



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! Please RSVP to Jennifer Dorn at Jennifer@metrocitiesmn.org

Catalytic Converter Theft Bill Awaits Governor's Signature

The House of Representatives this week passed [HF 30 \(Richardson/Marty\)](#) as amended by the Senate, on a 109-19 vote. HF 30 makes it illegal to possess or purchase catalytic converters without documentation showing that the converters were legally obtained. There are also provisions included that prohibit cash payments for catalytic converters, require a five-day delay for payments, and require converters to be held on the dealer's premises for seven days after they are acquired. The bill exempts scrap metal dealers from some of the bill's requirements for situations where scrap metal dealers are selling converters to other dealers. It also eliminates the waiting period for payment if the part is being purchased from a bona fide business. Metro Cities supported this bill as it received hearings and debate. The bill has now passed both bodies and waits signature by the Governor.

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

Cannabis Bill

Legislation to legalize adult-use cannabis in Minnesota continues to move in the House and the Senate. This week, [HF 100 – Stephenson](#) was heard by the House Economic Development Committee. There were several [amendments](#) related to local control offered by committee members for Wednesday's hearing, but nearly all of them were [determined to be outside the committee's jurisdiction](#) by the Chair so they were not considered or voted on. HF 100 currently contains a local registration process for cannabis retailers (and some other cannabis license holders) and includes the ability of cities to charge a registration fee of up to \$200. The bill still makes the state responsible for licensing cannabis businesses. The House bill also requires that local governments conduct compliance checks for cannabis retailers, with the ability to suspend or revoke a license if it is determined that a cannabis business is not operating in compliance. Local governments are allowed to fine non-compliant retailers up to \$2,000 per violation. HF 100 was passed and rereferred to the House Transportation Committee.

[SF 73 – Port](#) is on the calendar for the State and Local Government Committee on Tuesday at 12:30 PM. The Senate bill still preempts cities from licensing cannabis retailers and does not contain the new language found in HF 100 concerning local registration. Metro Cities is submitting testimony outlining the need for local licensing and zoning authority as well as local taxing authority or revenue sharing to account for additional costs on city budgets associated with the implementation and enforcement of this legislation. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

Local Government Aid Formula Bill Heard in Senate

A bill to update the Local Government Aid (LGA) formula and increase the appropriation was heard in the Senate Taxes Committee on Thursday. [SF 1828](#) – Klein contains formula updates that use current census and other data to better reflect city needs and it increases the LGA appropriation by \$150 million, with an inflation adjustment starting in 2025. The bill also increases the county aid program appropriation by \$150 million. The committee [posted a run](#) for aid amounts under this proposal in 2024 compared to the current law appropriation. Dan Buchholtz, City Administrator, Spring Lake Park, testified in support of the bill, along with other city and county officials. The bill was laid over. The companion bill in the House was heard last week and was laid over. If you have any questions, contact Patricia Nauman at patricia@metrocitiesmn.org.

Transit Safety and Security Bill

[HF 2045 – Tabke](#) received a second hearing in the House Transportation Committee on Tuesday. The bill attempts to address safety and security concerns on the Metro Transit LRT system. HF 2045 establishes a Transit Service Intervention Project to provide high-visibility interventions on LRT lines. Cities along the system are listed as participants along with representatives from DHS, DPS, the Metropolitan Council, counties, the National Alliance on Mental Illness Minnesota, transit vehicle operators, and community-based social service organizations. The bill outlines two phases, the first of which involves the deployment of social services teams on the trains and at LRT stations. The second phase involves the deployment of those teams alongside law enforcement partners. A monthly report is due to the legislature until its sunset date in June of 2024. HF 2045 was passed, as amended, and re-referred to the Ways and Means Committee.

On Friday morning, [HF 1322 – Tabke](#) was heard by the Transportation Committee. The bill, which contains language from HF 2045, authorizes the Metropolitan Council to issue administrative citations for transit fare evasion. The bill includes code of conduct language and requires paid fare zones at LRT stations. The Council is also directed to implement public safety monitoring and response activities at stations and on trains. The bill establishes the Transit Rider Investment Program (TRIP) which encompasses personnel deployment, fare payment inspection, administrative citation issuance, rider education and assistance, and improvements to the transit riding experience. Finally, the bill requires an annual report to be submitted to the legislature on transit safety and rider experience. The bill was passed, as amended and rereferred to the Public Safety Committee. The Senate companion, [SF 1049 – Dibble](#), has not yet received a hearing.

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

Bill Requiring Metropolitan Council Members to be Elected is Heard

A bill, SF 1624-Dibble, that would require Metropolitan Council members to be elected, was heard this week in the Senate Transportation Committee. The bill would require 16 members to be elected, with the appointment of a chair by the governor. Metro Cities' policies on governance support the appointment of members by the governor, with staggered terms, and increased transparency and local official engagement in the statutory nominating process for the selection of members. Metro Cities' testimony highlighted concerns that an elected Council would create a 'mini legislature' and could result in expanded authorities on issues such as land use, that are currently managed by local governments. Brad Wiersum, Mayor, Minnetonka, and Janet Williams, Mayor, Savage, provided opposing testimony on the bill. Testimony in support of the legislation was provided by Hennepin County and several individual citizens. The bill was laid on the table. Questions? Please contact Patricia Nauman at patricia@metrocitiesmn.org

Sustainable Infrastructure Bills Moved Out of Committee

The House Sustainable Infrastructure Committee acted on three bills in what is likely to be its final hearing for this session. [HF 2406 – Koegel](#), as amended by [this delete everything amendment](#), was passed and referred to the State and Local Government Committee. The bill appropriates general fund money to Minnesota Management and Budget (MMB) to hire a federal infrastructure funds coordinator and support staff to help Minnesota maximize its ability to receive federal formula and discretionary grant funds made available via the Infrastructure Investment and Jobs Act (IIJA), Inflation Reduction Act (IRA), and the CHIPS Act.

[HF 2405 – Koegel](#) was passed and referred to the State and Local Government Committee. The bill establishes an infrastructure resilience advisory task force charged with evaluating issues related to coordination, sustainability, resiliency, and federal funding, on state, local, and private infrastructure in the state. The proposed membership includes commissioners from various state agencies, representatives from tribal governments, counties, cities, townships, the legislature, and others. The task force is expected to submit a report to the legislature by February 1, 2024.

[HF 2499 – Koegel](#) was passed, as amended, and referred to the Transportation Committee. The bill appropriates \$5 million over two years to the Minnesota Department of Transportation to enter into an agreement with the University of Minnesota for small community partnerships on infrastructure project analysis and development. This bill aims to provide small communities support and assistance, especially those lacking the capacity to develop their projects and apply for federal infrastructure grant opportunities.

Together, these bills are meant to facilitate coordination and collaboration between the state agencies and local governments so that Minnesota can best take advantage of the funding provided by the IIJA and other recent pieces of federal legislation.

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

Elections

Two bills of note were heard in the Senate Elections Committee this week. [SF 1548 – Rest](#) establishes a local election expense reimbursement account for counties and municipalities. This account would reimburse local governments 80 percent of the costs associated with elections administration. Eligible costs include preparing and printing ballots, postage for absentee ballots, the publication of sample ballots, preparing polling places and electronic voting systems, staffing costs, and salaries for election judges. The bill also adds new costs eligible for reimbursement from the voting equipment and infrastructure grant account including hardware, software, cybersecurity, and security-related infrastructure. This reimbursement account has also been amended in SF 1548 to provide an 80 percent reimbursement. SF 1548 was passed, as amended, and rereferred to the Tax Committee.

[SF 2270 – Morrison](#) authorizes local governments to adopt ranked choice voting for local offices within their jurisdiction. The bill includes ranked choice voting grants to assist local governments with costs associated with the implementation of ranked choice voting. These could include equipment upgrades, professional consulting, and public education campaigns related to the local use of ranked choice voting. The bill also establishes a statewide ranked choice voting implementation task force. The task force is charged with engaging local election officials and recommending statewide standards for ranked choice voting in federal and state elections. SF 2270 was passed, as amended, and rereferred to the State and Local Government Committee.

[HF 558 – Frederick](#) was heard in the House Elections Committee on Wednesday. The bill establishes an early voting period 18 days before the election where voters can place their completed ballot into a secure tabulator. This change would be effective after the secretary of state has certified that the statewide voter registration system has been tested and can handle the increased volume of work. HF 558 was laid over for possible inclusion in a future omnibus elections bill.

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

Zoning Preemption Bill Heard

On Tuesday, the House Housing Finance and Policy Committee heard [HF 2235-Elkins](#), which would preempt city zoning and land use decision making authority. Metro Cities signed onto a [joint letter](#) with other city groups, including the League of Minnesota Cities (LMC), Minnesota Small Cities, the Municipal Legislative Commission, and the Coalition of Greater Minnesota Cities, and provided a separate letter addressing metropolitan-specific concerns with the bill. The joint letter details several concerns and describes the need for local land use authority. Metro Cities [submitted a letter](#) detailing areas of concern that would specifically affect metropolitan cities with respect to comprehensive planning requirements and timing. Thank you to Prior Lake City Manager Jason Wedel for providing testimony along with Cambridge City Administrator Evan Vogel. Discussion in the committee made clear many issues in the bill, which passed and was referred to the House State and Local Government Finance and Policy Committee. Currently, there is no companion bill in the Senate. Metro Cities will continue to oppose this bill.

[HF 743](#) – Norris, a Comprehensive Housing Spectrum Act was also heard. This bill was brought forward by the League of Minnesota Cities and proposes tools, resources, and incentives for cities. Cherie Shoquist Henderson, the Housing and Economic Development Manager from Golden Valley, testified in support of the bill. Metro Cities, along with other city organizations, [submitted a joint letter](#) in support of the bill outlining the important provisions in the bill and how they will support cities. The bill was passed and referred to the House Taxes Committee.

Questions? Please contact Ania McDonnell at ania@metrocitiesmn.org.

4d Bill Heard in Senate Taxes

The Senate Taxes Committee heard [SF 1957](#) – Rest on Tuesday. This bill would expand the class rate for 4d property from 0.75% on the first \$100,000 of value on a unit, and 0.25% on the rest of the value above \$100,000, to a flat 0.25% class rate. This would be the lowest class rate of 4d property in the state and would create potentially significant shifts in property tax burden onto residents and businesses.

Metro Cities [submitted a letter](#) sharing concerns with the committee on this significant expansion to the current 4d program. The bill was laid over for possible inclusion in an omnibus tax bill. If you have any questions, please reach out to Ania McDonnell at ania@metrocitiesmn.org.

Omnibus Tenant Protections Bill Heard in Senate Housing Committee

The Senate Housing Committee heard its omnibus tenant protections bill on Thursday. [SF 1298](#) – Oumou Verbeten, is intended to level the playing field for tenants and landlords, prevent

discrimination, and expunge eviction records. The bill includes a variety of bills that were heard in Committee so far this session, and can be seen in this [summary document](#). The bill includes:

- Language to amend eviction proceedings.
- Provides right to counsel in certain public housing eviction actions.
- Prohibits non-essential fees and amends landlord entry provisions.
- Sets a minimum heat code of 68, provides remedies for repairs.
- Prohibits discrimination based on receipt of public assistance.
- Prohibits the requirement to declaw or devocalize a pet.
- Expands expungement of evictions.
- Provides a right to inspection at the beginning and end of lease term.
- And other changes

The bill was passed and referred to the Senate Judiciary Committee. The Senate and House both plan to pass this bill ahead of the omnibus housing bills.

If you have any questions, please reach out to Ania McDonnell at ania@metrocitiesmn.org.

NOAH Preservation and Homeownership Assistance Bills Pass House Housing

A program to preserve naturally occurring affordable housing (NOAH) was heard on Wednesday in the House Housing Committee. [HF 1412](#) – Howard, creates a grant and loan program that cities and other entities would be eligible to apply for in order to preserve NOAH in their communities. The Mayor of Brooklyn Park, Hollies Winston, testified in support of this bill. The House Housing Chair said that this program would likely be funded between \$100 million and \$200 million. The bill was referred to the House Ways and Means Committee.

The Committee also [heard a bill](#) to fund the 9,000 Equities Fund at \$10 million. This program is a targeted loan pool to provide affordable first mortgages or financing opportunities to households struggling to access mortgages in underserved communities of color. The goal of this fund is to close the homeownership disparity gap by 15 percent in the Twin Cities metropolitan area over the next five to seven years. The bill was laid over for possible inclusion in the omnibus housing bill.

If you have any questions, please reach out to Ania McDonnell at ania@metrocitiesmn.org.

Bills of Note

[HF 2585](#), Hassan: Bill establishes a fee-based, first-time homebuyer home purchase financing program and appropriates funding.

[HF 2600](#), Brand: Bill appropriates \$50 million from the general fund for the small cities assistance account.

[HF 2604](#), Jordan: Bill establishes a transit signal priority system planning working group, a transit fare elimination pilot program, and appropriates funds for those purposes as well as zero-emission bus purchases, and A-BRT planning.

[HF 2614](#), Norris/[SF 2728](#), Xiong: Bill establishes a Home Heroes Act to provide seniors with services to age in place.

[HF 2630](#), Petersburg/[SF 2178](#), Howe: Bill amends the surcharge on EVs and plug-in hybrids.

[HF 2632](#), Hussein/[SF 2624](#), Port: Bill establishes a stable housing organization relief program and appropriates funding.

[HF 2648](#), Petersburg/[SF 2532](#), Jasinski: Bill establishes a driver and vehicle services account by combining the driver services operating account and the vehicle services operating account.

[HF 2668](#), Petersburg/[SF 2470](#), Kreun: Bill appropriates \$15 million to the metropolitan council for additional officers at the Metro Transit Police Department.

[HF 2676](#), Stephenson/[SF 2590](#), Hoffman: Bill limits rent increases in certain low-income rental projects that use residential rental bonds.

[HF 2677](#), Kraft/[SF 2790](#), Morrison: Bill requires a climate action plan as part of comprehensive plan content

[HF 2700](#), Hornstein: Bill appropriates \$29.44 million in general fund money to the Metropolitan Council for financial assistance to suburban providers for demand response transit service.

[HF 2704](#), Perez-Vega: Bill provides a tenant the right to organize and provides penalties for retaliation for tenant organizing.

[HF 2763](#), Howard: Bill establishes the community and household stability fund, establishes the homeownership opportunity fund, and the rental opportunity fund. Bill apportions the state general levy for the funds.

[HF 2807](#), Sencer-Mura: Bill expands eligible uses of Trunk Highway Fund money.

[HF 2818](#), Davids: Bill appropriates \$100 million for public safety infrastructure aid for cities under 5,000 in population.

[SF 2506](#), Dibble/[HF 2045](#), Tabke: Bill requires a code of conduct be established by the Metropolitan Council for transit riders, authorizes peace officers to remove passengers from vehicles or stations, and establishes the Transit Service Intervention Project.

[SF 2509](#), Klein/[HF 2436](#), Hansen, R.: Bill establishes the redevelopment area homestead credit and appropriates funding.

[SF 2538](#), Dziedzic/[HF 2541](#), Noor: Bill requires cities of the first or second class to report a list of residential buildings that do not have a sprinkler system.

[SF 2562](#), Coleman/[HF 1529](#), Engen: Bill designates a county as the responsible authority for light rail projects if the project will be entirely within that county.

[SF 2566](#), Port/[HF 2335](#), Howard: Bill establishes a budget for the Minnesota Housing Finance Agency, provides for childhood housing stability, establishes a community stabilization program, and establishes a supportive housing program and first-generation homebuyers down payment assistance fund.

[SF 2567](#), Hoffman/[HF 2662](#), Nelson, M.: Bill expands the homeownership education, counseling, and training program to include specialized homeownership education for veterans.

[SF 2569](#), Coleman/[HF 1530](#), Engen: Bill requires municipal consent for transit guideway projects.

[SF 2601](#), Hoffman/[HF 2593](#), Nelson, M.: Bill authorizes housing infrastructure bonds for veterans housing.

[SF 2613](#), Morrison/[HF 734](#), Hansen: Bill requires cities to allow native landscapes on private land.

[SF 2624](#), Port/[HF 2632](#), Hussein: Bill establishes a stable housing organization relief program and appropriates funding.

[SF 2634](#), Hoffman/[HF 2590](#), Hassan: Bill appropriates funding for business loans, technical assistance, and capacity building to nonprofits serving the African immigrant community.

[SF 2649](#), Carlson/[HF 2406](#), Koegel: Bill provides funds for a federal infrastructure funds coordinator.

[SF 2650](#), Carlson/[HF 2499](#), Koegel: Bill appropriates funds to assist small communities with project development and federal grant applications.

[SF 2651](#), Carlson/[HF 2405](#), Koegel: Bill establishes the Infrastructure Resiliency Advisory Task Force.

[SF 2663](#), Cwodzinski/[HF 2333](#), Youakim: Bill modifies light rail transit operating costs statute.

[SF 2665](#), Putnam/[HF 2263](#), Koznick: Bill appropriates funding for small business growth acceleration.

[SF 2670](#), Hawj/[HF 1583](#), Noor: Bill modifies the use of the workforce development fund, creates a grant review advisory council, and requires reports.

[SF 2711](#), Mohamed/[HF 2492](#), Norris: Bill adds certain schools as eligible recipients of the economic development and housing challenge program.

[SF 2734](#), Latz/[HF 686](#), Moller: Bill authorizes the expanded use of tracking devices during stolen vehicle investigations.

[SF 2776](#), Hawj/[HF 1163](#), Hassan: Bill modifies the targeted community capital project grant program and appropriates funding.

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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