

2024 Metro Cities Policy Committees

Metro Cities 2024 policy committee process will begin with first policy committee meetings 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!

Omnibus Bills Update

Adult-Use Cannabis

[HF 4757](#) (Port) was passed as amended, by the Senate Commerce Committee and referred to the floor, where the bill is being debated today, Friday. The bill makes technical and substantive changes requested by the Office of Cannabis Management (OCM) as they implement the 2023 law legalizing cannabis in Minnesota.

The bill moves from a points-based system for awarding licenses to a lottery-based model. Temporary licenses would go to social equity applicants and provide a first-mover advantage in the new cannabis market. One other change of note is a proposed reordering of the application and licensing process so that applicants receive a provisional or temporary licenses before working with local governments to ensure compliance with local ordinances. If applicants receive local approval, they will receive a fully endorsed OCM license.

As the bill is debated Friday afternoon, an amendment was adopted that ensures that cities that meet minimum qualifications for a retail cannabis license 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.

Economic Development

On Monday, the Senate Jobs Supplemental Budget bill, [SF 5289](#) – Champion, passed the Senate. The bill provides \$3.9 million to the Public Finance Authority (PFA) to address PFAS in some communities, including those in the metropolitan area.

On Monday, the House Ways and Means Committee heard both the Omnibus Workforce Bill, [HF 3449](#) – Hassan, and the Omnibus Economic Development bill, [HF 5205](#) - Hassan. The bills were merged to create an Omnibus Economic Development and Jobs bill. The bill was passed and sent to the House floor.

Elections

[HF 4411](#) (Freiberg), the omnibus elections supplemental budget bill was passed, as amended, by the Ways and Means Committee on Monday, April 29. The bill moves funds from existing programs (the Voting Equipment Grant Account and local government drop box grants) to the VOTER account established in 2023. It establishes a Voting Rights Act cost sharing account for the purpose of reimbursing political subdivisions for presuit notice cost sharing expenses. It also authorizes cities to adopt ranked choice voting by ordinance, ballot initiative, or charter amendment. Click [HERE](#) for a summary of the bill.

Judiciary and Public Safety

[HF 5245](#) (Becker-Finn) and [HF 5216](#) (Moller) were heard, combined, and passed by the Ways and Means Committee on Tuesday, April 30. The new HF 5216 was sent to the floor as the House's public safety and judiciary supplemental budget bill. An amendment added to the bill prohibits peace officers from asking individuals to identify the reason they were pulled over during a traffic stop. The bill establishes a task force on traffic stops.

Transportation/Labor/Housing

[SF 5284](#) (Dibble), the omnibus transportation supplemental budget bill was passed as amended, by the Senate Finance Committee on Monday, April 29. The bill was combined with the omnibus housing and labor supplemental budget bills before it was passed out of committee. The bill includes \$75 million for the corridors of commerce program and \$20 million for the small cities assistance account. The bill contains several provisions of note including changes to the greenhouse gas mitigation language passed in 2023, local authority for the use of speed and red-light cameras, zero-emission transit buses procurement plans, language around scoping for BRT projects, and pedestrian mall authority of cities. The bill also transfers responsibility for large transit projects from the Metropolitan Council to MnDOT. The bill requires the Metropolitan Council to complete an annual financial report on all transportation revenues and expenditures. Under the housing section, the bill includes \$50 million for Housing Infrastructure Bonds. Click [HERE](#) for the latest spreadsheet for the Senate Housing bill. Click [HERE](#) for the latest spreadsheet for the Senate Transportation bill.

[HF 5242](#) (Hornstein), the omnibus transportation, labor, and housing supplemental budget bill, was passed by the House on Wednesday, May 1st with a vote of 69 to 60. Under the transportation section, the bill includes \$9 million from the general fund for small cities. It also includes changes to the greenhouse gas mitigation language passed in 2023. Click [HERE](#) for more information on these proposed changes to the GHG law. The Chair had several amendments adopted, which added language related to zero-emission transit buses and BRT project scoping to the bill. Under the Housing section, the bill includes a capital appropriation of \$50 million for Housing Infrastructure Bonds, and language that prohibits landlords from discriminating against a tenant based on their source of income. Finally, the bill includes language that would require first, second, and third-class metropolitan cities receiving local affordable housing aid to submit an annual report on their locally funded housing expenditures, to ensure that they are supplementing, not supplanting, their locally funded housing expenditures with the local affordable housing aid. Next, the bill will head to a conference committee.

Taxes

On Wednesday, [SF 5234](#)-Rest, the omnibus Senate tax bill, was heard and passed by the Senate Taxes Committee. The bill makes changes to laws governing local sales taxes, including allowing local governments to impose local sales taxes that meet certain criteria, without legislative authority. Eligible projects would include sports complexes, community centers, criminal justice facilities, convention centers, airports, parks and trails. A local government seeking to impose a tax would be required to submit a resolution and documentation to the Commissioner of the Department of Revenue before seeking voter approval. The bill repeals the two-year local sales tax moratorium enacted in 2023.

The bill provides exemption refunds for construction materials for specific projects for a number of cities, including the cities of Columbia Heights, Apple Valley, Burnsville, Chanhassen, Edina, Spring Lake Park, Watertown, Woodbury, and Plymouth. The bill provides for specific tax increment financing (TIF) changes for the metropolitan cities of Ramsey, Maple Grove, St Paul, Brooklyn Center, Brooklyn Park, Eden Prairie, Edina, Minnetonka, and Plymouth.

The bill contains a provision opposed by Metro Cities that requires cities of the first, second and third class receiving metropolitan local affordable housing aid, to maintain locally funded housing expenditures at a level not less than the average level of expenditures for the three preceding fiscal years. The bill also includes a requirement that cities provide annual reporting on their local housing expenditures over the past three years. View the bill summary [HERE](#).

The House Taxes Committee passed its omnibus tax bill, HF 5247-Gomez and the bill awaits action on the floor Friday. The House bill changes laws that govern local sales taxes, with some differences from the Senate tax bill, including establishing an equalization aid, and with a narrower set of specified projects by which local taxes could be imposed without legislative approval. This list of eligible projects includes correction facilities, district courts, law enforcement centers, convention centers, libraries, parks, sports complexes, or trails. Projects must serve a regional population, provide economic development benefits, or draw non-residents to the region. The bill requires a local government to provide the state auditor with letters of support from governing bodies in the surrounding jurisdictions that indicate support for the tax. The state auditor would also be required to verify that a proposal meets statutory requirements. The bill further establishes a local equalization aid that defines qualifying recipients and requires a local government imposing a tax to contribute 15% of the annual proceeds to provide for the aid. View the bill summary [HERE](#).

Capital Investment

The House and Senate Capital Investment Committees heard omnibus capital investment bills in their respective committees this week. Both bills appropriate \$988 million in general bonds, and both bills provide for \$15 million for inflow-infiltration mitigation assistance for metropolitan cities. Metro Cities is concerned with language in the bills that would require local governments to establish replacement accounts for capital improvements funded with state appropriations. Metro Cities will work with the League of MN Cities and other city associations as bills proceed, on possible language modifications in this area.

Legacy

[HF 4124](#) (Lillie), the legacy supplemental budget bill was passed, as amended, by the House with a vote of 118 to 13 on Tuesday, April 30. The bill includes some supplemental funds for the Metropolitan regional parks and trails including \$182,000 for competitive grants to provide free or reduced-cost equipment and facility rentals for you and low-income users, and \$250,000 for competitive grants for fishing piers.

Environment

[HF 3911](#) (Hansen), the omnibus environment supplemental budget bill, was passed, as amended, by the House with a vote of 68 to 63. The bill contains \$1 million for the Lawns to Legumes program and \$12.4 million for tree planting grants in the metropolitan region. Click [HERE](#) for a budget spreadsheet for this bill.

Parking Preemption Bill Heard in Senate Committee

On Thursday, a parking pre-emption bill, [SF 3572](#) – Fateh, was heard in the Senate State and Local Government Committee. The bill, also known as the “People Over Parking Act” would preempt a city from setting minimum parking mandates for residential, commercial, or industrial properties within its jurisdiction. The bill would preclude cities from specifying a minimum number of off-street vehicle parking spaces, including within a garage or other enclosed area. Metro Cities signed a [joint letter](#) with other city groups to oppose this legislation. During the hearing, the bill

was [amended](#) to include language prohibiting cities from conditioning the approval of a residential building permit, subdivision development or residential planned unit development on the creation of a homeowners association.

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

OLA Report on Metro Mobility

The Office of the Legislative Auditor (OLA) released its program evaluation report on Metro Mobility on April 30. The OLA's investigation and findings focus on the quality of Metro Mobility services and the Metro Mobility Complaints Process. Specifically, the report finds that the Metropolitan Council established lower standards for Metro Mobility service in the state-mandated services area, which is larger than what is mandated by the federal government. The OLA recommends that the state legislature amend state law to explicitly identify service requirements in the state-mandated services area and that the Metropolitan Council should take additional steps to address service quality issues. The report included several findings related to the complaints process, its lack of effectiveness, and recommendations the Metropolitan Council should take to improve in this area. Click [HERE](#) for a summary of the report and [HERE](#) for the full text of the report.

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

Bills of Note

[HF 5415](#), Agbaje/[SF 5487](#), Mohamed: Bill requires an audit of the Minnesota Housing Finance Agency and requires a report.

[HF 5434](#), Howard: Bill establishes the African American affordable homeownership development program and appropriates funding.

[HF 5436](#), Howard: Bill establishes an Accessible Housing Task Force and requires reports.

[SF 5497](#), Gustafson: Bill modifies the crime of fleeing a peace officer in a motor vehicle to add a heightened penalty for fleeing in a culpable manner.

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