

# **Metro Cities News**

February 14, 2025

## **Metro Cities Board of Directors Openings**

The Metro Cities Board of Directors will have openings for terms beginning July 1. The 19-member Board is comprised of elected and appointed officials and must be balanced by city size and population. The Board oversees Metro Cities' operational budget, strategic goals, and legislative policies. The Board also appoints municipal officials to the regional Transportation Advisory Board (TAB) and Technical Advisory Committee (TAC). A nominating committee will meet in March to recommend officers and members for election at the April annual meeting. Interested applicants must submit a resume, cover letter and completed application. For more information contact Patricia Nauman at <a href="mailto:patricia@metrocitiesmn.org">patricia@metrocitiesmn.org</a>. The deadline for applications is March 7, 2025.

## Metropolitan Council Adopts 2050 Regional Development Guide

On Wednesday, the Metropolitan Council adopted the 2050 Regional Development Guide, *Imagine 2050*. This guide sets the Council's long term regional vision for the seven-county metropolitan area, as well as regional policies for Land Use, Housing, Regional Parks and Trails, Water, and Transportation. Council members discussed the work that went into creating the guide and a change to the proposed density policy that will require 3.5 rather than 4 units per acre.

View the *Imagine 2050* documents, public comments <u>HERE</u>, and the meeting PowerPoint <u>HERE</u>. The Council will next begin work on guidance for implementing the plan, much of which will occur through the local comprehensive planning process. Staff will begin to work to align Livable Communities Act (LCA) programs with the new guide for the 2026 LCA solicitation. Metro Cities will provide further information as next steps begin.

## **Senate Housing Committee Hears Two Funding Bills**

On Tuesday, the Senate Committee on Housing and Homelessness Prevention heard two funding bills for key housing programs at the Minnesota Housing Finance Agency. SF 203 – Port (DFL-Savage) would authorize capital funding for an additional \$400 million in housing infrastructure bonds. Metro Cities submitted a letter in support of this bill. The committee also heard SF 982 – Boldon (DFL-Rochester) that would provide funding for the Minnesota Housing Economic Development and Housing Challenge Program. The bill funds the program at \$22.9 million in FY 2026 and \$12.9 million in FY 2027. This program provides for a wide variety of uses for housing development with an economic development focus. Metro Cities submitted a letter in support of the bill and funding increase.

If you have any questions, please contact Ania McDonnell at <a href="mailto:ania@metrocitiesmn.org">ania@metrocitiesmn.org</a>.

## **Bill Impacting Transportation Revenues Heard**

The House Transportation Committee held a hearing on Monday to discuss <u>HF 5 – Joy</u>. The bill repeals new transportation revenue sources passed in 2023 and reallocates the revenue from the

metropolitan regional sales tax for transportation. The bill halts the indexing of the gas tax, which reduces the amount of revenue going into the Highway User Tax Distribution Fund.

HF 5 also repeals the retail delivery fee, which is one of two sources of revenue for the Transportation Advancement Account (TAA). To account for less revenue in the TAA, the revenue from the motor vehicle rental tax is put toward the TAA and both the small city and larger city accounts are given a larger percentage, which results in higher annual distributions for cities of all sizes. The small cities assistance account has its percentage of the TAA increased from 27% to 34% and the larger cities assistance account has its percentage increased from 15% to 23%. Reallocating the motor vehicle rental tax revenue from the HUTD to the TAA does result in a small decrease to the Municipal State Aid Streets.

Metropolitan area counties are removed from the TAA and are instead given a larger proportion of the metropolitan regional sales tax revenue, taking from the Metropolitan Council's allocation. The Council's portion of the sales tax is decreased from 83% to 74% and the metropolitan counties have their portion increased from 17% to 26%. Click <a href="HERE">HERE</a> to view a budget spreadsheet document comparing funding amounts under HF 5 to current law. Click <a href="HERE">HERE</a> for a summary of the bill.

Metro Cities testified at Monday's hearing to reiterate the importance of the TAA revenues for cities of all sizes and that what cities want most is stable, predictable funding for local street construction and maintenance. While HF 5 does result in slight increases for cities, the state's transportation system as a whole would see less ongoing revenue if the bill passed into law.

The bill also includes a provision exempting all Social Security benefits from the state individual income tax and a requirement that the Department of Public Safety conduct an analysis of the motor vehicle registration tax. HF 5 was passed by the Transportation Committee and referred to Taxes.

Contact Mike Lund at <a href="michael@metrocitiesmn.org">michael@metrocitiesmn.org</a> or 651-215-4003 with any questions.

### **Bill Authorizes Cities to Conduct Federal Background Checks**

HF 286 – Perryman was heard by the House Public Safety Committee on Wednesday. The bill authorizes counties and cities to conduct national criminal background checks (via the Bureau of Criminal Apprehension) for individuals seeking a local license to operate a cabaret or massage business. The bill also allows for the same checks on applicants seeking employment with a local government if their job duties include access to residential property or business property. Testifiers in support of the bill spoke about the difficulty of properly vetting massage therapy business applicants with background checks from Minnesota alone. Members of the committee from both parties expressed support for the bill. HF 286 was passed and referred to the Elections and Government Operations Committee.

Contact Mike Lund at <a href="michael@metrocitiesmn.org">michael@metrocitiesmn.org</a> or 651-215-4003 with any questions.

### Ranked Choice Voting Heard in Senate

<u>SF 1071 – Carlson</u> was heard in the Senate Elections Committee on Thursday. The bill authorizes cities to adopt ranked choice voting (RCV) for local elections. Under current law, only charter cities can adopt ranked choice voting. The bill describes how RCV ballots should be designed including how to set up a ballot where some races are ranked choice and others are not (for example, a federal race). The bill outlines how tabulation, reporting, recounts, postelection reviews, and more

would function under RCV. The bill contains a yet-to-be determined general fund appropriation for any state costs associated with the bill's implementation. Secretary of State Steve Simon and several local government officials testified in support of the bill at Thursday's hearing. SF 1071 was passed and referred to the State and Local Government Committee.

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

#### Bills of Note

- <u>SF 1130</u>, Hoffman: Bill repeals preemption of local rental ordinances for group homes and adds language prohibiting the use of such ordinances to exclude or prohibit group homes in a city.
- <u>SF 1131</u>, Hoffman/<u>HF 362</u>, Pinto: Bill establishes a licensure for massage therapy and Asian bodywork therapy.
- SF 1132, Hoffman: Bill establishes a grant program for EMS services training.
- SF 1146, Mohamed: Bill modifies licensing violation actions under Chapter 245D.
- SF 1147, Kreun: Bill appropriates \$15 million for additional Metro Transit PD officers.
- <u>SF 1160</u>, Howe: Bill reallocates a portion of the revenue from blackout license plates to the Minnesota 100 Club.
- <u>SF 1165</u>, Jasinski: Bill provides funding to deputy registrars for no-fee transactions completed by their offices.
- <u>SF 1166</u>, Koran: Bill clarifies what kind of identification is acceptable for registering to vote and clarifies laws around voter IDs.
- <u>SF 1170</u>, Kreun: Bill appropriates \$15 million in bond proceeds for the local government road wetland replacement program.
- <u>SF 1179</u>, Jasinski: Bill increases the monetary penalty for not being able to produce vehicle insurance from \$200 to \$300 minimum.
- <u>SF 1180</u>, Jasinski: Bill modifies how traffic violation fines are distributed.
- SF 1182, Putnam: Bill authorizes cities to issue a social district license.
- <u>SF 1187</u>, Pha: Bill allocates money for Brooklyn Park to expand their workforce development program.
- <u>SF 1196</u>, Lieske: Bill eliminates duty to retreat and allows for use of force to protect persons and dwellings.
- <u>SF 1205</u>, Putnam: Bill limits rental increases in manufactured home parks to once a year.
- <u>SF 1206</u>, Putnam: Bill requires manufactured home park owners to provide an itemized bill to residents of all charges.
- <u>SF 1207</u>, Putnam: Bill limits delinquent rent charges to 8% or less of the total rent in manufactured home parks.

- <u>SF 1208</u>, Putnam: Bill requires the owner of a manufactured home park to accept forms of payment of rent outside of online portals.
- SF 1210, Coleman: Bill modifies the definition of vehicles that are exempt from taxation.
- SF 1211, Drazkowski: Bill repeals the lawns to legumes grant program.
- <u>SF 1214</u>, Duckworth: Bill prohibits the use of funds collected from sales tax to be used for any light rail expenses by the Metropolitan Council.
- <u>SF 1217</u>, Koran: Bill proposes allowances for election challengers at early voting polls.
- <u>SF 1224</u>, Latz: Bill increases the penalty for running from a peace officer.
- <u>SF 1228</u>, Limmer: Bill removes the prohibition on mixed waste companies from charging customers who do recycle more money than those who don't.
- SF 1233, Johnson: Bill redefines priority criteria for public lands surveys.
- <u>SF 1242</u>, Lucero: Bill limits the use of facial recognition software.
- SF 1243, Koran: Bill abolishes the Metropolitan Council and transfers its duties elsewhere.
- <u>SF 1268</u>, Fateh: Bill prohibits minimum parking mandates.
- SF 1273, Lucero: Bill repeals the metropolitan region sales and use tax.
- <u>SF 1274</u>, Coleman: Bill repeals the metropolitan region sales and use tax for housing.
- <u>SF 1279</u>, Kreun: Bill appropriates \$5 million in bond proceeds for the transportation economic development infrastructure program.
- <u>SF 1280</u>, Kreun: Bill prohibits local governments from enacting policies refusing to enforce traffic regulations.
- <u>SF 1281</u>, Kreun: Bill appropriates \$15 million in bond proceeds and \$11.5 million from the general fund for the local road wetland replacement program.
- <u>SF 1282</u>, Kreun: Bill imposes mandatory fines for violations of the street racing law.
- <u>SF 1284</u>, Lang: Bill increases the penalty of operating a motor vehicle without a valid driver's license.
- <u>SF 1287</u>, Westlin: Bill appropriates \$24 million for Three Rivers Park District Regional Trail Network expansion.
- <u>SF 1314</u>, Bahr: Bill adjusts the rules for TIF in Ramsey to include interfund loan resolutions as meeting the district requirements of the Minnesota Statutes, section 469.178, subdivision 7, paragraph (b).
- <u>SF 1317</u>, Westlin: Bill extends housing service animal protections to service animals in training.
- SF 1329, Seeberger: Bill applies criminal penalties to anyone who assaults a firefighter or EMT.
- SF 1333, Abeler: Bill allocates \$3 million to build a sound barrier along Highway 10 in Anoka.

- <u>SF 1352</u>, Boldon/<u>HF 351</u>, Smith: Bill establishes a minimum city aid distribution in the LGA formula. Increases the total LGA amount to \$722.7 million.
- SF 1353, Boldon: Bill creates a minimum city aid distribution.
- <u>SF 1362</u>, Dibble: Bill appropriates \$153 million from the general fund for state match funding to the IIJA.
- SF 1363, Limmer: Bill contains various public safety provisions and modifications to current law.
- <u>SF 1369</u>, Limmer: Bill requires city attorneys to report on charges dismissed.
- SF 1384, Dibble: Bill modifies requirements for permitting small wireless facilities.
- <u>SF 1393</u>, Mathews: Bill allows for data centers to install backup generators to supply power if needed.
- <u>SF 1395</u>, Howe: Bill requires cities and counties to provide signage for roadside defibrillators at the request of businesses owners.
- <u>SF 1406</u>, Hoffman: Bill allows for permeable pavement to be installed for the purposes of stormwater management.
- SF 1416, Pha: Bill creates a right to house youth for residential tenants.
- <u>HF 33</u>, Huot: Bill establishes ambulance grant programs and several fees to generate revenue for these programs.
- HF 36, Huot: Bill increases payment rates for nonemergency medical transportation.
- <u>HF 47,</u> Schultz/<u>SF 908</u>, Kupec: Bill modifies provisions governing the certification of underground telecommunications installers.
- <u>HF 50</u>, Koznick: Bill appropriates money for a new interchange on highway 35 in Lakeville.
- HF 68, Quam: Bill establishes retention votes for appointed persons in county government.
- <u>HF 69</u>, Quam/<u>SF 364</u>, Bahr: Bill requires local elections to be held on even-numbered years (excludes first class cities).
- <u>HF 71</u>, Coulter: Bill establishes Campaign Finance and Public Disclosure Board to track campaign finances in an effort to protect elections from interference.
- <u>HF 72</u>, Engen: Bill prohibits any entity that receives state funding from making campaign contributions.
- <u>HF 74</u>, Sencer-Mura: Bill prohibits amortization in a nonconforming industrial use in an environmental justice area in cities of the first.
- <u>HF 77</u>, Pursell: Bill requires the disclosure of subsurface drain tile on property.
- <u>HF 79</u>, Curran: Bill adds hospitals, nursing homes, and schools to the water allocation priorities list.
- HF 93, Backer: Bill establishes an ambulance service training and staffing grant program.

<u>HF 104</u>, Feist: Bill establishes confidentiality for individual data for persons involved in restorative practice.

HF 112, Coulter: Bill modifies the definition of financial assistance to include certain tax increment financing or allocations of low-income housing credits and expands the definition of project.

<u>HF 120</u>, Huot: Bill modifies the intensive comprehensive law enforcement education and training program and appropriates \$5 million.

<u>HF 123</u>, Backer: Bill establishes a statewide public safety radio communication system equipment grant program and appropriates \$250 million from the state fiscal recovery federal fund.

<u>HF 140</u>, Bahner/<u>SF 379</u>, Wiklund: Bill establishes a state-funded county and city cybersecurity grant program.

HF 141, Reyer: Bill adds sustainable building guideline compliance to predesign requirements.

HF 161, Elkins: Bills allows for cities to create land-value taxation districts.

<u>HF 175,</u> Davids/ <u>SF 883,</u> Putnam: Bill provides a sales tax exemption for fiber and conduit used in broadband and Internet access services.

<u>HF 177</u>, Myers: Bill provides for a refundable construction exemption for construction of new single-family residential housing for first-time homebuyers.

<u>HF 178</u>, Myers: Bill provides for a refundable construction exemption for construction of new multifamily residential housing for first-time homebuyers.

HF 183, Anderson, P.E.: Bill repeals the retail delivery fee.

<u>HF 186</u>, Sencer-Mura/<u>SF 817</u>, Fateh: Bill requires a cumulative impacts analysis for highway projects.

HF 189, Zeleznikar/SF 966, Howe: Bill increases the surcharge amount for EVs and plug-in hybrids.

<u>HF 190</u>, Engen/<u>SF 677</u>, Coleman: Bill requires the Metropolitan Council to publish monthly ridership numbers and quarterly crime statistics.

HF 191, Engen/SF 1003, Coleman: Bill abolishes the gas tax.

<u>HF 192</u>, Burkel: Bill eliminates cost participation requirements for local governments on trunk highway projects.

<u>HF 248</u>, Stephenson: Bill requires local elections to be held on even-numbered years (excludes first class cities).

<u>HF 286</u>, Perryman/<u>SF 803</u>, Howe: Bill authorizes local governments to conduct criminal background checks under certain circumstances.

HF 304, Joy: Bill repeals the indexing of the gas tax.

<u>HF 305</u>, Joy/<u>SF 397</u>, Jasinski: Bill directs revenues from the sale of blackout license plates to the highway user tax distribution fund.

- HF 326, Engen: Bill makes it a misdemeanor to be inside a stolen motor vehicle.
- <u>HF 328</u>, Engen/<u>SF 1002</u>, Coleman: Bill requires voter approval of the regional transportation sales tax.
- <u>HF 332</u>, Engen: Bill adds a heightened penalty for fleeing a peace officer in a motor vehicle in a culpably negligent manner.
- <u>HF 340</u>, Stier/<u>SF 191</u>, Gustafson: Bill modifies the crime of fleeing a peace officer in a motor vehicle.
- HF 350, Smith/SF 1353, Boldon: Bill creates a minimum city aid distribution in LGA formula.
- <u>HF 384</u>, Mohammed: Bill appropriates \$35 million for Minneapolis Public Housing Authority for affordable housing units.
- HF 405, Myers: Bill establishes a skills path program for employment-based training.
- HF 418, Franson: Bill bonds for small city municipal facility improvement grants.
- <u>HF 422</u>, Koegel: Bill bonds for \$20 million for the safe routes to school program and the active transportation program.
- <u>HF 451</u>, Jacob: Bill removes funding for the Lawns to Legumes program.
- <u>HF 457</u>, Harder/<u>SF 768</u>, Mohamed: Bill proposes a refundable credit for conversion of underutilized buildings, allows grants in lieu of the credit, and sets a sunset for the credit.
- <u>HF 480</u>, Scott: Bill requires city attorneys to record reasons for dismissed charges and make that information publicly available.
- <u>HF 483</u>, Mekeland/<u>SF 466</u>, Mathews: Bill prohibits bans by political subdivisions on certain natural gas or propane service to any building.
- <u>HF 484,</u> Mekeland/<u>SF 467,</u> Mathews: Bill prohibits a local ban on new natural gas hookups in residential construction.
- HF 497, Agbaje: Bill allocates \$2.2 million for the next two years to the Community Mediation Minnesota program for housing disputes.
- HF 510, Koznick: Bill appropriates money for a small business growth acceleration.
- HF 549, Quam: Bill dedicates a portion of local government aid to cities for housing.
- HF 553, Quam: Bill prohibits acceptance of a municipal ID for state or federal services.
- <u>HF 554</u>, Quam/<u>SF 1095</u>, Bahr: Bill requires counties and cities to have written policies and procedures available to the public.
- <u>HF 556</u>, Quam: Bill establishes a pilot program to issue grants to local law enforcement agencies to purchase equipment to respond to active shooters in schools.

- <u>HF 563.</u> Quam: Bill dedicates a portion of local government aid to cities for pre-1940 housing improvements.
- <u>HF 594</u>, Quam: Bill changes the date of the State primary elections to the same date as the presidential primary nomination.
- HF 595, Quam: Bill classifies election judge party affiliation as public data.
- HF 598, Quam/SF 1021, Howe: Bill repeals the authorization of absentee drop boxes.
- <u>HF 638</u>, Altendorf/<u>SF 639</u>, Koran: Bill prohibits political subdivisions from establishing or enforcing ranked-choice voting.
- <u>HF 678</u>, Sencer-Mura: Bill appropriates \$10 million in FY 26 and 27 for a traffic calming infrastructure improvement program for cities of the first class.
- <u>HF 683</u>, Frazier/<u>SF 1071</u>, Carlson: Bill authorizes cities, counties, and school boards to use ranked-choice voting.
- HF 686, Frazier: Bill requires the development of a model policy for safe traffic stops.
- HF 688, Frazier: Bill extends service animal housing protections to service animals in training.
- HF 719, Lee, F./SF 390, Pappas: Bill appropriates \$10 million in bond proceeds for the safe routes to school program.
- <u>HF 724</u>, Skraba/<u>SF 862</u>, Johnson Stewart: Bill raises the maximum award amount for RECD water grants, clean water revolving loan funds, and drinking water revolving loan funds, the bill establishes an emerging contaminants grant program and appropriates bond proceeds to each of these programs.
- <u>HF 726</u>, Lee, F.: Bill imposes a gross revenues tax on entities manufacturing and selling products containing PFAS.
- <u>HF 748</u>, Koznick: Bill removes VMT reduction portion of 2023 GHG law change and exempts safety projects from the requirements laid out in statute.
- <u>HF 749</u>, Koznick: Bill establishes performance requirements and conditional termination of the Northstar Commuter Rail line.
- <u>HF 752</u>, Robbins: Bill authorizes cities to prohibit sale of cannabis projects and to prohibit cannabis businesses within their jurisdictions.
- HF 764, Hudson: Bill eliminates the statute of limitation for the crime of arson in the first degree.
- HF 766, Hudson: Bill enhances the penalty for assaulting a police officer.
- <u>HF 772</u>, Swedzinski: Bill requires certain publicly funded institutions report suspected undocumented persons being housed in a facility under the institutions control.

