

1.1 moves to amend H.F. No. 3982 as follows:

1.2 Page 1, line 17, before the semicolon, insert "as of May 1 of the aid calculation year"

1.3 Page 1, lines 18, delete "exceeds 30 percent" and insert "is 30 percent or more"

1.4 Page 1, line 19, delete "exceed 30 percent" and insert "are 30 percent or more"

1.5 Page 2, line 3, before the semicolon, insert "as of May 1 of the aid calculation year"

1.6 Page 2, after line 13, insert:

1.7 "Subd. 4. Grants to nonqualifying local governments. (a) The commissioner of the
1.8 Minnesota Housing Finance Agency shall establish a program to award grants of at least
1.9 \$25,000 to local governments that do not qualify for a distribution of aid under subdivision
1.10 3. The agency shall develop program guidelines and criteria in consultation with the League
1.11 of Minnesota Cities.

1.12 (b) The agency shall attempt to award grants in approximately equal amounts to local
1.13 governments outside and within the metropolitan area. Among comparable proposals, the
1.14 agency shall prioritize grants to local governments that have a higher proportion of
1.15 cost-burdened households.

1.16 (c) A grantee must use its grant on a qualifying project.

1.17 (d) In making grants, the agency shall determine the circumstances under which and the
1.18 terms and conditions under which all or any portion thereof will be repaid and shall determine
1.19 the appropriate security should repayment be required. Any repaid funds shall be returned
1.20 to the account or accounts established pursuant to paragraph (e).

1.21 (e) The agency shall establish a bookkeeping account or accounts in the housing
1.22 development fund for money distributed to it for grants under this subdivision. By May 1
1.23 of each year, the Minnesota Housing Finance Agency shall report to the Department of
1.24 Revenue on the amount in the account or accounts."

2.1 Page 3, line 2, after the period, insert "If a city or county demonstrates to the Minnesota
2.2 Housing Finance Agency that it cannot expend funds on a qualifying project by the deadline
2.3 imposed by paragraph (b) due to factors outside the control of the city or county, funds shall
2.4 be considered spent on a qualifying project if they are transferred to a local housing trust
2.5 fund. Funds transferred to a local housing trust fund must be spent on a project or household
2.6 meeting the affordability requirements of subdivision 6, paragraph (a)."

2.7 Page 3, line 6, after the period, insert "Prior to computing the amount of aid for counties
2.8 and after receiving the report required by subdivision 4, paragraph (e), the commissioner
2.9 shall transfer from the funds available to counties to the Minnesota Housing Finance Agency
2.10 a sum sufficient to increase the amount in the account or accounts established under that
2.11 paragraph to \$10,000,000."

2.12 Page 3, line 12, after "of" insert "the location of any unspent funds distributed under this
2.13 section and of"

2.14 Page 3, line 13, after the comma, insert "if a city or county failed to spend funds within
2.15 the timeline imposed under subdivision 6, paragraph (b),"

2.16 Page 3, line 15, delete "by January 1" and insert "and the cities and counties that must
2.17 repay funds under paragraph (c) by February 15"

2.18 Page 3, line 16, after "(c)" insert "By May 15 after receiving notice from the Minnesota
2.19 Housing Finance Agency,"

2.20 Page 3, line 21, delete "may" and insert "must"

2.21 Page 3, delete line 22 and insert "has been reported by the Minnesota Housing Finance
2.22 Agency to have, in three consecutive years, failed to use funds, misused funds, or failed to
2.23 report on its use of funds."

2.24 Page 3, before line 23, insert:

2.25 "(e) The commissioner may resume distributing funds to any city or county to which it
2.26 has stopped payments once the Minnesota Housing Finance Agency certifies that the city
2.27 or county has submitted documentation of plans for a qualifying project."

2.28 Page 3, line 23, delete "(e)" and insert "(f) By May 1,"

2.29 Page 3, line 25, after the period, insert "By May 1,"

2.30 Page 3, after line 27, insert:

3.1 "Subd. 7 **County consultation with local governments.** A county that receives funding
3.2 under this section shall regularly consult with the local governments in the jurisdictions of
3.3 which its qualifying projects are planned or located."

3.4 Renumber the subdivisions in sequence and correct the internal references

3.5 Page 3, after line 32, insert:

3.6 "(c) \$..... is annually appropriated from the general fund to the commissioner of revenue
3.7 to implement this section.

3.8 (d) \$..... is annually appropriated from the general fund to the commissioner of the
3.9 Minnesota Housing Finance Agency to implement this section."