

**Subject** Workforce and affordable homeownership development program

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## Overview

This bill expands the scope of the workforce and affordable homeownership development program to include loans as well as grants, and to include cities and tribal governments as well as nonprofits, cooperatives, and community land trusts.

It creates an account for the program and provides a source of funding for the program – the amount of the increase collected from mortgage registry and deed taxes in one year compared to the previous year.

## Summary

Section	Description
1	<p><b>Workforce and affordable homeownership development program.</b></p> <p><b>Subd. 1. Establishment.</b> Expands the scope of the program to include loans as well as grants, and to include cities and tribal governments as well as nonprofits, cooperatives, and community land trusts.</p> <p><b>Subd. 2. Use of funds.</b> Conforming change to add loans.</p> <p><b>Subd. 3. Application.</b> Conforming change to add loans.</p> <p><b>Subd. 4. Awarding grants and loans.</b> Conforming change to add loans.</p> <p><b>Subd. 5. Statewide program.</b> Conforming change to add loans. Also defines “metropolitan area” by cross-reference to the definition for the seven-county metropolitan area.</p> <p><b>Subd. 6. Report.</b> Conforming change to add loans to the report content beginning in 2020.</p> <p><b>Subd. 7. Workforce and affordable homeownership development account.</b> Establishes the account in the housing development fund and specifies that the money in the account is to “supplement traditional sources of funding for this purpose and must not be used as a substitute or to pay debt service on bonds.”</p>

Section	Description
	<p><b>Subd. 8. Deposits; determination of funding amount.</b> By September 15 of each fiscal year, 2020 to 2030, the commissioner of revenue must deposit into the workforce and affordable homeownership account an amount equal to the difference between the proceeds of the mortgage registry and deed taxes collected in the year compared to the previous year. The increment must not be less than \$0.</p>
	<p>Loan repayments are deposited into the workforce and affordable homeownership development account in the housing development fund.</p>
	<p>Effective July 1, 2019.</p>



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