



## **2026 Legislative Session Begins Tuesday**

The 2026 legislative session will begin on Tuesday, February 17<sup>th</sup>, with both bodies convening at noon. This is not a budget setting year for the Legislature. Bonding bills are typically considered in even year sessions, and depending upon the condition of the state budget, supplemental budget actions may be considered. Metro Cities will provide a legislative preview next week that will include information on the legislature's makeup, overall state budget picture, Capitol access, anticipated legislative issues, association priorities, and advocacy tips for city officials.

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

The Metro Cities Board of Directors will have openings for terms beginning July 1. The Board is comprised of 19 elected and appointed officials and is balanced by city size and population. The Board oversees Metro Cities' budget, strategic goals, and legislative policies and priorities and 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 should submit a resume, cover letter and completed [application](#). For more information, contact Patricia Nauman at [patricia@metrocitiesmn.org](mailto:patricia@metrocitiesmn.org). The deadline for applications is March 6, 2026.

## **Save The Dates! Regional and Local Planning Foundations Webinar Series**

Metro Cities will host a three-part webinar series for cities with Metropolitan Council staff on local comprehensive planning and its context within the regional planning framework. The series will cover intersections of regional and local planning, and resources available to communities in preparing comprehensive plans. This three-part series is open to all city elected officials and staff. The series will be held over three noon hours, and will cover:

- Foundations of Regional Planning: March 12, 12:00-1:00 pm**
- Comprehensive Planning in a Regional Context: April 9, 12:00-1:00 pm**
- Technical Assistance for Comprehensive Planning: May 7, 12:00-1:00 pm**

To register, email Jennifer Dorn at [jennifer@metrocitiesmn.org](mailto:jennifer@metrocitiesmn.org). A meeting link will be sent in advance. Questions? Contact Patricia Nauman at [patricia@metrocitiesmn.org](mailto:patricia@metrocitiesmn.org).

## **Governor Walz Announces Economic Recovery Loans for Small Businesses**

On Thursday, Governor Walz and Department of Employment and Economic Development (DEED) Commissioner Varilek announced a reconstitution of a small business emergency fund that was used during COVID, to assist with small business needs and recovery. The Governor stated he will work with the Legislature and federal government to create a \$10 million targeted loan for small businesses that will be partially forgivable with zero percent interest over three years. After one year, the loan would be 50% forgiven. Eligible businesses would be those with an

annual revenue of between \$200K to \$4 million. Metro Cities will provide additional information on this effort as it becomes available.

## **Reminder: Regional Solicitation is Open for Public Comment**

The Metropolitan Council and the Transportation Advisory Board are accepting comments on the draft application processes for the Regional Solicitation, Active Transportation Solicitation, and Highway Safety Improvement Program Solicitation, which the board released for public comment until Tuesday, February 17, 2026.

The three solicitations are competitive grant processes used to prioritize and invest federal transportation funds and regional sales tax funds in roads, bridges, transit routes, bike paths, sidewalks, and electric vehicle charging, and programs like travel demand management and active transportation planning. Whether for existing infrastructure or new improvements, projects focus on outcomes from [Imagine 2050 and 2050 Transportation Policy Plan](#).

The 2026 Regional Solicitation, Active Transportation Solicitation, and Highway Safety Improvement Program Solicitation draft packages reflect nearly two years of collaborative work to redesign the solicitation applications and processes to align with [Imagine 2050, the 2050 Transportation Policy Plan](#), and feedback from regional partners and stakeholders.

[Visit the Regional Solicitation web page](#) to learn more about the competitive grant process and view the applications and instructions for the solicitations. Visit the [Regional Solicitation Evaluation](#) web page to learn about the process that led to the 2026 solicitation packages. Visit the [Active Transportation Funding web page](#) for more information on how the new Regional Transportation Sales and Use Tax will contribute to active transportation across the region.

To offer your city's feedback you can:

- [Submit your comments on the application materials](#).
- Check out the [budgeting tool](#) to share your funding preferences and priorities.

Other options to submit a comment:

- Email [public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us)
- Record a message at 651-602-1500 (TTY 651-221-9886)
- Mail comments to 390 Robert Street North, St. Paul, MN 55101-1805

Contact Mike Lund at [michael@metrocitysmn.org](mailto:michael@metrocitysmn.org) or 651-215-4003 with any questions.

## **Electricity as Vehicle Fuel Working Group Concludes**

In response to declining gas tax revenues the legislature created a working group to analyze the ways in which similar revenue could be generated by electric vehicle drivers at public charging stations. The working group, which included state legislators and a variety of designated stakeholders (including one city representative), discussed the interaction between a tax on EV charging and existing EV surcharges as well as other long-term solutions for sustainable transportation funding. MnDOT estimates that the state is facing a nearly \$18 billion highway funding gap over the next 20 years. Part of this shortfall is due to the adoption of EVs but also the increased fuel efficiency in gas-powered vehicles.

Current law will impose a \$0.05 per kWh at public charging stations beginning in July 2027. EV industry and environmental advocacy members of the working group raised concerns with the public charging tax because EV owners already pay an annual surcharge. Advocates further argued that the imposition of a public charging tax would slow EV adoption, hampering the state's climate efforts. Many on the working group pointed out that the bulk of EV charging occurs overnight in private residences and that those chargers are not subject to the new tax.

Despite some recommending the repeal of the public EV charging tax, the working group found the closest thing to consensus on the following recommendations to the legislature for the implementation of the tax:

- Establish a standard federal purchase exemption for electricity sold as vehicle fuel for vehicles owned and operated by the federal government.
- Modify the tax such that public charging station operators will report and remit the tax on a quarterly basis, rather than monthly.
- Broaden the tax to include level 2 charging stations (instead of only level 3).
- Eliminate the sales tax on electricity at public EV charging stations.
- Clarify the definition of public charging station.
- Index the public charging tax to inflation to follow the indexing of the gas tax.

The group also recommended that the legislature establish a similar task force in 5 years to reevaluate options, study changes to the policy landscape, and get updates on any changes to available technologies in this space.

Alternatives to the gas tax and the EV charging tax were discussed in this working group including the potential implementation of a mileage-based road user charge. Such a program would be voluntary and based on odometer readings (as opposed to tracking trip or location data).

Click [HERE](#) to view the draft Electricity as Vehicle Fuel Working Group report.

Contact Mike Lund at [michael@metrocitiesmn.org](mailto:michael@metrocitiesmn.org) or 651-215-4003 with any questions.

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**Metro Cities News** is emailed periodically to Metro Cities member mayors, councilmembers, city managers/administrators, and city staff to keep officials and staff abreast of important metro city issues.

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