

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 470**

(SENATE AUTHORS: MARTY, Stumpf, Koenen, Dahle and Senjem)

DATE	D-PG	OFFICIAL STATUS
02/02/2015	186	Introduction and first reading Referred to Capital Investment

1.1 A bill for an act  
 1.2 relating to capital investment; authorizing \$80 million in additional housing  
 1.3 infrastructure bonds and appropriating \$20 million for public housing  
 1.4 rehabilitation to address the statewide affordable housing crisis; authorizing the  
 1.5 sale and issuance of state bonds; amending Minnesota Statutes 2014, section  
 1.6 462A.37, by adding subdivisions.

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

1.8 Section 1. **LEGISLATIVE INTENT.**

1.9 In 2014, the governor and the legislature recognized that there is a statewide  
 1.10 affordable housing crisis and invested \$100,000,000 as a first step to address that need.  
 1.11 The funding in this legislation is intended as the next phase in Minnesota's commitment to  
 1.12 resolving the housing shortage.

1.13 Sec. 2. Minnesota Statutes 2014, section 462A.37, is amended by adding a subdivision  
 1.14 to read:

1.15 Subd. 2b. **Additional authorization.** In addition to the amounts authorized in  
 1.16 subdivisions 2 and 2a, the agency may issue up to \$80,000,000 of housing infrastructure  
 1.17 bonds in one or more series to which the payments made under this section may be  
 1.18 pledged. This authorization is a continuation of the program to fund affordable housing  
 1.19 begun in Laws 2014, chapters 294 and 295.

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

1.21 Sec. 3. Minnesota Statutes 2014, section 462A.37, is amended by adding a subdivision  
 1.22 to read:

2.1 Subd. 6. **Additional appropriation.** (a) The agency must certify annually to the  
2.2 commissioner of management and budget the actual amount of annual debt service on  
2.3 each series of bonds issued under subdivision 2a.

2.4 (b) Each July 15, beginning in 2016 and through 2038, if any housing infrastructure  
2.5 bonds issued under subdivision 2b remain outstanding, the commissioner of management  
2.6 and budget must transfer to the housing infrastructure bond account established under  
2.7 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed  
2.8 \$6,400,000 annually. The amounts necessary to make the transfers are appropriated from  
2.9 the general fund to the commissioner of management and budget.

2.10 (c) The agency may pledge to the payment of the housing infrastructure bonds the  
2.11 payments to be made by the state under this section.

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

2.13 Sec. 4. **MINNESOTA HOUSING FINANCE AGENCY; PUBLIC HOUSING.**

2.14 Subdivision 1. **Appropriation.** \$20,000,000 is appropriated from the bond proceeds  
2.15 fund to the Minnesota Housing Finance Agency for transfer to the housing development  
2.16 fund to finance the costs of rehabilitation to preserve public housing under Minnesota  
2.17 Statutes, section 462A.202, subdivision 3a. For purposes of this section, "public  
2.18 housing" means housing for low-income persons and households financed by the federal  
2.19 government and owned and operated by the public housing authorities and agencies  
2.20 formed by cities and counties. Public housing authorities receiving a public housing  
2.21 assessment composite score of 80 or above are eligible to receive funding. Priority must  
2.22 be given to proposals that maximize federal or local resources to finance the capital costs.  
2.23 The priority in Minnesota Statutes, section 462A.202, subdivision 3a, for projects to  
2.24 increase the supply of affordable housing and the restrictions of Minnesota Statutes,  
2.25 section 462A.202, subdivision 7, do not apply to this appropriation.

2.26 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the  
2.27 bond proceeds fund, the commissioner of management and budget shall sell and issue  
2.28 bonds of the state in an amount up to \$20,000,000 in the manner, upon the terms, and with  
2.29 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the  
2.30 Minnesota Constitution, article XI, sections 4 to 7.

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