

Approved by
Revisor of Statutes

1.1 Gomez from the Preventing Homelessness Division to which was referred:

1.2 H. F. No. 4225, A bill for an act relating to local government; requiring local governments
1.3 to create policies regarding homeless encampments; amending Minnesota Statutes 2020,
1.4 section 160.27, by adding a subdivision; proposing coding for new law in Minnesota Statutes,
1.5 chapter 465.

1.6 Reported the same back with the following amendments:

1.7 Delete everything after the enacting clause and insert:

1.8 **"ARTICLE 1**
1.9 **PREVENTING HOMELESSNESS**

1.10 Section 1. Minnesota Statutes 2020, section 145.4716, is amended by adding a subdivision
1.11 to read:

1.12 Subd. 4. **Funding.** The commissioner must prioritize providing trauma-informed,
1.13 culturally inclusive services for sexually exploited youth or youth at risk of sexual
1.14 exploitation under this section.

1.15 Sec. 2. Minnesota Statutes 2020, section 256E.33, subdivision 1, is amended to read:

1.16 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

1.17 (b) "Transitional housing" means housing designed for independent living and provided
1.18 to a homeless person or family at a rental rate of at least 25 percent of the family income
1.19 for a period of up to ~~24~~ 36 months. If a transitional housing program is associated with a
1.20 licensed facility or shelter, it must be located in a separate facility or a specified section of
1.21 the main facility where residents can be responsible for their own meals and other daily
1.22 needs.

1.23 (c) "Support services" means an assessment service that identifies the needs of individuals
1.24 for independent living and arranges or provides for the appropriate educational, social, legal,

2.1 advocacy, child care, employment, financial, health care, or information and referral services
 2.2 to meet these needs.

2.3 Sec. 3. Minnesota Statutes 2020, section 256E.33, subdivision 2, is amended to read:

2.4 Subd. 2. **Establishment and administration.** A transitional housing program is
 2.5 established to be administered by the commissioner. The commissioner may make grants
 2.6 to eligible recipients or enter into agreements with community action agencies or other
 2.7 public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain,
 2.8 or expand programs to provide transitional housing and support services for persons in need
 2.9 of transitional housing, which may include up to six months of follow-up support services
 2.10 for persons who complete transitional housing as they stabilize in permanent housing. The
 2.11 commissioner must ensure that money appropriated to implement this section is distributed
 2.12 as soon as practicable. The commissioner may make grants directly to eligible recipients.
 2.13 The commissioner may extend use ~~up to ten percent of the appropriation available for~~ of
 2.14 this program for persons needing assistance longer than ~~24~~ 36 months.

2.15 Sec. 4. Minnesota Statutes 2020, section 256I.03, subdivision 7, is amended to read:

2.16 Subd. 7. **Countable income.** "Countable income" means all income received by an
 2.17 applicant or recipient as described under section 256P.06, less any applicable exclusions or
 2.18 disregards. For a recipient of any cash benefit from the SSI program who does not live in
 2.19 a setting as described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable
 2.20 income means the SSI benefit limit in effect at the time the person is a recipient of housing
 2.21 support, less the medical assistance personal needs allowance under section 256B.35. ~~If the~~
 2.22 ~~SSI limit or benefit is reduced for a person due to events other than receipt of additional~~
 2.23 ~~income, countable income means actual income less any applicable exclusions and disregards.~~
 2.24 If there is a reduction in a housing support recipient's benefit due to circumstances other
 2.25 than receipt of additional income, applicable exclusions and disregards apply when
 2.26 determining countable income. For a recipient of any cash benefit from the RSDI program,
 2.27 SSI program, or veterans' programs who lives in a setting as described in section 256I.04,
 2.28 subdivision 2a, paragraph (b), clause (2), countable income means 30 percent of the
 2.29 recipient's total benefit amount from these programs, after applicable exclusions or disregards,
 2.30 at the time the person is a recipient of housing support. For these recipients, the medical
 2.31 assistance personal needs allowance, described in section 256I.04, subdivision 1, paragraph
 2.32 (a), clause (2), does not apply.

3.1 Sec. 5. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to
3.2 read:

3.3 Subd. 7. **Awarding of grants.** (a) Grants shall be awarded under this section only after
3.4 a review of the grant recipient's application materials, including past performance and
3.5 utilization of grant money. The commissioner shall not reduce an existing grant award
3.6 amount unless the commissioner first determines that the grant recipient has failed to meet
3.7 performance measures or has used grant money improperly.

3.8 (b) For grants awarded pursuant to a two-year grant contract, the commissioner shall
3.9 permit grant recipients to carry over any unexpended amount from the first contract year
3.10 to the second contract year.

3.11 Sec. 6. Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7, is
3.12 amended to read:

3.13 Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial
3.14 report to the chairs and ranking minority members of the house of representatives and senate
3.15 committees and divisions with jurisdiction over housing and preventing homelessness on
3.16 its findings and recommendations.

3.17 (b) No later than ~~August 31, 2022~~ December 15, 2022, the task force shall submit a final
3.18 report to the chairs and ranking minority members of the house of representatives and senate
3.19 committees and divisions with jurisdiction over housing and preventing homelessness on
3.20 its findings and recommendations.

3.21 Sec. 7. **PREGNANT AND PARENTING HOMELESS YOUTH STUDY.**

3.22 (a) The commissioner of human services must conduct a study of the prevalence of
3.23 pregnancy and parenting among homeless youth and youth who are at risk of homelessness.

3.24 (b) The commissioner shall submit a final report by December 31, 2023, to the chairs
3.25 and ranking minority members of the legislative committees with jurisdiction over human
3.26 services finance and policy.

3.27 Sec. 8. **SEXUAL EXPLOITATION AND TRAFFICKING STUDY.**

3.28 (a) The commissioner of health must conduct a prevalence study on youth and adult
3.29 victim survivors of sexual exploitation and trafficking.

4.1 (b) The commissioner shall submit a final report by June 30, 2024, to the chairs and
4.2 ranking minority members of the legislative committees with jurisdiction over human
4.3 services finance and policy.

4.4 Sec. 9. **EMERGENCY SHELTER FACILITIES.**

4.5 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
4.6 the meanings given.

4.7 (b) "Commissioner" means the commissioner of human services.

4.8 (c) "Eligible applicant" means a statutory or home rule charter city, county, Tribal
4.9 government, not-for-profit corporation under section 501(c)(3) of the Internal Revenue
4.10 Code, or housing and redevelopment authority established under Minnesota Statutes, section
4.11 469.003.

4.12 (d) "Emergency shelter facility" or "facility" means a facility that provides a safe, sanitary,
4.13 accessible, and suitable emergency shelter for individuals and families experiencing
4.14 homelessness, regardless of whether the facility provides emergency shelter during the day,
4.15 overnight, or both.

4.16 Subd. 2. **Project criteria.** (a) The commissioner shall prioritize grants under this section
4.17 for projects that improve or expand emergency shelter facility options by:

4.18 (1) adding additional emergency shelter facilities by renovating existing facilities not
4.19 currently operating as emergency shelter facilities;

4.20 (2) adding additional emergency shelter facility beds by renovating existing emergency
4.21 shelter facilities, including major projects that address an accumulation of deferred
4.22 maintenance or repair or replacement of mechanical, electrical, and safety systems and
4.23 components in danger of failure;

4.24 (3) adding additional emergency shelter facility beds through acquisition and construction
4.25 of new emergency shelter facilities; and

4.26 (4) improving the safety, sanitation, accessibility, and habitability of existing emergency
4.27 shelter facilities, including major projects that address an accumulation of deferred
4.28 maintenance or repair or replacement of mechanical, electrical, and safety systems and
4.29 components in danger of failure.

4.30 (b) A grant under this section may be used to pay for 100 percent of total project capital
4.31 expenditures, or a specified project phase, up to \$10,000,000 per project.

5.1 (c) All projects funded with a grant under this section must meet all applicable state and
5.2 local building codes at the time of project completion.

5.3 (d) The commissioner must use a competitive request for proposal process to identify
5.4 potential projects and eligible applicants on a statewide basis.

5.5 **EFFECTIVE DATE.** This section is effective July 1, 2022.

5.6 **ARTICLE 2**

5.7 **APPROPRIATIONS**

5.8 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

5.9 The sums shown in the columns marked "Appropriations" are added to or, if shown in
5.10 parentheses, subtracted from the appropriations in Laws 2021, First Special Session chapter
5.11 7, article 16, to the agencies and for the purposes specified in this article. The appropriations
5.12 are from the general fund or other named fund and are available for the fiscal years indicated
5.13 for each purpose. The figures "2022" and "2023" used in this article mean that the addition
5.14 to or subtraction from the appropriation listed under them is available for the fiscal year
5.15 ending June 30, 2022, or June 30, 2023, respectively. Base adjustments mean the addition
5.16 to or subtraction from the base level adjustment set in Laws 2021, First Special Session
5.17 chapter 7, article 16. Supplemental appropriations and reductions to appropriations for the
5.18 fiscal year ending June 30, 2022, are effective the day following final enactment unless a
5.19 different effective date is explicit.

5.20 **APPROPRIATIONS**

5.21 **Available for the Year**

5.22 **Ending June 30**

5.23 **2022**

2023

5.24 **Sec. 2. COMMISSIONER OF HUMAN**
5.25 **SERVICES**

5.26 **Subdivision 1. Total Appropriation** **\$ 14,000,000 \$ 129,950,000**

5.27 **Appropriations by Fund**

5.28 **2022**

2023

5.29 **General** **14,000,000** **129,950,000**

5.30 **Subd. 2. Grant Programs; Children and**
5.31 **Economic Support Grants**

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49,450,000

6.1 (a) Transitional Housing. \$2,500,000 in fiscal
 6.2 year 2023 is for transitional housing programs
 6.3 under Minnesota Statutes, section 256E.33.

6.4 (b) Shelter-Linked Youth Mental Health
 6.5 Grants. \$1,650,000 in fiscal year 2023 is for
 6.6 shelter-linked youth mental health grants under
 6.7 Minnesota Statutes, section 256K.46.

6.8 (c) Emergency Services Grants. \$35,000,000
 6.9 in fiscal year 2023 is for emergency services
 6.10 grants under Minnesota Statutes, section
 6.11 256E.36. The base for this appropriation is
 6.12 \$25,000,000 in fiscal year 2024 and
 6.13 \$25,000,000 in fiscal year 2025. Grant
 6.14 allocation balances in the first year do not
 6.15 cancel but are available in the second year.

6.16 (d) Homeless Youth Act. \$10,000,000 in
 6.17 fiscal year 2023 is for Homeless Youth Act
 6.18 grants under Minnesota Statutes, section
 6.19 256K.45, subdivision 1. Grant allocation
 6.20 balances in the first year do not cancel but are
 6.21 available in the second year.

6.22 (e) Pregnant and Parenting Homeless Youth
 6.23 Study. \$300,000 in fiscal year 2023 is to fund
 6.24 a study of the prevalence of pregnancy and
 6.25 parenting among homeless youth and youth
 6.26 who are at risk of homelessness. This is a
 6.27 onetime appropriation and is available until
 6.28 June 30, 2024.

6.29 Subd. 3. Safe Harbor Grants -0- 5,500,000

6.30 Safe Harbor Grants. \$5,500,000 in fiscal
 6.31 year 2023 is for safe harbor grants to fund
 6.32 street outreach, emergency shelter, and
 6.33 transitional and long-term housing beds for

7.1 sexually exploited youth and youth at risk of
7.2 exploitation.

7.3 **Subd. 4. Emergency Shelter Facilities** -0- 75,000,000

7.4 **Emergency Shelter Facilities. \$75,000,000**

7.5 in fiscal year 2023 is for grants to eligible
7.6 applicants for the acquisition of property, site
7.7 preparation, including demolition, predesign,
7.8 design, construction, renovation, furnishing,
7.9 and equipping of emergency shelter facilities
7.10 in accordance with emergency shelter facilities
7.11 project criteria in this act. This is a onetime
7.12 appropriation and is available until June 30,
7.13 2025.

7.14 **Subd. 5. Heading Home Ramsey Continuum of**
7.15 **Care** 8,000,000 -0-

7.16 **Heading Home Ramsey Continuum of Care.**

7.17 (a) \$8,000,000 in fiscal year 2022 is for a grant
7.18 to fund and support Heading Home Ramsey
7.19 Continuum of Care. This is a onetime
7.20 appropriation. The grant shall be used for:

7.21 (1) maintaining funding for a 100-bed family
7.22 shelter that had been funded by CARES Act
7.23 money;

7.24 (2) maintaining funding for an existing
7.25 100-bed single room occupancy shelter and
7.26 developing a replacement single-room
7.27 occupancy shelter for housing up to 100 single
7.28 adults; and

7.29 (3) maintaining current day shelter
7.30 programming that had been funded with
7.31 CARES Act money and developing a
7.32 replacement for current day shelter facilities.

8.1 (b) Ramsey County may use up to ten percent
 8.2 of this appropriation for administrative
 8.3 expenses.

8.4 (c) The commissioner shall make available
 8.5 the grant funds under this section by May 1,
 8.6 2022.

8.7 (d) The unencumbered balance in the first year
 8.8 does not cancel but is available until June 30,
 8.9 2025.

8.10 **Subd. 6. Hennepin County Funding for Serving**
 8.11 **Homeless Persons**

6,000,000

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8.12 **Hennepin County Funding for Serving**
 8.13 **Homeless Persons. (a) \$6,000,000 in fiscal**
 8.14 **year 2022 is for a grant to fund and support**
 8.15 **Hennepin County shelters and services for**
 8.16 **persons experiencing homelessness. This is a**
 8.17 **onetime appropriation. Of this appropriation:**

8.18 (1) up to \$4,000,000 in matching grant funding
 8.19 is to design, construct, equip, and furnish
 8.20 Simpson Housing Services shelter facility in
 8.21 the city of Minneapolis; and

8.22 (2) up to \$2,000,000 is to maintain current
 8.23 shelter and homeless response programming
 8.24 that had been funded with federal funding
 8.25 from the CARES Act of the American Rescue
 8.26 Plan Act, including:

8.27 (i) shelter operations and services to maintain
 8.28 services at Avivo Village, including a shelter
 8.29 comprised of 100 private dwellings and the
 8.30 American Indian Community Development
 8.31 Corporation Homeward Bound 50-bed shelter;

8.32 (ii) shelter operations and services to maintain
 8.33 shelter services 24 hours per day, seven days
 8.34 per week;

9.1 (iii) housing-focused case management; and
 9.2 (iv) shelter diversion services.

9.3 (b) Hennepin County may contract with
 9.4 eligible nonprofit organizations and local and
 9.5 Tribal governmental units to provide services
 9.6 under the grant program.

9.7 (c) The unencumbered balance in the first year
 9.8 does not cancel but is available until June 30,
 9.9 2025.

9.10 Sec. 3. **COMMISSIONER OF HEALTH** \$ \$ **2,000,000**

| | | | |
|------|-------------------------------|-------------|------------------|
| 9.11 | <u>Appropriations by Fund</u> | | |
| 9.12 | | <u>2022</u> | <u>2023</u> |
| 9.13 | <u>General</u> | <u>-0-</u> | <u>2,000,000</u> |

9.14 **(a) Sexual Exploitation and Trafficking**
 9.15 **Study.** \$300,000 in fiscal year 2023 is to fund
 9.16 a prevalence study on youth and adult victim
 9.17 survivors of sexual exploitation and
 9.18 trafficking. This is a onetime appropriation
 9.19 and is available until June 30, 2024.

9.20 **(b) Safe Harbor Grants.** \$1,000,000 in fiscal
 9.21 year 2023 is for grants to fund supportive
 9.22 services including but not limited to legal
 9.23 services, mental health therapy, substance use
 9.24 disorder counseling, and case management for
 9.25 sexually exploited youth or youth at risk of
 9.26 sexual exploitation under Minnesota Statutes,
 9.27 section 145.4716.

9.28 **(c) Safe Harbor Regional Navigators.**
 9.29 \$700,000 in fiscal year 2023 is for safe harbor
 9.30 regional navigators under Minnesota Statutes,
 9.31 section 145.4717."

9.32 Delete the title and insert:

10.1 "A bill for an act
 10.2 relating to local government; modifying grant funding and administrative
 10.3 requirements for youth services and transitional housing programs; modifying
 10.4 countable income provisions for recipients of housing support; requiring a study
 10.5 of pregnancy and parenting among homeless youth; authorizing grants to improve
 10.6 or expand emergency shelter facilities; requiring reports; appropriating money;
 10.7 amending Minnesota Statutes 2020, sections 145.4716, by adding a subdivision;
 10.8 256E.33, subdivisions 1, 2; 256I.03, subdivision 7; 256K.45, by adding a
 10.9 subdivision; Laws 2021, First Special Session chapter 8, article 6, section 1,
 10.10 subdivision 7."

10.11 With the recommendation that when so amended the bill be returned to the Committee
 10.12 on Human Services Finance and Policy.

10.13 This Division action taken March 30, 2022

10.14 Chair