



Bill to Streamline Construction Sales Tax Exemption Heard in House Committee

On Thursday, [HF 1603-Norris](#), which provides a refund process for local governments and other entities that are by law exempt from paying sales tax on construction materials was heard in the House Taxes Committee. The bill would apply to sales and purchases made after June 30, 2023. Thank you to Woodbury City Administrator Clint Gridley for providing testimony to the committee in support of the bill. Metro Cities is working with a coalition of city organizations and other stakeholders to support this legislation that addresses a need to streamline a currently cumbersome process for receiving the exemption. The bill was laid over for possible inclusion in an omnibus tax bill. Its companion, SF 1519-Mae Quade, has not yet been scheduled for a hearing. Questions? Contact Patricia Nauman at 651-215-4002 or patricia@metrocitiesmn.org

Bills to Expand Property Tax Relief Programs Heard

Several bills that would modify eligibility thresholds and benefit levels for state property relief programs were heard this week in the House Property Tax Division. Bills that were heard included HF 700-Youakim that would expand the threshold for eligibility and increase the maximum refund for the targeted refund program, HF 1506-Lislegard, that would enhance tax relief for homeowners under the homestead credit refund, HF 1323-Agjabbe, that would expand the renter's credit program by increasing income qualifications and reducing copays, and HF 1422-Wolgamott, that increases property tax refunds for seniors.

The committee also heard HF 1504-Lislegard, that would increase the exclusion for homesteads under the Homestead Market Value Exclusion Program. Under this program, forty percent of a home's market value up to \$76,000 is excluded from taxation. The exclusion is phased out as values increase, with a total phase out at \$413,800. The bill would expand the exclusion to apply to the first \$80,300 of value and be phased out at \$437,100.

Metro Cities' policies support state programs that provide direct property tax relief and supports increasing the benefit of the market value exclusion. Metro Cities submitted written testimony in support of these bills this week. Bills were laid over for possible inclusion in a Division report. Contact Patricia Nauman at patricia@metrocitiesmn.org with any questions.

Bill to Repeal Local Government Salary Cap Heard

[HF 1213-Acomb](#), which would repeal the compensation limit for employees of local governments, was heard Tuesday in the House State and Local Committee. Metro Cities opposes the salary cap and provided a letter of support for HF 1213 to the committee. The author of the bill stressed the importance of local decision-making over local salaries and the challenge with the patchwork nature on how the law is applied to local governments. Minnetonka City Councilmember Rebecca Schack provided testimony in support of the bill, along with other local officials. The bill was moved to the floor. Questions? Contact Patricia Nauman at patricia@metrocitiesmn.org

Inflow-Infiltration Capital Funding for Metropolitan Cities

The House and Senate Capital Investment Committees rolled out language, capital investment spending language and spreadsheets, and testimony by the respective committees was heard this week. Funding for inflow-infiltration mitigation for eligible metropolitan cities, an initiative of Metro

Cities, is included for consideration at \$12 million in both committees and Metro Cities provided supportive testimony to both committees. Spreadsheets for House and Senate Capital Investment Committee DE amendments are identical, please click [HERE](#) to view the House spreadsheet and [HERE](#) for the Senate spreadsheet. Several local city projects are also included for funding on the proposed spreadsheets. Please contact Patricia Nauman at patricia@metrocitiesmn.org with any questions.

Local Transportation Needs Discussed in House Committee

The House Transportation Committee held a hearing to learn about the transportation issues facing local governments. The committee heard from township, city, and county representatives. Deb Heiser, Engineering Director for the City of St. Louis Park, testified at the hearing and shared challenges facing cities across the state. One common theme across all testifiers was the need for stable, reliable, funding for local transportation improvements. The relatively weak MnDOT forecast from last November was also discussed, followed by calls for an increase in Municipal State Aid Streets funding with 4 percent cuts anticipated if no action is taken. Other topics covered by testifiers included an ask for street improvement district authorization, state matching dollars for IJA programs, and a robust bonding bill. Click [HERE](#) for a recording of Tuesday's Transportation Committee hearing.

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

IJA Energy Projects State Funding Legislation Heard This Week

Committees in the House and Senate heard legislation this week that would establish a state competitiveness fund account for grants to entities applying for federal funds made available as a part of the Infrastructure Investment and Jobs Act (IIJA) or the Inflation Reduction Act (IRA). Funds in the competitiveness account can be used to provide required state matching amounts or towards costs associated with grant application development and technical assistance. Eligible entities include cities, counties, townships, tribal governments, institutions of higher education, utilities, and nonprofit organizations. This competitiveness fund is being established exclusively for energy-related projects and programs in the IIJA and IRA.

Click [HERE](#) to view HF 1656 – Acomb, as amended which was heard in the House Climate and Energy Committee. Click [HERE](#) to view SF 1622 – Frentz, as amended which was heard in the Senate Energy, Utilities, Environment, and Climate Committee.

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

Homeownership Education Bill Gets Hearings in House and Senate

A bill to provide \$3 million in funding to the Homeownership Education, Counseling, and Training (HECAT) was heard in both the House ([HF 1219](#), Kozlowski – Duluth), and the Senate ([SF 1380](#), Mohamed – Minneapolis) this week. The Homeownership Education, Counseling, and Training (HECAT) Program at Minnesota Housing is a state grant program for nonprofits and political subdivisions to assist BIPOC and low-and moderate-income renters with educational and counseling opportunities to prepare for sustainable homeownership. This program provides prepurchase home buyer education, counseling, and credit repair; post purchase property inspection, technical and financial assistance; foreclosure prevention and assistance; mortgage default counseling, and many other supports. Metro Cities submitted letters in support of the bill.

If you have any questions, please reach out to Ania McDonnell at 218-213-8601 or ania@metrocitiesmn.org.

Metropolitan Council Seeking Feedback from Cities on Transportation Plan

The Metropolitan Council is currently developing the [2050 Transportation Policy Plan \(TPP\)](#). The TPP is the region's long-range transportation plan and is part of a family of policy plans, including the Housing, Regional Parks, and Water Resources Policy Plans. Together, these plans describe regional actions for achieving the vision and goals set in the [Regional Development Guide](#).

Council staff are seeking feedback from cities to inform updates to the goals and objectives being developed for the 2050 TPP and to guide the strategic direction for the region's transportation system. To this end, city officials and staff are invited to attend one of two open houses scheduled for February 22nd and 23rd. Participants will be asked questions about local transportation needs and goals. City planning and public works department staff are encouraged to attend.

Option 1: February 22, 2023 (1:30 p.m. to 3:30 p.m.)

Fridley City Hall
(Fireside Gathering Room)
7071 University Avenue NE
Fridley, MN 55432

Option 2: February 23, 2023 (1:00 p.m. to 3:00 p.m.)

Bloomington City Hall
(Art Center)
1800 West Old Shakopee Road
Bloomington, MN 55431

If you are not able to attend either session but still want to provide feedback, Metropolitan Council staff can share a link to a survey in the coming weeks. Please RSVP by clicking [HERE](#). (An RSVP is not required to attend).

Metro Cities Annual Meeting - Mark Your Calendar!

Metro Cities will hold its Annual Meeting on **Wednesday, April 19th at 5:00 pm**, at the Roseville Oval Skating Room. The meeting will feature a social hour at 5:00 pm, followed by guest speaker *Dr. Susan Brower, State Demographer*, and the election of Board members and officers. We hope to see you! Stay tuned for RSVP and other information and details.

Bills of Note

[SF 1546](#), Cwodzinski: Bill contains several provisions related to elections.

[SF 1549](#), Champion/[HF 1712](#), Feist: Bill appropriates money for prevention and intervention services for at-risk youth.

[SF 1550](#), Weber/[HF 1132](#), Lee: Bill requires the withholding of certain grant funds for capital projects before receipt of an approval of compliance with sustainable building guidelines.

[SF 1562](#), Dibble/[HF 1550](#), Koegel: Bill appropriates \$2 million to assist local units of government in applying for federal discretionary grant programs and approximately \$250 million for required matching funds.

[SF 1585](#), Mohamed/[HF 1123](#), Sencer-Mura: Bill authorizes art and advertisements on micromobility facilities in the right of way if the local road authority issues the necessary permit.

[SF 1586](#), Pappas/[HF 1539](#), Lee: Bill appropriates \$50 million in bond proceeds for metropolitan regional parks and trails.

[SF 1603](#), Port/[HF 1696](#), Norris: Bill provides funding for rental housing assistance, and a landlord risk mitigation fund.

[SF 1624](#), Dibble: Bill provides for the election of Metropolitan Council members.

[SF 1625](#), Dibble: Bill makes MnDOT responsible for LRT projects and it requires MnDOT to construct bus rapid transit facilities if they will operate on separate rights-of-way or has a total construction cost of more than \$100 million.

[SF 1626](#), Dibble: Bill requires the Metropolitan Council to follow recommendations of certain third-party vendors.

[SF 1627](#), Dibble/[HF 1183](#), Elkins: Bill establishes municipal street improvement districts.

[SF 1628](#), Dibble: Bill provides grants to low-income persons to purchase shares in limited equity cooperative housing units when buildings are converted to that status.

[SF 1629](#), Dibble: Bill provides a tenant's right to counsel in eviction proceedings.

[SF 1630](#), Dibble: Bill requires landlords to provide just cause for terminating tenancy.

[SF 1657](#), Dziedzic/[HF 34](#), Jordan: Bill classifies data for licenses issued by local governments.

[SF 1665](#), Dibble: Bill prohibits rental discrimination based on a tenant's receipt of public housing assistance.

[SF 1684](#), Hawj/[HF 727](#), Hansen: Bill appropriates \$10 million for the local road wetland replacement program.

[SF 1689](#), Coleman: Bill appropriates \$40 million to the safe routes to school program.

[SF 1696](#), Fateh/[HF 318](#), Hassan: Bill creates a community wealth-building grant program and account.

[SF 1752](#), Dibble/[HF 1419](#), Howard: Bill establishes a local affordable housing aid program.

[SF 1763](#), Howe: Bill requires MnDOT and METC to request approval to discontinue Northstar passenger rail operations.

[SF 1764](#), Howe: Bill suspends the Metropolitan Council's authority to take action or spend money on proposed guideways.

[SF 1779](#), Mohamed/[HF 1697](#), Sencer-Mura: Bill creates a grant program to employment support services to persons with mental illness. Establishes a task force to address barriers to employment.

[SF 1823](#), Jasinski/[HF 1910](#), Petersburg: Bill appropriates \$200 million to the corridors of commerce program.

[HF 1583](#), Noor: Bill modifies the use of the workforce development fund and creates a grant review advisory council.

[HF 1592](#), Mekeland/[SF 1458](#), Mathews: Bill prohibits local bans on new natural gas hookups in residential construction.

[HF 1594](#), Mekeland/[SF 1457](#), Mathews: Bill prohibits a political subdivision from banning new natural gas or propane service for buildings.

[HF 1635](#), Norris: Bill modifies the workforce and affordable homeownership development program, creates an account in the housing development fund, and provides funding.

[HF 1641](#), Altendorf/[SF 510](#), Koran: Bill prohibits political subdivisions from establishing or enforcing ranked-choice voting.

[HF 1642](#), Bliss/[SF 338](#), Koran: Bill prohibits local governments from accepting certain contributions for election expenses.

[HF 1644](#), Torkelson: Bill establishes a system for provisional balloting.

[HF 1651](#), Davis: Bill requires a photo ID to register and vote.

[HF 1656](#), Acomb/[SF 1622](#), Frentz: Bill establishes grant programs to enhance the competitiveness of Minnesota entities in obtaining federal money for energy projects.

[HF 1662](#), Koznick: Bill prioritizes high-wage, high-demand careers in awarding competitive grants.

[HF 1663](#), Koznick/[SF 645](#), Pratt: Bill makes counties responsible for transit guideway funding.

[HF 1667](#), Agbaje/[SF 1370](#), Port: Bill expands the eligible uses for housing infrastructure bonds.

[HF 1681](#), Hussein/[SF 1373](#), Port: Bill expands the requirements for evictions and expungements, expands rental lease covenants and obligations, and prohibits rental discrimination based on a tenant's receipt of public housing assistance.

[HF 1684](#), Harder/[SF 562](#), Draheim: Bill modifies appropriations to the workforce development fund.

[HF 1685](#), Hussein: Bill establishes a first-generation homebuyer down payment assistance fund under a CDFI.

[HF 1760](#), Knudsen/[SF 1804](#), Utke: Bill limits a city's ability to place crosswalks within 100 feet of a roundabout.

[HF 1772](#), Koegel: Bill establishes a work zone safety pilot program.

[HF 1776](#), Coulter: Bill expands lobbying provisions to include all political subdivisions.

[HF 1808](#), Howard: Bill modifies the property classifications for community land trusts and for 4d property.

[HF 1810](#), Fischer/[SF 1263](#), Maye Quade: Bill modifies eligibility for home and community-based services workforce development grants.

[HF 1822](#), Torkelson: Bill modifies the selection process for Corridors of Commerce projects.

[HF 1833](#), Frazier: Bill requires the release of body camera recordings when there is a deadly force incident.

[HF 1873](#), Kozlowski: Bill modifies the enforcement authority of the DNR for water appropriations.

[HF 1874](#), Kozlowski/[SF 1372](#), Port: Bill adopts Minnesota Housing Finance Agency policy provisions.

[HF 1911](#), Petersburg/[SF 627](#), Jasinski: Bill appropriates \$200 million in bond proceeds for the Local Road Improvement Program and \$200 million bond proceeds for the Local Bridge Program.

[HF 1920](#), Kozlowski: Bill appropriates money for redevelopment grants and demolition loans.

[HF 1933](#), Edelson: Bill appropriates money for a fitness industry recovery grant program.

[HF 1934](#), Edelson: Bill appropriates money for robotics teams and STEM internships.

[HF 1939](#), Sencer-Mura: Bill appropriates money for workforce development in the fields of construction, clean energy, and energy efficiency.

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