

Governor Calls Legislature into Special Session

Governor Walz issued a [proclamation](#) on Wednesday that calls the Legislature into a special session today, June 12th. The House and Senate will convene at 12 noon. The Governor, in a letter to legislative leaders, outlined police and public safety reform, economic recovery, responses to COVID-19, and a capital investment bill, as priorities. Stay tuned for updates and alerts, as the special session gets underway.

Cities Must Adopt COVID-19 Preparedness Plans: Reminder and Update

As industry sectors are allowed to re-open, establishments are required to create preparedness plans. [Executive Order 20-74](#) requires that critical businesses also develop a plan by [June 29](#). Cities will also have to adopt preparedness plans by June 29th. Please note plans are not required to be filed with the state. According to the League of MN Cities (LMC), plans should be adopted by the City Council unless this type of authority has been granted to a city official (i.e. city manager or emergency manager). The LMC also suggests calling a special city council meeting to adopt a plan in order to have it completed by June 29.

See Metro Cities' COVID-19 page on [Safely Returning to Work](#) for the latest guidance from the MN Dept. of Employment and Economic Development. You will also find a draft preparedness [plan](#) published by the Dept. of Labor and Industry. Please contact Patricia Nauman at 651-215-4002 or patricia@metrocitiesmn.org with any questions.

Federal CARES Act Funds for Local Governments

As a special session begins, a legislative plan to distribute a portion of the state's allocation of federal CARES Act funding to local governments is taking shape. Metro Cities understands that the plan will be to share \$841.4 million, which represents 45% of the state's allocation under a recently updated federal calculation. Metro Cities has been advocating to have a 45% portion of the state's allocation distributed to local governments for COVID-19 expenses. Specifically, Metro Cities is supporting the distribution of \$841.4 million, a direct distribution of funding to cities, an equitable distribution among cities and counties using a per capita basis and a definition for eligible COVID-19 expenses consistent with federal guidance. Metro Cities also supports using a certification process for funding rather than a reimbursement mechanism. Metro Cities has had several meetings with lawmakers, administration officials and Governor's staff, and sent letters to policymakers as various proposals on sharing these funds with local governments have been considered.

Please click [HERE](#) for the distribution under the draft plan. Metro Cities is currently reviewing draft proposed language and will provide further information and updates.

Distributing a portion of the state's share of the federal funds was also proposed during the regular session, through two separate bills. [SF 4564-Rosen](#) passed the Senate, and [HF 4673-Marquart](#) passed the House Taxes Committee, but was not taken up on the floor. Those bills distributed \$667 million to local governments, which represented the federal government's initial calculation of 45%. SF 4564 distributed the entire \$667 million directly, and HF 4673 distributed \$567 million, with \$100 million reserved for future needs.

The Federal Coronavirus Relief Fund appropriated \$2.186 billion to Minnesota, and the US Treasury distributed funds directly to local governments with populations over 500,000; in Minnesota, Hennepin and Ramsey counties received a direct combined distribution of \$316.9 million. The [federal law](#) and [guidance](#) recommends that the state share 45% of its allocation with local governments, but it is not required to do so.

Metro Cities recommends that city officials track COVID-19 expenses. Please stay tuned for additional information. Questions? Contact Patricia Nauman at 651-215-4002, or patricia@metrocitiesmn.org

State Revenues Update

The State Office of MN Management and Budget (MMB) released a revenue update this week. The update shows that net general fund revenues totaled \$1.497 billion in May, which is \$20 million, or 1.3% less, than projected. The review notes that individual income and sales tax receipts for May exceed what was anticipated and that corporate tax receipts are lower than expected. For FY2020, receipts are now \$19 billion, \$9 million less than projected. The revenue review can be viewed [HERE](#).

2020 Legislative Session Recap

The 2020 legislative session began in late January, with a projected state surplus of \$1.5 billion (February projection) and an array of identified priorities and ended in mid-May with a budget deficit projected at -\$2.4 billion, and legislative activity largely focused on addressing the COVID-19 crisis.

Below is a recap of 2020 legislative items of interest to Metro Cities, their status and the association's positions and responses. A special session has been called that will begin today. Stay tuned for additional information and follow Metro Cities on twitter at [@MetroCitiesMN](#).

Federal CARES Act Funds for Local Governments

As noted above, two bills were considered during the session that proposed to share a portion of the state's allocation of its federal CARES Act funds, with local governments. SF 4564-Rosen, and HF 4673-Marquart were debated. SF 4564 passed the Senate and HF 4673 passed the House Taxes Committee but was not taken up on the floor.

See Metro Cities [May 15th](#) newsletter for specific details, similarities and differences in the bills. Please note the two bills proposed to distribute \$667 million; the current federal guidance recommends \$841.4 million and the legislative plan now taking shape would distribute \$841.4 million. Metro Cities has advocated for a 45% share of the state's federal allocation with local governments, an equitable distribution of funds among cities and counties, allowable expenses consistent with federal law, a certification process for accessing funds, an administratively efficient mechanism to return any unspent funds, and distributing as much of the funding upfront as possible.

Since the adjournment of the session, Metro Cities has continued to advocate for funding, and has had several discussions with lawmakers and administration officials. Please contact Patricia Nauman at 651-215-4002, or patricia@metrocitiesmn.org for more information.

Taxes

No omnibus tax bill passed the Legislature during the 2020 session. The House omnibus tax bill, HF 3389-Marquart, included several items of interest to Metro Cities, including provisions to provide temporary flexibility in the use of unencumbered tax increment financing (TIF) and certain local special tax revenues until December 31, 2021, allowing revenues to be temporarily transferred into a city's general fund. A public hearing and spending plan would be required. Metro Cities supported these provisions in the bill. The bill also extended the five-year pooling rule for redevelopment TIF districts to 10 years for districts outside the seven-county metropolitan area. Metro Cities supported including an extension for metropolitan redevelopment districts as the bill was heard.

The bill also applied local lodging taxes to the whole price of lodging, including intermediary accommodation services, which Metro Cities supports. Additionally, the bill allowed counties to choose a second settlement date for property tax payments collected in the first half of the year, applicable for taxes payable in 2020. The bill additionally included sales tax exemptions for construction materials for specific cities and projects, including the metro cities of Minnetonka, Crystal and Bloomington. Finally, the bill established a local sales tax working group with representation by state and local officials to develop a list of capital projects that qualify as being regionally significant.

A Senate omnibus tax bill proposal included an expansion of the 4d class rate (see separate article below), as well as a provision that would have modified the uses of TIF during a peacetime emergency through the provision of loans or other assistance to private businesses, with a requirement that the loans must be forgiven by the public authority. Metro Cities supports flexibility for the use of TIF revenues during a peacetime emergency but expressed concern about mandating the forgiveness of loans by a local TIF authority to a private business.

Transportation

A transportation omnibus policy bill with no funding passed during the 2020 session and was signed into law. [HF 462-Hornstein](#), Chapter 100, includes various provisions, including directing road authorities to notify the owner of improvements being made on a road, and directs the MnDOT and Public Safety Commissioners and the Chair of the Metropolitan Council to report to the Legislature on COVID-19 expenditures. The Legislature also included transportation provisions in a COVID-19 Response Bill [HF 4556-Winkler](#). The new law allows a person who moves to Minnesota during a public health emergency to wait longer than 30 days to apply for a commercial driver's license (CDL) and more than 60 days for a non-commercial license. It also allows for medical certificate waivers during an emergency. The legislation allows the Commissioner of Public Safety to develop emergency procedures for issuing commercial licenses.

HF 4556 provides for allowable uses of federal transportation funds from the CARES Act by the Metropolitan Council and MnDOT, including personal protection equipment for transit operators, safety training and frequent cleaning of vehicles. The bill also changes how vehicle registration fee amounts are determined. Tab fee amounts will be based on MSRP or vehicle price. Vehicles purchased will pay an initial amount of 1.285 percent of value, an increase from the current 1.25 percent. A vehicle destination charge will no longer be included in the price of the vehicle for this purpose.

Environment

No omnibus environment bill passed during the 2020 session. The House and Senate considered separate bills. The House bill, [HF 4554-Hansen](#), included several various environment provisions. This bill contained a new approval process for local government plans related to the Mississippi

River Corridor Critical Area, as well as a requirement that manufacturers provide labeling for flushable wipes. Metro Cities supported the flushable wipes provision in HF 4554. The bill also included funding for water resource management data, and a study of ground and surface water interaction, as well as a study of how COVID-19 may travel through wastewater and drinking water systems. Additionally, the bill included \$4.2 million for the DNR for grants to address Emerald Ash Borer (EAB) mitigation. Metro Cities supports state funding for this purpose. The bill also included an extension of grants for EAB from 2019 to June 30th, 2021.

The Senate passed [SF 4499- Ingebrigtsen](#), a supplemental funding bill. The bill included a provision that directed the Department of Natural Resources (DNR) to provide estimates of the impact of new policies on groundwater users and local governments and clarified that the Pollution Control Agency (PCA) may not increase fees for wastewater and water supply system certifications without legislative approval. The bill also established a voluntary salt applicator certification program. In addition, the bill exempted plans and local regulations of local government units in the Mississippi River Corridor Critical Area from approvals that ordinarily apply and replaced these rules with a new review and approval process.

Housing Policy and Local Authority Preemption

Two legislative groups were formed at the end of the 2019 session to examine housing issues and the work of these groups informed housing policy in the 2020 session. The Senate Select Committee on Homeownership Affordability and Availability convened in August 2019 and held several monthly meetings prior to the 2020 session. The second group, [Legislative Commission on Housing Affordability](#), is a bi-partisan, bi-cameral group. The group held a single meeting in February, with a focus on the commission's charge and an update on recommendations from the 2018 Governor's Task Force on Housing.

During the 2020 session, Metro Cities responded and provided testimony on several considered proposals that would preempt local planning and zoning authority. Feedback and local examples from metro city officials, helped to inform Metro Cities' responses to bills. Bills included:

[S.F. 3789](#) – Koran would require a city to accept an application to the Minnesota Housing Finance Agency for a project as their application for local money for the same project. It would also prohibit cities from charging a fine to a nonprofit that receives city money for low-income housing, for turning in a late application. Metro Cities responded that cities do not charge late fees, instead an application would not be considered if it was late. Metro Cities also explained cities sometimes score projects based on local application questions that may differ from the criteria required by MHFA. The bill included no definition for local housing money.

[S.F. 3793](#) – Koran and [S.F. 3816](#) – Koran remove valuation-based methodology for building permits (soil types, complex architecture, etc.) and install a municipal building permit fees cost per square foot basis requirement. Feedback from cities explained that valuation-based methodology is the best way to account for building issue complexity. Metro Cities also shared a concern that the cost-per-square-foot methodology doesn't adequately address remodeling permits (window replacement, bathroom expansion).

[S.F. 3794](#) – Draheim would modify planning and zoning fees and cap park dedication fees at five percent of the land, which is much less than the development. Metro Cities explained park dedication fees are critical to funding parks and trails and capping this fee does not adequately account for the costs of these capital projects benefitting residents.

[S.F. 3795](#) – Draheim would make changes to the annual [municipal construction and development fee revenue and expenses annual report](#). The bill would increase the minimum reporting threshold from \$5,000 to \$7,000 and mandate the form to include labor, transportation, office space, and

any other expenses incurred by the municipality as a result of conducting inspections. Metro Cities and other city groups solicited comments from cities on changes that would improve clarity on the form's instructions and consistency across cities and from year to year. The suggestions were submitted to DLI in April. Final revisions to the form have not been released by DLI at this time.

[S.F. 3796](#) – Koran would prohibit a municipality's requirement for use of designated building officials for inspections. As construction continues, Metro Cities has expressed the importance of building inspections to ensure public health, safety, and welfare.

[S.F. 3886](#) – Draheim would broadly preempt zoning authority for all cities, imposing uniform standards that do not account for local considerations.

[S.F. 4064](#) – Draheim changes city authority to implement comprehensive plan official controls (i.e., zoning), limits regulations on residential development, and implements a five percent cap on park fees. This bill would fundamentally change the controls and staging of development and potentially result in an inefficient deployment of infrastructure, rather than allowing cities to develop in a staged, orderly manner. This bill did not have a hearing.

No stand-alone bills had hearings in the House. During the last week of the session, the Senate released new proposed language on these issues. Metro Cities, the League of Minnesota Cities and other city groups wrote letters to lawmakers to express opposition and concerns. The Senate consolidated proposals into a housing bill that passed the Senate on May 17. The House did not debate the proposals. The Senate bill included portions of the above bills as well as additional proposals, summarized below:

- The language prohibits a municipality from conditioning “approval of a building permit, subdivision development, or planned unit development on the use of specific materials, design, amenities, or other aesthetic conditions that are not required by the State Building Code under chapter 326B.”
- The proposal changes tax-exempt bonding statutes to give preference for projects with a lower cost-per-unit of housing; prohibits late fees on applications for local housing resources; and changes housing infrastructure bond program to allow single family homes and award points for how quickly a project could be constructed. The state building code would be frozen until 2026 and would prohibit changes to the energy code that don't break even over five years.
- Under comprehensive plan updates in Chapter 462, a city would be encouraged to enact policy to facilitate the development of unsubsidized affordable housing. These policies may include but are not limited to authorizing smaller lot sizes for single-family homes, allowing the construction of multi-plexes on lots that would otherwise be zoned exclusively for single-family houses, and allowing for mixed-use development.
- Changes to the Department of Labor and Industry form on city permit and development fees and expenses are also outlined. Metro Cities, with support from the Senate, proposed revisions to the form and instructions, and supports changing the minimum fee revenue threshold from \$5,000 to \$7,000.

The proposals could have significant consequences for city planning, land use and zoning authority. Municipal roles and authority ensure staged, orderly development, the adequate provision of public infrastructure, and housing that meets state-established codes to ensure the integrity and safety of buildings. These proposals shift the provision of housing to a one-size-fits-all approach that does not allow for a community's long- term plans, infrastructure and fiscal

capacities, and local needs to be considered. Metro Cities anticipates the proposals will receive consideration in a special session.

Contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

COVID-19 Funding and Resources

When the COVID-19 pandemic began in March, the Legislature directed its attention to resources and policies to address the pandemic. Below is information on legislation on these issues related to small business assistance, economic development and broadband.

Small Business Assistance

The Legislature passed \$30 million in March 2020, to help small businesses facing immediate impacts in the face of the COVID-19 pandemic. The DEED-administered Small Business Emergency Loan Program was created by Executive Order 20-15 and funded at \$30 million for businesses impacted by Executive Orders 20-04 and 20-08. The program utilizes the state's Emerging Entrepreneur Loan Program network of lenders to distribute loans across the state. The state also funded the [Small Business Loan Guarantee Program](#) with \$10 million to provide an 80% loan guarantee for loans up to \$250,000 to spur lending to small businesses. See the state and federal emergency small business assistance programs on this [DEED matrix](#).

The Senate and House debated and passed similar proposals to fund a second round of small business assistance in May; the Senate with grants and the House with loans. Neither bill became law.

The House plan, part of the House's [COVID-19 Economic Security Act](#) passed on May 7, would have resupplied the Small Business Emergency Loan Program with \$55 million. The House bill tailored aid to various sizes of businesses. The Senate's second small business funding package was in [S.F. 4481](#) – P. Anderson. It would have provided grants to small businesses impacted by the COVID-19 pandemic. The bill funds the grants with \$60 million, \$30 million would be directed to greater Minnesota and \$30 million directed to the metropolitan region. Funds received by individual businesses were to be used for working capital to support payroll expenses, rent, mortgage payments, utility bills, and other similar expenses that occur in the regular course of business.

Since the legislature's May adjournment, House and Senate Jobs Committee chairs and DEED officials have continued to discuss small business relief. Key discussion points have included the source of funds, targeting of the funds, and whether to make the relief in the form of grants or loans. Metro Cities is continuing to monitor this program.

MIF Flexibility and Balance Account Transferred to COVID Relief

While the Legislature did not appropriate additional funds to the Minnesota Investment Fund this year, the Legislature and Governor modified the program for several purposes. Additionally, DEED issued an [FAQ on its business financing programs](#) related to the pandemic.

The Legislature transferred \$10 million from the MIF repaid loan account to seed the first balance of the new Small Business Emergency Loan Program. There were no legislative proposals to pay back the MIF account.

Cities with local revolving loan funds were granted greater capacity to use those loans via Executive Order 20-15. Previous uses, including retail and service providers, were ineligible. Under the order, those uses were authorized for 90 days to cities, another tool to address local economic needs. Loans outside a city's Revolving Loan Fund geography can be funded through a

transfer of funds to larger regional body (e.g., a county or other regional body) that covers that geography. The flexible use authority expires in June, and DEED is considering an extension.

The House Jobs committee heard a proposal that would support flexibility in the state's business subsidy programs. Metro Cities submitted a letter in support of flexibility in the administration of state business subsidy awards due to COVID-19. The [proposal](#) would allow Job Creation Fund recipients, whose projects must meet capital investment and minimum job creation requirements within 12 months of the governor's declaration of a peacetime emergency, an additional 12 months. The proposal also included flexibility to the state's Business Subsidy statute by extending the period for meeting wage and job goals for up to two years if the governor has declared a peacetime emergency during the initial two-year compliance period. Metro Cities supported additional clarity in the language to ensure flexibility for MIF contracts. The House committee did not act on the proposal but indicated it may consider it at a later time. The Senate Jobs committee did not consider a similar proposal.

Broadband

The House passed \$20 million for a range of broadband needs. [H.F. 1507](#) – Stephenson, part of the House's [COVID-19 Economic Security Act](#) passed on May 7, would have included \$10 million to DEED for the border-to-border broadband fund account. \$8 million would be for emergency distance learning wireless or wire-line broadband access and \$2 million for grants for the purchase of telemedicine equipment. The Senate's broadband bill passed May 4 and also contains \$20 million for various broadband programs. [S.F. 4494](#) – Westrom includes \$10 million for unserved areas to be granted through the state broadband grant program administered by DEED, \$2 million for telemedicine and \$8 million to support distance learning.

These bills did not become law. Contact Charlie Vander Aarde at <mailto:charlie@metrocitiesmn.org> with any questions.

Housing Assistance

The House and Senate considered proposals for housing assistance for Minnesotans impacted by the pandemic. While both chambers passed bills, no legislation was signed into law.

Both bills had a number of eligible uses, including rental assistance and mortgage assistance. Residents could have paid homeowner association fees, lot rent in manufactured home park, and property taxes. The assistance would have been issued through the [Family Homeless Prevention and Assistance Program](#) (FHPAP) at Minnesota Housing.

The Senate bill that passed through committees, [S.F. 4495](#) – Westrom, funded FHPAP at \$30 million. The initial Senate bill also included language limiting the ability of the governor to extend the eviction moratorium. The final Senate budget and policy bill, passed the last night of session, included \$100 million for FHPAP. The House bill, part of the House's [COVID-19 Economic Security Act](#) passed on May 7, would have funded FHPAP at \$100 million.

Contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

4d Low Income Property Tax Program – Expansion and Study

The Senate's omnibus tax bill, released in early May, included a proposal to expand the 4d Low-Income Rental Housing Program. A coalition of developers and affordable housing owners continued efforts to expand the program this year after the proposal was introduced in 2019.

Metro Cities policies support the existing program and supports a study prior to any 4d program expansion.

The 4d expansion proposal, in [SF3843 – Chamberlain](#), would eliminate the 0.75 percent first-tier tax rate and set the class rate for all low-income rental properties qualifying as Class 4d at 0.25 percent.

Metro Cities' support for a study stems from concerns raised by city officials that an expansion of the 4d program could have consequential effects on local property tax structures and that these effects should be evaluated before expanding the program.

A bill to study the 4d program was introduced this session. [HF4497 – Her](#) requires the Department of Revenue and Minnesota Housing to produce a report on the 4d property tax classification, to determine the impact on local property taxpayers and local governments. The study bill was developed off the 2019 House property tax division bill. It would determine baselines for properties classified as 4d (number of 4d units, number of units not classified as 4d, the property tax paid in 2020, the 2020 property tax reduction due to 4d, the total 4d units in each of the last 10 years) and determine impact on local property taxes if the proposed expansion were to go into effect (percent change in local net tax capacity, number of 4d units in a TIF district and impact on increment generation, property tax shift to lower income single family 1a homeowners, the total number of units whose value would qualify in the 0.25% tier since 2018, and the impact on property tax refunds).

The House Property Tax division heard neither the expansion nor study bills and the proposals were not included in the House omnibus tax bill released in early May.

Several cities raised concerns about property tax shifts onto low-income residents, the low 0.25 percent class rate, and the lack of guardrails to ensure the property tax benefit would benefit renters. Cities are also concerned the expanded program could be retroactive to existing properties and change the financials of existing affordable housing buildings that already received public support at the time of development.

Contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

Street Impact Fee Authorization

Metro Cities and the League of Minnesota Cities supported legislation that would have created statutory clarity around paying for local infrastructure related to new development. Proposed legislation would have provided clarity following Minnesota court decisions that determined cities lacked statutory authority to charge street infrastructure fees near new residential developments.

[H.F. 2296](#) – Tabke had hearings and passed two House committees. Committee discussion included debate on who should pay for development. Cities argued cities should make that determination, with many cities supporting a policy of development paying for itself.

[S.F. 2442](#) – Pratt was the companion bill. It was referred to the Local Government committee but not heard.

Contact Charlie Vander Aarde at 651-366-7564 or charlie@metrocitiesmn.org with any questions.

Capital Investment Bills

No capital investment bill passed in the 2020 regular session despite bi-partisan agreement that a bonding package would help stimulate the economy. Bonding bills require a three-fifths majority vote in each body in order to pass. Governor Walz released his [bonding recommendations](#) in January. His proposal included a total of \$2.03 billion in general obligation bonds and \$571 million in additional financing. Click [HERE](#) for a spreadsheet comparing the Governor's capital budget with the House and Senate proposals. See below for a breakdown of the House and Senate bonding bills proposed during this session.

House

[HF 2529-Murphy](#) totaled \$2.03 billion. The bill included \$201 million for the Department of Natural Resources, \$53 million for the Pollution Control Agency, and \$54 million for the Department of Public Safety. The bill provided \$453 million to the Department of Transportation through a combination of funding types including trunk highway, the local bridge replacement program and transportation economic development program. The bill also included \$9.5 million for metropolitan inflow and infiltration mitigation, an initiative of Metro Cities. The Department of Employment and Economic Development was appropriated \$203 million and the Public Facilities Authority \$327 million, including \$100 million for water infrastructure. The bill included \$252 million in appropriation bonds, with \$200 million designated for housing infrastructure bonds. The bill also included funds for public housing rehabilitation and housing infrastructure bonds as well as emergency shelters.

The bill failed to meet the necessary three-fifths majority, with a vote of 75 to 58 as it was heard on the House floor.

Senate

[SF 3463-Senjem](#) totaled \$998 million. The package included \$85 million for the Department of Natural Resources, \$14 million for the Pollution Control Agency and \$688 million to the Department of Transportation, including funding for local road and bridge replacement, railroad warning devices, and the TED program. The bill included \$5 million for metropolitan inflow and infiltration mitigation, an initiative of Metro Cities. The Department of Employment and Economic Development received \$105 million and the Public Facilities Authority \$202 million. Apart from \$2 million for Public Housing Rehabilitation, housing funding was handled in a separate piece of legislation. The bill also included \$2 million for public housing rehabilitation.

A separate package by the Senate DFL minority was offered as an [amendment](#) as the omnibus bill was heard in committee, and again on the Senate floor. A point of order was raised, and no vote was taken on the amendment. On the final day of the session the senate bill failed to clear the three-fifths threshold with a vote of 38-29.

Stay tuned for further information on capital investment bills as a special session gets underway.

City Related Bills signed into Law

[HF 4556-Winkler](#) Chapter 74, among other provisions, changes the section of open meeting law that pertain to the conditions that must be met for a public meeting to be conducted by interactive television. The bill requires all votes be conducted by roll call. The bill also adds an exemption on the existing requirement that a member's remote location be accessible to the public by allowing a member who has been advised by a health care professional against being in public for personal or family medical reasons. Please note this exemption applies only when a state of emergency has been declared and it expires 60 days after the removal of the state of emergency. The cap of three times per year that a member may participate in a public meeting remotely that is in law

applies to this exemption. Metro Cities supported this provision and signed onto a letter with the LMC and other organizations as this language was considered by House and Senate committees. To view that letter, click [HERE](#).

[HF 331-Edelson](#) Chapter 88, raises the legal age to purchase tobacco in MN to 21. The law puts Minnesota into compliance with federal law. It includes changes to penalties for selling tobacco or other regulated products to those under 21, and includes a provision that allows local units of government to consult with interested persons to develop alternative penalties for using a fake ID to buy tobacco, tobacco-related devices, electronic delivery devices, or other products. This law will be in effect August 1st, 2020.

[SF 3072-Limmer/Lesch](#) Chapter 82, changes statutes regulating law enforcement's use of unmanned aerial vehicles (UAV's or drones), and provides limitations on the use of UAV's, including prohibitions on the use of facial recognition technology and data collection on public protests. The new law also requires a law enforcement agency to document each use of a UAV, create a written policy, and collect public comment. Additionally, SF 3072 requires a government entity to obtain a search warrant prior to accessing electronic communication information. Sections 6 and 13 related to warrants are in effect. All other sections are effective August 1, 2020.

[SF 3298-Senjem/Sauke](#) Chapter 87, changes laws related to appointment of charter commission members. A district court judge may now reappoint a commission member within 60 days rather than 30 days. The bill eliminates the authority of a city council to appoint a replacement if the district court judge fails to do so within the allotted time. An amendment was adopted to the bill that would change the amount of charter city commission expenses paid by the city to be the greater of .07 percent of the city's current property tax levy or \$1,500 and not to exceed \$20,000 in a year. Currently the costs could be \$10,000 for a city of the first class and \$1,500 for other cities. In MN 107 cities are charter cities. This law will be in effect August 1st, 2020.

[HF4605-Freiberg/Kiffmeyer](#) Chapter 92 in session law, a bill that allows local governments, including cities, to accept documents and signatures electronically, by mail or fax during a peacetime public health emergency. The filings include documents for planning and zoning, land use, documents that require the signature of an architect, engineer, or landscape architect, birth and death certificates, and recording a notary commission. This authority would expire January 6th, 2021 or 60 days after the peacetime public health emergency is terminated, whichever is earlier. This law is now in effect.

COVID-19 Resources for Cities

Early in the pandemic, Metro Cities created a [web page](#) in an effort to provide city officials with the latest relevant information. The page has grown as policy decisions are made, and new guidance is made available. The page includes all issued Executive Orders, information from state health officials, the federal government, state agencies, and local government associations.

Staff recently re-organized the page so that resources are sorted by issue area. If interested in the orders and guidance related to the reopening of the state economy you can quickly jump down to that section of the page and find relevant executive orders from the Governor, information from the Dept. of Employment and Economic Development (DEED), Dept. of Labor and Industry, the League of MN Cities, and the Metropolitan Council. Articles from the media have been included where appropriate to add further context to the policy area.

Check the page frequently for updated information, as well as Metro Cities [twitter account](#) and [newsletter](#).

Metro Cities COVID-19 Survey Responses

In April, Metro Cities put three surveys into the field to gather information on city responses to the COVID-19 pandemic, with focuses on city revenues, housing, economic development, and infrastructure. The survey responses are important and useful to Metro Cities' as the association advocates for city needs resulting from the pandemic, at the federal, state and regional levels of government. Summaries of the responses to the surveys can be found here: [City Finances and Revenues](#) Survey Summary; [Housing, Economic and Community Development](#) Survey Summary; [Transportation and Infrastructure](#) Survey Summary.

Metropolitan Council Committee Approves Grants to Suburban Transit Providers

The Metropolitan Council Transportation Committee has approved federal grant agreements with Maple Grove Transit, Minnesota Valley Transit Authority, Plymouth Metrolink, Southwest Transit, and the University of Minnesota. Funds come from \$226 million in CARES Act funds allocated to the Metropolitan Council. The Council allocated funds to providers using established allocation formulas. Just over \$12 million will be passed through via grant agreements, with the Council retaining the balance of the funds. A local match is not required, and the funding must be used to support operations and other expenses eligible under federal law that prevent, prepare for, and respond to COVID-19. For more information on this action, click [here](#).

Allocations were approved as follows: Maple Grove Transit: \$1,213,690; Minnesota Valley Transit Authority: \$6,118,007; Plymouth Metrolink: \$1,188,885; Southwest Transit: \$2,525,156; University of Minnesota: \$1,085,532.

Metro Cities News is emailed periodically to Metro Cities member mayors, councilmembers, city managers/administrators, and city staff to keep officials and staff abreast of important metro city issues.

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