



2026 Legislative Session Preview

The 2026 legislative session is the second half of the current legislative biennium and began Tuesday, February 17. Metro Cities provides a legislative preview at the beginning of the legislative session. See below for the preview, which includes information on the legislature's makeup, Capitol security changes, anticipated legislative items, identified priorities of legislative caucuses, Metro Cities legislative priorities and staff contact information.

Legislative Leadership and Committees

In the Senate, the DFL continues to have a one seat (34 - 33) majority. Sen. Keri Heintzeman (GOP) won the special election for District 6 last April, and former House member Amanda Hemmingsen-Jaeger (DFL) won the special election for District 47 in November.

The House remains tied 67-67. House committees will continue to operate with co-chairs. Following the loss of Speaker Emerita Melissa Hortman last June, Rep. Zach Stephenson was named DFL Caucus Leader and Rep. Cedric Frazier is now the DFL Co-Chair of Ways and Means. Other changes in committee chairs include Rep. Erin Koegel (DFL) moving to co-chair Commerce following Kaohly Vang Her's election as Saint Paul Mayor and Rep. Brad Tabke (DFL) stepping into Rep. Koegel's role as Transportation Co-Chair.

New Security Measures at Capitol

New security measures for the Capitol and state legislative buildings are now in place. Visitors to the Capitol and Senate will go through security screenings and bag checks similar to other public venues and government buildings. Everyday items such as keys, phones, and wallets do not need to be removed to go through the screening. The weapons ban does not apply to a person who holds a concealed carry permit. Visitors must produce documentation of a valid permit and government issued ID.

The weapons screening will occur at four public locations. The main south entrance underneath the Capitol steps (this is the new singular public entrance to the Capitol), the tunnel from the Minnesota Senate Building, the tunnel from the State Office Building (LOT C), and the tunnel from the Minnesota Judicial Center. All screening areas are ADA accessible. Capitol staff have indicated that screening machines can accommodate people quickly, however visitors to the Capitol should anticipate longer wait times when entering buildings. Please click [HERE](#) for more information on the implementation of security screenings.

Caucuses Highlight Session Priorities

DFL legislators, on Monday February 16th, held a press conference to outline various session priorities, with a focus on measures to pursue accountability for federal ICE agents. Bills would limit the access of ICE around childcare centers, keep agents away from school zones, and prohibit the presence of ICE agents at hospitals and college campuses. Two of the bills address privacy concerns around facial recognition and automatic license plate readers. There are also bills that require federal agents to not wear masks and that any vehicles used to transport detainees be marked as law enforcement.

Republican legislators also held a news conference on Monday where they unveiled session priorities, with a focus on addressing fraud in state government, promoting affordability, enhancing safety, and reducing school mandates. The discussion included proposing measures to tackle affordability, lower health care costs and examine rising property taxes.

Governor's Capital Investment Budget Proposal

Governor Walz unveiled his [capital investment recommendations](#) ahead of the 2026 legislative session. The proposal totals \$907 million in investment and includes funding on several programs of note for metropolitan area cities. In addition to appropriations for various state agencies and their associated programs, the Governor's recommendation includes \$35 million in general obligation bonds for unspecified local government projects. Items of note include:

- \$2.5 million for Transportation Economic Development Public Infrastructure (TEDI) Grant Program.
- \$50 million for Housing Infrastructure Bonds.
- \$1 million for improvements to the metropolitan regional parks and trails system.
- \$5 million for the Inflow and Infiltration grant program.
- \$2.15 million for statewide drinking water system improvements.
- \$7 million for Lead Service Line replacement.
- \$15 million for the Emerging Contaminants grant program.
- \$50 million for high-priority pavement projects.
- \$5 million for Local Government Roads Wetland Replacement.

House and Senate Capital Investment Committees this week heard presentations from the Governor's cabinet on the Governor's capital recommendations.

Metro Cities' 2026 Legislative Priorities

Metro Cities' legislative priorities encompass several issues of importance to metropolitan cities in the areas of taxes, bonding, housing, economic development, transportation, infrastructure, public safety, local control, and others. Staff contacts and issue areas are included later in this article. The adopted priorities can be found [HERE](#).

Anticipated Legislative Issues of Note

Budget

The state's February Budget Forecast will be released next Friday, February 27. The forecast, which projects the state's revenues and expenditures, is expected to continue reflecting structural budget challenges in the next biennium. In conversations with legislators so far this year, many have indicated that expectations should be low with respect to appropriations and spending.

Every forecast is closely held until its release. Metro Cities will provide a summary of the forecast once it is released.

Capital Investment

The [Debt Capacity Forecast](#) produced by MN Management and Budget last December assumes a general obligation debt amount for a FY 2025 bonding bill of no more than \$790 million. The Governor's capital investment recommendations were released last month and Capital Investment Committees this week heard presentations on his recommendations.

Inflow-Infiltration Assistance for Metropolitan Cities

Metro Cities will again pursue capital funding assistance for inflow-infiltration mitigation efforts for metropolitan cities found to be contributing 'excess' levels of I/I into the regional wastewater system.

Housing and Land Use Authority

Metro Cities supports an expanded timeline for cities to spend their Local Affordable Housing Aid (LAHA) dollars, and LAHA funding for metropolitan area cities under 10,000 in population to be eligible for funding from local affordable housing aid grants.

This session, Metro Cities anticipates the return of legislation that would preempt local decision-making authority over zoning and land use. Metro Cities opposes legislation that would pre-empt local authority over zoning and land use.

Public Safety

Several bills are expected to be considered regarding the conduct of federal law enforcement. Specifically, members of the DFL caucus are planning to introduce legislation prohibiting face coverings or masks and regulations around the types of vehicles used to apprehend and transport individuals. The impact of operation Metro Surge may prompt renewed conversations around ways to increase community trust between residents and local police and methods to improve recruitment and retention of peace officers.

Taxes

Metro Cities continues to support allowing cities to impose local sales taxes for certain capital improvements without the need for special legislation. The local sales tax moratorium is now expired. Legislation allowing this general authority has been an ongoing effort and the association will continue to advocate for this change.

Transportation

Metro Cities will work to protect against cuts to core transportation funding for cities including Municipal State Aid Streets (MSAS) as well as revenue sources for the broader transportation system (statewide taxes that contribute to the Highway User Tax Distribution (HUTD) Fund). Transportation Advancement Account (TAA) funds must also be preserved as they contribute to the Small Cities Assistance Account and the Larger Cities Assistance Account. Finally, Metro Cities will advocate for additional funding for the Local Road Improvement Program, Local Bridge Program, Corridors of Commerce Program, and Local Government Road Wetland Replacement Program. These transportation programs have historically been included in either a capital investment bill or an omnibus transportation finance bill.

Some transportation policy items of note may be discussed this session including local cost share requirements for MnDOT projects, autonomous vehicles, MSAS design standards, and transit funding.

Economic Development and Recovery

Metropolitan area cities are facing economic impacts following the federal immigration surge in the metropolitan area. Governor Walz has proposed funding for small business recovery, and other legislation is anticipated. Metro Cities is closely monitoring this issue, and the Metro Cities Board adopted a Board policy this week that states support for assistance to cities facing unanticipated local costs, including in the areas of public safety, emergency management and public works.

Metro Cities will support bills for the creation of new tools to address the re-use of underutilized commercial space to housing or other uses through tax credits, tax increment financing, or state funding.

Metro Cities Newsletter and Bills of Note

Each week, Metro Cities publishes an online newsletter for its members, with timely information and updates on legislative bills, hearings, debates, and activity of interest to metropolitan area cities. During the session, the newsletter contains a “Bills of Note” section with information on recently introduced bills of interest to metropolitan cities.

Action Alerts

During the session, Metro Cities may ask city officials to reach out to their legislators on a specific bill or issue. These are usually time sensitive requests for action. Many legislators value hearing directly from city officials on what they think on a particular bill or topic. Thank you in advance – your responses are important and greatly appreciated.

City Advocacy at the Capitol

City officials are encouraged to get to know your local legislators and to stay in touch with them as bills affecting cities are considered, and on individual city bills and issues. Please click [HERE](#) for a guide on advocating at the Capitol and click [HERE](#) for a helpful resource on which legislators represent your city.

Sharing your city’s unique perspective on how legislation or a budget item would impact local residents, businesses, and property taxpayers is important. Metro Cities also makes resources and background information available to cities. If you have questions about how to contact your legislator, please reach out directly to Metro Cities staff.

Contact Information for Metro Cities Staff

Staff contacts and issue areas are listed below:

- Patricia Nauman, Executive Director: patricia@metrocitiesmn.org (taxes, aids, bonding, regional issues)
- Mike Lund, Government Relations Specialist: michael@metrocitiesmn.org (transportation, local decision making, cannabis, elections, public safety, environment)
- Ania McDonnell, Government Relations Specialist: ania@metrocitiesmn.org (housing, economic development, redevelopment, community development, local decision making)
- Will Sarkinen, Legislative Session Intern: wsarkinen@metrocitiesmn.org
- Jennifer Dorn, Office Manager: jennifer@metrocitiesmn.org

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 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, to give an overview of local comprehensive planning and its context within a regional planning framework. The series will cover the Metropolitan Council's role in regional planning and infrastructure, intersections of regional planning with local visioning and land use planning, and resources available to communities in preparing comprehensive plans. This three-part series is open to all city elected officials and staff and will cover a range of topics and information. Please plan to join us!

- 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. Meeting access and other information will be sent in advance of the series. Questions? Contact Patricia Nauman at 651-215-4002 or patricia@metrocitiesmn.org.

House Committee Discusses Transportation Funding, Automated Vehicles, and High Subsidy Transit

The House Transportation Committee heard three presentations at their Wednesday meeting this week. The first, from the Transportation Alliance, provided members with an overview of transportation funding needs throughout the state. Executive Director Margaret Donahoe discussed the [Alliance's priorities](#) which focus on preserving existing streams of revenue for transportation and support for a robust capital investment bill.

The second presentation from MnDOT provided the committee with information on the department's work regarding [connected and automated vehicles](#). Tara Olds, Director of MnDOT's CAV team, presented information on the range of technologies included in the definition of automated vehicles. They also discussed how other states have approached this technology and how MnDOT has approached their work toward recommendations for Minnesota's policy framework for automated vehicle regulation. Some questions from committee members concerned the deployment of Waymo vehicles in the city of Minneapolis. Co-Chair Koznick signaled to the committee that there may be bills heard this session regarding automated vehicle regulation.

The last presentation from Metropolitan Transportation Services (MTS) Director Charles Carlson concerned "high-subsidy" transit routes in the seven-county region. The 2025 transportation bill directed the Metropolitan Council to conduct a study on high-subsidy routes on a per-passenger basis. Mr. Carlson presented the data in the report, which includes all the region's transit providers. He also explained the range of options transit providers could consider lessening the per-passenger subsidy amount which could include modifying routes or service types, changing providers, reducing costs, eliminating routes, etc. Another key component of the report concerned the cost of Metro Mobility service near high-subsidy routes. Click [HERE](#) to view the report and [HERE](#) to view the slides presented at Wednesday's hearing.

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

Senate Committee Discusses MnDOT Cost Participation Policy

At their first meeting of the 2026 session, the Senate Transportation Committee received information on MnDOT's proposed revisions to their local government cost participation policy.

This policy determines how much MnDOT asks cities and counties to pay for trunk highway projects in their communities. The legislature directed MnDOT to complete this revision in consultation with local government stakeholders and asked the department to consider a city's ability to pay as part of their work. The proposed policy presented in committee does include a maximum individual project contribution component, which represents a major change in the cost participation policy. The ability to pay provision caps the amount a city would be asked to pay at 0.8% of their adjusted net tax capacity (using a five-year average). It should be noted that non-trunk highway eligible items and any additional items a city wants to add to a project scope would not count toward this contribution cap.

Other topics addressed with more specificity in the proposed cost participation policy include aesthetics, bridges and interchanges, the restoration of a de minimis clause, drainage and stormwater, frontage roads, green infrastructure, lighting, maintenance, parking, rectangular flashing beacons, roundabouts, bike/pedestrian infrastructure, and traffic signals.

This policy is internal and does not require legislative action to enact. One proposed item, local utilities, would require some legislative changes to move forward. The proposed policy seeks to provide cities with some relief from costs associated with the relocation of utilities due to trunk highway projects. Under current law trunk highway funds are not allowed to be used for this purpose so the costs fall on local governments. The report includes sample legislation to make utility relocation an eligible use of these state funds.

The policy and its associated manual are currently being reviewed ahead of final MnDOT approval. This policy will apply to projects beginning July 1, 2026. The department will develop training for local agency staff and consultants. Click [HERE](#) to view the proposed cost participation policy.

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

House Economic Development Committee Hears about Economic and Workforce Impacts

On Thursday, the House Workforce, Labor, and Economic Development Committee Finance and Policy Committee heard from a variety of testifiers on impacts of current ICE activities on businesses and the workforce. Testifiers included Matt Varilek, the Commissioner of the Department of Employment and Economic Development, and from the Minneapolis Foundation, among other testifiers. The Minneapolis Foundation estimates revenue losses from \$12 to \$30 million+ per week. Statewide, for a total eight-week estimated impact of between \$112-\$320 million. Efforts to quantify impacts statewide will likely continue. Metro Cities will continue to monitor this issue as economic impacts are further quantified.

Economic Impacts Survey for Small Businesses

The Lake Street Council and its partners are seeking to gather data, perspectives, and stories to better understand the impacts from federal immigration activity, through a survey of business owners and nonprofit leaders in the metropolitan area, with a focus on how federal actions have impacted finances and operations since December. The survey will close February 28th. Access the survey [HERE](#).

Livable Communities Environmental Cleanup Information Session

The Metropolitan Council is co-hosting an information session about funding opportunities to investigate and clean up environmental contamination. The Council is partnering with the Minnesota Department of Employment and Economic Development, Hennepin County, and Ramsey County to provide this informational webinar. There will be over \$8 million in grant funding

available in the metropolitan region this year for projects. The webinar will be hosted on Tuesday, February 24th from 11:00 am to noon. You can learn more about the event and register [HERE](#). The application deadline for these funds is April 15, 2026.

Water Sector Threat Briefing

The U.S. Environmental Protection Agency's (EPA) Office of Water Emergency Response and Cybersecurity (OWERC), in partnership with the Water Information Sharing and Analysis Center (WaterISAC), Federal Bureau of Investigation (FBI), National Institute of Standards and Technology (NIST), and Cybersecurity and Infrastructure Security Agency (CISA) is offering a threat briefing held virtually, on February 26, 2026. The briefing will be held on Zoom. A meeting link will be sent to all participants upon registration confirmation. **Please register by February 24, 2026.** For questions or additional information please email OWERC-Outreach@epa.gov.

Minnesota Brownfields Hosting Vapor Guidance Workshop

Minnesota Brownfields and the Minnesota Pollution Control Agency will host a workshop at the Wilder Center in St. Paul on new Vapor Guidance and other issues associated with managing vapor intrusion in brownfield redevelopment projects. The event will be hosted on March 5th at 8:00 am at the Wilder Center. The cost is \$100 for Minnesota Brownfields members, and \$135 for non-members. Learn more [HERE](#).

Bills of Note

[HF 3351](#), Pinto/[SF 3549](#), Westlin: Bill repeals state law preempting local governments from regulating where firearms are sold.

[HF 3356](#), Huot: Bill requires the removal of identifying equipment and insignia from emergency vehicles sold to the public.

[HF 3396](#), Davids: Bill establishes a property tax task force.

[HF 3403](#), Kozlowski/[SF 3596](#), Port: Bill establishes a one-time emergency rental assistance aid for counties.

[HF 3410](#), Sencer-Mura/[SF 3599](#), Putnam: Bill amends provisions related to redemption in an eviction action for nonpayment of rent.

[HF 3413](#), Hollins: Bill prohibits local governments from entering into certain immigration enforcement agreements.

[HF 3418](#), Tabke: Bill establishes a community-based pedestrian safety program.

[HF 3420](#), Lee, K./[SF 3589](#), Rest: Bill extends the expiration of the Hennepin County and Ramsey County deed and mortgage taxes.

[HF 3424](#), Agbaje/[SF 3598](#), Clark: Bill amends the notice requirements for an eviction action for nonpayment of rent.

[HF 3425](#), Howard/[SF 3595](#), Port: Bill appropriates funding for grants to supportive housing providers.

[HF 3430](#), Kraft: Bill modifies the surcharges for EVs and plug-in hybrid vehicles. The bill additionally establishes a vehicle weight surcharge.

[HF 3431](#), Sencer-Mura/[SF 3656](#), Mohamed: Bill makes the traffic safety camera pilot permanent and authorizes all local authorities to use this technology.

[HF 3440](#), Stier: Bill extends the availability of funds for use of force training.

[HF 3480](#), Howard/[SF 3695](#), Port: Bill requires a study of the economic impact of a federal immigration enforcement operation and appropriates funding.

[HF 3513](#), Koznick: Bill creates a regulatory framework for autonomous vehicles.

[HF 3545](#), Mekeland/[SF 3683](#), Howe: Bill repeals the requirement to adopt a new residential energy code.

[SF 3565](#), Clark: Bill establishes a right of a prospective tenant to view the rental unit.

[SF 3574](#), Gruenhagen: Bill prohibits local governments from requiring a license, registration, certification, examination, or qualification for a person licensed by the state to perform plumbing work.

[SF 3577](#), Seeberger/[HF 3252](#), Myers: Bill establishes a drinking water contaminate mitigation program.

[SF 3608](#), Rest: Bill modifies the requirements for return of excess tax increments.

[SF 3614](#), Boldon: Bill increases the appropriation for family homeless prevention and assistance program.

[SF 3624](#), Kupec: Bill requires personal service of notice of proposed annexation by ordinance.

[SF 3632](#), Westlin: Bill requires policies for law enforcement relating to the safety of elected officials in the community.

[SF 3653](#), Mohamed: Bill prohibits local governments from entering into an agreement with the federal government to provide facilities for federal immigration purposes.

[SF 3664](#), Champion: Bill repeals various unfunded programs of the Department of Employment and Economic Development.

[SF 3720](#), McEwen: Bill modifies building code administration.

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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