

# CITIES BULLETIN



Issue 6

Feb. 11, 2019

## LMC Seeks Full Funding for Public Safety Officer Continued Benefits

A bill calls for full reimbursement to local governments that comply with the mandate to continue benefits to public safety officers (or their families) injured or killed in the line of duty.

### CAPITOL UPDATES

[Send future updates to my email!](#)

#### Follow the Action with Capitol Updates

During the legislative session, Capitol Updates will give you breaking legislative news in between issues of the weekly Cities Bulletin.



[View/print a PDF of the Cities Bulletin](#)

### Featured Events

#### 2020 Census: Organizing for a Complete Count Workshop

Feb. 20—Mountain Iron  
Feb. 27—Thief River Falls  
Feb. 28—Fergus Falls  
March 6—North Mankato  
March 7—Rochester

#### 2019 Legislative Conference for Cities

Feb. 20-21—St. Paul

#### Newly Elected Officials: 2019 Leadership Conference

Feb. 22-23—Brainerd

#### Experienced Officials: 2019 Leadership Conference

Feb. 22-23—Brainerd

#### 2019 Safety & Loss Control Workshops

March 27—Mahnomen  
March 28—Alexandria  
April 3—Redwood Falls  
April 4—Mankato  
April 9—Rochester  
April 11—Biwabik  
April 16—St. Paul  
April 23—St. Cloud  
April 25—Brooklyn Park

#### 2018 in Review for Municipal Lawyers—Top 5 Noteworthy Decisions and the Most Common Trip-Ups

April 9—Rochester  
April 23—St. Cloud

### In Other News

#### Bills Seek to Restore LGA to 2002 Level

Local government aid funding would be increased to \$565 million under the bills.

#### Bill to Provide Tax Exemption for City Purchases of Road Maintenance Vehicles

The current town motor vehicle sales tax exemption would be extended to all cities and other local units of government.

#### Bill Would Provide Construction Sales Tax Exemption for Cities

Under the bill, cities would be able to receive a refund on construction materials purchased by a contractor for public projects.

#### House Bonding Bill With City Water Improvement Funding Advances

State general obligation bonds are proposed to replace appropriation bonds authorized in 2018 for several city water improvements and other capital projects.

#### Bill Would Relax Interactive TV Requirements of Open Meeting Law

Proposed legislation would, in limited circumstances, allow councilmembers to Skype into council meetings from a location not accessible to the public.

#### Data Breach Notification Bill Heard in House Committee

The bill would expand data breach notification requirements for cities.

#### Senate Committee Passes Scaled-Backed Bill for Elections Security Funding

The legislation will appropriate only a fraction of federal funds to the Office of the Secretary of State for election cybersecurity.

#### LMC Bill to Provide Assistance for Local Cost-Share of Trunk Highway Projects

The bill would provide grants to local governments to help cover the local share of some trunk highway projects.

#### House Committee Hears Bill to Make All Rideshare Data Private

State law currently classifies city rideshare data as public, which could endanger the safety and welfare of riders.

#### Sexual Harassment Legislation Passes to House Floor

The bill alters the “severe or pervasive” standard in sexual harassment cases.

#### House Committee Holds Emerald Ash Borer Informational Hearing

The League is asking the state to commit at least \$5 million per year to help cities deal with emerald ash borer and other urban forest pest issues.

#### Industry Study of Metro Home Building Costs Released

The report on housing development costs in metro area could lead to legislative action.

#### Report Released on the Economic Development and Housing Challenge Program

The report from the Office of the Legislative Auditor cites positive aspects of the program in addressing local affordable housing needs, while also noting some opportunities for improvement.

### Subscribe

2 ways to get the latest news for cities via the *Cities Bulletin*.

1. Get a round-up of city news weekly during the legislative session and bi-weekly during the interim.
2. Get *Capitol Updates* with breaking legislative news, between issues of the *Cities Bulletin*, during the legislative session.

[Sign up for free!](#)

[Quick Links](#)

### [Legislative Committee Deadlines Set for 2019 Session](#)

Much of the legislation involving cities is subject to committee deadlines, so it's important for city officials to take note of them.

### [Pace of Activity Quickens With Influx of Bill Introductions](#)

Working on a bill for your city? Time to get it introduced.

### [LMC Representatives Spend Day on Capitol Hill With NLC](#)

The LMC president and staff spoke with members of Congress about city priorities.

## More Information and Resources

[Don't Miss Your Chance! Register for the 2019 Legislative Conference by Feb. 17](#)

[Let's Get Together—How to Establish Mutual Aid Agreements That Address Liability](#)

[Mountain Iron, Thief River Falls, and Fergus Falls: Attend These Free 2020 Census Workshops](#)

[Newly Elected Officials: Registration Closes this Friday for the 2019 Leadership Conference in Brainerd](#)

[2019 Safety & Loss Control Workshops Brochure Now Available Online!](#)

[Experienced Officials: It's Your Last Chance to Register for the 2019 Leadership Conference in Brainerd](#)

[Just Announced: A Free Presentation on Key Municipal Decisions From 2018 for City Attorneys](#)

[Get Ready to LEAD With This New Public Sector Supervisor Certificate](#)

## Training, Conferences, Events

[Upcoming League Events](#)

[Online Training/E-Learning](#)

[Co-Sponsored Events](#)

[Events Sponsored by Other Organizations](#)

## Quick Links

[Archive of Previous Issues](#)

[City Jobs](#)

[Jobs with LMC](#)

[Wanted/For Sale/RFP  
Announcements in the LMC  
Marketplace](#)

[Weekly 4M Fund Rates  
\(Minnesota Municipal Money Market  
Fund\)](#)

## Contact Us

*For legislative questions:*  
[Contact IGR Staff](#)

*For editorial or other Bulletin  
questions:*

**Contact Claudia Hoffacker**

Editor

(651) 215-4032 or (800) 925-1122

[choffacker@lmc.org](mailto:choffacker@lmc.org)

## LMC Seeks Full Funding for Public Safety Officer Continued Benefits



A bill calls for full reimbursement to local governments that comply with the mandate to continue benefits to public safety officers (or their families) injured or killed in the line of duty.

A bill that would provide full reimbursement to employers for complying with a costly mandate has been introduced in the Senate and House.

Initiated by the League of Minnesota Cities, **SF 825** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=-SF825&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=-SF825&ssn=0&y=2019)), authored by **Sen. Jeff Howe** ([Link to: https://www.senate.mn/members/member\\_bio.php?leg\\_id=15401](https://www.senate.mn/members/member_bio.php?leg_id=15401)) (R-Rockville), would require an annual general fund appropriation to fully compensate local governments for the cost of continuing health insurance benefits for police officers and firefighters injured in the line of duty and for dependents of those killed in the line of duty.

In fiscal year 2018, the requests for reimbursements topped \$5 million, but the state provided just \$1.67 million for that purpose. Under the current law, employers are reimbursed on a pro-rated basis.

The Senate bill was introduced on Feb. 4 and referred to the **Judiciary and Public Safety Finance and Policy Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3099&ls=91](https://www.senate.mn/committees/committee_bio.php?cmte_id=3099&ls=91)). The bill has not yet been scheduled for hearings; however, the League will be working with authors and committee chairs to secure hearings as committees begin discussing budget bills.

A House companion bill is expected to be introduced on the afternoon of Feb. 11.

### Background

**Minnesota Statutes, section 299A.465** ([Link to: https://www.revisor.mn.gov/statutes/cite/299A.465](https://www.revisor.mn.gov/statutes/cite/299A.465)) requires public employers to continue health insurance benefits for firefighters and peace officers injured in the line of duty and for dependents of those killed in the line of duty. When the law was enacted in 1997, it contained a provision requiring the Department of Public Safety (DPS) to reimburse employers for the full amount of administering this benefit.

By 2002, the fund created to provide this benefit became deficient. Instead of increasing the fund, the 2003 Legislature amended the law to pro-rate reimbursements to cities based on the amount available and the number of eligible applicants.

The 2003 law change triggered a significant and unanticipated cost to cities. The cost has increased every year for cities, and the funding for the account has never been increased.

In 2015, the Legislature expanded the health insurance benefit to include survivors of volunteer firefighters who die in the line of duty. This change increased the number of firefighters eligible for this benefit from 2,000 to 20,000—without increasing funding for the reimbursement account.

### Get involved

If your city has experience with this issue, please relay that to your legislators and urge them to sign on as coauthors to this legislation. If you would be willing to submit written or in-person committee testimony on this issue, please contact Anne Finn, LMC, at (651) 281-1263 or [afinn@lmc.org](mailto:afinn@lmc.org) ([Link to: mailto:afinn@lmc.org](mailto:afinn@lmc.org)).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

## Bills Seek to Restore LGA to 2002 Level



Local government aid funding would be increased to \$565 million under the bills.  
(Published Feb 11, 2019)

Two bills that would provide a \$30 million increase in local government aid (LGA) funding have been introduced in the Senate. This would restore LGA to the 2002 level, which the League supports.

**SF 523** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF523&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF523&ssn=0&y=2019)) (**Sen. Kari Dziedzic** ([Link to: https://www.senate.mn/members/member\\_bio.php?leg\\_id=15375](https://www.senate.mn/members/member_bio.php?leg_id=15375)), DFL-Minneapolis), would increase the LGA appropriation by roughly \$30 million beginning with the distribution in 2020. It is co-authored by Sens. Bill Weber (R-Luverne), Ann Rest (DFL-New Hope), David Tomassoni (DFL-Chisholm), and John Jasinski (R-Faribault).

**SF 986** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=SF986&b=senate&y=2019&ssn=0](https://www.revisor.mn.gov/bills/bill.php?f=SF986&b=senate&y=2019&ssn=0)), which grew out of conversations with **House Taxes Chair Paul Marquart** ([Link to: https://www.house.leg.state.mn.us/members/profile/10401](https://www.house.leg.state.mn.us/members/profile/10401)) (DFL-Dilworth), the League, and the Association of Minnesota Counties, was introduced on Feb. 7 by **Sen. Gary Dahms** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15326](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15326)) (R-Redwood Falls). It would similarly restore LGA funding and would also restore funding for county program aid (CPA).

SF 986 is co-authored by Sens. Dziedzic, Jeremy Miller (R-Winona), Karla Bigham (DFL-Cottage Grove), and Dave Senjem (R-Rochester).

The House companion to SF 986 will be authored by Rep. Marquart and co-authored by former House Taxes Chair and lead Taxes Committee Republican, Greg Davids (R-Preston) and more than a dozen co-authors. It is expected to be introduced this week.

### Recovering from post-9/11 cuts

Under current law, LGA will distribute \$534 million to cities in 2019. CPA, which is a similar program providing counties with general purpose revenues, is funded at \$234 million.

Funding for both programs was severely reduced in the recession that followed the 9/11 attacks in 2001. The restoration of each program to the pre-9/11 recession funding level would require approximately a \$30 million increase in the appropriation for each program.

Although the League has no position on the CPA portion of the bill, the restoration of the LGA appropriation included in the bill is consistent with the League's legislative policies.

### Support from state leaders

In addition to an array of supporting legislators, these bills have drawn a positive response from Department of Revenue Commissioner Cynthia Bauerly. Gov. Tim Walz has also publicly indicated his support to restore funding for local units of government, including cities. His budget recommendations will be released by Feb. 19 and are also expected to include funding for LGA and CPA.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

[gcarlson@lmc.org](mailto:gcarlson@lmc.org) ([Link to: mailto:gcarlson@lmc.org](mailto:gcarlson@lmc.org))

## Bill to Provide Tax Exemption for City Purchases of Road Maintenance Vehicles



The current town motor vehicle sales tax exemption would be extended to all cities and other local units of government.

(Published Feb 11, 2019)

The **House Taxes Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=91012](http://www.house.leg.state.mn.us/comm/committee.asp?comm=91012)) will hear a League-supported bill on Feb. 12 that would exempt city and county purchases of road maintenance vehicles from the 6.5 percent state motor vehicle sales tax (MVST).

The bill, **HF 702** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=HF702&b=house&y=2019&ssn=0](https://www.revisor.mn.gov/bills/bill.php?f=HF702&b=house&y=2019&ssn=0)), is authored by **Rep. Chris Swedzinski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15369](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15369)) (R-Ghent).

Purchases of licensed motor vehicles are taxed under the MVST statute (**Minnesota Statutes, section 297B** ([Link to: https://www.revisor.mn.gov/statutes/cite/297B](https://www.revisor.mn.gov/statutes/cite/297B))). The general sales tax exemption granted to cities and counties in 2013 only covers the general sales and use taxes (**Minnesota Statutes, section 297A** ([Link to: https://www.revisor.mn.gov/statutes/cite/297A](https://www.revisor.mn.gov/statutes/cite/297A))) and, therefore, does not extend to motor vehicles that must be licensed.

### Current law

Under current law (**Minnesota Statutes, section 297B.03** ([Link to: https://www.revisor.mn.gov/statutes/cite/297B.03](https://www.revisor.mn.gov/statutes/cite/297B.03))), the state's roughly 1,800 towns are exempt from paying the 6.5 percent state MVST on vehicles used exclusively for road maintenance, including snow plows and dump trucks. The town exemption has been in place since 1998. However, an identical vehicle purchased by any of the state's 853 cities or 87 counties is subject to the MVST, increasing the cost of vehicles used to maintain our roads by 6.5 percent.

For a typical \$180,000 snow plow, the MVST paid by a city or county would total \$11,700.

### Bill mirrors town MVST exemption

This bill would only mirror the current law exemption for certain town road maintenance vehicle purchases and would attempt to extend the MVST exemption to all city, county, and town vehicles. Similar to the existing town exemption, cities and counties would continue to pay the MVST on purchases of most automobiles, vans, or pickup trucks.

Although most other vehicles purchased by local units of government, including towns, are subject to the state MVST, the purchase of certain types of vehicles, which do not have to be licensed, are currently exempt from the MVST, including marked squad cars, fire trucks, fire support vehicles, and ambulances.

Under this bill, the existing MVST exemption for town purchases of road maintenance vehicles would be extended to purchases of these vehicles by other local governments, including all statutory and home rule charter cities; counties; and instrumentalities of cities, counties, and townships, including a special district organized under a joint power agreement.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

[gcarlson@lmc.org](mailto:gcarlson@lmc.org) ([Link to: mailto:gcarlson@lmc.org](mailto:gcarlson@lmc.org))

## Bill Would Provide Construction Sales Tax Exemption for Cities



Under the bill, cities would be able to receive a refund on construction materials purchased by a contractor for public projects.  
(Published Feb 11, 2019)

League-supported legislation was introduced last week that would streamline the sales tax exemption process on construction materials purchased by cities and other local governments.

**SF 901** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=SF901&y=2019&ssn=0&b=senate](https://www.revisor.mn.gov/bills/bill.php?f=SF901&y=2019&ssn=0&b=senate)) (**Sen. Ann Rest** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10558](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10558)), DFL-New Hope) and its companion, **HF 670** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=HF670&y=2019&ssn=0&b=house](https://www.revisor.mn.gov/bills/bill.php?f=HF670&y=2019&ssn=0&b=house)) (**Rep. Mike Freiberg** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15398](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15398)), DFL-Golden Valley) were each referred to the respective Taxes committees in the House and Senate. Another House bill with the same proposal, **HF 779** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=HF779&b=house&y=2019&ssn=0](https://www.revisor.mn.gov/bills/bill.php?f=HF779&b=house&y=2019&ssn=0)) (**Rep. Chris Swedzinski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15369](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15369)), R-Ghent), was also referred to the Taxes Committee.

The **House Tax Committee** ([Link to: https://www.house.leg.state.mn.us/committees/home/91012](https://www.house.leg.state.mn.us/committees/home/91012)) will consider HF 670 and HF 779 on Feb. 12.

### Cumbersome process currently required

Under current law, cities, counties, townships, and school districts must follow a cumbersome set of rules to receive the sales tax exemption for building, construction, or reconstruction materials, supplies, and equipment used in public buildings and public infrastructure projects. They are required to do all of the following:

- Separately bid labor and materials.
- Designate the contractor as a legal purchasing agent on behalf of the local unit of government.
- Assume the liability for damages caused by defective materials or delivery delays.

Because the current required process adds considerable risk and potential cost to construction projects, many cities, counties, townships, and even school districts—which have been subject to these rules for decades—choose not to pursue the sales tax exemption at all.

According to an analysis prepared last session on a bill that would provide a refund to all local units of government, the **Department of Revenue (DOR) estimated** ([Link to: https://www.revenue.state.mn.us/research\\_stats/revenue\\_analyses/2017\\_2018/sf0283\(hf0456\)\\_1.pdf](https://www.revenue.state.mn.us/research_stats/revenue_analyses/2017_2018/sf0283(hf0456)_1.pdf)) that paying the sales tax will increase the cost of local government projects by an estimated \$18.9 million in fiscal year 2020.

### Bill would allow a sales tax refund

Under these bills, contractor purchases on behalf of cities will initially be subject to the sales tax, but a city would now be able to apply to the state for a refund of the sales tax paid after completion of the project.

The refund process is not as simple as an up-front sales tax exemption, but because of concerns raised by the DOR, the bill is drafted as a streamlined refund process. This will allow local units of government to receive the benefit of the exemption while allowing the DOR to ensure that the sales tax savings are realized by the exempt entity and not the contractor.

Under two separate bills, specific projects in Minnetonka and Inver Grove Heights would receive an exemption through a similar refund process. (**Read related story.** ([Link to: http://www.lmc.org/page/1/ConstructionExemption.jsp](http://www.lmc.org/page/1/ConstructionExemption.jsp)))

Overall, the DOR estimated that a similar bill considered last biennium would save local units of government nearly \$19 million per year on construction material purchases.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

## House Bonding Bill With City Water Improvement Funding Advances



State general obligation bonds are proposed to replace appropriation bonds authorized in 2018 for several city water improvements and other capital projects.  
(Published Feb 11, 2019)

**HF 80** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF80&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF80&ssn=0&y=2019)), a bill that would provide a new funding source for several infrastructure improvement projects, was passed by the **House Environment and Natural Resources Finance Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91019](https://www.house.leg.state.mn.us/Committees/Home/91019)) on Feb. 7. It was previously amended and approved by the **House Capital Investment Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91016](https://www.house.leg.state.mn.us/Committees/Home/91016)).

The bill, authored by **Rep. Mary Murphy** ([Link to: https://www.house.leg.state.mn.us/members/profile/10444](https://www.house.leg.state.mn.us/members/profile/10444)) (DFL-Hermantown), is needed to switch the funding source for several city water improvement projects and state infrastructure funding programs that were approved as part of the 2018 bonding bill. It also provides additional funds needed to move forward with an Anoka County landfill cleanup that is among the delayed projects.

HF 80 would use general obligation bonds instead of appropriation bonds. Legal challenges have prevented the state from issuing those appropriation bonds. The Senate has not acted on any similar legislation that resolves this issue.

Several affected cities, the League, and the Coalition of Greater Minnesota Cities have all testified in support of the bill.

The final committee stop for HF 80 will be in front of the **Ways and Means Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=91014](http://www.house.leg.state.mn.us/comm/committee.asp?comm=91014)), where it is scheduled to be heard at 9:45 a.m. on Monday, Feb. 11. If it is approved there, it will go to the floor of the House.

For more background information about this bill, read a **previous Cities Bulletin article** ([Link to: http://www.lmc.org/page/1/GOwater.jsp](http://www.lmc.org/page/1/GOwater.jsp)).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Craig Johnson

IGR Representative

(651) 281-1259 or (800) 925-1122

[cjohnson@lmc.org](mailto:cjohnson@lmc.org) ([Link to: mailto:cjohnson@lmc.org](mailto:cjohnson@lmc.org))

## Bill Would Relax Interactive TV Requirements of Open Meeting Law



Proposed legislation would, in limited circumstances, allow councilmembers to Skype into council meetings from a location not accessible to the public.  
(Published Feb 11, 2019)

**HF 281** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF281&ssn=0&y=2019>) (**Rep. Erin Koegel** (Link to: <https://www.house.leg.state.mn.us/members/profile/15465>), DFL-Spring Lake Park) was heard and passed unanimously to the floor by the **House Government Operations Committee** (Link to: <https://www.house.leg.state.mn.us/Committees/Home/91005>) on Feb. 7. This League-supported bill would modify requirements under the interactive TV provision of the Open Meeting Law.

Currently under **Minnesota Statutes, section 13D.02** (Link to: <https://www.revisor.mn.gov/statutes/cite/13D.02>), city councilmembers can participate in council meetings remotely through interactive TV, such as Skype. One of the requirements is that the remote location must be open and accessible to the public.

Under the bill, if a city councilmember is deployed or has a medical condition where a medical professional has deemed the councilmember unable to be in public for medical reasons, then the remote location is not required to be accessible to the public. However, all members of the city council and the public still must be able to see and hear one another.

### City testimony

Spring Lake Park City Administrator Dan Buchholtz testified that the city had two councilmembers with serious medical issues, which made it challenging to have a quorum for city council meetings. Both councilmembers could have also participated by Skype, but they were unable to make their locations accessible to the public due to health concerns.

Blaine City Clerk Cathy Sorenson shared that the city had a councilmember who was deployed to Puerto Rico for a relief mission but had to miss city council meetings. The location where he was stationed was not accessible to the public, but he would have been able to participate in council meetings via Skype.

### Senate companion coming

A Senate companion bill is anticipated to be introduced in the upcoming weeks. This bill was heard in House and Senate committees last year, but did not make it to the finish line.

**Read the current issue of the Cities Bulletin** (Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)

### Your LMC Resource

#### Contact Irene Kao

IGR Counsel

(651) 281-1260 or (800) 925-1122

[ikao@lmc.org](mailto:ikao@lmc.org) (Link to: <mailto:ikao@lmc.org>)

## Data Breach Notification Bill Heard in House Committee



The bill would expand data breach notification requirements for cities.  
(Published Feb 11, 2019)

The **House Judiciary Finance and Civil Law Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91028](https://www.house.leg.state.mn.us/Committees/Home/91028)) on Feb. 6 heard **HF 54** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF54&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF54&ssn=0&y=2019)) (**Rep. Peggy Scott** ([Link to: https://www.house.leg.state.mn.us/members/profile/15314](https://www.house.leg.state.mn.us/members/profile/15314)), R-Andover), a bill that could require cities to provide data breach notifications, regardless of intent. The bill was laid over for possible inclusion in the omnibus data practices bill.

This bill was first heard in this committee on Jan. 30, but due to concerns brought by the Department of Administration (on behalf of the Department of Minnesota Management and Budget) and Hennepin County, the chair allowed one week for these entities to address their concerns with the bill author. At the hearing on Feb. 6, there were no amendments offered but these entities may bring forth a separate bill to address their concerns.

### Senate hearing

The **Senate Judiciary and Public Safety Finance and Policy Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3099](https://www.senate.mn/committees/committee_bio.php?cmte_id=3099)) will hear the data breach notification bill (**SF 248** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0248&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0248&ssn=0&y=2019)), **Sen. Warren Limmer** ([Link to: https://www.senate.mn/members/member\\_bio.php?member\\_id=1032](https://www.senate.mn/members/member_bio.php?member_id=1032)), R-Maple Grove) on Feb. 11. It is anticipated the Senate will also lay over the bill for possible inclusion in the Senate version of the omnibus data practices bill.

For more background information about this bill, read a **previous Cities Bulletin article** ([Link to: http://www.lmc.org/page/1/DataBreachNotificationsUpdate.jsp](http://www.lmc.org/page/1/DataBreachNotificationsUpdate.jsp)).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Irene Kao

IGR Counsel

(651) 281-1260 or (800) 925-1122

[ikao@lmc.org](mailto:ikao@lmc.org) ([Link to: mailto:ikao@lmc.org](mailto:ikao@lmc.org))

## Senate Committee Passes Scaled-Backed Bill for Elections Security Funding



The legislation will appropriate only a fraction of federal funds to the Office of the Secretary of State for election cybersecurity.  
(Published Feb 11, 2019)

The **Senate State Government Finance and Policy and Elections Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3101](https://www.senate.mn/committees/committee_bio.php?cmte_id=3101)) on Feb. 7 heard **SF 241** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0241&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0241&ssn=0&y=2019)) (**Sen. Mary Kiffmeyer** ([Link to: https://www.senate.mn/members/member\\_bio.php?leg\\_id=15302](https://www.senate.mn/members/member_bio.php?leg_id=15302)), R-Big Lake), a bill that would provide a portion of the federal funding for election cybersecurity.

The bill was amended and passed on a roll call vote of 6-4 and can now be heard in the **Senate Finance Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=1007](https://www.senate.mn/committees/committee_bio.php?cmte_id=1007)).

### Authorization vetoed in larger 2018 bill

A total of \$6.6 million was appropriated by the federal government in 2018, but Minnesota state law requires the Legislature to authorize the use of the funding. Language to do so was included in the vetoed 990-page omnibus state government finance and policy bill last session.

Minnesota is one of only five states that requires legislative approval to unlock the funding and was the only state unable to use the funds for the 2018 election. But in absence of that, Secretary of State Steve Simon still moved ahead by convening a working group of local elections administrators, including city officials, to determine how best to use the money, once it is presumably appropriated.

SF 241 would appropriate \$1.5 million instead of the full \$6.6 million. An additional Senate bill, **SF 93** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0093&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0093&ssn=0&y=2019)), also authored by Sen. Kiffmeyer, would appropriate the full funding but has not received a hearing.

### City official supports full funding

League Elections Task Force Chair and Blaine City Clerk Cathy Sorensen testified in support of full funding to the Office of the Secretary of State to begin the critical work to improve and secure Minnesota's elections systems.

The House companions, **HF 14** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=HF14&y=2019&ssn=0&b=house](https://www.revisor.mn.gov/bills/bill.php?f=HF14&y=2019&ssn=0&b=house)) (companion to SF 93) (**Rep. Mike Nelson** ([Link to: https://www.house.leg.state.mn.us/members/profile/10779](https://www.house.leg.state.mn.us/members/profile/10779)), DFL-Brooklyn Park) and **HF 17** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF17&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF17&ssn=0&y=2019)) (companion to SF 241) (**Rep. Tim O'Driscoll** ([Link to: https://www.house.leg.state.mn.us/members/profile/15364](https://www.house.leg.state.mn.us/members/profile/15364)), R-Sartell) have passed out of the **Elections Subcommittee** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91006](https://www.house.leg.state.mn.us/Committees/Home/91006)), the **Government Operations Committee** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91005](https://www.house.leg.state.mn.us/Committees/Home/91005)), and the **State Government Finance Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91032](https://www.house.leg.state.mn.us/Committees/Home/91032)). HF 14 is scheduled to be heard in the **House Ways and Means Committee** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91014](https://www.house.leg.state.mn.us/Committees/Home/91014)) on Feb. 11.

For more background information about this topic, read a **previous Cities Bulletin article** ([Link to: http://www.lmc.org/page/1/FedElectionsSecurity.jsp](http://www.lmc.org/page/1/FedElectionsSecurity.jsp)).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

**Contact Ann Lindstrom**  
IGR Representative  
(651) 281-1261 or (800) 925-1122  
[alindstrom@lmc.org](mailto:alindstrom@lmc.org) ([Link to: mailto:alindstrom@lmc.org](mailto:alindstrom@lmc.org))

## LMC Bill to Provide Assistance for Local Cost-Share of Trunk Highway Projects



The bill would provide grants to local governments to help cover the local share of some trunk highway projects.

(Published Feb 11, 2019)

League-sponsored legislation would allow the Minnesota Department of Transportation (MnDOT) to assist local governments with the local cost-share of trunk highway projects.

The measure would allow a portion of the **Local Road Improvement Program** ([Link to: http://www.dot.state.mn.us/stateaid/lrip.html](http://www.dot.state.mn.us/stateaid/lrip.html)) (LRIP) to be used for this purpose. According to MnDOT, local governments spend \$43 million on contributions to trunk highway projects.

### About LRIP

LRIP was established in 2002 and is administered by MnDOT's State Aid Division. It provides funds to local units of government for constructing and reconstructing local roads.

Funds have been distributed from two accounts:

- The Routes of Regional Significance Account, which provides grants to cities, towns and counties for the costs of constructing or reconstructing city streets, county highways, or town roads with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources.
- The Rural Route Safety Account, which provides grants to counties for constructing or reconstructing improvement projects that are intended primarily to reduce traffic crashes, fatalities, injuries, and property damage crashes on rural County State Aid Highways.

There is a third never-used account in the Local Road Improvement Program called the Trunk Highway Corridor Account. The League is advocating that this account be renamed the "Local Cost-Share Assistance Account."

### Grant program

Introduced as **HF 846** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF846&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF846&ssn=0&y=2019)) (**Rep. Steve Elkins** ([Link to: https://www.house.leg.state.mn.us/members/profile/15517](https://www.house.leg.state.mn.us/members/profile/15517)), DFL-Bloomington), this repurposed account would provide grants to cities, townships, and counties to assist in paying the local share of trunk highway projects that have local costs related to the trunk highway improvement and are not funded or are only partially funded with other state and federal funds. The League is working to advance this legislation as part of the bonding bill.

A Senate companion bill is expected to be introduced later this week.

### Get involved

If your city has experience with this issue, please relay that to your legislators and urge them to sign on as coauthors to this legislation. If you would be willing to submit written or in-person committee testimony on this issue, please contact Anne Finn, LMC, at (651) 281-1263 or [afinn@lmc.org](mailto:afinn@lmc.org) ([Link to: mailto:afinn@lmc.org](mailto:afinn@lmc.org)).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Anne Finn

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

[afinn@lmc.org](mailto:afinn@lmc.org) ([Link to: mailto:afinn@lmc.org](mailto:afinn@lmc.org))

## House Committee Hears Bill to Make All Rideshare Data Private



State law currently classifies city rideshare data as public, which could endanger the safety and welfare of riders.

(Published Feb 11, 2019)

The **House Judiciary Finance and Civil Law Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91028](https://www.house.leg.state.mn.us/Committees/Home/91028)) on Feb. 5 heard **HF 361** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF361&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF361&ssn=0&y=2019)) (**Rep. Tina Liebling** ([Link to: https://www.house.leg.state.mn.us/members/profile/12268](https://www.house.leg.state.mn.us/members/profile/12268)), DFL-Rochester), a bill that would provide consistent classification for rideshare and transit customer data, no matter which government entity holds it.

The bill was laid over for possible inclusion in the omnibus data practices bill.

### Rochester official testifies

Nick Lemmer, communications and outreach coordinator for Rochester Public Parking and Transit, testified that to accommodate for the population growth in Rochester, the city is encouraging commuters to use alternative methods of getting to work, including rideshare and carpool.

Because the law currently classifies this data as public, sharing this data could endanger the safety and welfare of its riders. That is why the Department of Administration has issued a temporary data classification of private.

—**See accepted applications for temporary classifications** ([Link to: https://mn.gov/admin/data-practices/data/temp-classification/#AcceptedTCs](https://mn.gov/admin/data-practices/data/temp-classification/#AcceptedTCs))

### League supports bill

The League also testified in support of the bill because even though the data on the riders, such as pick up and drop off locations, held by cities is public data, this same data held by Metro Transit and Minnesota Department of Transportation is private. This bill would rectify this inconsistency.

### Senate hearings

The **Senate Judiciary and Public Safety Finance and Policy Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3099](https://www.senate.mn/committees/committee_bio.php?cmte_id=3099)) is hearing the rideshare data bill (**SF 468** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0468&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0468&ssn=0&y=2019)), **Sen. Carla Nelson** ([Link to: https://www.senate.mn/members/member\\_bio.php?leg\\_id=10778](https://www.senate.mn/members/member_bio.php?leg_id=10778)), R-Rochester) on Feb. 11. It is anticipated the Senate will also lay the bill over for possible inclusion in the Senate version of the omnibus data practices bill.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Irene Kao

IGR Counsel

(651) 281-1260 or (800) 925-1122

[ikao@lmc.org](mailto:ikao@lmc.org) ([Link to: mailto:ikao@lmc.org](mailto:ikao@lmc.org))

## Sexual Harassment Legislation Passes to House Floor



The bill alters the “severe or pervasive” standard in sexual harassment cases.  
(Published Feb 11, 2019)

**HF 10** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF10&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF10&ssn=0&y=2019)) (**Rep. Kelly Moller** ([Link to: https://www.house.leg.state.mn.us/members/profile/15511](https://www.house.leg.state.mn.us/members/profile/15511)), DFL-Shoreview), a bill that would eliminate the “severe or pervasive” standard in sexual harassment cases, was heard by the **House Judiciary Finance and Civil Law Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91028](https://www.house.leg.state.mn.us/Committees/Home/91028)) on Feb. 7 and passed to the House floor.

The bill would amend the Human Rights Act and change what constitutes sexual harassment in state law. It would give judges more discretion to move forward with cases that previously may not have met the “severe or pervasive” standard that was set by a 1986 U.S. Supreme Court ruling in *Meritor Savings Bank v. Vinson* ([Link to: https://scholar.google.com/scholar\\_case?case=14616838878214701501&q=Meritor+Savings+Bank+v.+Vinson&hl=en&as\\_sdt=6,24](https://scholar.google.com/scholar_case?case=14616838878214701501&q=Meritor+Savings+Bank+v.+Vinson&hl=en&as_sdt=6,24)), 477 U.S. 57 (1986).

Advocates for the change argued that the current standard is so high that it prevents people from getting their day in court. Opponents voiced concern that eliminating the standard would mean that current case law would no longer inform employers, including cities, what sexual harassment is. Instead, the courts would have to redetermine the definition by hearing new cases unless the legislation more narrowly defines sexual harassment.

**HF 31** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF31&ssn=0&y=2019](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF31&ssn=0&y=2019)), authored by **Rep. Mary Kunesh-Podein** ([Link to: https://www.house.leg.state.mn.us/members/profile/15466](https://www.house.leg.state.mn.us/members/profile/15466)) (DFL-New Brighton) is a clone bill. There are currently no Senate companions to either bill.

This language was included in the 2018 omnibus public safety finance and policy bill (**HF 2856** ([Link to: https://www.revisor.mn.gov/bills/text.php?number=HF2856&version=latest&session=ls90&session\\_year=2018&session\\_number=0](https://www.revisor.mn.gov/bills/text.php?number=HF2856&version=latest&session=ls90&session_year=2018&session_number=0)), **Rep. Brian Johnson** ([Link to: https://www.house.leg.state.mn.us/members/profile/15403](https://www.house.leg.state.mn.us/members/profile/15403)) (R-Cambridge)), but did not advance in the Senate.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Ann Lindstrom

IGR Representative

(651) 281-1261 or (800) 925-1122

[alindstrom@lmc.org](mailto:alindstrom@lmc.org) ([Link to: mailto:alindstrom@lmc.org](mailto:alindstrom@lmc.org))

## House Committee Holds Emerald Ash Borer Informational Hearing



The League is asking the state to commit at least \$5 million per year to help cities deal with emerald ash borer and other urban forest pest issues.

(Published Feb 11, 2019)

The **House Environment and Natural Resources Policy Committee** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91003](https://www.house.leg.state.mn.us/Committees/Home/91003)) invited the League, state agencies, and other stakeholders to present an update about the spread, severity, costs, and latest science related to emerald ash borer (EAB), a problem that plagues many Minnesota cities.

As in a previous Senate committee hearing, the League testified that cities and other local governments need state funding to help them prepare for and respond to the spread of EAB, League staff said during the Feb. 6 House informational hearing.

The Department of Agriculture, Department of Natural Resources, Pollution Control Agency, and Forest Resources Council also repeated its testimony from the Jan. 16 Senate hearing.

### State assistance is critical

The committee had significant discussion and numerous questions on the topic, and the League explained that slowing the spread of the problem was essential to make it more manageable for affected cities. It would help spread out costs over many years instead of happening all at once. The need for the state to be a fully participating partner with cities was also stressed.

The creation of a state grant program available to cities to deal with EAB and other urban forest pest issues is one of the League's 2019 legislative priorities. The League is asking the state to commit at least \$5 million per year to that need.

For more background information about this bill, read a **previous Cities Bulletin article** ([Link to:](#)

<http://www.lmc.org/page/1/EABhearing.jsp>).

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Craig Johnson

IGR Representative

(651) 281-1259 or (800) 925-1122

[cjohnson@lmc.org](mailto:cjohnson@lmc.org) ([Link to: mailto:cjohnson@lmc.org](mailto:cjohnson@lmc.org))

## Industry Study of Metro Home Building Costs Released



The report on housing development costs in metro area could lead to legislative action.  
(Published Feb 11, 2019)

The Housing Affordability Institute released a report on Feb. 4 blaming local fees and regulations as the largest reason for high housing costs.

The Housing Affordability Institute is a nonprofit organization formed by the Housing First (formerly Builders Association-Twin Cities) Minnesota Legal Defense Fund and is directed by a steering committee comprised of appointed individuals working in the housing industry. The group is seeking to “examine and propose solutions to the burdens government places on housing affordability and the housing industry.”

The study, *Priced Out: The True Cost of Minnesota’s Broken Housing Market*, focused on new single-family homes built in nine cities in the Minneapolis-St. Paul market by four home builders. The report compared the Twin Cities market to Hudson, Wisconsin, and Southwest Chicago suburbs (no specific cities near Chicago were identified in the report).

The study was based on the experience of four Twin Cities homebuilders. The researchers looked at building permits, development agreements, accounting from builders and developers, and information provided by cities and the state.

—**Access the Priced Out study** ([Link to: https://www.housingaffordabilityinstitute.org/](https://www.housingaffordabilityinstitute.org/))

### Concerns about the study

The League has several concerns about the report’s data and conclusions, including:

- **Cost variables.** The report addressed only local regulations, local and regional water management, land support challenges, and state regulations as the cost variables, leaving out as part of the review issues such as labor and materials, which in the report accounts for approximately 50 percent of the total price of a home.
- **Cost comparisons.** The report compared cities with city water and sewer infrastructure to cities without the same utilities, and corresponding differences in development costs.
- **Metro emphasis.** While the report only focuses on the Twin Cities area, housing development throughout the state is needed to address housing needs statewide.
- **Average price of homes studied.** While the report emphasized the desire to have more affordable housing, it used homes with an average price of \$394,726.

### Builders’ recommendations

Housing First recommends the Legislature create a legislative commission on housing affordability focusing on:

- An affordability-centric review of existing housing policies.
- Review of new housing regulations and policies.
- Investigation and recommendation of policies to improve the homeownership equity gap.
- Support for innovative approaches to affordable new housing.
- Common language and transparency.

Many of these recommendations were advanced in previous years before Housing First issued this report. Housing First will likely introduce legislation consistent with this report’s recommendations.

### Legislative next steps

The **House Housing Finance and Policy Division** ([Link to: https://www.house.leg.state.mn.us/Committees/Home/91026](https://www.house.leg.state.mn.us/Committees/Home/91026)) (chaired by **Rep. Alice Hausman** ([Link to: https://www.house.leg.state.mn.us/members/profile/10248](https://www.house.leg.state.mn.us/members/profile/10248)), DFL-St. Paul) will have a hearing on residential development codes, fees, and considerations on Feb. 13 at 8 a.m. The League, the Department of Labor and Industry, and Housing First Minnesota will be testifying at this hearing.

Also on Feb. 13 at 3 p.m., the **Senate Agriculture, Rural Development, and Housing Finance Committee** ([Link to: https://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3088](https://www.senate.mn/committees/committee_bio.php?cmte_id=3088)) (chaired by **Sen. Torrey Westrom** ([Link to: https://www.senate.mn/members/member\\_bio.php?](https://www.senate.mn/members/member_bio.php?)

*member\_id=1197*), R-Elbow Lake) will have a hearing on the *Priced Out* study. The League will also testify at this hearing.

In addition, the League will continue to work with all partners to identify and advance housing solutions that also allow cities to meet their communities' health, safety, and welfare standards.

### **League housing and development resources**

- **Housing and development resources page** (*Link to: <http://www.lmc.org/page/1/HousingDevelopment.jsp>*)
- **Development Fees and Cities Q&A** (*Link to: <http://www.lmc.org/page/1/DevelopmentFeesandCitiesQA.jsp>*)

**Read the latest issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

### **Your LMC Resource**

#### **Contact Irene Kao**

IGR Counsel

(651) 281-1260 or (800) 925-1122

**[ikao@lmc.org](mailto:ikao@lmc.org)** (*Link to: <mailto:ikao@lmc.org>*)

#### **Contact Daniel Lightfoot**

IGR Representative

(651) 281-1295 or (800) 925-1122

**[dlightfoot@lmc.org](mailto:dlightfoot@lmc.org)** (*Link to: <mailto:dlightfoot@lmc.org>*)

## Report Released on the Economic Development and Housing Challenge Program



The report from the Office of the Legislative Auditor cites positive aspects of the program in addressing local affordable housing needs, while also noting some opportunities for improvement. (Published Feb 11, 2019)

The **Office of the Legislative Auditor** ([Link to: https://www.auditor.leg.state.mn.us/](https://www.auditor.leg.state.mn.us/)) (OLA) on Feb. 8 released an evaluation report on the Economic Development and Housing Challenge (EDHC) program, which for years has provided cities and their partners with funding to build and rehabilitate affordable rental and owner-occupied housing.

The OLA states in its report that the Minnesota Housing Finance Agency (MHFA) has generally done a good job of administering the program. OLA's analysis of program years 2013 through 2017 noted that MHFA made 39 EDHC awards totaling \$18 million each year.

Through stakeholder interviews, including interviews with city officials, the OLA found that a key aspect of the program continues to be its flexibility in funding proposals that meet locally identified housing needs.

—**Read the full OLA report** ([Link to: https://www.auditor.leg.state.mn.us/ped/2019/edhcprogramsum.htm](https://www.auditor.leg.state.mn.us/ped/2019/edhcprogramsum.htm))

### Recommendations

In addition to citing the positive aspects of the program in addressing local affordable housing needs, the report also notes some opportunities for improvement. One recommendation was that MHFA engage with stakeholders to streamline the application process.

Cities interviewed by OLA noted that the complexity and cost of applying for EDHC funds creates barriers for some applicants. The report noted that this is especially true for new applicants and smaller communities.

MHFA Commissioner Jennifer Ho acknowledged that while MHFA does provide technical assistance for applicants, more can be done to make the application process less complex.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Daniel Lightfoot

IGR Representative

(651) 281-1295 or (800) 925-1122

[dlightfoot@lmc.org](mailto:dlightfoot@lmc.org) ([Link to: mailto:dlightfoot@lmc.org](mailto:dlightfoot@lmc.org))

## Legislative Committee Deadlines Set for 2019 Session



Much of the legislation involving cities is subject to committee deadlines, so it's important for city officials to take note of them.

(Published Feb 11, 2019)

**House Majority Leader Ryan Winkler** ([Link to: https://www.house.leg.state.mn.us/members/profile/15271](https://www.house.leg.state.mn.us/members/profile/15271)) (DFL-Golden Valley) recently announced the committee deadline calendar for the 2019 legislative session. The Legislature establishes committee deadlines to focus activity on legislation that has general support in the committee process.

The Senate has not officially adopted the committee deadlines, but is expected to this week.

### Importance to cities

Much of the legislation involving cities is subject to committee deadlines. Therefore, it is important for these bills to receive hearings in committee prior to their respective deadlines to have a chance at final passage this year. This requires consistent monitoring and input from the League as well as from city officials.

### First deadline

The first committee deadline is March 15. A bill, or its companion bill in the other body, must be reported out of all committees in the house of origin by this date.

The deadline generally applies to legislation before policy committees, but specifically does not apply to the House committees on Capital Investment, Ways and Means, Taxes, or Rules and Legislative Administration, nor to the Senate committees on Capital Investment, Finance, Taxes, or Rules and Administration.

### Second deadline

The second committee deadline is March 29, and requires that committees act favorably on bills, or companion bills, that met the first deadline in the other body. The second deadline also does not apply to the House committees on Capital Investment, Ways and Means, Taxes, or Rules and Legislative Administration, nor to the Senate committees on Capital Investment, Finance, Taxes, or Rules and Administration.

### Third deadline

The third committee deadline is April 12. The House Ways and Means Committee and the Senate Finance Committee must act favorably on major appropriation and finance bills by that date.

By law, the Legislature must adjourn by the first Monday after the third Saturday in May, which will be May 20, 2019.

### Other important dates

The League's **Legislative Conference** ([Link to: http://www.lmc.org/page/1/2019LegislativeConference.jsp](http://www.lmc.org/page/1/2019LegislativeConference.jsp)) is Feb. 20-21. The conference will take place at the Capitol and presents an opportunity for city officials to meet with their legislators to discuss the various issues affecting cities.

The Legislature will be in recess for the Easter/Passover holidays April 13-22. This is also a good time for city officials to meet with their legislators.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Ted Bengtson

IGR Administrative Coordinator  
(651) 281-1242 or (800) 925-1122

## Pace of Activity Quickens With Influx of Bill Introductions

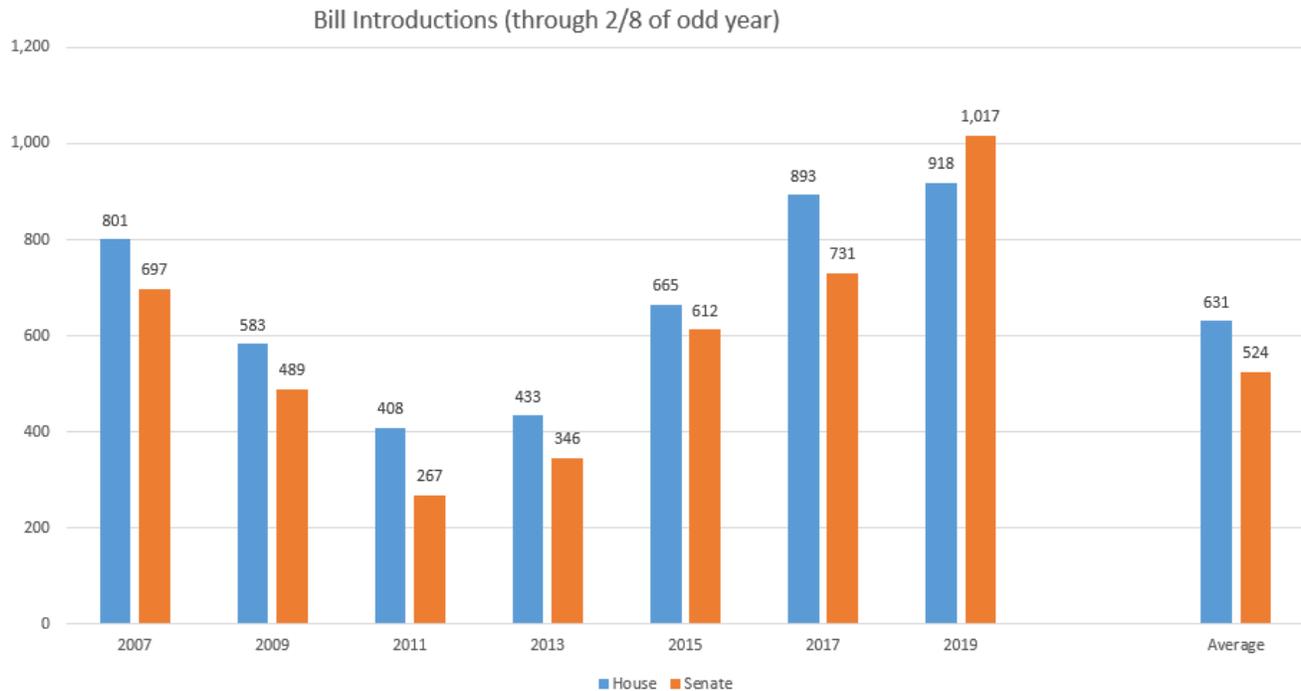


Working on a bill for your city? Time to get it introduced.  
(Published Feb 11, 2019)

As the 2019 session enters its second month, the pace of bill introductions has accelerated. For the first month of the 2019 session, the number of bill introductions has eclipsed the pace of the record-setting 2017-2018 biennium.

Why is this important for cities? If you are working with your representative and senator on legislation, now is the time to get the bill introduced to allow time for committee hearings.

As of Feb. 8, House members had introduced 918 bills while senators have introduced 1,017 bills. The chart below reflects the bill introductions for roughly the first month of each odd-numbered session.



Among the House and Senate introductions are numerous bills identifying specific cities, including capital project funding requests, tax increment financing project modifications, local sales and lodging tax requests, and other local initiatives such as project-specific sales tax exemptions. As of Feb. 8, more than **110 Senate bills** ([Link to: https://www.revisor.mn.gov/bills/status\\_result.php?body=Senate&search=basic&session=0912019&location=Senate&bill=&bill\\_type=bill&rev\\_number=&keyword\\_type=exact&keyword=city+of&submit\\_keyword=GO&keyword\\_field\\_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=](https://www.revisor.mn.gov/bills/status_result.php?body=Senate&search=basic&session=0912019&location=Senate&bill=&bill_type=bill&rev_number=&keyword_type=exact&keyword=city+of&submit_keyword=GO&keyword_field_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=)) and **100 House bills** ([Link to: https://www.revisor.mn.gov/bills/status\\_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill\\_type=bill&rev\\_number=&keyword\\_type=exact&keyword=%22city+of%22&submit\\_keyword=GO&keyword\\_field\\_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=](https://www.revisor.mn.gov/bills/status_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill_type=bill&rev_number=&keyword_type=exact&keyword=%22city+of%22&submit_keyword=GO&keyword_field_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=)) identifying individual cities have been introduced.

[https://www.revisor.mn.gov/bills/status\\_result.php?body=Senate&search=basic&session=0912019&location=Senate&bill=&bill\\_type=bill&rev\\_number=&keyword\\_type=exact&keyword=city+of&submit\\_keyword=GO&keyword\\_field\\_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=](https://www.revisor.mn.gov/bills/status_result.php?body=Senate&search=basic&session=0912019&location=Senate&bill=&bill_type=bill&rev_number=&keyword_type=exact&keyword=city+of&submit_keyword=GO&keyword_field_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=)

[https://www.revisor.mn.gov/bills/status\\_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill\\_type=bill&rev\\_number=&keyword\\_type=exact&keyword=%22city+of%22&submit\\_keyword=GO&keyword\\_field\\_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=](https://www.revisor.mn.gov/bills/status_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill_type=bill&rev_number=&keyword_type=exact&keyword=%22city+of%22&submit_keyword=GO&keyword_field_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=)

[https://www.revisor.mn.gov/bills/status\\_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill\\_type=bill&rev\\_number=&keyword\\_type=exact&keyword=%22city+of%22&submit\\_keyword=GO&keyword\\_field\\_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=](https://www.revisor.mn.gov/bills/status_result.php?body=House&search=basic&session=0912019&location=House&bill=&bill_type=bill&rev_number=&keyword_type=exact&keyword=%22city+of%22&submit_keyword=GO&keyword_field_text=1&author1%5B%5D=&author%5B%5D=&topic%5B%5D=&committee%5B%5D=&action%5B%5D=&titleword=)

identifying individual cities have been introduced.

Keep in mind that the Legislature also sets deadline for committee action on bills (**see related article** ([Link to: http://www.lmc.org/page/1/CommitteeDeadlines19.jsp](http://www.lmc.org/page/1/CommitteeDeadlines19.jsp))), and legislative committees will be busy over the next several months not only

crafting the state’s biennial budget but also hearing, amending, and passing many of these city bills.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

## LMC Representatives Spend Day on Capitol Hill With NLC



The LMC president and staff spoke with members of Congress about city priorities.  
(Published Feb 11, 2019)

As part of the National League of Cities' third annual fly-in on Feb. 7, LMC President Heidi Omerza and Intergovernmental Relations Representative Ann Lindstrom spent the day on Capitol Hill talking with members of Congress about city priorities.

Within the NLC's framework of "Rebuild With Us," municipal representatives spoke to the importance of dedicated, reliable funding streams to rebuild and maintain the nation's infrastructure.

Omerza and League staff also spoke with members of Congress about other city priorities, including preventing future federal government shutdowns and broadband expansion.

At the morning's City 101 briefing for new members of Congress and staff, U.S. Rep. Dan Kildee (D-Mich.) summarized the role of cities within the country and the importance of municipal advocacy on Capitol Hill: "Cities are the United States of America, not a special interest group. The state of the union is the state of our cities."

The day included a meeting with newly elected Rep. Pete Stauber, from the 8th Congressional District of Minnesota. Stauber has a local government background having served on the Hermantown City Council and as a St. Louis County commissioner.

League staff, board members, and many Minnesota city officials will return to Washington, D.C., in March for NLC's Congressional City Conference.

—**Learn more about the fly-in** ([Link to: https://citiesspeak.org/2019/02/08/state-municipal-leagues-build-relationships-with-new-congress/?utm\\_campaign=newsletter&utm\\_medium=email&utm\\_source=newsletter&utm\\_content=weekly-020919&utm\\_term=text-headline&\\_zs=LVDPW&\\_zl=sWRU1](https://citiesspeak.org/2019/02/08/state-municipal-leagues-build-relationships-with-new-congress/?utm_campaign=newsletter&utm_medium=email&utm_source=newsletter&utm_content=weekly-020919&utm_term=text-headline&_zs=LVDPW&_zl=sWRU1))

### Read the current issue of the Cities Bulletin

([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

### Your LMC Resource

#### Contact Ann Lindstrom

IGR Representative

(651) 281-1261 or (800) 925-1122

[alindstrom@lmc.org](mailto:alindstrom@lmc.org) ([Link to: mailto:alindstrom@lmc.org](mailto:alindstrom@lmc.org))