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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 444

- 01/17/2023 Authored by Keeler, Gomez, Noor, Pinto, Reyer and others
- 01/23/2023 The bill was read for the first time and referred to the Committee on Human Services Finance
- 01/26/2023 Adoption of Report: Amended and re-referred to the Committee on Children and Families Finance and Policy
- 02/08/2023 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- Adoption of Report: Placed on the General Register
- Read for the Second Time

1.1 A bill for an act

1.2 relating to human services; modifying the Homeless Youth Act; appropriating

1.3 money; amending Minnesota Statutes 2022, section 256K.45, by adding a

1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2022, section 256K.45, is amended by adding a subdivision

1.7 to read:

1.8 Subd. 8. Awarding of grants. For grants awarded pursuant to a two-year grant contract,

1.9 the commissioner shall permit grant recipients to carry over any unexpended amount from

1.10 the first contract year to the second contract year.

1.11 Sec. 2. TITLE.

1.12 This act shall be known as the "Pathway Home Act."

1.13 Sec. 3. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS.

1.14 Subdivision 1. Emergency services grants. \$20,000,000 in fiscal year 2024 and

1.15 \$20,000,000 in fiscal year 2025 are appropriated from the general fund to the commissioner

1.16 of human services to provide emergency services grants under Minnesota Statutes, section

1.17 256E.36. Grant allocation balances in the first year do not cancel but are available in the

1.18 second year. The base appropriation for this purpose is \$35,000,000 in fiscal year 2026 and

1.19 \$35,000,000 in fiscal year 2027.

1.20 Subd. 2. Homeless Management Information System. \$250,000 in fiscal year 2024

1.21 and \$1,000,000 in fiscal year 2025 are appropriated from the general fund to the

2.1 commissioner of human services to assist with the ongoing maintenance and improvement
2.2 of the Homeless Management Information System (HMIS). The base appropriation for this
2.3 purpose is \$1,140,000 in fiscal year 2026 and \$1,140,000 in fiscal year 2027.

2.4 Subd. 3. **Homeless Youth Act grants.** \$12,500,000 in fiscal year 2024 and \$12,500,000
2.5 in fiscal year 2025 are appropriated from the general fund to the commissioner of human
2.6 services for the grants under Minnesota Statutes, section 256K.45, subdivision 1. This
2.7 appropriation is available until June 30, 2027. The base appropriation for this purpose is
2.8 \$20,000,000 in fiscal year 2026 and \$20,000,000 in fiscal year 2027.

2.9 Subd. 4. **Homeless youth; chosen family grants.** \$2,000,000 in fiscal year 2024 is
2.10 appropriated from the general fund to the commissioner of human services for grants to
2.11 providers serving homeless youth and youth at risk of homelessness in Minnesota to establish
2.12 or expand services that formalize situations where a caring adult whom a youth considers
2.13 chosen family allows the youth to stay at the adult's residence to avoid being homeless. This
2.14 is a onetime appropriation and is available until June 30, 2025.

2.15 Subd. 5. **Transitional housing programs.** \$4,500,000 in fiscal year 2024 and \$4,500,000
2.16 in fiscal year 2025 are appropriated from the general fund to the commissioner of human
2.17 services for transitional housing programs under Minnesota Statutes, section 256E.33.

2.18 Subd. 6. **Human services operations.** \$1,204,422 in fiscal year 2024 and \$1,392,968
2.19 in fiscal year 2025 are appropriated from the general fund to the commissioner of human
2.20 services for staffing costs related to the administration of grants in subdivisions 1 and 3 to
2.21 5. The general fund base for this appropriation is \$1,392,968 in fiscal year 2026 and
2.22 \$1,392,968 in fiscal year 2027.

2.23 Sec. 4. **EMERGENCY SHELTER FACILITIES.**

2.24 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
2.25 the meanings given.

2.26 (b) "Commissioner" means the commissioner of human services.

2.27 (c) "Eligible applicant" means a statutory or home rule charter city, county, Tribal
2.28 government, not-for-profit corporation under section 501(c)(3) of the Internal Revenue
2.29 Code, or housing and redevelopment authority established under Minnesota Statutes, section
2.30 469.003.

2.31 (d) "Emergency shelter facility" or "facility" means a facility that provides a safe, sanitary,
2.32 accessible, and suitable emergency shelter for individuals and families experiencing

3.1 homelessness, regardless of whether the facility provides emergency shelter during the day,
3.2 overnight, or both.

3.3 Subd. 2. **Appropriation.** (a) \$150,000,000 in fiscal year 2024 is appropriated from the
3.4 general fund to the commissioner for grants to eligible applicants for the acquisition of
3.5 property; site preparation, including demolition; predesign; design; construction; renovation;
3.6 furnishing; and equipping of emergency shelter facilities in accordance with subdivision 3.

3.7 (b) \$397,633 in fiscal year 2024 and \$800,824 in fiscal year 2025 are appropriated from
3.8 the general fund to the commissioner of human services for staffing costs related to the
3.9 administration of emergency shelter facilities grants in this section. The general fund base
3.10 for this appropriation is \$765,336 in fiscal year 2026, \$306,134 in fiscal year 2027, \$306,134
3.11 in fiscal year 2028, and \$0 in fiscal year 2029.

3.12 (c) Of the amount in paragraph (a), notwithstanding subdivision 3, up to \$4,000,000 is
3.13 to design, construct, equip, and furnish the Simpson Housing Services shelter facility in the
3.14 city of Minneapolis.

3.15 Subd. 3. **Project criteria.** (a) The commissioner shall prioritize grants under this section
3.16 for projects that improve or expand emergency shelter facility options by:

3.17 (1) adding additional emergency shelter facilities by renovating existing facilities not
3.18 currently operating as emergency shelter facilities;

3.19 (2) adding additional emergency shelter facility beds by renovating existing emergency
3.20 shelter facilities, including major projects that address an accumulation of deferred
3.21 maintenance or repair or replacement of mechanical, electrical, and safety systems and
3.22 components in danger of failure;

3.23 (3) adding additional emergency shelter facility beds through acquisition and construction
3.24 of new emergency shelter facilities;

3.25 (4) improving the safety, sanitation, accessibility, and habitability of existing emergency
3.26 shelter facilities, including major projects that address an accumulation of deferred
3.27 maintenance or repair or replacement of mechanical, electrical, and safety systems and
3.28 components in danger of failure; and

3.29 (5) improving access to emergency shelter facilities that provide culturally appropriate
3.30 shelter and gender-inclusive shelter.

3.31 (b) A grant under this section may be used to pay for 100 percent of total project capital
3.32 expenditures or a specified project phase, up to \$10,000,000 per project. For eligible
3.33 applicants seeking funding under this section for the acquisition and construction of new

4.1 emergency shelter facilities under paragraph (a), clause (3), the commissioner must give
4.2 priority to projects in which the eligible applicant will provide at least ten percent of total
4.3 project funding.

4.4 (c) All projects funded with a grant under this section must meet all applicable state and
4.5 local building codes at the time of project completion.

4.6 (d) The commissioner must use a competitive request for proposal process to identify
4.7 potential projects and eligible applicants on a statewide basis. At least 40 percent of the
4.8 appropriation under this section must be awarded to projects located in greater Minnesota.
4.9 If the commissioner does not receive sufficient eligible funding requests from greater
4.10 Minnesota to award at least 40 percent of the appropriation under this section to projects in
4.11 greater Minnesota, the commissioner may award the remaining funds to other eligible
4.12 projects.

4.13 (e) This is a onetime appropriation and is available until June 30, 2028.

4.14 **EFFECTIVE DATE.** This section is effective July 1, 2023.