

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

RULE REVIEW CHECKLIST

File No. 1384
DATE RECEIVED 7/29/87
REVIEW DATE 8/7/87
DUE DATE 8/12/87

APPROVED 8.12.87 mjc
DISAPPROVED
WITHDRAWN

Docket No. 05.0009.0450
ADOPTED W/O HEARING X
EMERGENCY RULE

REVISOR APPROVED
REVISOR DISAPPROVED
FIELD W/SEC.STATE
RETURNED TO AGENCY

✓ Rule as adopted (4 copies)

~~Notice to Solicit Outside Information/Opinion~~

~~Date published in State Register~~

~~Comments~~

~~Petition for Adoption of a Rule~~

✓ Board's Authorizing Resolution

✓ Proposed rule

yes Revisor's Certificate

✓ Notice of Intent to Adopt Rule

462A.06 sub 4+11 Statutory Authority

no Small Business Statement

no Expenditure of public money statement

yes Signature

✓ Statement of Need and Reasonableness

yes Small Business Statement

n/a Fees - § 16A.128

✓ Affidavit of Mailing Notice of Intent to Adopt Rule

6/12/87 Date (30)/25 days before adoption

✓ Publication in State Register

6/15/87 Date (30)/25 days before adoption

✓ Resolution Adopting

✓ Findings of Fact, Conclusions & Order Adopting

7/23/87 Date

~~Written requests, submissions or comments~~

✓ Declaration of attorney

Karl Herman Name of SAAG representing agency

~~Notice of Submission to Attorney General~~

✓ order for notice of Intent ~~Affidavit of Mailing Notice to Attorney General~~

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : ATTORNEY GENERAL

DATE : August 13, 1987

TO : JAMES J. SOLEM
Executive Director
M.H.F.A.

FROM : MARTHA CASSERLY
Special Assistant
Attorney General

PHONE : 6-6204

SUBJECT : In the Matter of the Adopted Rule Relating to Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

The above-referenced rule has been approved as to its legality by the Attorney General on August 12, 1987.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submission or comments received by the agency and any extra copies of documents which the agency submitted to the Attorney General.

In order for a permanent rule without a hearing to become effective, your agency must publish a notice of adoption in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

MJC:nah
Enclosures

cc: Maryanne Hruby
Executive Director
Legislative Commission to Review
Adminsitrative Rules

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

Housing Finance Agency

Adopted Permanent Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

Rules as Adopted

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. to D. [Unchanged.]

E. With respect to home improvement loans, accessibility improvement assistance, and accessibility deferred loans, pursuant to parts 4900.0510, 4900.0710, and 4900.0750, respectively, those persons and families whose adjusted income does not exceed $27,000 or such lower amount as the agency may establish to assure that the interest on obligations of the agency will be exempt from federal income taxation.

4900.0760 ELIGIBILITY.

Subpart 1. **General conditions.** The agency may make funds available for the purpose of making accessibility improvements, for technical assistance in the design and construction of such accessibility improvements, and for repairs relating to the installation of the accessibility improvements, under the conditions in subparts 2 to 4.

Subp. 2. **Purpose of loan.** The loan recipient shall

(1) be a handicapped person, or have or intend to have in residence in the property to be improved at least one household member who is a handicapped person, (2) occupy or intend to occupy the dwelling unit to be improved as his or her primary residence, and (3) qualify as a person or family of low or moderate income as defined in part 4900.0010, subpart 23, item E.

Subp. 3. **Ownership.** The loan recipient shall comply with the ownership requirements of part 4900.0630, subpart 2.

Subp. 4. **Structure.** The structure to be improved shall be an existing dwelling located within the state of Minnesota, shall be used primarily for residential purposes, and shall contain no more than two dwelling units, one of them occupied by the recipient.

4900.0770 DISTRIBUTION OF ACCESSIBILITY DEFERRED LOANS.

Subpart 1. **Availability.** Accessibility funds shall be provided in the form of deferred loans. As funds become available, households meeting the limits established in 4900.0010, subpart 23, item D, shall have first priority for receipt of funds. These households will be eligible for a loan representing the total of approved expenses, or the maximum assistance available, whichever is less. Households with incomes exceeding the limit established in part 4900.0010, subpart 23, item D, but meeting the limit established in part 4900.0010, subpart 23, item E, shall have second priority for receipt of funds. These households will be eligible for a loan representing the share of approved expenses the household cannot afford as determined by MHFA, or the maximum assistance available, whichever is less. The agency will establish the manner of priority set aside and the manner in which affordability is calculated at the time funds become available.

Subp. 2. to 4. [Unchanged.]

4900.0780 REPAYMENT.

The recipient of a deferred loan shall enter into an agreement with the agency for repayment of the loan. The recipient shall repay the entire amount of the deferred loan only in the event the property upon which the improvement is located is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, within five years after the date upon which the application for an accessibility deferred loan was approved. The agreement for the repayment of the loan shall be secured by a lien for the benefit

of the agency on the property improved.

Subp. 2. [See Repealer.]

REPEALER. Minnesota Rules, part 4900.0780, subpart 2, is repealed.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
AUG 13 1987
Joan Anderson Growe
Secretary of State

12:00 PM

APPROVED AS TO FORM AND LEGALITY
August 12 1987
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY M Cassedy
SPECIAL ASSISTANT ATTORNEY GENERAL

CERTIFICATE OF AGENCY'S

AUTHORIZING RESOLUTION

I, Robert A. Worthington, do hereby certify that I am Chairman of the Minnesota Housing Finance Agency, an Agency duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Agency and properly called and held on the 28th day of May, 1987, that a quorum was present at said meeting, that a majority of those present voted for the resolution and that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that James J. Solem, Executive Director of the Minnesota Housing Finance Agency, be and he hereby is authorized and directed to give public notice for the purpose of promulgating rules of the Minnesota Housing Finance Agency without a public hearing, said rules relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans as well as to perform any and all acts incidental thereto, including the signing of a notice of intent to adopt rules without a public hearing."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 28th day of May, 1987.

Chairman

Housing Finance Agency

Proposed Permanent Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. to D. [Unchanged.]

E. With respect to home improvement loans ~~and~~, accessibility improvement assistance, and accessibility deferred loans, pursuant to parts 4900.0510 ~~and~~, 4900.0710, and 4900.0750, respectively, those persons and families whose adjusted income does not exceed $27,000 or such lower amount as the agency may establish to assure that the interest on obligations of the agency will be exempt from federal income taxation.

4900.0760 ELIGIBILITY.

Subpart 1. **General conditions.** The agency may make funds available for the purpose of making accessibility improvements, for technical assistance in the design and construction of such accessibility improvements, and for repairs relating to the installation of the accessibility improvements, under the ~~following~~ conditions~~:~~ in subparts 2 to 4.

~~Subpart 1:~~ Subp. 2. **Purpose of loan.** The loan recipient shall~~:~~

~~A:~~ (1) be a handicapped person, or have or intend to have in residence in the property to be improved at least one household member who is a handicapped person, (2) occupy or intend to occupy the dwelling unit to be improved as his or her primary residence, and (3) qualify as a person or family of low

Approved by Revisor DSN

the household cannot afford as determined by MHFA, or the maximum assistance available, whichever is less. The agency will establish the manner of priority set aside and the manner in which affordability is calculated at the time funds become available.

Subp. 2. to 4. [Unchanged.]

4900.0780 REPAYMENT.

The recipient of a deferred loan shall enter into an agreement with the agency for repayment of the loan~~, as provided in subparts 1 and 2.~~

~~Subpart 1. Household loan. If the recipient qualifies for a loan under the provisions of part 4900.0760, subpart 1, item A, the agreement shall provide that.~~ The recipient shall repay the entire amount of the deferred loan only in the event the property upon which the improvement is located is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, within five years after the date upon which the application for an accessibility deferred loan was approved. The agreement for the repayment of the loan shall be secured by a lien for the benefit of the agency on the property improved.

Subp. 2. [See Repealer.]

REPEALER. Minnesota Rules, part 4900.0780, subpart 2, is repealed.

Approved
by Revisor _____

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

AGENCY: Housing Finance Agency

MINNESOTA RULES: Chapter 4900

The attached rules are approved for publication in the State Register

David S. Niss
Assistant Revisor

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

Notice is hereby given that the Minnesota Housing Finance Agency ("agency") proposes to adopt the above-entitled rules without a public hearing. The agency has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minn. Stat. Sec. 14.21 to 14.28.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules within the 30-day comment period. Such comments are encouraged, and should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified as the result of comments received if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language. Unless twenty-five or more persons submit written requests for a public hearing on the proposed rule within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minn. Stat. Sec. 14.14 et. seq. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Kathleen J. Johnson
Legal Division
Minnesota Housing Finance Agency
Suite 300
400 Sibley Street
St. Paul, Minnesota 55101
Telephone: 612/296-9794

Authority for the adoption of these rules is contained in Minn. Stat. Sec. 462A.06, Subd. 4 and 11. Additionally, a Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules, and that identifies the data and information relied upon to support the proposed rules has been prepared and is available from Kathleen J. Johnson upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to a designee of the Attorney General for review as to form and legality, including the issue of substantial change, and to determine whether the agency has the authority to adopt the rules and

whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to receive notice of the date of submission of these rules to the Attorney General for review, or who wish to receive a free copy of the final rules as adopted, should make such requests to Kathleen J. Johnson.

A copy of the proposed rule is attached to this notice. Additional copies may be obtained by contacting Kathleen J. Johnson.

Please be advised that Minn. Stat. Ch. 10A.03 requires each lobbyist to register with the State Ethical Practices Board within five (5) days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. Sec. 10A.01, Subd. 11 as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250.00, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250.00, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155 (612) 296-5615.

Dated: June 12, 1987

James J. Solem
Executive Director

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to Accessibility
Deferred Loan Program and Definition
of Income Applicable to Home Improvement
Loans, Accessibility Improvement Assistance,
and Accessibility Deferred Loans.

STATEMENT OF NEED AND REASONABLENESS

Part 4900.0010 Definitions.

Subpart 23. This Subpart sets forth definitions for the term "persons and families of low and moderate income" with respect to various programs of the Minnesota Housing Finance Agency.

Item. E. This Item currently defines "persons and families of low and moderate income" for purposes of home improvement loans and accessibility improvement assistance. They are defined as households with "adjusted incomes" not exceeding $27,000. "Adjusted income" is defined in Part 4900.0010, Subpart 3 as the gross annual income of all housing unit residents age 18 or over, after deducting $1,000 for each resident and deducting any extraordinary expenses approved by the agency's executive director.

Item E is being amended to make this definition also applicable for recipients of accessibility deferred loans made by the agency, which is both reasonable and necessary to effectuate the agency's policy for the distribution of resources for the funding of accessibility deferred loans, as set forth in part 4900.0770 below.

Part 4900.0760 Eligibility.

This Part currently contains three subparts defining the personal and income, ownership and property qualifications households receiving accessibility deferred loans must meet.

This Part is being amended to retain information on general funding conditions in a new Subpart 1, to move existing information on personal and income qualifications from the old Subpart 1 into a newly-created Subpart 2, and to renumber the current subparts on ownership (2) and property qualifications (3) to create new Subparts 3 and 4, respectively. This format change is reasonable and necessary to present the materials in a logical and readable sequence.

There were two items in what was previously designated as subpart 1 of Part 4900.0760; Item B set personal and income standards for a demonstration program in which funds were made available to licensed foster care providers, and Item A set forth standards for all other program recipients. The foster care demonstration program is being terminated, so its requirements have been deleted. Requirements from the former Item A will now become the sole content for the new Subpart 2.

Part 4900.0070 Distribution of Accessibility Deferred Loans.

This Part sets forth how accessibility deferred loans are distributed among qualified applicants.

Subpart 1. This subpart currently states that program recipients are eligible for full assistance in the form of a deferred loan, subject to the maximum set forth in Subpart 3.

Subpart 1 is being amended to make assistance available according to income and ability to pay, and to give those households with the lowest income first priority for receipt of available funds. Households with adjusted gross incomes of $7,000 or less and assets of $25,000 or less will be eligible for a full deferred loan up to the maximum allowed, and will be given first priority for receipt of funds. Households with adjusted gross incomes beyond this level but below the program's maximum will be eligible for a loan covering part or all of eligible costs up to the maximum allowed, based on ability to pay.

Making assistance available according to a priority based on income level will result in those persons and households with the greatest need having the greatest opportunity to receive the program's extremely limited resources, and is, consequently, a reasonable procedure. $7,000 was chosen as the level for targeting and receipt of full loan assistance because this is the standard used in the agency's Rehabilitation Loan Program, which program's goal is to provide state funds to repair the homes of households judged to have very low incomes. The Accessibility Program is presently administered in conjunction with the Rehabilitation Loan Program, and the use of common standards is reasonable in order to better facilitate joint program funding.

Authorizing the agency to set the specific methods for implementing these policies is both reasonable and necessary to provide reasonable administrative flexibility. This flexibility is necessary to adjust to changing conditions, such as increases or decreases in funding levels, or economic trends affecting affordability.

Part 4900.0780 Repayment.

This Part sets out terms for deferred loan repayment. The repealed Subpart 2 set forth terms for foster care providers participating in the agency's demonstration program, and the former Subpart 1 listed the requirements for all other households.

Since the foster care provider demonstration program has been terminated by the Agency, it is necessary to delete Subpart 2 and make technical corrections to remove authorizations for the foster care demonstration program from the former Subpart 1.

The Agency is mindful of the provisions of Section 14.115 of Minnesota Statutes, entitled Small Business Considerations in Rulemaking, but since the direct recipients of the accessibility improvement assistance under the proposed regulation must be natural persons and families of low and moderate income who are handicapped or have a handicapped household member in residence, the regulation does not affect small businesses directly, and the said law, by its terms, is inapplicable to this proposed regulation. Further, to the extent that the payments which are the subject of this regulation may have an indirect effect on small businesses, the effect of the proposed rule is to make accessibility improvements more feasible for lower income citizens; and, as a result, the proposed rule has no negative effect on small businesses.

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the Matter of the Proposed
Rules Relating to
Accessibility Deferred Loan Program
and Definition of Income Applicable
to Home Improvement Loans, Accessibility
Improvement Assistance, and Accessibility
Deferred Loans
Without a Public Hearing

AFFIDAVIT
OF MAILING

Kathleen J. Johnson, being first duly sworn, deposes and says:

That on the 12th day of June, 1987, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Intent to Adopt Rules Without a Public Hearing by depositing in the United States mail at said City of St. Paul, a copy thereof, properly enveloped, with postage prepaid to all persons and associations who have requested that their names be placed on file with the Minnesota Housing Finance Agency for the purpose of receiving notice of the proposed adoption of rules by this Agency.

Kathleen J. Johnson

Subscribed and sworn to before
me this 12th day of June,
1987.

Susan K. Noren
Notary Public

SUSAN K. NOREN
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
MY COMMISSION EXPIRES APRIL 8, 1991

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

MAILING LIST CERTIFICATE

In the Matter of the Proposed
Rules Relating to
Accessibility Deferred Loan Program
and Definition of Income Applicable
to Home Improvement Loans, Accessibility
Improvement Assistance, and Accessibility
Deferred Loans
Without a Public Hearing

I hereby certify that the list of persons, associations and other interested groups who have requested, pursuant to Minnesota Statutes Section 14.14 Subdivision 1, that their names be placed on file with and maintained by the Minnesota Housing Finance Agency for the purpose of receiving notice of the proposed adoption of rules by this Agency is accurate and complete this 12th day of June, 1987.

Kathleen J. Johnson

Subp. 4. **Time of payment.** An attorney may request payment when the claimant receives the money. A board award made by installments entitles the attorney to a pro rata share of each installment when received by the claimant, not to exceed 25 percent of each installment. The attorney is not entitled to interest on the unpaid balance.

Subp. 5. **Notification.** When a claim is accepted, the board shall notify the claimant and attorney in writing that attorney fees are limited by rule under Minnesota Statutes, section 115B.37. When an award is accepted by the claimant, the board shall notify the claimant and the attorney of the maximum allowable fee for legal services.

Subp. 6. **Variance not binding.** An agreement between the attorney and client that attempts to vary or change the provisions of this part is not binding upon the attorney and the client.

Housing Finance Agency

Proposed Permanent Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Minnesota Housing Finance Agency ("agency") proposes to adopt the above-entitled rules without a public hearing. The agency has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minn. Stat. Sec. 14.21 to 14.28.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the proposed rules within the 30-day comment period. Such comments are encouraged, and should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed. The proposed rule may be modified as the result of comments received if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change in the proposed language. Unless twenty-five or more persons submit written requests for a public hearing on the proposed rule within the 30-day comment period, a public hearing will not be held. In the event a public hearing is required, the agency will proceed according to the provisions of Minn. Stat. Sec. 14.14 *et. seq.* Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed.

Persons who wish to submit comments or a written request for a public hearing should submit such comments or request to:

Kathleen J. Johnson
Legal Division
Minnesota Housing Finance Agency
Suite 300
400 Sibley Street
St. Paul, Minnesota 55101
Telephone: 612/296-9794

Authority for the adoption of these rules is contained in Minn. Stat. Sec. 462A.06, Subd. 4 and 11. Additionally, a Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rules, and that identifies the data and information relied upon to support the proposed rules has been prepared and is available from Kathleen J. Johnson upon request.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final rules as adopted will be delivered to a designee of the Attorney General for review as to form and legality, including the issue of substantial change, and to determine whether the agency has the authority to adopt the rules and whether the record demonstrates a rational basis for the need for and reasonableness of the proposed rules. Persons who wish to receive a notice of the date of submission of these rules to the Attorney General for review, or who wish to receive a free copy of the final rules as adopted, should make such requests to Kathleen J. Johnson.

A copy of the proposed rule is attached to this notice. Additional copies may be obtained by contacting Kathleen J. Johnson.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Please be advised that Minn. Stat. Ch. 10A.03 requires each lobbyist to register with the State Ethical Practices Board within five (5) days after he or she commences lobbying. A lobbyist is defined in Minn. Stat. Sec. 10A.01, Subd. 11 as any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250.00, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250.00, not including his own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

The statute provides certain exceptions. Questions should be directed to the Ethical Practices Board, 41 State Office Building, St. Paul, Minnesota 55155 (612) 296-5615.

Dated: 12 June 1987

James J. Solem
Executive Director

Rules as Proposed

4900.0010 DEFINITIONS.

Subpart 1. to 22. [Unchanged.]

Subp. 23. **Persons and families of low and moderate income.** "Persons and families of low and moderate income" means:

A. to D. [Unchanged.]

E. With respect to home improvement loans ~~and~~, accessibility improvement assistance, and accessibility deferred loans, pursuant to parts 4900.0510 ~~and~~, 4900.0710, and 4900.0750, respectively, those persons and families whose adjusted income does not exceed $27,000 or such lower amount as the agency may establish to assure that the interest on obligations of the agency will be exempt from federal income taxation.

4900.0760 ELIGIBILITY.

Subpart 1. **General conditions.** The agency may make funds available for the purpose of making accessibility improvements, for technical assistance in the design and construction of such accessibility improvements, and for repairs relating to the installation of the accessibility improvements, under the ~~following~~ conditions: in subparts 2 to 4.

~~Subpart 1.~~ Subp. 2. **Purpose of loan.** The loan recipient shall:

~~A.~~ (1) be a handicapped person, or have or intend to have in residence in the property to be improved at least one household member who is a handicapped person, (2) occupy or intend to occupy the dwelling unit to be improved as his or her primary residence, and (3) qualify as a person or family of low or moderate income as defined in part 4900.0010, subpart 23, item E; ~~or~~

~~B. (1) be licensed by the county to operate the property to be improved as a foster care residence, (2) occupy the dwelling unit to be improved as his or her primary residence, (3) have entered into an agreement to accept handicapped foster care residents as set forth in part 4900.0780, subpart 2, and (4) qualify as a person or family of low or moderate income, which shall be considered to mean, for the purpose of this item, a person or family whose adjusted income as defined in part 4900.0010, subpart 3, does not exceed $38,000 for residences in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, or whose adjusted income for residences in the nonmetropolitan area as defined in this item does not exceed $30,000.~~

Subp. ~~2.~~ 3. **Ownership.** The loan recipient shall comply with the ownership requirements of part 4900.0630, subpart 2.

Subp. ~~3.~~ 4. **Structure.** The structure to be improved shall be an existing dwelling located within the state of Minnesota, shall be used primarily for residential purposes, and shall contain no more than two dwelling units, one of them occupied by the recipient.

4900.0770 DISTRIBUTION OF ACCESSIBILITY DEFERRED LOANS.

Subpart 1. **Availability.** Accessibility ~~deferred loans~~ funds shall be ~~available~~ provided in the form of deferred loans. As funds become available, households meeting the limits established in 4900.0010, subpart 23, item D, shall have first priority for receipt of funds. These households will be eligible for a loan representing the total of approved expenses, or the maximum assistance available, whichever is less. Households with incomes exceeding the limit established in part 4900.0010, subpart 23, item D, but meeting the limit established in part 4900.0010, subpart 23, item E, shall have second priority for receipt of funds. These households will be eligible for a loan representing the share of approved expenses the household cannot afford as determined by MHFA, or the maximum assistance available, whichever is less. The agency will establish the manner of priority set aside and the manner in which affordability is calculated at the time funds become available.

Subp. 2. to 4. [Unchanged.]

4900.0780 REPAYMENT.

The recipient of a deferred loan shall enter into an agreement with the agency for repayment of the loan~~, as provided in subparts 1 and 2.~~

~~Subpart 1. Household loan. If the recipient qualifies for a loan under the provisions of part 4900.0760, subpart 1, item A, the agreement shall provide that.~~ The recipient shall repay the entire amount of the deferred loan only in the event the property upon which the improvement is located is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence, within five years after the date upon which the application for an accessibility deferred loan was approved. The agreement for the repayment of the loan shall be secured by a lien for the benefit of the agency on the property improved.

Subp. 2. [See Repealer.]

REPEALER. Minnesota Rules, part 4900.0780, subpart 2, is repealed.

Public Utilities Commission

Proposed Permanent Rules Relating to Code of Conduct

Notice of Intent to Adopt Rules Without a Public Hearing

Notice is hereby given that the Minnesota Public Utilities Commission (Commission) intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in Minn. Stat. § 14.22 to 14.28 (1986). The Commission's authority to adopt the rule is set forth in Minn. Stat. § 216A.037, subd. 3 (1986).

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. All persons have until 4:30 p.m. on July 15, 1987, to submit comments in support of or in opposition to the proposed rules or any part or subpart of the rules. Comment is encouraged. Each comment should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rules within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rules addressed, the reason for the request, and any change proposed.

If a public hearing is required, the Commission will proceed pursuant to Minn. Stat. §§ 14.131 to 14.20 (1986).

Comments or written requests for a public hearing must be submitted to:

Rosellen Condon
Minnesota Public Utilities Commission
780 American Center Building
150 East Kellogg Boulevard
St. Paul, Minnesota 55101
(612) 296-2357

The proposed rules may be modified if the modifications are supported by data and views submitted to the Commission and do not result in a substantial change in the proposed rule as noticed.

The proposed rules were previously promulgated by the Commission as emergency rules. These emergency rules were effective October 10, 1986, and were published in the *State Register* as adopted on October 20, 1986 (11 S.R. 715). The rules were continued in effect for an additional 180 days, until October 6, 1987, by publication of notice in the *State Register*. The Commission is proposing to adopt these rules as permanent rules. The proposed rules are published below. One free copy of the rules is available upon request from Sharon Juen at Minnesota Public Utilities Commission, 780 American Center Building, 150 East Kellogg Boulevard, St. Paul, Minnesota 55101, (612) 296-2243.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to
Accessibility Deferred Loan Program
and Definition of Income Applicable
to Home Improvement Loans, Accessibility
Improvement Assistance, and Accessiblity
Deferred Loans
Without a Public Hearing

CERTIFICATE OF BOARD'S
RESOLUTION ADOPTING RULES

I, Robert A. Worthington, do hereby certify that I am Chairman of the Minnesota Housing Finance Agency, an agency duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Agency, duly and properly called and held on the 23rd day of July, 1987, that a quorum was present at said meeting, that a majority of those present voted for the resolution and that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that the rules relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans attached hereto as Exhibit A be and they hereby are approved and adopted pursuant to authority vested in us by Minnesota Statutes Section 462A.06, Subdivisions 4 and 11 and that James J. Solem, Executive Director of the Agency, be and hereby is authorized to sign an order adopting these rules and further is authorized to perform the necessary acts to provide that these rules shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 23rd day of July, 1987.

Robert A. Worthington
Chairman

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Adoption of the Rule of the Minnesota Housing Finance Agency Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULE WITHOUT PUBLIC HEARING

Notice of the Board's intent to adopt the above-entitled rule was published in the State Register on June 15, 1987 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on June 12, 1987. The statement of need and reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. No requests for a public hearing on the rule were received by the agency.

No submissions or comments on the rule were received by the agency. No requests for notice of submission to the attorney general were received by the agency.

Based on the comments and evidence in the record before the agency, I find the following:

The above-captioned rule is needed and reasonable.

NOW, THEREFORE, IT IS ORDERED that the rules identified as 4900.0760 through 4900.0780 and 4900.0010; and related to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans are adopted this 23rd day of July, 1987, pursuant to authority vested in me by Minnesota Statutes, sections 462A.06 subd. 3 and 11 and by a resolution of the Board of the Minnesota Housing Finance Agency dated the 23rd day of July, 1987.

James J. Solem, Executive Director

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to
Accessibility Deferred Loan Program
and Definition of Income Applicable
to Home Improvement Loans, Accessibility
Improvement Assistance, and Accessibility
Deferred Loans
Without a Public Hearing

ORDER ADOPTING RULES

Notice of the Agency's intent to adopt the above-entitled rules without a public hearing was published in the State Register on June 15, 1987 and was sent by United States mail to all persons on the list maintained by the Agency pursuant to Minnesota Statutes Section 14.14 Subdivision 1 on June 12, 1987. After affording interested and affected persons an opportunity to submit comments for 30 days, receiving fewer than twenty-five written requests for a public hearing within the 30 day comment period, reviewing and considering the comments, supplying notice to all persons requesting notice of the date of submission of the proposed rules to the Attorney General for review, and determining the need for and reasonableness of the above-captioned rules.

NOW, THEREFORE, IT IS ORDERED that these rules identified as Rules of the Minnesota Housing Finance Agency Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans are adopted this 23rd day of July, 1987 pursuant to authority vested in the Agency by Minnesota Statutes 462A.06, Subdivisions 4 and 11.

James J. Solem, Executive Director

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed
Rules Relating to
Accessibility Deferred Loan Program
and Definition of Income Applicable
to Home Improvement Loans, Accessibility
Improvement Assistance, and Accessibility
Deferred Loans
Without a Public Hearing

ORDER ADOPTING RULES

Notice of the Agency's intent to adopt the above-entitled rules without a public hearing was published in the State Register on June 15, 1987 and was sent by United States mail to all persons on the list maintained by the Agency pursuant to Minnesota Statutes Section 14.14 Subdivision 1 on June 12, 1987. After affording interested and affected persons an opportunity to submit comments for 30 days, receiving fewer than twenty-five written requests for a public hearing within the 30 day comment period, reviewing and considering the comments, supplying notice to all persons requesting notice of the date of submission of the proposed rules to the Attorney General for review, and determining the need for and reasonableness of the above-captioned rules.

NOW, THEREFORE, IT IS ORDERED that these rules identified as Rules of the Minnesota Housing Finance Agency Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans are adopted this 23rd day of July, 1987 pursuant to authority vested in the Agency by Minnesota Statutes 462A.06, Subdivisions 4 and 11.

James J. Solem, Executive Director

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

STATEMENT OF COMPLIANCE WITH THE RULEMAKING PROCEDURES

I, Special Assistant Attorney General, Karl J. Herman do hereby declare that I have examined the rules and all related documents and that, based on my examination and my personal familiarity with the applicable procedures, the Administrative Procedure Act, the rules of the Office of Administrative Hearings, and the rules of the Attorney General have been followed. Any exceptions are noted below.

Dated: 7/24/87

Karl J. Herman
Special Assistant Attorney General

STATE OF MINNESOTA

MINNESOTA HOUSING FINANCE AGENCY

In the Matter of the Proposed Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable To Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans

ORDER FOR NOTICE OF INTENT TO ADOPT RULES WITHOUT A PUBLIC HEARING

It is ordered this 28th day of May, 1987 that a Notice of Intent to Adopt Rules Without a Public Hearing in the above-entitled matter be given to all persons who have registered their names with the Minnesota Housing Finance Agency for that purpose and be published in the State Register.

MINNESOTA HOUSING FINANCE AGENCY

James J. Solem, Executive Director

MINNESOTA HOUSING FINANCE AGENCY

RECEIVED
ATTORNEY GENERAL'S OFFICE

JUL 29 1987

204 ADMINISTRATION BLDG.
50 SHERBURNE AVENUE
ST. PAUL, MN 55155

July 24, 1987

Ms. Rita Desmond
Room 204 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

RE: In the Matter of the Proposed Rules Relating to Accessibility Deferred Loan Program and Definition of Income Applicable to Home Improvement Loans, Accessibility Improvement Assistance, and Accessibility Deferred Loans Without a Public Hearing

Dear Ms. Desmond:

Enclosed please find for your review pursuant to Minnesota Statutes Sections 14.21 through 14.28, the adopted rules of the Minnesota Housing Finance Agency.

The following materials are submitted to you for your review pursuant to Minnesota Rules, Part 2000.0400:

Rule as Adopted;
Order Adopting;
Certificate of Board's Resolution Adopting the Rule;

Order of Notice to Adopt Rule Without a Public Hearing;

Certificate of Agency's Authorizing Resolution;

Notice of Intent to Adopt Rule Without a Public Hearing;

Affidavit of Mailing Notice of Intent to Adopt a Rule Without a Public Hearing;

Mailing List Certificate;

Rule as Proposed;

Findings of Fact, Conclusions, and Order Adopting Rule Without Public Hearing;

Statement of Need and Reasonableness; and

Certificate of Compliance with Rulemaking Procedures.

The Agency did not publish a Notice of Intent to Solicit Outside Opinion in connection with this rule. No requests for a hearing were received during the 30 day comment period. The Agency did not receive any comments during the 30 day comment period, nor did it receive any requests from persons desiring notice of the date of submission of the proposed rule to the Attorney General. The Adopted rules are the same as the Proposed rules.

Sincerely,

James J. Solem
Executive Director

JJS/kjj

Encs.

Rule

Not all new material
Proposed rule missing 1 page. (mailed)

Authority

462A.06 subd 4 + 11

Problem: 4900.0770 subpt 1 last sent
(pg 2, line 22-24)

delegating to agency - 2d hrg rulmaking
JMM + RD agree

8-12- cf w/ Carl Herman
ptd to ~~4900~~ 462A.06 subd 15
middle - -
agency to ~~set~~
determine distribution of grants

OK - approved

existing elderly homeowners with prospective tenants who will contribute either rent or services to the homeowner;

(3) the construction of or conversion of existing buildings into structures for occupancy by the elderly that contain from three to 12 private sleeping rooms with shared cooking facilities and common space; and

(4) housing sponsors, as defined by the agency, to demonstrate the potential for home equity conversion in Minnesota for the elderly, in both rural and urban areas, and to determine the need in those equity conversions for consumer safeguards.

In making the grants or loans, the agency shall determine the terms and conditions of repayment and the appropriate security, if any, should repayment be required.

History: *1971 c 702 s 5; 1973 c 515 s 11-19; 1974 c 441 s 8-10; 1976 c 254 s 3-6; 1977 c 401 s 4-8; 1979 c 50 s 60; 1979 c 327 s 1-3; 1980 c 579 s 20; 1980 c 593 s 1-3; 1980 c 614 s 149; 1981 c 306 s 5-8; 1981 c 356 s 238,248; 1982 c 424 s 130; 1983 c 185 s 2-6; 1983 c 289 s 115 subd 1; 1983 c 301 s 204-206; 1984 c 654 art 2 s 128; 1985 c 248 s 70; 1Sp1985 c 13 s 334-338; 1986 c 444*

462A.06 GENERAL POWERS OF THE AGENCY.

Subdivision 1. For the purpose of exercising the specific powers granted in section 462A.05 and effectuating the other purposes of sections 462A.01 to 462A.24, the agency shall have the general powers granted in this section.

Subd. 2. It may sue and be sued.

Subd. 3. It may have a seal and alter the same at will.

Subd. 4. It may make, and from time to time, amend and repeal rules not inconsistent with the provisions of sections 462A.01 to 462A.24.

Subd. 5. It may acquire, hold and dispose of personal property for its corporate purposes.

Subd. 6. It may enter into agreements or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association or organization.

Subd. 7. It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the agency has an interest and may sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or conveyance cannot be effected with reasonable promptness or at a reasonable price, may lease such property to a tenant.

Subd. 8. It may sell, at public or private sale, any note, mortgage or other instrument or obligation evidencing or securing a loan, including a certificate evidencing an interest in one or more loans. The agency may, in connection with such a sale, retain the right or obligation to collect the principal and interest on the loan, to enter into commitments for timely remittal of the principal and interest, or to provide any other services as described in the certificate.

Subd. 9. It may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.

Subd. 10. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the agency is a party.

Subd. 11. It may make and publish rules pursuant to chapter 14 respecting its mortgage lending, construction lending, rehabilitation lending, grants, and temporary lending, and any such other rules as are necessary to effectuate its corporate purpose, and may adopt emergency rules to implement demonstration programs for the financing of residential housing.

Subd. 12. It may borrow money to carry out and effectuate its corporate purpose