

Metro Cities News

May 10, 2024

2024 Metro Cities Policy Committees

Metro Cities 2024 policy committee process will begin in July. Committees will recommend the association's legislative policies for 2025. Participation is open to member city elected officials and staff, and committee descriptions and dates are on the website. Please be sure to sign up for the committee(s) you wish to attend. This will help us keep rosters accurate. We look forward to seeing you this summer!

Legislative/Omnibus Bills Update

The 2024 Legislature must conclude its regular session by Monday, May 20th, a little over a week from today. Many omnibus bills are now at the conference committee stage, and several conference committees have begun meeting. Below are updates on omnibus bills in conference committees and specific provisions of significance to metropolitan cities. This includes language added to the Housing bill as it was heard in the Senate that limits cities on aesthetic mandates for residential buildings. Other bill updates address bills that are travelling separately.

Legislative activity over the next 10 days will be fluid and busy. Metro Cities appreciates the responses by city officials to legislative alerts on bills; stay tuned on any additional alerts as legislative bills continue to move through the process.

Omnibus Bills

Adult-Use Cannabis

HF 4757 (Port) was passed, as amended, by the Senate with a vote of 34 to 32 on May 3. An amendment adopted on the floor changed the licensing process so that cities that meet minimum qualifications for a retail cannabis license are guaranteed to be issued a license by the OCM. Senator Port, the bill's author, accepted the amendment as friendly but signaled that this language may need to be altered if too many cities seek licenses from the OCM for retail operations. This bill was passed by the House on April 18. This bill will now go to a conference committee to reconcile differences between the House and Senate language. Conferees include Representatives Stephenson, Hanson, J., Kozlowski, Frazier, West, and Senators Port, Pha, Frentz, Maye Quade, and Xiong.

Agriculture, Commerce, Energy, Utilities, Environment and Climate SF 4942 (Frentz) was passed, as amended by the Senate with a vote of 36 to 30 on May 6. The omnibus agriculture, commerce, energy, utilities, environment, and climate supplemental budget bill includes language supported by Metro Cities that would require a license for individuals to sell scrap copper.

Elections

HF 4411 (Freiberg), the omnibus elections supplemental budget bill, was passed, as amended by the House with a vote of 83 to 44 on May 3. The <u>conference committee</u> for the elections policy bill, <u>HF 4772</u>, met on Monday where they adopted provisions that are the same in both the House and Senate bills. Click <u>HERE</u> for a comparison table of provisions in both bills. The conference committee is scheduled to meet next on Friday, May 10.

Environment

HF 3911 (Hawj), the omnibus environment and natural resources supplemental budget bill was passed, as amended, by the Senate with a vote of 40 to 27 on May 7. This bill will now be sent to conference committee to reconcile differences between the House and Senate language. Conferees include Representatives Hansen, R., Pursell, Finke, Jordan, and Heintzeman, and Senators Hawj, McEwen, Morrison, Boldon, and Nelson.

Jobs and Economic Development

On Friday, <u>SF 5289</u>, the omnibus Jobs and Economic Development bill passed the House and a Conference Committee was named: Senators Champion, Mohamed, Gustafson, and Representatives Hassan, Xiong, and Zeleznikar.

Judiciary and Public Safety

<u>HF 5216</u> (Moller), the omnibus judiciary and public safety supplemental appropriations bill was passed, as amended, by the House with a vote of 71 to 57 on May 7. Rep. Perryman offered an <u>amendment</u> that was adopted, that authorizes local governments to conduct criminal background checks for applicants for a cabaret or massage business.

Legacy

<u>HF 4124</u> (Hawj), the omnibus legacy supplemental appropriations bill, was passed, as amended, by the Senate with a vote of 39 to 24 on May 3. The conference committee report for this bill was adopted by conferees on Wednesday. Conferees included Representatives Lillie, Lee, K., and Backer, and Senators Hawj, Pha, and Housely. Click <u>HERE</u> to view the final language and <u>HERE</u> to view the associated spreadsheet.

Taxes

The House and Senate tax bills were passed off their respective floors and are now in a conference committee, the first meeting of which was held Friday May 10th. Conferees are Senators Rest, Dibble, Weber, Hauschild and Putnam, and Representatives Gomez, Lislegard, Agjabe, Lee, K., and Norris. View the side-by-side comparison of bills HERE. Metro Cities submitted written testimony on specific provisions in the bills. The testimony includes support for repealing the local sales taxes moratorium and Senate language on eligible projects for local sales tax funding without legislative approval. Metro Cities opposes language that restricts the location of projects and requires formal support from surrounding jurisdictions on local projects. Please contact Patricia Nauman at patricia@metrocitiesmn.org with any questions.

Transportation Policy

The conference committee report for HF 3436, the omnibus transportation policy bill was passed by the House with a vote of 97 to 30 on May 7 and by the Senate with a vote of 67 to 0 on May 9. Conferees included Representatives Tabke, Hornstein, and Petersburg and Senators Dibble, Morrison, and Jasinski. Click <u>HERE</u> to view the conference committee report.

Transportation, Housing, and Labor

<u>HF 5242</u> (Dibble) was passed, as amended, by the Senate with a vote of 36 to 31 on May 6. The omnibus transportation, housing, and labor supplemental budget bill that is now in conference committee, includes several provisions of note for cities.

In the transportation articles, there is funding for small cities and corridors of commerce. The bill amends greenhouse gas mitigation language passed last year, authorizes the use of small cities and larger cities assistance account funding for debt service, and creates revenue sharing between DVS and deputy registrars. The bill establishes a pilot program for traffic safety cameras and authorizes cities to establish pedestrian malls within the local right of way. Finally, the bill includes language regarding the transition to zero-emission fleets for transit providers.

The Housing article adds \$50 million in capital for Housing Infrastructure Bonds. During the debate of the housing bill in the Senate, an amendment was adopted that limits cities from conditioning approval of a residential building permit, subdivision development, or planned unit development on the use of aesthetic mandates. You can view the language HERE. This language was part of the 'missing middle' housing preemption bill that Metro Cities opposed earlier this session.

The omnibus transportation, housing, and labor bill will next head to a conference committee between the House and Senate with a first meeting Friday, May 10th. Metro Cities submitted a letter to the committee <u>HERE</u>, that includes opposition to the provision that limits aesthetic mandates. Conferees are: Representatives Hornstein, Nelson, M., Howard, Tabke, and Petersburg, and Senators Dibble, Port, McEwen, Morrison, and Limmer.

If you have any questions, you can contact Ania McDonnell at ania@metrocitiesmn.org, on housing related provisions, and Mike Lund at michael@metrocitiesmn.org on transportation related provisions.

House Passes Office of EMS Bill

HF 4738 (Huot), was passed, as amended, by the House with a vote of 70 to 58 on May 7. The bill establishes the Office of Emergency Medical Services and replaces it with the existing Emergency Medical Services (EMS) Regulatory Board. The new office has three divisions: Medical Services, Ambulance Services, and Emergency Medical Service Providers. The bill also establishes the Emergency Medical Services Advisory Council which will include two local government members. Another advisory body, The Labor and Emergency Medical Service Providers Advisory Council, will also include a medical service provider appointed by the League of Minnesota Cities. Click HERE for a summary of the House bill. The Senate companion, SF 4835 (Seeberger) is waiting to be taken up by the full Senate.

TNC Bill Update

HF 4746 (Hassan) was passed, as amended, by the House Labor and Industry Committee on Tuesday, May 7. As presented by the author, the <u>DE amendment</u> adopted by the committee reflects the consensus recommendations from the Governor's <u>Committee on the Compensation</u>, <u>Wellbeing and Fair Treatment of TNC Drivers</u>. Some of these consensus items relate to pay transparency, the broad structure for minimum compensation (per-mile and per-minute), deactivation policy requirements, driver support, and insurance. <u>SF 4780</u> (Fateh) was passed, <u>as amended</u>, by the Senate Judiciary Committee on Wednesday, May 9.

Of note, three provisions in the most recently agreed upon bill language did not come out of the interim committee's recommendations. These include the specific per-mile and per-minute rate, an arbitration process, and enforcement. DLI Commissioner Blissenbach testified in support of the items in the bill that reflect what was included in the committee report and reiterated the administration's commitment to finding a solution for drivers and TNC companies. Several representatives from driver associations (MN Rideshare Drivers Association and MN Uber/Lyft Drivers Association) also testified.

Representatives for Uber and Lyft testified in both bodies and expressed their agreement with much of what is in the bill, as amended. The two major pieces of disagreement are the compensation rates and enforcement provisions. TNCs say that the rate of \$1.27 per mile and \$0.49 per minute are not workable and will force the companies to exit the market. TNCs also highlighted their support for local regulation of these services, to a point. They pointed out other

items of concern regarding the timeline required for reviewing driver appeals and the ability for drivers to bring action in a district court.

Both bills include language authorizing any local government to revoke a TNC's license if they violate these regulations. An amendment was offered to delete this authority, but it was not adopted. The House bill was referred to the Ways and Means Committee and the Senate bill was referred to the Finance Committee.

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

MN Brownfields Grant Writing Workshop

Minnesota Brownfields is hosting an in-person grant writing workshop for participants to learn more about applying for Brownfield Assessment Grant funding. This grant funding can help a community turn underutilized and contaminated properties into economic development success stories. Speakers include representatives from the Minnesota Department of Employment & Economic Development, the Minnesota Pollution Control Agency, USEPA Region V and Kansas State University Technical Assistance to Brownfields. The session will also include a discussion of successful Brownfield Assessment Grants secured by Minnesota communities with speakers from consulting and local government sectors. The session will be hosted on Tuesday, August 20th from 9:00 am – 3:00 pm at The Regency in St. Cloud. You can learn more about the event and register HERE.

If you have questions, please contact Ania McDonnell at ania@metrocitiesmn.org.

Bills of Note

<u>HF 5459</u>, Anderson, P.E./<u>SF 5512</u>, Howe: Bill modifies the annual volume cap allocations and allocation procedure for public facility projects funded by public facility bonds.

<u>SF 5516</u>, Rasmusson: Bill prohibits minimum parking mandates and prohibits counties and municipalities from requiring the creation of a homeowner's association as a condition for building permit.

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