

## **Legislature in Special Session**

Last Sunday Governor Walz and legislative leaders announced the parameters of a budget agreement, following several days of meetings to negotiate a state budget framework. In announcing the agreement, the Governor said he anticipated calling a special session to finalize the budget bills later in the week. The Legislature adjourned the regular session at midnight Monday after passing the Higher Education omnibus budget bill. The Governor on Thursday called a special session of the Legislature for 10:00 am today, Friday, to process remaining budget bills.

Earlier this week, committee chairs met with the Governor and leaders to determine the content of bills, and committees in the House and Senate held informational hearings on Wednesday and Thursday to walk through spreadsheets and proposed bill language reflecting agreed-to provisions. Since the Legislature is not in session, the committees could not act on bills.

The agreement by leaders is for the special session to conclude by 7:00 am Saturday. Legislators today will need to suspend legislative rules on the timeframe for processing bills to allow bills to be processed within this timeframe. Some members, including House and Senate minority leaders, have expressed concerns about a lack of adequate time to read and process the bills.

Below are brief legislative updates. Metro Cities will provide a comprehensive legislative update and summary once the session has concluded. Meanwhile, follow updates on our Twitter account [@MetroCitiesMN](https://twitter.com/MetroCitiesMN).

### *Taxes*

The tax bill agreement contains a \$26 million increase in local government aid (LGA) for FY20, and \$60 million increase for the following biennium. The tax bill agreement does not contain the extension for PERA aid to local governments that was included in the House tax bill as the Senate and House tax bills went to conference committee. Legislators publicly expressed support for the aid extension in a House State Government Finance Committee hearing yesterday and in a meeting of the Legislative Commission on Pensions and Retirement. Metro Cities supports the extension of this aid.

### *Transportation*

The transportation agreement includes base funding for both Municipal State Aid (MSA) and County State Aid Highway (CSAH), with MSA receiving \$420 million and CSAH receiving \$1.6 billion for the biennium. Regional transit will receive two general fund appropriations, with \$65.5 million going to transit operations and \$114 million going to Metro Mobility. The bill also authorizes the Metropolitan Council to issue bonds up to \$92.3 million for transit vehicle replacement.

Metro Mobility will also receive a one-time appropriation of \$23 million, as well as a one-time appropriation of \$13 million that is contingent upon a positive end-of-year state budget balance. These one-time funds are to address a \$36 million deficit that has been identified in the Metro Mobility budget. The agreement also includes language to allow for data sharing between the Metropolitan Council and Department of Human Services related to Metro Mobility and includes a

provision to expand the service area to Lakeville. A two-year extension of the .35% regional allocation of transit funding to suburban transit providers is included.

The bill includes \$55 million for a MNLARS replacement system and a \$1 filing fee increase for deputy registrars, as well as \$13 million for reimbursements to deputy registrars for costs related to the MNLARS rollout.

Two provisions related to city speed limits are included. The first allows cities to reduce speeds on streets in a zoned residential area to 25 while the second allows a city to set speed limits on city streets so long as they do so in a consistent manner, develop procedures based on safety, engineering, traffic analysis, and post appropriate signage.

The bill does not include an increase to the gas tax, Motor Vehicle Sales Tax (MVST) or license tab fees and does not include a metro area sales tax. Small Cities Account funding was not included in the final agreement.

### Housing

The special session housing budget and policy bill is the same bill as passed the Senate on Monday, May 20. A new Housing Affordability Commission is created in the State Government bill. The commission has a number of duties outlined in the bill, including: defining housing affordability and studying government regulations and market forces impacting affordability; studying cost drivers such as labor, materials, and construction practices; researching and making recommendations to reduce the homeownership equity gap; and reviewing and recommending legislative and rulemaking proposals positively impacting access to housing and homeownership. Metro Cities and the League of Minnesota Cities worked with the bill author to expand the scope of the initial proposal from single family homeownership affordability to a more comprehensive review of financial access to multiple housing types. Initial appointments must be made by June 1 and the first meeting convened by June 15, 2019. Metro Cities will monitor the commission and participate when appropriate.

### Jobs & Economic Development and Workforce

The draft special session omnibus jobs, commerce, labor and energy budget and policy bill was released Thursday. House and Senate committees held hearings on the proposal and nonpartisan staff walked through the [spreadsheet](#) and [bill language](#).

The bill includes \$23.94 million for the Minnesota Investment Fund, \$16 million for the Job Creation Fund, and no direct appropriation or transfer authority for the redevelopment grant program. A onetime exception to restrictions on use of Minnesota investment fund local government loan repayment funds was also included. The bill does not include local labor preemption language originally included in the Senate jobs bill. A number of workforce programs received funding and new language relating to retainage requirements is included in the bill, a proposal that was modified after responding to concerns from the public sector, including the League of Minnesota Cities.

### Environment

The Senate and House Environment Committees convened informational meetings hear provisions in the Omnibus Environment Bill. Two funding provisions related to Emerald Ash Borer (EAB) mitigation were included in the agreement. \$300,000 is appropriated to DNR for EAB Response Grants for grants to local governments to remove and replace ash trees from public land. \$700,000 is appropriated to DNR for grants to local governments for the creation of ash management plans and to replace removed ash trees.

## State Government

The agreement includes providing for \$6.6 million in federal funds from the Help America Vote Act (HAVA). Funds are allocated to the Secretary of State for improving the administration and security of the state's elections. The agreement also includes \$2 million for election equipment grants. A provision to remove a statutory cap on local government salaries was not included in the final bill.

### **Your Feedback is Needed: Metro Cities' License & Permit Fee Survey**

Metro Cities has provided a License and Permit Fee Survey biennially for several years, and we're approaching the time when we would normally begin to open the survey for updates. The vendor Metro Cities contracts with has notified us that the survey software needs significant upgrades before it can be used again. Metro Cities will hold on updating the survey to address the necessary upgrades.

This presents a timely opportunity for Metro Cities to examine the survey product and determine member satisfaction levels and future needs. **Metro Cities is forming a focus group of city staff** to determine how the survey is utilized, its benefits and challenges, whether the survey should continue, and what a survey should look like going forward. We want to determine whether the survey meets your needs, what could be changed, and how to move forward to ensure that this is a useful product.

**We would like to know - as soon as possible - whether you have an interest in serving on the focus group.** The time commitment is expected to be three to four meetings over the summer and fall. **Your input is invaluable as we examine the survey product.** Regardless of whether or not you serve on the focus group, we invite and encourage you to share any feedback from your experience using the License and Permit Fee Survey or options for the survey that you wish would be available. Please email [kimberly@metrocitysmn.org](mailto:kimberly@metrocitysmn.org).

Please note! The coordinator side of the survey where you upload data is currently closed, but existing survey data can be accessed until Friday, May 31st through the member side. After that date, the site will be closed. You can access the link to the login page on our website here: [www.metrocitysmn.org/external-links](http://www.metrocitysmn.org/external-links). Select the login link for the Municipal License and Permit Fee Survey. (Your login information should be the same. Please contact Kimberly if you don't have your login information or are having trouble logging in.) You can download the information as an Excel file to maintain access to the survey data after the site closes. You can also contact Kimberly after Friday, May 31st if you wish to access the information.

Questions or comments? Please contact Kimberly at 651-215-4000 or [kimberly@metrocitysmn.org](mailto:kimberly@metrocitysmn.org).

### **2019 Metro Cities Policy Committees**

It's time to start thinking about Metro Cities' Policy Committees! Policy Committees meet in July, August, and September and cover four different policy areas: Transportation and General Government, Municipal Revenues, Metropolitan Agencies, Housing and Economic Development. Policy Committees recommend legislative policies for the next legislative session, and those policies serve as a foundation for our work at Metro Cities. Being part of a Policy Committee is a great opportunity for your city to have a voice in the processes for the policies as well as at the legislature.

Policy committees are open to city staff and elected officials and the form to sign-up can be found on our website on the Policy Committees page. Whether you are new or have participated in the past, we welcome your participation on one or more committees in 2019.

*Remember:*

- Committees meet either Monday, Tuesday, or Wednesday in the morning from 9:00-11:30 am or the afternoon from 1:00-3:30. The committees and dates are listed on our website here, and updates and additional information will be posted on these pages as it becomes available.
- Please actively sign up for the committee(s) you wish to attend, even if you have been on the committee in the past. This will help us keep our rosters current and correct!
- All meetings take place at the Metro Cities/League of MN Cities building at 145 University Avenue West, St. Paul.

We look forward to seeing you this summer! Questions? Contact Kimberly at 651-215-4000 or [kimberly@metrocitiesmn.org](mailto:kimberly@metrocitiesmn.org).

### **Metro Cities Breakfast at the June LMC Annual Conference**

If you're attending the 2019 League of MN Cities' Annual Conference in June in Duluth at the Duluth Entertainment Convention Center (DECC), plan to join your metro colleagues for breakfast on **Thursday, June 27th at 7:30 am**. This is a great chance to mingle with other Metro Cities members and to hear a brief update from Metro Cities staff.

If you're able to join us, please let Kimberly know at 651-215-4000 or [kimberly@metrocitiesmn.org](mailto:kimberly@metrocitiesmn.org) as soon as possible. We hope to see you there!

### **EVENT: Metropolitan Council Environmental Services (MCES) Open House & Budget Workshop**

The Metropolitan Council invites MCES customers to participate in a Metropolitan Council Environmental Services (MCES) Open House and Budget Workshop. Topics covered will include proposed 2020 MCES Budget and Municipal Wastewater Charge, MCES Capital Improvement Program, and MCES Customer Survey Results and Customer Portal. Click [here](#) for more information. Details for the remaining workshop are below.

#### **Thursday, June 6**

1:30-3:00 pm

#### **League of MN Cities**

St. Croix Room

145 University Ave W

St. Paul, MN

Please RSVP by contacting Sara Running at 651-602-1531 or [sara.running@metc.state.mn.us](mailto:sara.running@metc.state.mn.us).

### **EVENT: Metropolitan Council Metro Local Governments Roundtable on 2020 Census**

The Metropolitan Council invites you to this quarterly meeting of local governments working together to promote participation in the 2020 Census. This meeting invites and includes local

government professionals and officials who are organizing and supporting Complete Count activities. This meeting is not itself a Complete Count Committee.

You are welcome to share this invitation within your office or city hall. The Met Council is especially interested to involve community engagement specialists, communications specialists, human rights commissions, and interested elected officials.

**Friday, June 7**

1:15-2:45 pm

**Ramsey County Library – Roseville**

Community Meeting Room

2180 Hamline Ave N

Roseville, MN

Click [here](#) for additional information and the link to register.

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**Metro Cities News** is emailed periodically to all Metro Cities member mayors, councilmembers, city managers and administrators to keep officials abreast of important metro city issues. This information is also intended to be shared with city staff.

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