

CITY OF MINNEAPOLIS

2016 Legislative Session Update

Intergovernmental Relations
Department



6-9-16

Overview of Presentation

- Supplemental Budget Bill (signed into law)
- Possible Special Session
- Policy items signed into law
- Items that did not become law
- Process for 2017 Legislative Agenda development

Omnibus Supplemental Budget

Overview

- Governor proposed \$689M in FY17
- Senate proposed \$454.8M in FY17
- House proposed \$3.2M in FY17
- Conference Committee Agreement
 - Total additional spending: \$182M
 - Signed into law on 6/1/2016

Omnibus Supplemental Budget

Environment, Energy, and Natural Resources

- SCORE Grants
 - \$500K FY17 for county solid waste and recycling
- Solar sites
 - Removes regulatory barriers for replacing existing or previously approved solar sites

Omnibus Supplemental Budget

Equity

- 2014 – Senate established Select Committee on Disparities and Opportunities
- 2015/2016 – Dialogue continues related to economic disparities
- 2016 – Work group on disparities formed to discuss potential special session work
- 2016 – United Black Legislative Agenda unveiled

Omnibus Supplemental Budget

Equity

- Governor proposed \$100M total
 - \$33.48M amount for discussion
 - \$66.52M amount for selected programs
- Senate proposed \$91M total
 - Creation of Senate Subcommittee on Equity
 - Entire budget article dedicated
- House proposed \$6.15M total
 - For economic development/jobs related programs
- Conference Committee Agreement: \$35M in FY17; another \$35M planned for FY18-19

Omnibus Supplemental Budget

Equity

- DEED Appropriation: \$34.25M in FY17; \$34M in FY18-19
 - Grants to specified agencies
 - Reporting requirements
 - Application criteria
 - Competitive Grants
 - Expand, modify existing programs
 - New capacity building grants
 - Location/ Scope
 - Statewide
 - Greater MN
 - Communities of color, as well as low-income and culturally-specific communities
- MHFA Appropriation: \$750K in FY17; \$1M in FY18-19

Omnibus Supplemental Budget

Jobs and Economic Development

- Summer youth employment funding
 - Youth at Work: \$1M in FY17
- Redevelopment Fund
 - \$2M in FY17
- Minnesota Investment Fund and Job Creation Fund
 - MIF = One-time cut of \$9M in FY17
 - JCF = One-time cut of \$11.5M in FY17
 - Governor wants full funding (\$20.5M) in Special Session

Omnibus Supplemental Budget

Public Safety

- Safe Harbor for Sexually Exploited Youth
 - Additional \$66K in FY17 and \$3M in FY18-19 (\$1.5M each year) for Safe Harbor.
 - Brings the total ongoing state investment in Safe Harbor to \$11M in FY18-19.
 - Expansion of eligibility for Safe Harbor shelter/housing and supportive services through the age of 24.
 - \$820K in FY17 and \$1.6M in FY18-19(\$820K each year) for sex trafficking investigation grants to law enforcement.

Omnibus Supplemental Budget

Health and Human Services

- Enhanced asthma care services
- Home visiting
- Statewide Health Improvement Program
- Local Public Health Grants

Omnibus Supplemental Budget

Agriculture

- Good Food Access Fund (\$250K in FY17)
 - Initial request for \$10M in FY17
 - Included in the Senate Equity Article for \$5M in FY17; not funded in the House

Omnibus Supplemental Budget

Housing

- Homeless Youth Act:
 - \$33K in FY17; \$2.9M in FY18-19
- Other select housing appropriations (in FY17)
 - Exploited Families Rental Assistance Pilot Program: \$500K
 - Housing grants for projects with training centers: \$500K
 - Workforce and Affordable Homeownership Development Program: \$750K

Omnibus Supplemental Budget

E-12 Education

- \$88M total appropriation
 - \$25M voluntary pre-k
 - \$2M for parent-child home visiting
 - \$2M teacher loan forgiveness
 - \$2M for Parent Aware child care quality rating system
 - \$12M for counselors and support staff

Possible Special Session

- Other major budget bills:
 - Taxes
 - Transportation
 - Bonding
- Status of special session negotiations

Possible Special Session - Taxes

- Governor 2016 Supplemental Budget
 - Child and Dependent Care Credit, Working Family Credit
 - Federal Conformity
 - New in 2016: One time increase to LGA (\$21.5M in 2016)

Possible Special Session - Taxes

- House tax bill in 2015
 - LGA cut to Minneapolis, St. Paul, Duluth
 - \$84.5M/year beginning in FY17
 - Property Tax Empowerment Act
 - Reverse referendum on property tax increases
- No House tax bill in 2016

Possible Special Session - Taxes

- Senate tax bill (2015)
 - Increased LGA appropriation
 - \$21.5M in FY17;
\$91.16M in FY18-19
 - Hennepin County job training grants
- Senate tax bill (2016)
 - Paid Family Leave
 - Federal Conformity
 - Income tax credits

Possible Special Session - Taxes

- 2016 Omnibus Tax Bill (HF 848)
 - Total expenditures/revenue loss
 - \$257.4M in FY16-17; \$543.6M in FY18-19
 - Local Government Aid Increase
 - \$20M added to base
 - Hennepin County Job Training Grants
 - \$1.13M in FY17
 - New Markets Grant
 - Exemption of first \$100K in commercial/industrial property value for state general levy calculation
 - Local government specific items (e.g. TIF)
 - Income tax credits

Possible Special Session - Transportation

- House
 - Roads:
 - \$300M/yr. in existing GF revenue from auto-related taxes; phased in
 - TH bonding of \$200M in FY17, \$400M in FY18-19
 - GO bonding for local roads and bridges of \$250M in FY17, \$200M in FY18-19
 - Transit
 - Legislative approval for major transit ways
 - No more state share for LRT capital/operations
- Senate
 - No gas tax increase
 - Increase license tab fees
 - Allow Met Council and metro counties to levy a ¼ cent sales tax for transit projects.
 - New Small Cities and Larger Cities Street accounts
 - Constitutional amendment to dedicate motor vehicle sales tax to road and bridge fund
- Governor
 - Proposed new, slowed depreciation schedule for license tab fees
 - Insistent on transit investment in the metro (SWLRT, additional ½ cent sales tax for transit)

Possible Special Session - Transportation

Met Council Reform

- Broad agreement that some changes need to occur, such as staggered terms
- Other reforms discussed:
 - Local officials serving on council
 - Local officials participating in appointment process
 - Local governments having planning involvement
 - Reducing the scope of governance

Possible Special Session - Bonding

- Senate position: \$1.5B
- House position: \$996M in GO + \$300M in GF for transportation
- Governor position: \$1.2B
- Projects in Minneapolis:
 - I-35W/Lake Street Access Project: \$25M
 - Pioneers and Soldiers Cemetery Fence:\$1.029M
 - Norway House: \$5M
 - Family Partnership: \$1M
 - 10th Avenue Bridge (not included in HF622 but eligible for \$150M bridge grant program)
 - EOTF Expansion (not included in HF622)

Policy items signed into law

Sentencing Guidelines

- Enhanced sentencing and penalties for certain offenders (“Kingpin” statutes)
- Increases the threshold for possession of certain narcotics
- Lowers certain possession offense from 5th degree felony to gross misdemeanor
- Lowers sentencing for trace amount possession

Policy items signed into law

Revenge Porn

- Prohibits the unauthorized dissemination of sexual images if both parties did not consent to the distribution
- Classifies as a gross misdemeanor, but may result in felony charges if there are aggravating factors
- Creates civil cause of action

Policy items signed into law

Elections

- Alternative absentee
 - Permits an in-person absentee voter to cast their ballot into the voting machine rather than an envelope during the last seven days of the general election
- Presidential nominating primary
 - Provides for a separate, state administered presidential nominating process for political parties
 - Does not alter the precinct caucus system EXCEPT as to the process of nominating a presidential candidate

Policy items signed into law

Police Body Camera Data

- Body cam data is private or nonpublic, unless:
 - In an active criminal investigation
 - Use of force by officer results in substantial bodily harm
 - Peace officer discharge of firearm in course of duty
 - Data subject requests data and releases to public
 - Data documents basis for discipline in personnel data
- Minimum retention period
 - 90 days
 - Up to one year in certain cases

Policy items signed into law

Liquor

- Cap's Grille
 - Special on-sale liquor license authority provided
 - Included in the Public Safety article of the Omnibus Supplemental Budget

Items that did not become law

- SAC modifications
 - Would have prohibited Met Council from imposing SAC on a local government for an existing restaurant or bar due to an expansion of outdoor seating unless additional toilets or sinks were also added
- Pensions
 - Incorporated changes based on actuarial report regarding longer lifespans
 - Helped some cities include volunteer firefighters in their plans
 - Vetoed by the Governor because burden of reducing plan liabilities was placed solely on current retirees
- Transgender issues
 - Proposed to change the Minnesota Human Rights Act to recognize male or female genders only
 - Prohibits use of certain gender-specific public facilities other than biological sex of person at birth
 - Prohibits the establishment of certain gender-neutral public facilities
 - Heard informationally in the House

Items that did not become law

- Condo issue
- Mini bars
- Temporary liquor license

Items that did not become law

Paid Family Leave

- Final version in the Senate Tax Bill:
 - Applies to employers with 21 or more employees
 - Covers leave to care for a family member with a serious medical condition, pregnancy, or bonding
 - Triggered by seven day qualifying event
 - Covered employees and employers would pay a tax into the state fund
- Not heard in House

Items that did not become law

Policies to weaken local control

- Moratorium on solid waste collection
- Local interference
- Franchise fees
- Interim ordinance

Items that did not become law

Interim Ordinance

- Would require municipalities to hold public hearings after 10 day notice before an interim ordinance “related to housing” could take effect
- Was included in the House State Government Finance bill, but not in Senate omnibus

Items that did not become law

Real ID

- On January 22, 2018- Minnesota driver's licenses will no longer be accepted for federal purposes (boarding commercial airlines, accessing military bases/ facilities, etc.)
- Would provide option for obtaining a Minnesota driver's licenses (current version) or a federal Real ID compliant version; enhanced IDs are unaffected
- Failed to pass out of conference committee over issue of undocumented immigrants accessing driver's licenses

Items that did not become law

Public Safety

- Felon Voting
 - Was successfully passed as part of the Senate Omnibus Elections Policy bill; not in House position
 - Not included in conference committee report
- Guns
 - Criminal background checks
 - Gun Violence Protective Orders
 - Voluntary surrender
 - Heard on informational basis only
- Driver Diversion Program
 - Would make DDP statewide and permanent
- Party Buses
 - Provide civil penalties for operators of party buses that permit certain illicit activities

Preparing for 2017 Legislative Session

- Policy Liaison Team Timeline
 - Proposal Solicitation
 - March-July 2016
 - Proposal Development
 - August-September 2016
 - IGR Presentations, Mark up and Adoption
 - October-December 2016
- Urban Scholar Project
- League of MN Cities
- Metro Cities Policy Committees