

## Legislative Update

As Metro Cities reported earlier this week, the 2021 legislative session concluded on Monday with overall budget numbers agreed to by the Governor and legislative leadership, and specific funding by budget area as well as policy items to be addressed by working groups. The agreement stipulates a deadline of May 28 for budget items and June 4 for policy items. At this point, no working groups have been scheduled. Stay tuned for additional updates.

## Federal American Rescue Plan Funding

Metro Cities co-hosted a webinar Tuesday with the League of MN Cities for a discussion with the Office of MN Management and Budget (MMB) on the federal American Rescue Plan (ARP) funding. The ARP funding builds on previous funding including the 2020 CARES Act / Coronavirus Relief Funding (CRF) distributed to local governments last year. Unlike the CRF, ARP funding is more flexible, provides a longer period for recipients to use funds and can be used for revenue losses incurred during the pandemic.

Twenty-one cities considered *entitlement* cities will receive funds directly from the US Department of the Treasury (UST) and all other *non-entitlement* cities will receive their allocation of funds from the state. Federal funds will be distributed in two payments, one in 2021 and the second in 2022. The state will have 30 days to distribute funds once they receive them, with funds expected to be received in a couple weeks. MMB will request an allowed extension of 30 days in which to distribute funds to local governments. This would put the distribution to non-entitlement cities potentially at some point in July.

The federal guidance is contained in a lengthy document and outlines eligible and ineligible uses. Eligible uses include, but are not limited to, vaccinations, PPE, testing, mental health treatment, essential worker premium pay, unemployment and training, food, housing, small business loans and grants, assistance to impacted industries such as hospitality and tourism, re-hiring public sector employees, lost revenue replacement, addressing health disparities, access to infrastructure, responses to continue decreasing virus spread, and economic stabilization for households and businesses. Any diminishment in revenues since the pandemic began is presumed to be the result of COVID-19.

A non-exclusive list of ineligible uses includes offsets for tax cuts (aimed at states and territories), deposits in pension funds, bolstering rainy day reserves, and debt service payments. As under the CRF, payroll expenses for certain employees are eligible if expenses are dedicated to responding to COVID-19. Funding can be used for expenses incurred between March 3, 2021, and December 31, 2024.

Local units of government will be required to pass a local resolution to receive funds. The LMC has developed a [sample](#) resolution for cities to use. Metro Cities encourages cities to closely review the [federal guidance](#) and [FAQ](#) and will provide further information and guidance as it is available. Questions? Contact Patricia Nauman at [patricia@metrocitiesmn.org](mailto:patricia@metrocitiesmn.org) or 651-215-4002.

## Reminder: MCES Customer Budget & Annual Update

MCES will host its annual customer budget event virtually this year, with two opportunities to attend. See below for event information and a link to register.

[MCES Capital Improvement Program](#)

[MCES Customer Portal](#)

The events will be identical, so you only need to register for one date. Registration is required.

- Tuesday, May 25, 2021-9:00 to 10:30AM. [Click here to register for the May 25th webinar.](#)
- Thursday, June 10, 2021-1:30 to 3:00PM. [Click here to register for the June 10th webinar.](#)

## Transportation Improvement Program (TIP) Released

The [2022-2025 Transportation Improvement Program](#) (TIP) was released and presented to the Metropolitan Council Transportation Advisory Board (TAB) on Wednesday. In addition to a discussion of broader regional priorities, the draft TIP outlines federal performance measures and targets as well as the project selection processes. The document also includes detailed project descriptions sorted by funding category. Funding sources for the program total \$5.2 billion.

The schedule going forward for the 2022-2025 TIP:

- Draft is released for public review – May 19
- Public comment period ends – July 6
- After considering comments, TAB recommends approval – August 18
- TIP comes before the Transportation Committee – September 13
- Metropolitan Council approval – September 22
- MnDOT inclusion into the STIP – September/October
- Federal approval – November/December

Click [HERE](#) to view the presentation and [HERE](#) to view the 2022-2025 TIP.

## MPCA PFAS Monitoring Plan

The Minnesota Pollution Control Agency is hosting a virtual event on Thursday, June 3 at 3:00 PM to discuss the development of their PFAS Monitoring Plan. The webinar will explore monitoring for PFAS and what information will be included in the plan. It will also walk through the agency's plan development timeline as well as future opportunities for stakeholder involvement. Click this [LINK](#) to watch the event. A recording of the discussion will be posted to the [PFAS Blueprint Website](#).

## 2021 Metro Cities Policy Committees

Metro Cities is preparing for 2021 policy committees and your participation is encouraged! Meetings will be conducted remotely and will be held in July, August, and September. Committees will recommend legislative policies for 2022 and are open for participation by member city elected officials and staff. Committees and dates are on our [website](#). Additional information, including remote meeting access, will be posted as it becomes available. Please be sure to sign up for the committee(s) you wish to attend. This will help us keep our rosters current and accurate. We look forward to seeing you this summer!

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