

Metro Cities Webinar on Adult-Use Cannabis Rulemaking Updates, Local Impacts

Metro Cities hosted an online forum for city officials and staff on Friday, January 31st with staff from the Office of Cannabis Management (OCM) who provided updates on adult-use cannabis. The OCM presentation included highlights from the recent update to the Local Government Handbook, the latest rulemaking and licensing activities, and the process for coordinating retail registrations by local governments. There was also some discussion around municipal adult-use cannabis retail operations. Click [HERE](#) to view the presentation slides used by OCM staff for this webinar.

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

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 patricia@metrocitiesmn.org. The deadline for applications is March 7, 2025.

Senate and House Updates

On Monday, the Minnesota Senate seated Doron Clark in Senate District 60 following a special election. This returned the Senate to a 34-33 split with a DFL majority. The Senate subsequently voted to end the power sharing agreement and passed a resolution outlining standing committees. Senator Bobby Jo Champion (59, DFL) was elected Senate President. Senator Mark Johnson (01, R) remains as GOP Minority Leader.

On Thursday House DFL and GOP leaders reached agreement on a shared power structure and met for a floor session Thursday. Representative Lisa Demuth (13A, R) was named House Speaker. Representative Melissa Hortman (34B, DFL) will serve as the DFL Leader.

Committees will be comprised of equal numbers of DFL and GOP members and chaired by GOP members until the special election in March. The exception is a Fraud Prevention committee that will be made up of three GOP and two DFL members, with a GOP chair, for two years. The agreement also states that the House must elect equal numbers of representatives to Conference Committees.

See the Senate list of committees [HERE](#) and the House list of committees [HERE](#).

Cost Participation Bill Heard in Senate

The Senate Transportation Committee heard [SF 285 \(Jasinski\)](#) on Wednesday. The bill would prohibit MnDOT from requiring a local government to pay for project costs within trunk highway right-of-way, including utility relocation costs regardless of facility ownership. This prohibition would apply even if the relevant costs are not eligible for trunk highway funding or the project has non-trunk highway system benefits. It would not apply to project costs agreed upon between MnDOT and a local government for work outside of the project scope. The bill includes an open appropriation to MnDOT from the general fund for costs not eligible to be paid for out of the trunk highway fund.

Wednesday's hearing included testimony from elected officials and engineers. The bill was generally well-received by members of the committee. MnDOT has been engaging local government stakeholders since May 2024 as they work to update their internal cost participation policy. Their policy has not had a major update since 2016. SF 285 was laid over for possible inclusion in a transportation omnibus bill.

Following the bill hearing, the committee heard two presentations. The first was from the Governor's Council on [Connected and Automated Vehicles](#). After the CAV presentation, MnDOT staff presented on the November 2024 [Road Funding Gap Report](#), which details the state of Highway User Tax Distribution Fund revenues compared to the anticipated needs on state's transportation system over the next 10 years. Click [HERE](#) to view MnDOT's slides.

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

Senate Hearing on Public Housing Bonds

On Thursday, the Senate Committee on Housing and Homelessness Prevention heard a bill, [SF 915](#) – Mohamed (DFL – Minneapolis) that would provide for \$100 million in General Obligation bonds to fund the costs of rehabilitating and preserving public housing in Minnesota. Metro Cities [submitted a letter](#) in support of this legislation. The bill was passed and sent to the Senate Capital Investment Committee for consideration.

Metropolitan Council Committee Adopts Livable Communities Distribution Plan

On Monday, the Community Development Committee adopted the 2025 Livable Communities Act Fund Distribution Plan (FDP). The recommended funding allocations propose that they largely hold steady the funding amounts for the programs, which includes \$6 million for the Tax Base Revitalization Account (TBRA) programs, \$20.9 million for the Livable Communities Development Account (LCDA) programs, and \$2.5 million for the Local Housing Incentives Account (LHIA) programs. There were minor recommended policy changes for the 2025 FDP, including decreasing the minimum score for the Pre-Development program, changes to scoring on Net Tax Capacity in the Policy Development Program, removing the match requirement in the Policy Development Program, and redistributing some points in the Homeownership program. The Council will plan for more significant changes for the 2026 fund distribution plan through participant and stakeholder engagement this spring and summer, and will present these final proposed program changes to the committee in September. You can view the presentation [HERE](#), and the business item [HERE](#). The 2025 Livable Communities Act FDP will go to the full Council for approval on February 12th.

Please contact Ania McDonnell at ania@metrocitiesmn.org with any questions.

Bills of Note

[HF 5](#), Joy: Bill repeals the delivery fee passed in 2023, repeals the indexing of the gas tax, and reallocated the motor vehicle rental tax to the Transportation Advancement Account.

[HF 11](#), Baker: Bill delays the implementation of the Minnesota Paid Family Leave law by one year.

[HF 14](#), Robbins: Bill prohibits the Metropolitan Council from spending any funds on LRT until the Southwest LRT (Green Line Extension) begins revenue service.

[SF 862](#), 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.

[SF 868](#), Wesenberg: Bill modifies the statute to require reporting on broadband technologies every year.

[SF 883](#), Putnam: Bill provides an exemption for fiber and conduit used in broadband and Internet access services.

[SF 896](#), Bahr: Bill makes prior active transportation appropriation (\$8 million per year) a one-time spend.

[SF 901](#), Pratt: Bill appropriates funding for a grant to provide equine-experiential mental health therapy to first responders suffering from trauma and post-traumatic stress disorder.

[SF 902](#), Jasinski: Bill dedicates revenues from sales tax on various products and services to the highway user tax distribution fund.

[SF 908](#), Kupec: Bill modifies provisions governing the certification of underground telecommunications installers.

[SF 915](#), Mohamed: Bill authorizes \$100 million in state general obligation bonds for public housing rehabilitation.

[SF 966](#), Howe: Bill amends the surcharge on EVs and imposes a surcharge on plug-in hybrid vehicles, electric motorcycles, and plug-in hybrid motorcycles.

[SF 982](#), Boldon: Bill appropriates money to the Minnesota Housing Finance Agency for programs related to low-income housing and homelessness.

[SF 992](#), Howe: Bill modifies wetland replacement ratios.

[SF 1002](#), Coleman: Bill requires voter approval of the regional transportation sales tax.

[SF 1003](#), Coleman: Bill abolishes the gas tax.

[SF 1014](#), Fateh: Bill appropriates funding for housing with support for persons with serious mental illness.

[SF 1021](#), Howe: Bill repeals the authorization of absentee drop boxes.

[SF 1028](#), Rarick: Bill proposes to form special tax districts for EMS and Fire Protection funds, creating a portion of support from the general fund.

[SF 1032](#), Boldon: Bill requires landlords to disclose all parties with an interest in a lease to renters.

[SF 1036](#), Port: Bill prohibits landlords from coordinating with other rental properties to set rental rates.

[SF 1058](#), Drazkowski: Bill repeals the delivery fee and reorganizes percentages going to cities, counties, and towns from the Transportation Advancement Account. Bill also provides metropolitan area counties with a larger share of the regional sales tax revenue.

[SF 1063](#), Marty: Bill creates a common interest community ombudsperson and appropriates funding for the Office of the Common Interest Community Ombudsperson.

[SF 1071](#), Carlson: Bill authorizes jurisdictions to adopt ranked choice voting.

[SF 1095](#), Bahr: Bill requires counties and cities to have written policies and procedures available to the public.

[SF 1104](#), Kreun: Bill appropriates \$300 million in trunk highway bonds for the Corridors of Commerce program.

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