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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **2241**

March 19, 2007

Authored by Clark

The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to appropriations; appropriating money for health and human services  
1.3 for certain programs and grants; appropriating money to the Minnesota Housing  
1.4 Finance Agency.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 ARTICLE 1  
1.7 HUMAN SERVICES APPROPRIATIONS

1.8 Section 1. SUMMARY OF APPROPRIATIONS.

1.9 The amounts shown in this section summarize direct appropriations, by fund, made  
1.10 in this article.

		<u>2008</u>		<u>2009</u>		<u>Total</u>
1.11						
1.12	<u>General</u>	\$	<u>17,933,000</u>	\$	<u>17,433,000</u>	\$ <u>35,633,000</u>
1.13	<u>Total</u>	\$	<u>17,933,000</u>	\$	<u>17,433,000</u>	\$ <u>35,633,000</u>

1.14 Sec. 2. HEALTH AND HUMAN SERVICES APPROPRIATIONS.

1.15 The sums shown in the columns marked "Appropriations" are appropriated to the  
1.16 agencies and for the purposes specified in this article. The appropriations are from the  
1.17 general fund, or another named fund, and are available for the fiscal years indicated  
1.18 for each purpose. The figures "2008" and "2009" used in this article mean that the  
1.19 appropriations listed under them are available for the fiscal year ending June 30, 2008, or  
1.20 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal  
1.21 year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal  
1.22 year ending June 30, 2007, are effective the day following final enactment.

2.1 **APPROPRIATIONS**  
 2.2 **Available for the Year**  
 2.3 **Ending June 30**  
 2.4 **2008                      2009**

2.5 **Sec. 3. HUMAN SERVICES**

2.6 **Subdivision 1. Total Appropriation                      \$        17,933,000 \$        17,433,000**

2.7 **Subd. 2. Other Children and Economic**  
2.8 **Assistance Grants**

2.9	<u>Appropriations by Fund</u>	
2.10	<u>2008</u>	<u>2009</u>
2.11	<u>General</u>	<u>17,933,000</u> <u>17,433,000</u>

2.12 **ARTICLE 2**

2.13 **DEPARTMENT OF HEALTH APPROPRIATIONS**

2.14 **Section 1. SUMMARY OF APPROPRIATIONS.**

2.15 The amounts shown in this section summarize direct appropriations, by fund, made  
2.16 in this article.

2.17 **Subdivision 1. Total Appropriation                      \$        122,359,000 \$        121,650,000**

2.18	<u>Appropriations by Fund</u>	
2.19	<u>2008</u>	<u>2009</u>
2.20	<u>General</u>	<u>80,862,000</u> <u>76,013,000</u>
2.21	<u>State Government</u>	
2.22	<u>Special Revenue</u>	<u>26,433,000</u> <u>27,145,000</u>
2.23	<u>Health Care Access</u>	<u>6,299,000</u> <u>6,492,000</u>
2.24	<u>Federal TANF</u>	<u>9,000,000</u> <u>12,000,000</u>

2.25 **Sec. 2. DEPARTMENT OF HEALTH APPROPRIATIONS.**

2.26 The sums shown in the columns marked "Appropriations" are appropriated to the  
2.27 agencies and for the purposes specified in this article. The appropriations are from the  
2.28 general fund, or another named fund, and are available for the fiscal years indicated  
2.29 for each purpose. The figures "2008" and "2009" used in this article mean that the  
2.30 appropriations listed under them are available for the fiscal year ending June 30, 2008, or  
2.31 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal  
2.32 year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal  
2.33 year ending June 30, 2007, are effective the day following final enactment.

3.1 **Sec. 3. COMMISSIONER OF HEALTH**

3.2 **Subdivision 1. Total Appropriation** \$ **122,359,000** \$ **121,650,000**

3.3 Appropriations by Fund

3.4	<u>2008</u>	<u>2009</u>	
3.5	<u>General</u>	<u>80,862,000</u>	<u>76,013,000</u>
3.6	<u>State Government</u>		
3.7	<u>Special Revenue</u>	<u>26,433,000</u>	<u>27,145,000</u>
3.8	<u>Health Care Access</u>	<u>6,299,000</u>	<u>6,492,000</u>
3.9	<u>Federal TANF</u>	<u>9,000,000</u>	<u>12,000,000</u>

3.10 **Subd. 2. Community and Family Health**  
3.11 **Promotion**

3.12 Appropriations by Fund

3.13	<u>General</u>	<u>43,883,000</u>	<u>43,983,000</u>
3.14	<u>State Government</u>		
3.15	<u>Special Revenue</u>	<u>468,000</u>	<u>471,000</u>
3.16	<u>Health Care Access</u>	<u>4,299,000</u>	<u>4,492,000</u>
3.17	<u>Federal TANF</u>	<u>6,317,000</u>	<u>9,002,000</u>

3.18 **TANF Appropriations.** \$5,817,000 of the  
3.19 TANF funds in the first year and \$8,502,000  
3.20 in the second year are appropriated to  
3.21 the commissioner for home visiting and  
3.22 nutritional services listed under Minnesota  
3.23 Statutes, section 145.882, subdivision 7,  
3.24 clauses (6) and (7). Funding shall be  
3.25 distributed to community health boards based  
3.26 on Minnesota Statutes, section 145A.131,  
3.27 subdivision 1.

3.28 **MN ENABL.** \$500,000 of the TANF  
3.29 funds each fiscal year is appropriated to the  
3.30 commissioner for abstinence education under  
3.31 Minnesota Statutes, section 145.9255.

3.32 **Loan Forgiveness.** Of the health care access  
3.33 fund appropriation, \$760,000 the first year  
3.34 and \$930,000 the second year and thereafter  
3.35 are for the loan forgiveness program under  
3.36 Minnesota Statutes, section 144.1501. This  
4.1 funding is in addition to the loan forgiveness  
4.2 program health care access fund base.

4.3 **Fetal Alcohol Spectrum Disorder. (a)**

4.4 On July 1 each fiscal year, the portion  
4.5 of the general fund appropriation to the  
4.6 commissioner of health for fetal alcohol  
4.7 spectrum disorder administration and  
4.8 grants shall be transferred to a statewide  
4.9 organization that focuses solely on  
4.10 prevention of and intervention with fetal  
4.11 alcohol spectrum disorder as follows:

- 4.12 (1) on July 1, 2007, \$2,090,000; and
- 4.13 (2) on July 2, 2008, and annually thereafter,
- 4.14 \$2,090,000.

4.15 (b) The money shall be used for prevention  
4.16 and intervention services and programs,  
4.17 including, but not limited to, community  
4.18 grants, professional education, public  
4.19 awareness, and diagnosis. The organization  
4.20 may retain \$60,000 of the transferred money  
4.21 for administrative costs. The organization  
4.22 shall report to the commissioner annually  
4.23 by January 15 on the services and programs  
4.24 funded by the appropriation.

4.25 **Subd. 3. Health Protection**

4.26	<u>Appropriations by Fund</u>	
4.27	<u>General</u>	<u>22,705,000</u>
4.28	<u>State Government</u>	<u>17,831,000</u>
4.29	<u>Special Revenue</u>	<u>25,965,000</u>
		<u>26,674,000</u>

4.30 **Pandemic Influenza Preparedness. Of**  
4.31 the general fund appropriation to the  
4.32 commissioner, \$12,375,000 in fiscal year  
4.33 2008 and \$7,375,000 in fiscal year 2009 are  
4.34 for preparation, planning, and response to a  
4.35 pandemic influenza outbreak.

- 5.1 (1) Of the fiscal year 2008 appropriation,
- 5.2 \$5,000,000 is to purchase antiviral

5.3 medications; \$5,000,000 is to prepare and  
 5.4 manage a stockpile of health care supplies;  
 5.5 \$1,375,000 is for department activities of  
 5.6 epidemiology, laboratory services, exercises,  
 5.7 and planning; and \$1,000,000 is for grants to  
 5.8 local public health and tribal governments  
 5.9 for planning, exercises, and preparedness for  
 5.10 pandemic influenza.

5.11 (2) Of the fiscal year 2009 appropriation,  
 5.12 \$5,000,000 is to prepare and manage a  
 5.13 stockpile of health care supplies; \$1,375,000  
 5.14 is for department activities of epidemiology,  
 5.15 laboratory services, exercises, and planning;  
 5.16 and \$1,000,000 is for grants to local public  
 5.17 health and tribal governments for planning,  
 5.18 exercises, and preparedness for pandemic  
 5.19 influenza.

5.20 (3) Base funding for the 2010-2011 biennium  
 5.21 is \$4,375,000 each fiscal year.

5.22 **Subd. 4. Minority and Multicultural Health**

5.23	<u>Appropriations by Fund</u>		
5.24	<u>General</u>	<u>4,992,000</u>	<u>5,002,000</u>
5.25	<u>Federal TANF</u>	<u>2,683,000</u>	<u>2,998,000</u>

5.26 **TANF Appropriations.** \$2,683,000 of the  
 5.27 TANF funds in the first year and \$2,998,000  
 5.28 in the second year are appropriated to  
 5.29 the commissioner for home visiting and  
 5.30 nutritional services listed under Minnesota  
 5.31 Statutes, section 145.882, subdivision 7,  
 5.32 clauses (6) and (7). Funding shall be  
 5.33 distributed to tribal governments based  
 5.34 on Minnesota Statutes, section 145A.14,  
 5.35 subdivision 2, paragraph (b).

6.1 **Subd. 5. Administrative Support Services**

6.2	<u>Appropriations by Fund</u>		
6.3	<u>General</u>	<u>9,047,000</u>	<u>9,197,000</u>
6.4	<u>Health Care Access</u>	<u>2,000,000</u>	<u>2,000,000</u>

6.5 **Disease Surveillance.** Of the health care  
6.6 access fund appropriation, \$2,000,000  
6.7 each fiscal year is for redesigning and  
6.8 implementing coordinated and modern  
6.9 disease surveillance systems for the  
6.10 department. Base level funding for the  
6.11 2012-2013 biennium will be \$600,000 each  
6.12 fiscal year for maintaining and operating the  
6.13 systems.

6.14	Sec. 4. <b><u>VETERANS NURSING HOMES</u></b>			
6.15	<b><u>BOARD</u></b>	<u>\$</u>	<u>44,124,000</u>	<u>\$ 46,244,000</u>

6.16 **Repair and Betterment.** Of this  
6.17 appropriation, \$4,000,000 in fiscal year  
6.18 2008 and \$4,000,000 in fiscal year 2009  
6.19 are to be used for repair, maintenance,  
6.20 rehabilitation, and betterment activities at  
6.21 facilities statewide.

6.22 **Base Adjustment.** The general fund base is  
6.23 decreased by \$2,000,000 in fiscal year 2010  
6.24 and \$2,000,000 in fiscal year 2011.

6.25 Sec. 5. **HEALTH-RELATED BOARDS**

6.26	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$</u>	<u>14,654,000</u>	<u>\$ 14,527,000</u>
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6.27	<u>Subd. 2. <b>Board of Chiropractic Examiners</b></u>		<u>450,000</u>	<u>447,000</u>
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6.28	<u>Subd. 3. <b>Board of Dentistry</b></u>		<u>987,000</u>	<u>1,009,000</u>
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6.29	<u>Subd. 4. <b>Board of Dietetic and Nutrition</b></u>			
6.30	<u><b>Practice</b></u>		<u>103,000</u>	<u>119,000</u>

6.31 **Base Adjustment.** Of this appropriation in  
6.32 fiscal year 2009, \$14,000 is onetime.

7.1	<u>Subd. 5. <b>Board of Marriage and Family</b></u>			
7.2	<u><b>Therapy</b></u>		<u>134,000</u>	<u>154,000</u>

7.3	<b><u>Base Adjustment.</u></b> Of this appropriation in		
7.4	<u>fiscal year 2009, \$17,000 is onetime.</u>		
7.5	<b><u>Subd. 6. Board of Medical Practice</u></b>	<u>4,120,000</u>	<u>3,674,000</u>
7.6	<b><u>Subd. 7. Board of Nursing</u></b>	<u>3,985,000</u>	<u>4,146,000</u>
7.7	<b><u>Subd. 8. Board of Nursing Home</u></b>		
7.8	<b><u>Administrators</u></b>	<u>633,000</u>	<u>647,000</u>
7.9	<b><u>Administrative Services Unit.</u></b> Of this		
7.10	<u>appropriation, \$430,000 in fiscal year</u>		
7.11	<u>2008 and \$439,000 in fiscal year 2009 are</u>		
7.12	<u>for the administrative services unit. The</u>		
7.13	<u>administrative services unit may receive</u>		
7.14	<u>and expend reimbursements for services</u>		
7.15	<u>performed by other agencies.</u>		
7.16	<b><u>Subd. 9. Board of Optometry</u></b>	<u>98,000</u>	<u>114,000</u>
7.17	<b><u>Base Adjustment.</u></b> Of this appropriation in		
7.18	<u>fiscal year 2009, \$13,000 is onetime.</u>		
7.19	<b><u>Subd. 10. Board of Pharmacy</u></b>	<u>1,375,000</u>	<u>1,442,000</u>
7.20	<b><u>Base Adjustment.</u></b> Of this appropriation in		
7.21	<u>fiscal year 2009, \$29,000 is onetime.</u>		
7.22	<b><u>Subd. 11. Board of Physical Therapy</u></b>	<u>306,000</u>	<u>295,000</u>
7.23	<b><u>Subd. 12. Board of Podiatry</u></b>	<u>54,000</u>	<u>63,000</u>
7.24	<b><u>Base Adjustment.</u></b> Of this appropriation in		
7.25	<u>fiscal year 2009, \$7,000 is onetime.</u>		
7.26	<b><u>Subd. 13. Board of Psychology</u></b>	<u>788,000</u>	<u>806,000</u>
7.27	<b><u>Subd. 14. Board of Social Work</u></b>	<u>997,000</u>	<u>1,022,000</u>
7.28	<b><u>Subd. 15. Board of Veterinary Medicine</u></b>	<u>230,000</u>	<u>195,000</u>
7.29	<b><u>Subd. 16. Board of Behavioral Health and</u></b>		
7.30	<b><u>Therapy</u></b>	<u>394,000</u>	<u>394,000</u>
7.31	<b><u>Sec. 6. EMERGENCY MEDICAL SERVICES</u></b>		
7.32	<b><u>BOARD</u></b>	<u>\$ 4,220,000</u>	<u>\$ 4,264,000</u>

8.1	<u>Appropriations by Fund</u>	
8.2	<u>2008</u>	<u>2009</u>



9.3  
9.4

**Ending June 30**  
**2008**                      **2009**

9.5    **Sec. 3. HOUSING FINANCE AGENCY**

9.6    **Subdivision 1. Total Appropriation**                      **\$**                      **.....** **\$**                      **.....**

9.7    This appropriation is for transfer to the  
9.8    housing development fund. The amounts  
9.9    that may be spent from this appropriation  
9.10    for certain programs are specified in the  
9.11    following subdivisions. Except as otherwise  
9.12    indicated, this transfer is part of the agency's  
9.13    permanent budget base.

9.14    **Subd. 2. Economic Development and Housing**  
9.15    **Challenge**

9.16    (a) \$25,907,000 the first year and  
9.17    \$10,907,000 the second year are for  
9.18    the economic development and housing  
9.19    challenge program under Minnesota Statutes,  
9.20    section 462A.33, for housing that:

9.21    (i) conserves energy and utilizes sustainable,  
9.22    healthy building materials;

9.23    (ii) preserves sensitive natural areas and  
9.24    open spaces and minimizes the need for new  
9.25    infrastructure;

9.26    (iii) is accessible to jobs and services through  
9.27    integration with transportation or transit  
9.28    systems; and

9.29    (iv) expands the mix of housing choices in  
9.30    a community by diversifying the levels of  
9.31    housing affordability.

9.32    The agency may fund demonstration projects  
9.33    that have unique approaches to achieving the  
9.34    housing described above.

10.1    (b) \$1,285,000 the first year and \$1,285,000  
10.2    the second year shall be made available

10.3 during the first eight months of the fiscal  
10.4 year exclusively for housing projects for  
10.5 American Indians. Any funds not committed  
10.6 to housing projects for American Indians in  
10.7 the first eight months of the fiscal year shall  
10.8 be available for any eligible activity under  
10.9 Minnesota Statutes, section 462A.33.

10.10 (c) Of this amount, \$15,000,000 the first year  
10.11 is a onetime appropriation.

10.12 **Subd. 3. Housing Trust Fund**

10.13 \$13,555,000 the first year and \$8,555,000  
10.14 the second year are for the housing trust fund  
10.15 account created under Minnesota Statutes,  
10.16 section 462A.201, for the purposes of that  
10.17 section. Of this amount, \$5,000,000 the first  
10.18 year is a onetime appropriation.

10.19 **Subd. 4. Rental Assistance for Mentally Ill**

10.20 \$2,638,000 the first year and \$2,638,000  
10.21 the second year are for a rental housing  
10.22 assistance program for persons with a mental  
10.23 illness or families with an adult member with  
10.24 a mental illness under Minnesota Statutes,  
10.25 section 462A.2097.

10.26 **Subd. 5. Family Homeless Prevention**

10.27 \$7,465,000 the first year and \$7,465,000  
10.28 the second year are for family homeless  
10.29 prevention and assistance programs under  
10.30 Minnesota Statutes, section 462A.204.

10.31 **Subd. 6. Home Ownership Assistance Fund**

10.32 \$885,000 the first year and \$885,000 the  
10.33 second year are for the home ownership  
11.1 assistance program under Minnesota  
11.2 Statutes, section 462A.21, subdivision 8.

11.3 **Subd. 7. Affordable Rental Investment Fund**

11.4 \$11,496,000 the first year and \$8,996,000  
11.5 the second year are for the affordable rental  
11.6 investment fund program under Minnesota  
11.7 Statutes, section 462A.21, subdivision 8b.  
11.8 Of this amount, \$2,500,000 the first year is a  
11.9 onetime appropriation.

11.10 This appropriation is to finance the  
11.11 acquisition, rehabilitation, and debt  
11.12 restructuring of federally assisted rental  
11.13 property and for making equity take-out loans  
11.14 under Minnesota Statutes, section 462A.05,  
11.15 subdivision 39. The owner of the federally  
11.16 assisted rental property must agree to  
11.17 participate in the applicable federally assisted  
11.18 housing program and to extend any existing  
11.19 low-income affordability restrictions on the  
11.20 housing for the maximum term permitted.

11.21 The owner must also enter into an agreement  
11.22 that gives local units of government,  
11.23 housing and redevelopment authorities,  
11.24 and nonprofit housing organizations the  
11.25 right of first refusal if the rental property  
11.26 is offered for sale. Priority must be given  
11.27 among comparable federally assisted rental  
11.28 properties to properties with the longest  
11.29 remaining term under an agreement for  
11.30 federal rental assistance. Priority must also  
11.31 be given among comparable rental housing  
11.32 developments to developments that are or  
11.33 will be owned by local government units, a  
11.34 housing and redevelopment authority, or a  
11.35 nonprofit housing organization.

12.1 This appropriation may also be used to  
12.2 finance the acquisition, rehabilitation, and

12.3 debt restructuring of existing supportive  
 12.4 housing properties. For purposes of this  
 12.5 subdivision, "supportive housing" means  
 12.6 affordable rental housing with links to  
 12.7 services necessary for individuals, youth, and  
 12.8 families with children to maintain housing  
 12.9 stability.

12.10 Of this amount, \$2,500,000 is appropriated  
 12.11 for the purposes of financing the  
 12.12 rehabilitation and operating costs to preserve  
 12.13 public housing. For purposes of this  
 12.14 subdivision, "public housing" is housing for  
 12.15 low-income persons and households financed  
 12.16 by the federal government and owned and  
 12.17 operated by public housing authorities and  
 12.18 agencies. Eligible public housing authorities  
 12.19 must have a public housing assessment  
 12.20 system rating of standard or above. Priority  
 12.21 among comparable proposals must be given  
 12.22 to proposals that maximize federal or local  
 12.23 resources to finance the capital and operating  
 12.24 costs.

12.25 **Subd. 8. Housing Rehabilitation and**  
 12.26 **Accessibility**

12.27 \$5,815,000 the first year and \$4,130,000 the  
 12.28 second year are for the housing rehabilitation  
 12.29 and accessibility program under Minnesota  
 12.30 Statutes, section 462A.05, subdivisions 14a  
 12.31 and 15a. Of this amount, \$1,685,000 the first  
 12.32 year is a onetime appropriation.

12.33 **Subd. 9. Home Ownership Education,**  
 12.34 **Counseling, and Training**

12.35 \$1,495,000 the first year and \$865,000  
 12.36 the second year are appropriated for the  
 13.1 home ownership education, counseling, and  
 13.2 training program under Minnesota Statutes,

- 13.3 section 462A.209. Of this amount, \$630,000  
13.4 the first year is a onetime appropriation to  
13.5 be used for:  
13.6 (1) foreclosure prevention and assistance  
13.7 activities in communities that have mortgage  
13.8 foreclosure rates that exceed the statewide  
13.9 average foreclosure rate for the most recent  
13.10 quarter for which data is available; and  
13.11 (2) home buyer education and counseling  
13.12 activities by organizations that have  
13.13 experience working with emerging markets  
13.14 or partner with organizations with experience  
13.15 working with emerging markets and that have  
13.16 demonstrated a commitment to increasing the  
13.17 homeownership rate of emerging markets.  
13.18 **Subd. 10. Capacity Building Grants**  
13.19 \$340,000 the first year and \$340,000 the  
13.20 second year are for nonprofit capacity  
13.21 building grants under Minnesota Statutes,  
13.22 section 462A.21, subdivision 3b.