

H.F. No. 5242: Housing Non-Appropriations Articles

Same, Similar, and Different

| Revisor Page | HOUSE | | Description | SENATE | |
|------------------------|-------|----------|---|--------|-------------|
| | Art. | Sections | | Art. | Sections |
| Same or Similar | | | | | |
| R3-R8, R11 | 13 | 2, 6-12 | Same – modifies provisions for Minnesota Housing Finance Agency (MHFA) energy conservation and improvement to refer to climate resiliency, decarbonization, clean energy, and climate resiliency. | 12 | 3, 4-10, 13 |
| R8 | 13 | 13 | Same – modifies a provision allowing MHFA to treat Indian Tribes as eligible recipients of MHFA funding so that it applies to session law programs as well as statutory programs. | 12 | 11 |
| R10 | 13 | 16 | Same – allows MHFA to determine a household meets the income limits of any MHFA program if the household receives means-based public assistance. | 12 | 12 |
| R11 | 13 | 18 | Same – requires MHFA annually to project the amount of funding necessary to provide rental assistance to all households that would qualify for the state’s family homeless prevention assistance and prevention, emergency assistance, and emergency general assistance programs. | 13 | 1 |
| R12 | 13 | 21 | Same – increases the MHFA general obligation debt ceiling from \$5,000,000,000 to \$7,000,000,000. | 12 | 14 |
| R12 | 13 | 23 | Similar – transfers authority to collect administrative costs of administering the manufactured home relocation trust fund from MMB to MHFA, conforming to changes made in the 2023 housing bill. | 12 | 15 |
| R15-R16 | 13 | 26 | Same – requires MMB to appropriate to MHFA the amount necessary to pay the debt service on the housing infrastructure bonds both versions authorize MHFA to issue. | 12 | 18 |

Comparison Summary of H.F. 5242 – House (H5242-3) / Senate (UEH5242-1)

| Revisor Page | HOUSE | | Description | SENATE | |
|---------------------|-------|--------------|---|--------|----------|
| | Art. | Sections | | Art. | Sections |
| R16-R17 | 13 | 27 | Same – removes certain geographic and population limits for the workforce housing development program. | 12 | 19 |
| R19-R20 | 13 | 29 | Same – specifies that the same requirements applying to grants through the Minnesota housing tax credit program also apply to loans. Expands eligibility for grants and loans to include previously disqualified individuals and businesses. Allows MHFA to rely on applicant’s statements about their eligibility to determine their eligibility for grants and loans. | 12 | 21 |
| R37-R39 | | | Similar – allows a set-aside of a 2023 appropriation of the challenge program for Urban Homeworks to be used on gap financing and on a broader range of low-income households. | 12 | 28 |
| R39 | 13 | 40 | Same – expands the eligible uses of a Northland Foundation appropriation from 2023 to include assisting and supporting communities in providing housing locally. | 12 | 29 |
| R39 | 13 | 41 | Same – removes a geographic requirement from the definition of “eligible homebuyer” for the purposes of the fee-based down payment assistance program enacted in the 2023 legislative session. | 12 | 30 |
| R43-R44 | 13 | 47 | Similar – establishes a housing affordability preservation investment program. | 12 | 31 |
| Different | | | | | |
| R1, R10, R20-R23 | 13 | 1, 17, 30-32 | House only – allows housing and redevelopment authorities to create public corporations to participate in the federal Rental Assistance Demonstration program, specifies that certain provisions governing other public corporations do not apply to these corporations, allows these public corporations to act as cities for the purposes of the chapter of law governing municipal housing, and modifies MHFA’s publicly owned housing program to list these public corporations as eligible funding recipients. | | |
| R1-R2 | | | Senate only – prohibits certain practices relating to property management companies. | 12 | 1 |
| R2 | | | Senate only – prohibits municipalities from conditioning residential project approval on certain requirements. | 12 | 2 |

Comparison Summary of H.F. 5242 – House (H5242-3) / Senate (UEH5242-1)

| Revisor Page | HOUSE | | Description | SENATE | |
|-----------------|-------|----------|---|--------|----------|
| | Art. | Sections | | Art. | Sections |
| R3-R4, R11 | 13 | 3-5, 20 | House only – adds a definition of “distressed building” and “recapitalization” to the chapter governing MHFA, allows use of the preservation affordable rental investment fund on recapitalization of distressed buildings, and exempts recapitalization financing from certain mortgagor requirements. | | |
| R8-R10 | 13 | 14 | House only – imposes certain disclosure and verification requirements on applicants for and recipients of MHFA funding and requires wage theft prevention plans for funding recipients not paying statutorily required wages. Provides MHFA with enforcement mechanisms. | | |
| R10 | 13 | 15 | House only – allows MHFA to adjust income or rent limits for state multifamily capital funding programs to align with federal standards for the low-income housing tax credit or the exempt-facility bond. | | |
| R12 | 13 | 22 | House only – limits rental increases in senior housing buildings receiving the low-income housing tax credit to the percentage increase in social security, excepting projects owned by nonprofits and units in which the rent is paid with ongoing government rental assistance. | | |
| R12-15 | 13 | 24 | Modifies allowable uses of housing infrastructure bonds. House allows use of housing infrastructure bonds on recapitalization of distressed buildings, on abandoned or foreclosed housing for affordable homeownership, and on cooperatively owned housing. House version also makes buildings in which at least 50 percent of units are set aside for supportive housing eligible for housing infrastructure bond proceeds for supportive housing. House and Senate both specify that a roll-in shower is needed in only one of the accessible units required in multifamily housing funded with housing infrastructure bonds. | 12 | 16 |
| R15 | 13 | 25 | Authorizes issuance of \$50,000,000 in housing infrastructure bonds. Senate specifies that issuance may be in one or more series. | 12 | 17 |
| R17-R18 | | | Senate only – modifies the greater Minnesota housing infrastructure grant program to allow grants to be made to counties and expands eligible projects to include manufactured home development projects. The maximum allowable grant award per lot for one to four home developments increases to \$40,000, and the maximum allowable grant award per manufactured housing lot is \$60,000. A county or city may receive a maximum of \$500,000 in two years under this program, except that the \$500,000 limitation would not apply to manufactured housing developments. | 12 | 20 |
| R18-R19 | | | House only – removes a set-aside from the Minnesota housing tax credit program. | | |

Comparison Summary of H.F. 5242 – House (H5242-3) / Senate (UEH5242-1)

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|-----------------|-------|----------|--|--------|----------|
| | Art. | Sections | | Art. | Sections |
| R21 | | | Senate only – amends the housing and redevelopment authority section of law by allowing a housing and redevelopment authority to provide financial assistance to assist with the capital repair or replacement of an asset with a regular life span in excess of 25 years and with a project cost in excess of \$5,000,000, provided all of the following requirements are met: (1) the project is a multifamily housing building; (2) at least 25 percent of the units were sold or are rented to households meeting the federal definition of low-income; and (3) more than 25 years have elapsed since the asset has been repaired or replaced. | 12 | 22 |
| R23-R28 | 13 | 33-38 | House only – modifies the local affordable housing aid by expanding its stated purpose to include supportive housing, by expanding the projects the aid can fund, by deeming certain committed funds expended for the purposes of the aid expenditure deadline, and by requiring aid recipients to use the money to supplement rather than supplant locally funded housing expenditures. | | |
| R28-R37 | | | Senate only – prohibits certain conduct for homeowners associations and common interest communities. | 12 | 23-27 |
| R40-R41 | 13 | 42 | House only – establishes a task force with MHFA to determine ways to improve the financial health of affordable housing providers. | | |
| R41-R42 | 13 | 43 | House only – requires MHFA, in consultation with DHS, to develop recommendations to speed up the processing of emergency rental assistance, including adopting administrative policies and proposing legislative changes. | | |
| R42 | 13 | 44 | Requires agency to develop uniform e-signature options for rental assistance programs. Senate version applies only to MHFA and the family homelessness prevention and assistance program, while the House also requires the commissioner of human services to develop options for emergency general assistance and emergency assistance. | 13 | 3 |
| R42 | 13 | 45 | House only – encourages MHFA and DHS to make a number of changes to improve language access to their rental assistance programs. | | |
| R42-R43 | 13 | 46 | Requires agency to develop recommendations to simplify the process of verifying information for rental assistance program applications, adopt the recommendations, and provide assistance to administrators to implement the recommendations. Senate version applies only to MHFA and the family homelessness prevention and assistance program, while the House version also applies to emergency general assistance and emergency assistance operated through the Department of Human Services. | 13 | 4 |

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|-----------------|-------|----------|---|--------|----------|
| | Art. | Sections | | Art. | Sections |
| R44 | | | Senate only – requires the commissioner of MHFA to evaluate the financial impacts of low-income rental housing tax programs and report to the legislature on the findings. | 12 | 32 |
| R44 | | | Senate only – requires the commissioner of labor and industry to evaluate the safety of single-exit stairway apartment buildings and report to the legislature on the findings. | 12 | 33 |
| R45 | 13 | 48 | Requires the commissioner of MHFA to submit an annual report to the legislature on applications for funding, awards granted, and the number of housing units affected by funding. House version specifies that the reporting requirement applies to appropriations to MHFA in this act, in Laws 2023, and any future appropriations. | 12 | 34 |
| R45 | 13 | 49 | Instructs the revisor to move a subdivision to a more logical section in the statutes. House version also includes a revisor instruction to include a reference to chapter 308C if a law enacted in 2024 establishes that chapter. | 12 | 35 |
| R45-R46 | 14 | 1 | House only – prohibits a landlord from denying a rental unit to a tenant based on the use of assistance that helps the tenant pay rent and prohibits the landlord from advertising that they will not rent to someone because of the use of public assistance that helps pay rent. Provides that the section can be enforced through chapter 363A. | | |
| R46 | 14 | 2 | House only – amends 2023 law to make new options for mandatory eviction expungement retroactive, applying to cases that occurred before, on, or after January 1, 2024. | | |
| R46-R48 | 14 | 3 | House only – creates a working group to study CICs, commonly called condos, and HOAs, which are homeowner associations that govern a variety of different housing configurations, in Minnesota. | | |
| R48 | | | Senate only – requires MHFA to work with the Department of Human Services to develop criteria for measuring the timeliness of processing rental assistance applications, collect data on application processing speeds for the family homelessness prevention and assistance program, and report to the legislature in 2027 about whether application processing goals have been met. | 13 | 2 |