Representative	Mary Murphy	651-296-2676
Representative	Tim Mahoney	651-296-4277
Representative	Karen Clark	651-296-0294
Representative	Bob Gunther	651-296-3240
Senator	David Tomassoni	651-296-8017
Senator	James Metzen	651-296-4370
Senator	Dan Sparks	651-296-9248
Senator	Linda Scheid	651-296-8869
Senator	Amy Koch	651-296-5981

### **One-time Money: A Big Fly in the Ointment**

A major item yet to be decided is how one-time money will be handled in conference committees. The Senate put most of its cash allocations into one bill authored by Senator Cohen (SF 2190) while the House allocated funds to individual divisions and finance committees. Until this matter is settled, it doesn't appear that any serious negotiations on any of the omnibus bills can take place. We understand that the House Speaker and Senate Majority Leader have had discussions, but no resolution is in sight. Housing and homeless programs receive a significant amount of one-time funding, so we will be anxiously waiting for a decision.

### **Good Advocacy Work Nets Big Bucks**

MHP has been concerned from the beginning of session that housing was not a tier-one issue and would be lost in the budget shuffle. Additionally, support for housing and homeless programs tends to be strong, but not broad. In recent weeks, MHP, NAHRO, League of Minnesota Cities and other housing advocates proved this to be wrong and demonstrated the impact advocates can have in shaping policy and funding. The consistent message provided by individuals and organizations effectively convinced House leadership that increased funding for housing was of critical importance. In addition, media efforts by MHP staff, personal phone calls, emails, and your visits to St. Paul influenced decision makers and brought the affordable housing message full circle. Good work! Keep it up—we just need a few more weeks of effort to claim victory!

### **Additional Housing Bills Advance**

We are still reviewing the details of other housing bills, as the House health and human services bill was not passed until early Saturday morning. Here are a few items that we think remained intact.

- **MFIP Housing Penalty Repeal**—the House and Senate included the repeal in their budget bills.
- **Homeless Services**—at last look, the House bill contained approximately \$31 million in funding for a variety of initiatives, including long-term homeless services, emergency services, transitional housing, and homeless runaway youth. More details next week.
- **Manufactured Housing Relocation Fund Advances**—we expect a negotiated proposal that would establish a relocation fund to assist homeowners impacted by park closures to have a final committee hearing in the Senate this week.
- **Predatory Lending**—The attorney general was host to a small reception in her office to celebrate passage of HF1004/SF809 and to thank the bills' authors, lobbyists, and organizations who worked together to pass this important piece of legislation.

## **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**

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

### **Senate**

#### **Finance Committee**

Wednesday, April 25, 8:30 a.m., Room 200, State Office Building

Agenda:

- **S.F. 442 (Cohen) / H.F. 939 (Kranz)**—Housing Solutions Act

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

## Bits and Bytes

### **Heard Under the Marble Dome**

Several DFL House Tax Committee members commented that “they had a better idea of what was going into the tax bill when the Republicans were in charge.”

“It was a great inside/outside play. You guys did a great job,” said House DFL housing committee members chatting with MHP folks on the recent funding advocacy pitch.

“Hey, I’m on-board. We’ll work on getting that into the tax bill,” an urban DFL legislator told MHP lobbyists after local housing developers pushed him to support the construction sales tax exemption (thus proving all politics is local). He had been ducking the lobbyists for two weeks because of this subject.

### **Kudos for Effort**

It really helps us at the Capitol to have your engagement and we would like to acknowledge a few recent efforts. Staff from the Neighborhood Development Alliance and Dayton’s Bluff Neighborhood Housing Services spent Friday at the Capitol twisting arms on the construction sales tax exemption. The Arrowhead Economic Opportunity Agency (AEOA) folks got together with Representative Rukavina and Senator Tomassoni over spring break to talk turkey about housing funding. Coincidentally, Rukavina and Tomassoni are going to chair the economic development conference committee. The Duluth gang, spearheaded by the CHUM/Gabriel Project, met with Rep. Huntley who will be chairing the health and human services conference committee and chatted about affordable housing and homeless issues.

As always, be sure to keep us in the loop on your efforts and responses—it’s a tremendous help!

### **The Morning Call: A Great Start to the Day**

Julian Loscalzo, one of MHP’s lobbyists, was getting ready to head to the Capitol last week for the floor debate on the economic development debate when the cell phone rang. Though the House was preparing to start its session, the House Speaker called to inform MHP that leadership had decided to increase the housing budget base by \$14 million and asked that advocates be informed of the decision. The slightly stunned old-timer first asked if it really was the Speaker—duuuuh!—then bumbled a thank you. Having the Speaker of the House call you is a great way to start the day, but we’re wondering if Julian’s response fell into the dumb and dumber category...

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](mailto: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.