

1.1 Senator moves to amend S.F. No. 11 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2022, section 462A.05, is amended by adding a subdivision
1.4 to read:

1.5 Subd. 42. **Rent assistance program.** The agency may administer the rent assistance
1.6 program established in section 462A.2095.

1.7 Sec. 2. [462A.2095] **RENT ASSISTANCE PROGRAM.**

1.8 Subdivision 1. **Program established.** The state rent assistance account is established
1.9 as a separate account in the housing development fund. Money in the account is appropriated
1.10 to the agency for grants to program administrators for the purposes specified in this section.

1.11 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
1.12 meanings given them.

1.13 (b) "Eligible household" means a household with an annual income of up to 50 percent
1.14 of the area median income as determined by the United States Department of Housing and
1.15 Urban Development, adjusted for family size, that is paying more than 30 percent of the
1.16 household's annual income on rent. Eligibility is determined at the time a household first
1.17 receives rent assistance under this section. Eligibility shall be recertified every year thereafter.
1.18 Eligible household does not include a household receiving federal tenant-based or
1.19 project-based assistance under Section 8 of the United States Housing Act of 1937, as
1.20 amended.

1.21 (c) "Program administrator" means:

1.22 (1) a housing and redevelopment authority or other local government agency or authority
1.23 that administers federal tenant-based or project-based assistance under Section 8 of the
1.24 United States Housing Act of 1937, as amended;

1.25 (2) a tribal government or tribal housing authority; or

1.26 (3) if the local housing authority, tribal government, or tribal housing authority declines
1.27 to administer the program established in this section, a nongovernmental organization
1.28 determined by the agency to have the capacity to administer the program.

1.29 Subd. 3. **Grants to program administrators.** (a) The agency may make grants to
1.30 program administrators to provide rental assistance for eligible households. For both
1.31 tenant-based and project-based assistance, program administrators shall pay assistance

2.1 directly to housing providers. Rental assistance may be provided in the form of tenant-based
2.2 assistance or project-based assistance. To the extent practicable, the agency must make
2.3 grants statewide in proportion to the number of households eligible for assistance in each
2.4 county according to the most recent American Community Survey of the United States
2.5 Census Bureau.

2.6 (b) The program administrator may use its existing procedures to administer the rent
2.7 assistance program or may develop alternative procedures with the goals of reaching
2.8 households most in need and incentivizing landlord participation. The agency must approve
2.9 a program administrator's alternative procedures.

2.10 Subd. 4. **Amount of rent assistance.** A program administrator may provide tenant-based
2.11 or project-based vouchers in amounts equal to the difference between 30 percent of household
2.12 income and the rent charged, plus an allowance for utilities if not included in rent. A program
2.13 administrator may not provide assistance that is more than the difference between 30 percent
2.14 of the tenant's gross income and 120 percent of the payment standard, plus utilities, as
2.15 established by the local public housing authority, unless otherwise authorized by the agency.

2.16 Subd. 5. **Administrative fees.** The agency shall consult with public housing authorities
2.17 to determine the amount of administrative fees to pay to program administrators.

2.18 Subd. 6. **Rent assistance not income.** (a) Rent assistance grant money under this section
2.19 is excluded from income as defined in sections 290.0674, subdivision 2a, and 290A.03,
2.20 subdivision 2.

2.21 (b) Notwithstanding any law to the contrary, payments under this section must not be
2.22 considered income, assets, or personal property for purposes of determining eligibility or
2.23 recertifying eligibility for state public assistance, including but not limited to:

2.24 (1) child care assistance programs under chapter 119B;

2.25 (2) general assistance, Minnesota supplemental aid, and food support under chapter
2.26 256D;

2.27 (3) housing support under chapter 256I;

2.28 (4) Minnesota family investment program and diversionary work program under chapter
2.29 256J; and

2.30 (5) economic assistance programs under chapter 256P.

2.31 (c) The commissioner of human services must not consider rent assistance grant money
2.32 under this section as income or assets under section 256B.056, subdivision 1a, paragraph

3.1 (a); subdivision 3; or subdivision 3c, or for persons with eligibility determined under section
3.2 256B.057, subdivision 3, 3a, or 3b.

3.3 Subd. 7. **Oversight.** The agency may direct program administrators to comply with
3.4 applicable sections of Code of Federal Regulations, title 24, part 982.

3.5 Sec. 3. **APPROPRIATION; RENT ASSISTANCE.**

3.6 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general
3.7 fund to the Minnesota Housing Finance Agency for transfer to the housing development
3.8 fund for the purposes of Minnesota Statutes, section 462A.2095."

3.9 Amend the title accordingly