

Metro Cities News

January 6, 2023

2023 Legislative Session Begins

The 2023 session began on Tuesday at noon, with floor sessions in both bodies. Legislative committees also began holding hearings this week, with meetings of committees on Taxes, Transportation and Capital Investment. On Wednesday, Metro Cities published a preview of the legislative session, click HERE for that piece. The preview includes information on contacting legislators, session priorities identified by policymakers, tips on advocacy, Metro Cities' legislative priorities and staff contacts, and other information.

Adult-Use Cannabis Legislation

Representative Zack Stephenson (DFL-Coon Rapids) held a press conference this week, to unveil <u>HF 100</u>, that would legalize adult-use (21 years and older) cannabis in Minnesota. The bill is similar, but not identical to HF 600 that passed the Minnesota House of Representatives last year. The language, as introduced, contains several provisions preempting a local government's ability to regulate the sale of cannabis at the local level.

The bill establishes an Office of Cannabis Management tasked with regulating this industry. It also creates a Cannabis Advisory Council with some municipal and law enforcement representation. HF 100 is scheduled for its first hearing in the House Commerce Committee on January 11.

The bill's chief author in the Senate, Sen. Lindsey Port (DFL-Burnsville) also spoke at the press conference along with other legislators. House Tax Chair Aisha Gomez (DFL-Minneapolis) spoke about tax provisions included in the bill, including an 8 percent gross receipt tax from retail and onsale sales of cannabis. The bill explicitly prohibits local governments from imposing taxes on cannabis products.

Both chief authors highlighted the importance of the expungement provisions in the bill, and both expressed optimism that legislation will be passed in 2023. Sen. Port said that the first Senate committee hearing for this bill is anticipated in the next two weeks.

Click <u>HERE</u> to view HF 100 – Stephenson. Click <u>HERE</u> to view the Metro Cities resource page on THC. This page contains information on the THC-infused edible and beverage law passed last year and will be updated regularly to provide information on the adult-use proposal, as legislation is considered.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

NCSL Provides IIJA and IRA Update to House Committee

The newly created House Sustainable Infrastructure Committee held its first meeting on Wednesday. The committee is chaired by Representative Erin Koegel (Spring Lake Park). The bulk of the committee's time was spent learning about the range of programs funded in the federal Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA). Staff from the National Conference of State Legislatures (NCSL) provided committee members with high level information on existing and new programs funded via the IIJA in the areas of transportation, energy, and water infrastructure as well as some Minnesota-specific

funding estimates. The IRA makes most of its impact through tax credits and the funding of research, but it does contain some direct spending.

The NCSL presentation finished with practical advice for state legislatures looking to take advantage of federal funding opportunities. They include creating and elevating the role of an Infrastructure Coordinator, ensuring adequate interagency collaboration within Minnesota's executive branch, and looking across state lines to collaborate with neighboring states on infrastructure projects and regional priorities. The committee's discussion centered around how Minnesota was doing compared to other states; comparisons are difficult given the broad array of programs.

One essential step for states to take is to appropriate matching dollars required to unlock federal funds. This week, <u>HF 26 – Koegel</u> was introduced. The bill appropriates \$315.5 million in FY 2023 from the trunk highway fund for the purpose of unlocking IIJA funds. HF 26 is scheduled to be heard by the House Transportation Committee next week on Thursday.

Click <u>HERE</u> to view the presentation slides which contain specific information on key programs funded in the IIJA and IRA. Click <u>HERE</u> for Metro Cities' Newsletter Archive which contains several IIJA pieces on specific funding areas (transportation, water, climate, etc.).

Chair Koegel closed the committee by highlighting the importance of engaging with local governments to ensure that counties, cities, and townships are adequately supported as IIJA and IRA programs are implemented. Members also discussed the need for technical assistance for smaller communities interested in applying for federal funds.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

DFL Press Conference on Legislative Priorities

On Wednesday, House and Senate DFL leaders held a joint press conference to discuss legislative priorities for this session. House Speaker Hortman and Senate Majority Leader Dziedzic said they plan to pass a few items very early, including the Protect Reproductive Options Act (PRO act) to protect reproductive freedom and federal tax conformity. Tax conformity bills passed the Senate and House Tax Committees this week. Other policy priorities include paid family and medical leave, increasing voter participation, funding for housing and child-care, passing clean energy by 2040, and enacting legislation to end price gouging. On the public safety front, leaders said they intend to prioritize ending catalytic converter thefts and investing in crime prevention.

EV Charging Station Grant Opportunity

The Minnesota Pollution Control Agency (MPCA) is hosting an informational meeting on Tuesday, January 10th at 1:30 PM regarding the agency's latest round of grant funding for the installation of Level 2 electric vehicle charging stations. There is \$664,000 in grant funds available from the state of Minnesota's portion of the national Volkswagen Settlement.

Cities are eligible to apply for this grant opportunity. The maximum award per application is \$150,000 and for stations in public places there is a 20% match requirement. Click <u>HERE</u> to view the grant web page for more information. The grant web page also contains information on the informational meeting, which is being held virtually. **Applications are due no later than 4:30 PM on Tuesday, February 28th, 2023**. Email questions to <u>grants.pca@state.mn.us</u>, subject line "FY23 EV Charging question", no later than 4:30 PM February 8th, 2023.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Opening on Transportation Advisory Board (TAB)

Metro Cities is accepting applications to fill an opening on the Transportation Advisory Board (TAB).

The TAB qualifies the region for federal transportation funds and is a participant in processes for transportation planning and funding in the metropolitan region. Municipal appointees to the TAB must be elected officials, and Metro Cities guidelines place a high priority on appointment balance with respect to geography and city size. There are no term limits, but members must meet attendance requirements to qualify for reappointment, as well as have a background and interest in transportation issues. Guidelines also give preference to those who agree to serve on Metro Cities' Transportation Policy Committee.

The deadline to apply is next Friday, January 13, 2023. Interested candidates for the TAB should submit a completed <u>questionnaire</u>, letter of interest and resume to Jennifer Dorn at <u>jennifer@metrocitiesmn.org</u>.

Please contact Patricia Nauman at patricia@metrocitiesmn.org, or Mike Lund, at Mike Lund, at <a href="ma

Bills of Note

- <u>HF 1</u>, Kotyza-Witthuhn/<u>SF 1</u>, Murphy: Bill establishes the right to reproductive rights and preempts local governments from regulating an individual's ability to freely exercise that right.
- <u>HF 2</u>, Richardson/<u>SF 2</u>, Mann: Bill provides for paid family and medical leave.
- <u>HF 3</u>, Greenman/<u>SF 3</u>, Port: Bill contains a variety of elections provisions including a requirement that municipal clerks mail ballots out to voters on a permanent absentee ballot list for every election and protections against intimidation and interference throughout the voting process.
- <u>HF 11,</u> Howard/<u>SF 11,</u> Mohamed: Bill establishes a state rent assistance program for low-income, cost-burdened households; appropriating money.
- <u>HF 12.</u> Agbaje/<u>SF 22.</u> Oumou Verbeten: Bill establishes a first-generation homebuyers down payment assistance fund under the administration of a central community development financial institution; requiring a report; appropriating money.
- <u>HF 24</u>, Jordan/<u>SF 30</u>, McEwen: Bill establishes a leader service line replacement grant program, a lead line removal goal (2032), and a grant program to help municipalities produce an inventory of publicly and privately owned lead service lines within their jurisdiction.
- <u>HF 25</u>, Frazier: Bill establishes a violent crime investigation team account, a program for crime and violence prevention grants, evidence processing technology grants, and crisis response teams grants. The bill also appropriates \$10 million to the BCA for their Independent Use of Force Investigations Unit.
- <u>HF 26</u>, Koegel/<u>SF 24</u>, Dibble: Bill appropriates \$315.5 million in FY 2023 from the trunk highway fund for the purpose of providing the state match for IIJA funds.

<u>HF 30</u>, Richardson/<u>SF 5</u>, Marty: Bill prohibits the possession of detached catalytic converters without proper documentation on the vehicle the part came from, prohibits scrap metal dealers from purchasing a used catalytic converter that is not EPA certified for reuse unless it is still attached to a vehicle, and it outlines required proof of legitimate sale and a process that scrap metal dealers must follow when purchasing catalytic converters.

HF 34, Jordan: Bill classifies data for licenses issued by local governments.

<u>HF 46</u>, Feist: Bill establishes the Office of Juvenile Restorative Justice and requires local steering committees to establish local juvenile restorative justice programs.

<u>HF 100</u>, Stephenson: Bill legalizes adult-use cannabis and contains several provisions preempting local control.

<u>HF 115</u>, Quam: Bill appropriates \$130.262 million from the general fund for grants to local governments for road and bridge construction and rehabilitation projects.

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