

Metro Cities News

February 12, 2024

2024 Legislative Session Preview

The 2024 legislative session begins today, with floor sessions at noon in the House and Senate. This is not a budget setting year for the Legislature, and traditionally the focus of non-budget sessions is on a capital appropriations bill and policy related bills. The Metro Cities Board of Directors adopted a slate of legislative priorities in January; see below for the association's 2024 priorities and information on issues anticipated for consideration in the 2024 session.

Legislative Leadership and Committees:

The House has 70 DFL and 64 GOP members. Rep. Melissa Hortman (Brooklyn Park) continues as Speaker of the House and Rep. Jamie Long (Minneapolis) will serve as House Majority Leader. Rep. Lisa Demuth (Cold Spring) continues as House Minority Leader.

The Senate has 34 DFL and 33 GOP members. Sen. Erin Murphy (St. Paul) was named Senate Majority Leader last week, following an announcement from former Senate Majority Leader Kari Dziedzic that she would step down due to a recurrence of cancer. Sen. Bobby Joe Champion (Minneapolis) will continue to serve as Senate President. Sen. Mark Johnson (East Grand Forks) continues as Senate Minority Leader.

Click <u>HERE</u> for a list of Senate committees and <u>HERE</u> for a list of House committees.

State Budget and Economic Forecast:

A state Budget and Economic Forecast will be released in late February. The November budget and economic forecast projected a surplus of \$2.4 billion for FY24-25, and \$82 million for FY26-27. With that forecast, State Office of MN Management and Budget (MMB) indicated that due to higher projected levels of spending in certain budget areas, the budget will be in structural imbalance in FY 26-27. As the session approaches, comments by the Governor and legislative leaders have been cautionary as relates to the state budget and spending. The February budget forecast will serve to guide the Governor and legislators on any supplemental budget and spending decisions.

Metro Cities' 2024 Legislative Priorities:

Click <u>HERE</u> to view Metro Cities' 2024 Legislative Priorities, adopted by the Board of Directors. Priorities encompass several key issues of importance to metropolitan cities in the areas of taxes, bonding, housing, economic development, transportation, infrastructure, public safety, local control, and others. Staff contacts and issue areas are included later in this article.

Anticipated Legislative Issues of Note:

School Resource Officers (SROs): Changes made in the 2023 omnibus education bill regarding the use of force toward students by SROs generated conflicting legal interpretations, ambiguity, and potential liability for cities. Stakeholders have worked in the interim to clarify the laws pertaining to SROs. The bill is expected to be heard on the first day of the session in the House Education Policy Committee and by the Public Safety Committee on Tuesday. Metro Cities has signed onto a joint letter regarding this legislation as it is considered this week.

Emergency Medical Services (EMS):

A task force was established to review the state of EMS across Minnesota and to identify current

and future needs. Metro Cities' EMS policy is primarily focused on increasing local control over the designation of primary service areas, generating necessary service delivery data for local governments, and including municipal representatives on the Emergency Medical Services Regulatory Board (EMSRB). There are also funding and workforce concerns for EMS providers across the state.

Adult-Use Cannabis:

The Office of Cannabis Management (OCM) has previewed several legislative changes they plan to pursue this session. The OCM is recommending that provisional or temporary licenses be obtained by applicants before work with local governments to ensure compliance with local ordinances. If applicants receive local approval, they will then receive a fully endorsed OCM license. Other suggested changes relate to social equity licenses, and how applicants will be prioritized and regulated. More detail can be found in OCM's 2024 report to the legislature. Metro Cities will be engaged in discussions on cannabis legislation and rulemaking with an emphasis on preserving/increasing local control with regard to cannabis.

Housing and Local Preemption Bills:

Last session, housing related discussions were mainly focused on state spending and investments in housing programs. This session, Metro Cities anticipates that the legislative focus will be on housing policy, including bills to preempt city decision-making authority over zoning and land use. Metro Cities will continue to strongly oppose preemption bills and will provide information and alerts on any bills as they are introduced and considered.

Metro Cities continues to gather information on local tools as well as supports a cities need to advance local housing needs. Metro Cities recently completed an updated version of a housing paper HERE for use at the Capitol this session.

Parking Minimums Legislation:

Senator Omar Fateh (DFL- Minneapolis) recently held a press conference to unveil a "People Over Parking Act" proposal that would prohibit cities from imposing minimum off-street parking requirements for all residential, commercial, or industrial properties. Senator Fateh intends to introduce the bill this year, which is expected to be the broadest local parking preemption bill in the country.

Inflow-Infiltration Assistance for Metropolitan Cities:

Metro Cities will pursue specific legislation this year for inflow-infiltration mitigation assistance for eligible cities, which are those that have been found to be contributing 'excess' levels of I/I into the regional wastewater system. The Governor's capital investment recommendations include \$5 million for this purpose.

Metropolitan Governance:

Over the interim, a task force established by the Legislature met to consider the governance of the Metropolitan Council, following legislation considered in 2023 that would require Metropolitan Council members to be elected. Metro Cities was given statutory authority to appoint an elected city official to the task force, and the Board appointed Edina Mayor Jim Hovland to serve in this role. Metro Cities' policies support appointment of Metropolitan Council members by the governor, with four-year staggered terms, as well as changes to the statutory nominating committee to increase the number of local officials on the committee, and more transparency in the process for nominating members to the Council. Click HERE for the final report of the task force; click HERE for the report's appendices. Appendix O includes comments submitted by Mayor Hovland for the task force report. The task force did not come to a consensus on any specific governance model and chose to advance all governance related proposals submitted by members of the task force to the Legislature.

Metro Cities would like to issue a special thank you to Mayor Hovland for his service on the task force and his representation of metropolitan municipal interests in the work of the task force.

Local Sales Taxes:

During the 2023 session, the Legislature imposed a two-year moratorium on local requests to impose a local sales tax and established a task force to consider and make recommendations for local sales taxes, during the legislative interim. This work was coordinated by the MN Department of Revenue. Click HERE for the final report of the task force. Metro Cities will monitor legislation on this issue and respond in accordance with the association's legislative policies.

Capital Investment:

Governor Walz released his <u>capital recommendations</u> to the Legislature last month, and capital investment bills are anticipated to be considered this year. Metro Cities will provide updates on capital investment bills as they are introduced and considered.

Metro Cities Newsletter and Bills of Note:

Each week, Metro Cities publishes an online newsletter for its members, with timely information and updates on legislative bills, hearings, debates, and activity of interest to metropolitan area cities. During the session, the newsletter contains a "Bills of Note" section with information on recently introduced bills of interest to metropolitan cities.

Action Alerts:

During the session, Metro Cities may ask city officials to reach out to their legislators on a specific bill or issue. These are usually time sensitive requests for action. Many legislators value hearing directly from city officials on what they think on a particular bill or topic. Thank you in advance – your responses are important and greatly appreciated.

City Advocacy at the Capitol:

City officials are encouraged to get to know your local legislators and to stay in touch with them as bills affecting cities are considered, and on individual city bills and issues. Please click <u>HERE</u> for a guide on advocating at the Capitol and click <u>HERE</u> for a helpful resource on which legislators represent your city.

Sharing your city's unique perspective on how legislation or a budget item would impact local residents, businesses, and property taxpayers is important. Metro Cities also makes resources and background information available to cities. If you have questions about how to contact your legislator, please reach out directly to Metro Cities staff.

Contact Information for Metro Cities Staff

Staff contacts and issue areas are listed below:

- Patricia Nauman, Executive Director: <u>patricia@metrocitiesmn.org</u> (taxes, aids, inflow-infiltration bonding, regional issues, duty disability)
- Mike Lund, Government Relations Specialist: <u>michael@metrocitiesmn.org</u> (transportation, local control, elections, public safety, environment)
- Ania McDonnell, Government Relations Specialist: <u>ania@metrocitiesmn.org</u> (state and regional housing policy and funding, economic development, redevelopment, community development, local control)
- Jennifer Dorn, Office Manager: jennifer@metrocitiesmn.org

