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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 3230**

February 19, 2008

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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 housing finance; amending the purposes for certain flood disaster  
1.3 appropriations.

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

1.5 Section 1. **DISTRIBUTION OF ECONOMIC DEVELOPMENT AND HOUSING**  
1.6 **CHALLENGE APPROPRIATION.**

1.7 Notwithstanding any contrary provisions in law or rule, any balance of the  
1.8 appropriation made to the Minnesota Housing Finance Agency by Laws 2007, First  
1.9 Special Session chapter 2, section 9, subdivision 2, that remains unencumbered as of  
1.10 the effective date of this act, together with any funds that may be transferred to the  
1.11 Minnesota Housing Finance Agency by interagency agreement pursuant to Laws 2007,  
1.12 First Special Session chapter 2, section 2, subdivision 1, shall be used for disaster housing  
1.13 assistance grants for flood damaged owner-occupied single family homes located in the  
1.14 area of southeast Minnesota designated under Presidential Declaration of Major Disaster,  
1.15 DR-1717. Housing assistance grants made under this section shall be made without regard  
1.16 to a homeowner's income, assets, or any other form of financial qualification. These  
1.17 disaster assistance housing grants shall be made in proportion to the homeowners' relative  
1.18 levels of disaster-related damage, less any Federal Emergency Management Agency  
1.19 grants that a homeowner may have received. Federal Small Business Administration  
1.20 (SBA) loans, private loans, or other loans obtained by a homeowner shall not affect  
1.21 a homeowner's qualification for these grants. No grants under this section shall be  
1.22 made to homeowners who have already received loans through the Minnesota Housing  
1.23 Finance Agency's Quick-Start program. Grant payments for homeowners who hold SBA

2.1 disaster loans shall be made directly to the SBA in repayment of such loans. Any balance  
2.2 remaining after such loans are paid in full will be paid to the homeowner.

2.3 Sec. 2. **EFFECTIVE DATE.**

2.4 Section 1 is effective the day following final enactment.