Break Time Is a Great Time to Advocate for Your City

The Legislature is on recess this week, so use this time to talk, email, or personally meet with your legislators while they are home to discuss important issues.

**CAPITOL UPDATES**

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.

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**In Other News**

**Your Input Needed: Is Your City Considering Changing from Odd- to Even-Year Elections?**
An amendment to the Senate elections bill would prohibit cities from changing the length of city council terms when switching from odd- to even-year elections, or vice versa.

**Retainage Bill Stopped in Senate but Could Be Included in House Bill**
The bill would require release of retainage before final completion of construction projects.

**Omnibus Pension Bill Approved by Full Senate**
House committees will consider the bill after this week's recess.

**Proposed Constitutional Amendment Would Increase Dedicated Transportation Funds**
The League has not taken a position on the measure, which would dedicate an estimated $250 million per year from the sales tax on motor vehicle parts and repairs to roads and bridges.

**Senate Elections Omnibus Bill Passes to Floor**
The bill includes several League-supported provisions regarding tabulating write-in candidates, counting shrink-wrapped ballots, and designation of polling places.

**Competitive Bidding Bill Goes to Floor in House and Senate**
The bill would increase the competitive bidding threshold, which has been the same for a decade.

**Bill Prohibiting Cities from Regulating Auxiliary Containers Passes Out of Committee**
Auxiliary containers are generally defined as to-go containers from restaurants.

**Sign Up Now for 2018 Policy Committees**
City staff and elected officials are encouraged to join these groups that meet three times during the summer to develop the League’s legislative platform.

**No Hearings Yet for Bill Capping Wireless Application Fees**
A T-Mobile backed bill would limit the ability of cities to recoup actual costs from wireless companies looking to install facilities on water towers, poles, and buildings.

**Ranked-Choice Voting Prohibition Passes Senate Committee**
The bill, which would prohibit cities from implementing ranked-choice voting, has been referred to the Senate Rules Committee.

**MnDOT Releases Updated Greater Minnesota Transit Investment Plan**
The Greater Minnesota Transit Investment Plan, which was first released in 2009, sets the 20-year strategic direction and investment priorities to increase mobility for transit users.

Where Is the Legislature’s Federal Tax Conformity Proposal?
Gov. Dayton included some federal tax conformity provisions in his supplemental budget, but the House and Senate have yet to release their conformity bills.

More Information and Resources

Sleepy Eye and Willmar Areas: Online Registration Closes on April 8 for the Spring Workshops in Your Regions
Don’t Miss These Final Workshops on Complete Count Committees for the 2020 Census
See How the National Flood Insurance Program Works with LMC Insurance Trust Coverage
Free Webinar Available for Law Enforcement Who Can’t Attend This Spring’s Safety & Loss Control Workshops
Share Ideas with Mayors from Across the State at the 2018 MMA Annual Conference!
Does Your City Have Old Electronics (Like Computers, Printers, Keyboards, and Cables) to Dispose Of?
Discover Tools to Help Bridge Divides During These Workshops
Wanted: Nominations for Outstanding City Leaders and Programs!
How Do Minnesota Cities Grow and Thrive Together? Learn More at Camp MnCities This June
Clerks: Get Skills You Can Use to Help You Succeed at the Clerks’ Orientation Conference
April 4 GreenStep Cities Workshop and Webinar Addresses Race Equity Concepts

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

Legislative questions?
Contact IGR Staff
Editorial questions?
Contact Editor Claudia Hoffacker at choffacker@lmc.org

LMC Business Alliance

LMC Business Alliance members provide valuable financial support to the League and help support our mission to serve Minnesota cities.
View Alliance members
Break Time Is a Great Time to Advocate for Your City

The Legislature is on recess this week, so use this time to talk, email, or personally meet with your legislators while they are home to discuss important issues.

Legislators are home for a one-week Easter/Passover break this week. They will resume action at the Capitol on Monday, April 9. While they are home on break, it is a great opportunity to speak with them about issues that are important to cities.

Various bills have moved through the legislative process that the League is asking cities to contact their legislators about. Direct communication by cities with legislators is key during this time on the following issues:

**Bonding & funding bills**

- **Bonding**: The capital investment bill, commonly called the bonding bill, remains an item for the Legislature to take action on before it adjourns on May 21. It is typically one of the final pieces of legislation that moves through the process and is a League priority (Link to: http://www.lmc.org/page/1/legislative-policy-priorities.jsp). Remind legislators about the importance of passing a bonding bill this session. Cities can encourage their legislators to support important statewide funding for the following programs in addition to local projects:
  - **Water and environment**: Local Road Wetland Replacement; wastewater, drinking water, and stormwater infrastructure programs; and Emerald Ash Borer (EAB) funding.
  - **Transportation**: Local road and bridge funding and local road improvement program funding.
  - **Housing**: Housing infrastructure bonds, and funding for public housing rehabilitation.

- **Broadband funding**: Thank legislators for their past support of broadband funding through the House Job Growth & Energy Affordability Finance & Policy Committee (Link to: http://www.house.leg.state.mn.us/cmte/Home/?comm=90017) and Senate Jobs and Economic Growth Finance Committee (Link to: http://www.senate.mn/committees). Broadband funding remains a League priority and topic of discussion at the Legislature this year. Bills have been proposed for the amount recommended by the Governor’s Broadband Task Force ($51.48 million). Gov. Dayton included a recommendation for $30 million in his supplemental budget proposal (Link to: http://www.lmc.org/page/1/GovSupplementalBudget.jsp).

**Thank legislators for:**


—Read more about the omnibus pension bill (Link to: http://www.lmc.org/page/1/PensionBill2018Update.jsp)

- **Elections omnibus bills**: The Senate and House have heard and passed their elections omnibus bills out of their respective committees. They await action on the floors. The League supports both bills, specifically language related to write-in candidates.

—Read more about the elections omnibus bills (Link to: http://www.lmc.org/page/1/SenateOmnBill2018Elections.jsp)

- **Competitive bidding threshold**: Thank legislators on the House Government Operations and Election Policy and Senate Local Government (Link to: http://www.house.leg.state.mn.us/cmte/Home/?comm=90011) committees for their approval of a bill that would update the competitive bidding threshold from $100,000 to $175,000. The bills (HF 3841), Rep. Jim Nash (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15441) , R-Waconia, and SF 3399 (Link to: https://www.revisor.mn.gov/bills/bill.php?f=SF3399&y=2018&ssn=0&b=senate), Sen. Dan Hall (Link to: http://www.senate.mn/members/member_bio.php?leg_id=15329), R-Burnsville) were heard in their respective policy committees in both chambers and awaits action on the House and Senate floors.

—Read more about the competitive bidding bill

**Remind legislators that the League opposes:**

- **Bills that infringe on local decision-making**: More than 50 bills that interfere with local decision-making authority have been introduced in the House and Senate. (See list of bills and other resources. (Link to: http://www.lmc.org/page/1/LocalAuthorityToolkit.jsp) ) If your city has passed a resolution supporting local control, be sure your legislator and the League are aware of that (see if the League has your city on its master list (Link to: http://www.lmc.org/media/document/1/localcontrol_resolutions.pdf)). Legislation that would prohibit cities from regulating transportation network companies (such as Lyft and Uber) (Link to: http://www.lmc.org/page/1/TNCregulationUpdate.jsp), implementing ranked-choice voting (Link to: http://www.lmc.org/page/1/RCV-preemption.jsp), and prevent cities from regulating auxiliary containers (Link to: http://www.lmc.org/page/1/ToGoContainerPreemption.jsp) (generally defined as ‘to-go’ or carry out containers from restaurants) are examples of legislation that pre-empts local control and are actively moving through the legislative process.

http://www.senate.mn/members/member_bio.php?leg_id=15487), R-North Branch) that would take away cities’ ability to withhold retainage for public projects. The bill was heard in the house and has met committee deadlines to remain in active consideration in that chamber by the chair of the House State Government Finance Committee (Link to: http://www.house.leg.state.mn.us/cmte/Home/?comm=90021) (Rep. Sarah Anderson (Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15269), R-Plymouth). It was heard in the Senate State Government Finance and Policy and Elections Committee (Link to: http://www.senate.mn/committees/committee_bio.php?cmte_id=3101&ls=), but was not heard in the next committee stop, the Senate Local Government Committee (Link to: http://www.senate.mn/committees/committee_bio.php?cmte_id=3100&ls=).

—Read more about the retainage bill
• Expansion of fireworks: The League remains opposed to the potential expansion of fireworks. The bills have passed out of all required committees and await action on the House and Senate floors.
—Read more about the fireworks expansion bill (Link to: http://www.lmc.org/page/1/FireworksExpansion.jsp)

City advocacy is essential
The League has sent out “action alerts” during this session asking cities to contact their legislators about annexation and retainage bills. We are grateful for all the city officials who have taken action. It has had an impact!

For a primer on city advocacy:

• Watch the League Webinar on Advocacy 101 (Link to: http://www.lmc.org/page/1/advocacy101-materials.jsp) (this was offered as part of the League’s legislative conference on March 21).
• Get more advocacy tips and resources (Link to: http://www.lmc.org/page/1/tell-your-city-story.jsp)

Read the current issue of the Cities Bulletin (Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp)
An amendment to the Senate elections bill would prohibit cities from changing the length of city council terms when switching from odd- to even-year elections, or vice versa. (Published Apr 2, 2018)

The Senate State Government Finance and Policy and Elections Committee approved an amendment to the elections omnibus bill (SF 3021) prohibiting cities from extending or shortening the terms of council members when switching from odd- to even-year elections, or vice versa.

Under the amendment (A-8), cities that change election years would then need to hold elections in consecutive calendar years to allow the terms of incumbents to expire.

League staff testified with concerns about how this change would impact cities currently transitioning from odd- to even-year elections and the possibility of having a delayed effective date added to the language. The bill, authored by Sen. Mary Kiffmeyer (R-Big Lake), can now be taken up on the Senate floor and will presumably go to conference committee with the House companion, HF 3221. In working with the author, League staff are seeking feedback from cities.

Is your city currently transitioning from odd- to even-year elections (or vice versa)? Is your city considering doing so? If so, please contact League staff member Ann Lindstrom at alindstrom@lmc.org or (651) 281-1261 to share your experience and how this change would impact that process.

- Read more about the Senate elections omnibus bill
- Read more about the House elections omnibus bill

Read the current issue of the Cities Bulletin

Your LMC Resource
Contact Ann Lindstrom
IGR Representative
(651) 281-1261 or (800) 925-1122
alindstrom@lmc.org
Retainage Bill Stopped in Senate but Could Be Included in House Bill

The bill would require release of retainage before final completion of construction projects.
(Published Apr 2, 2018)

SF 2783 (Rep. Mark Koran, R-North Branch), a bill that would limit the ability for public entities to withhold retainage on construction projects was pulled from consideration in the Senate Local Government Committee on March 27.

This happened after the League asked cities with legislators in the Senate Local Government Committee and the House State Government Finance Committee to share their thoughts about the bill. Thanks to your advocacy, legislators heard city concerns.

House bill amended

The House companion bill, HF 2912 (Rep. Jason Rarick, R-Pine City) was heard in the House State Government Finance Committee on March 29. The committee adopted the author’s amendment, which:

- At substantial completion, would only allow public entities to withhold:
  - 150 percent of the value of incomplete or defective work.
  - $500 or 1 percent of the value of the contract, whichever is greater, but not to exceed $10,000, for completion and submission of final paperwork by the prime contractor.
- Would require both of the withheld amounts described above to be paid within 45 days.
- Specifically defines substantial completion for streets and highways as the date when construction-related traffic-control devices and ongoing inspections are no longer required.
- Better ensures any retainage released to the prime contractor gets to subcontractors.

HF 2912 was laid over for possible inclusion in the House state government finance omnibus bill.

City testimony

While the adopted amendment is better, the League, along with the Department of Administration, still had concerns with the bill.

Mark Maloney, public works director of the City of Shoreview, testified on behalf of the
League. He said retainage is important because cities want to be responsible fiscal agents with taxpayer money. Withholding retainage is a helpful tool to ensure punch list items are completed and required forms are turned in.

The concern with limiting retainage to 150 percent of incomplete or defective work and 1 percent of the contract amount is that this may provide less incentive for some contractors to complete their work. Cities have shared stories of how, even when withholding 5 percent for retainage, it can take months or years for contractors to finish their work.

If you have questions or concerns about this proposed legislation, contact League IGR Counsel Irene Kao at (651) 281-1260 or ikao@lmc.org.

For more background information about this bill, read a previous Cities Bulletin article.

Read the current issue of the Cities Bulletin.

Your LMC Resource

Contact Irene Kao
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Omnibus Pension Bill Approved by Full Senate

House committees will consider the bill after this week’s recess. (Published Apr 2, 2018)

The omnibus pension bill continues to quickly progress through the legislative process. The full Senate approved the bill on March 26 on a 66 to 0 vote.

The bill, SF 2620, authored by Sen. Julie Rosen (R-Vernon Center), contains sustainability changes to the state’s major public pension plans, including the Public Employees Retirement Association (PERA) General Plan and Police & Fire Plan.

The Senate bill and the original House companion (HF 3053) are now in possession of the House Government Operations and Elections Policy Committee and will be considered sometime after the Easter/Passover recess.

The House Ways and Means Committee is expected to adopt a supplemental budget resolution to guide budget actions by House committees and, given the financial implications of the omnibus pension bill on the state budget, action on the bill will be governed by the House budget resolution. The budget resolution is expected to include funding for the omnibus pension bill.

The omnibus pension bill, in its current form, also has the support of Gov. Dayton. The governor included funding for the omnibus pension bill in his supplemental budget recommendations.

The bill requires $27.2 million in additional spending for the second half of the current biennium (fiscal year 2019). Of that total, $4.5 million will be directed to the PERA Police & Fire plan to reduce the need for larger employer and employee contribution increases.

The other large allocations include roughly $7 million to fund employer contribution increases for state employees in the Minnesota State Retirement System (MSRS) General Plan, the State Patrol Plan, and Corrections Plan; $10.9 million to fund a general education pension adjustment for school district contributions to the Teachers Retirement Association (TRA) plan; and $5 million to fund a direct contribution to the St. Paul Teachers Retirement Fund.

The estimated state cost of the bill increases substantially in the next biennium to $113.3 million for FY 2020-2021, which is due, in part, to coverage of two years of operations. However, the increase is also due to a boost in the aid to the PERA Police & Fire Plan and even larger increases in MSRS and TRA costs. The aid to the PERA Police & Fire Plan will increase to $9 million beginning in FY 2010.
For more details about the bill, read a previous Cities Bulletin article. (Link to: http://www.lmc.org/page/1/PensionBill2018.jsp)

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

Your LMC Resource

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Proposed Constitutional Amendment Would Increase Dedicated Transportation Funds

The League has not taken a position on the measure, which would dedicate an estimated $250 million per year from the sales tax on motor vehicle parts and repairs to roads and bridges.

(Published Apr 2, 2018)

The Senate Transportation Finance and Policy Committee (Link to: http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3102&ls=90) on March 28 passed legislation that would place a constitutional amendment on the general election ballot in November. It proposes to permanently dedicate various existing motor vehicle-related sales taxes to transportation.


The groups advocating for the amendment (and planning to fund a ballot campaign) include the Minnesota Chamber of Commerce (Link to: https://www.mnchamber.com/), Associated General Contractors (Link to: https://www.agc.org/), the Minnesota Business Partnership (Link to: https://mnbp.com/), the Minnesota Transportation Alliance (Link to: https://www.transportationalliance.com/) and construction labor groups.

What is being proposed?
The bill, as amended, would constitutionally dedicate all the sales tax collected on auto parts, as well as the sales tax on leased vehicles and rental vehicles. A portion of these sales taxes were statutorily dedicated last session. Prior to 2017, they were funneled into the state’s general fund.

The bill creates a new Road and Bridge Fund in the Minnesota Constitution. This fund would receive the revenue from the sales tax on motor vehicle repair and replacement parts and rental vehicles.

Of the money in the fund, 4 percent would go to the Small Cities Assistance Account, 3.25 percent to the Town Road Account, and 1.75 percent to the Town Bridge Account. The remaining funds would be distributed under the Highway User Tax Distribution Fund (HUTDF) formula: 62 percent to a new Trunk Highway Construction Fund, 29 percent to the County State Aid Highway (CSAH) fund, and 9 percent to Municipal State Aid (MSA). The revenue from the sales tax on auto parts and rental vehicles is phased in over three years beginning in fiscal year 2020.
The bill also creates a motor vehicle lease sales tax revenue section in the Minnesota Constitution. If the constitutional amendment is adopted, beginning July 1, 2019, 100 percent of the revenue from leased vehicle sales tax must be dedicated to transportation and apportioned according to the law passed during the 2017 session, which provides funding for the CSAH fund, Greater Minnesota transit, a local bridge fund, and the HUTDF.

League decidedly neutral
The League does not have a position on the proposed constitutional amendment. When a legislative session is underway and the League is asked on short notice to weigh in on a policy matter, the League’s bylaws authorize the LMC’s Board of Directors (Link to: https://www.lmc.org/page/1/league-bod.jsp) or the Executive Committee of the Board to determine the League’s position.

Upon the bill’s introduction on March 26, staff briefed the Executive Committee on a conference call and asked them to decide whether the League should take a position on the bill. After a thorough discussion about the proposed amendment, the Executive Committee unanimously decided the League should remain neutral on the measure for the time being.

Some reasons for not actively supporting the bill include:

- The change would give legislators less flexibility to respond to other fiscal demands.
- If the Legislature needs to backfill losses to the general fund, they may cut important aids to cities.
- The additional revenue the measure provides for the state’s transportation system is inadequate, yet passage might give the public the impression the state’s transportation challenges are solved.

Likewise, there are reasons the Executive Committee decided not to oppose the bill:

- The amendment, if passed, would provide some relief to the ailing road and bridge system statewide.
- As amended, the bill provides funds for every city, including those with populations under 5,000 that are not eligible for MSA under the current constitutional formula.

How much new money would be dedicated?
The amount of revenue from sales tax collected on auto parts is undetermined, and a report of revenue estimates from this funding source that is required by a bill passed in 2017 is not due until 2019.

Proponents of the constitutional amendment estimate it will provide approximately $250 million per year in dedicated transportation money. If this estimate is accurate, just over $20 million would be distributed to the 148 cities with populations above 5,000 under the existing Highway User Tax Distribution Fund formula and approximately $20 million
would go to the Small Cities Assistance Account that the League helped establish in 2015. This would be distributed on a formula basis to the 705 cities with populations below 5,000.

**The ballot question**
The question that would be placed on the ballot is:

“Shall the Minnesota Constitution be amended so that the following taxes already being collected are used exclusively for road and bridge construction and transportation purposes: sales tax on vehicle and trailer repair and replacement parts, taxes on rental vehicles, and the motor vehicle lease sales tax?”

**Stay tuned**
The bill has been sent to the Senate Rules Committee for further action. The bill has not been introduced in the House.

If the measure passes the Legislature, it will appear on the 2018 general election ballot. Under the Minnesota Constitution, a proposed amendment is placed on the ballot if a simple majority of the House and Senate approve it. The governor does not have veto power over a ballot question.

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

**Your LMC Resource**

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afinn@lmc.org (Link to: mailto:afinn@lmc.org)
### Senate Elections Omnibus Bill

**Passes to Floor**

The bill includes several League-supported provisions regarding tabulating write-in candidates, counting shrink-wrapped ballots, and designation of polling places.

(Published Apr 2, 2018)

The Senate State Government Finance and Policy and Elections Committee on March 29 amended and passed **SF 3021** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF3021&ssn=0&y=2018]), the elections omnibus bill. Authored by committee chair **Sen. Mary Kiffmeyer** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15302] (R-Big Lake), the bill includes several League-supported provisions.

The bill passed on a roll-call, party-line vote of 5-4 and can now be heard on the Senate floor.

**Write-in candidates**

Section 5 would allow cities to pass a resolution to require a write-in candidate to file a request with the city chief election official to have their write-in votes counted at least seven days before the election. Or the city could require by resolution that individual write-in votes only be tabulated if the total number of write-in votes would impact the outcome of the election.

**Designating polling places**

Section 6 would allow cities to designate polling places only if the polling place has changed from the previous year.

**Prepackaged ballots**

Section 8 eliminates the requirement that election judges count prepackaged ballots and can assume instead that the count is accurate.

**Amendments**

Four amendments offered by the author were also adopted:

- **The A-3 amendment** ([Link to: http://www.senate.mn/committees/2017-2018/3101_Committee_on_State_Government_Finance_and_Policy_and_Elections/3021 - A3 (Kiffmeyer).pdf]) would require that all special elections be held on a Tuesday.
- **The A-4 amendment** ([Link to: http://www.senate.mn/committees/2017-2018/3101_Committee_on_State_Government_Finance_and_Policy_and_Elections/3021 - A4 (Kiffmeyer).pdf]) is a technical change and clarifies language regarding high school students serving as trainee election judges.
- **The A-7 amendment** ([Link to: http://www.senate.mn/committees/2017-2018/3101_Committee_on_State_Government_Finance_and_Policy_and_Elections/3021 - A7 (Kiffmeyer).pdf]) states that those assisting voters must: take an oath that they will not attempt to influence the voter;
sign a form with their name and address; assist no more than three voters; and leave
the polling place immediately after assisting a voter. The amendment also
eliminates the requirement that election judges test the audio ballot reader on the
assistive voting technology. This language is still being worked on to clarify that
judges will need to ensure that the equipment turns on and is functional.

- The A-8 amendment prohibits cities from extending or shortening the terms of councilmembers when switching from an odd to even year election (or vice versa). Cities would then need to hold elections in consecutive calendar years to allow the terms of incumbents to expire. League staff testified with concerns about how this change would impact cities currently transitioning from odd to even year elections and the possibility of a delayed effective date. Staff will continue to work with the author. The League is seeking input on this proposed changed (see additional Bulletin article on this issue).

League of Minnesota Cities Elections Task Force Chair and Minnetonka City Clerk David Maeda testified in support of the bill; specifically, the language regarding write-in candidates, counting shrink-wrapped ballots, polling place designation, and redundant testing of assistive voting technology.

The House companion, HF 3221, awaits action on the House floor. For more information on the House bill, read a previous Bulletin article.

Read the current issue of the Cities Bulletin.

Your LMC Resource

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alindstrom@lmc.org
The bill would increase the competitive bidding threshold, which has been the same for a decade.

(Published Apr 2, 2018)

A bill increasing the competitive bidding threshold from $100,000 to $175,000, SF 3399 (Sen. Dan Hall, R-Burnsville), was passed out of the Senate Local Government Committee on March 27 and sent to the Senate floor.

Similar to its House companion, HF 3841 (Rep. Jim Nash, R-Waconia), the bill was non-controversial and quickly passed.

Support from all local government associations
The competitive bidding thresholds haven’t been increased in a decade. Construction costs have increased at a greater rate than general cost of living. Small construction projects easily hit the current threshold of $100,000. Simply stripping a bike lane for a couple of miles or doing an overlay for a parking lot hits this threshold.

The League, Association of Minnesota Counties, Minnesota Association of Townships, and Minnesota School Boards Association supported this bill.

- Read the joint letter of support from local government groups (pdf)

For more background information about this bill, read a previous Cities Bulletin article.

Read the current issue of the Cities Bulletin

Your LMC Resource

Contact Irene Kao
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ikao@lmc.org
Bill Prohibiting Cities from Regulating Auxiliary Containers Passes Out of Committee

Auxiliary containers are generally defined as to-go containers from restaurants. (Published Apr 2, 2018)


The bill includes retroactivity language regarding the effective date. If signed into law, any existing ordinance regulating containers would be void and unenforceable. Auxiliary containers are generally defined as to-go containers from restaurants.

The bill was sent to the House Rules and Legislative Administration Committee (Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=90020), presumably for not making committee deadlines. The Senate companion, SF 3135 (Link to: https://www.revisor.mn.gov/bills/bill.php?f=SF3135&y=2018&ssn=0&b=senate) (Sen. Dan Hall (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15329), R-Burnsville), has received a hearing and awaits action by the Senate Local Government Committee (Link to: http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3100&ls=90).

League staff testified in opposition to the bill in the House and will continue to monitor it in both bodies.

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

Your LMC Resource

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alindstrom@lmc.org (Link to: mailto:alindstrom@lmc.org)
Sign Up Now for 2018 Policy Committees

City staff and elected officials are encouraged to join these groups that meet three times during the summer to develop the League’s legislative platform.

(Published Jun 5, 2017)

Dates are set for the 2018 League legislative policy committee meetings. Join your city colleagues for great discussion about municipal legislative issues.

Last year, more than 150 city officials from all around the state participated in the four committees that set the legislative policies for the League’s lobbying efforts.

—Sign up for a policy committee now (Link to: https://www.surveymonkey.com/r/59MMN3H)

Important note for members who served last year: Please sign up to confirm your participation again this year, even if you served last year.

Here are answers to some common questions about policy committees:

Who can be on a policy committee?
Current city officials and staff are eligible. City councilmembers, mayors, city administrators, assistant city administrators, clerks, human resource staff, municipal elections officials, public safety staff, engineers, finance directors, economic development staff, and others have been members of the committees. Committee members can be new to their city position, have many years of experience, or be somewhere in between. While any member city may have more than one person serving on a committee, each city will have only one vote on policies or other committee business.

What typically happens during each of the three committee meetings?
At the first meeting in July, members hear a briefing of the previous legislative session from LMC staff, network with one another by sharing issues of interest that are related to the committee, and begin to look at policies to edit, delete, or add. At the second meeting in August, members usually hear from guest speakers from state agencies, interest groups, legislators, and other local officials to learn more about a specific issue of interest to the group. During the third meeting in September, members continue their work discussing edits to existing or new policies and vote to approve their policies.

What happens after the third policy committee meeting?
The League’s Board of Directors hears about the work of each policy committee during a fall meeting, typically in October. Then, the draft policies are open for comment by all League members. Member comments are compiled in early November, and then the LMC Board makes the final adoption of the policies. During the next legislative session, the League’s IGR staff use the policies to guide the League’s legislative efforts at the
Capitol.

**When and where are the meetings?**

- **Improving Service Delivery Committee** ([Link to: http://www.lmc.org/page/1/improving-service-delivery.jsp])
  
  Monday mornings: July 30, Aug. 27, Sept. 17, 9:30 a.m.-12 p.m.

- **Improving Local Economies Committee** ([Link to: http://www.lmc.org/page/1/improving-local-economies.jsp])
  
  Tuesdays mornings: July 31, Aug. 28, Sept. 18, 9:30 a.m.-12 p.m.

- **Human Resources & Data Practices Committee** ([Link to: http://www.lmc.org/page/1/human-resources-data-practices.jsp])
  
  Tuesdays afternoons: July 31, Aug. 28, Sept. 18, 1:30-4 p.m.

- **Improving Fiscal Futures Committee** ([Link to: http://www.lmc.org/page/1/improving-fiscal-futures.jsp])
  
  Wednesday mornings: Aug. 1, Aug. 29, Sept. 19, 9:30 a.m.-12 p.m.

All policy committee meetings are in the St. Croix Room, which is located on the first floor of the League building in St. Paul.

**What if I can’t attend each meeting in person?**

We offer GoTo Meeting, which is an online option for all meetings. Many members use this option to remain involved in committee discussions, regardless of their ability to come to the League’s office in St. Paul.

**What topics does each committee address?**

The topics include, but are not limited to, the following:

- Improving Service Delivery Committee: unfunded mandates, environmental mandates, elections, charter law, data privacy, government innovation and cooperation, and public safety.
- Improving Local Economies Committee: growth management, land use, boundary adjustments, housing, transportation, economic development, and telecommunications.
- Improving Fiscal Futures Committee: municipal financial management, property and other taxes, state aid programs, and financial reporting requirements.
- Human Resources & Data Practices Committee: employment law, labor relations, data practices, Open Meeting Law, personnel, and pensions.

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**Your LMC Resource**

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No Hearings Yet for Bill Capping Wireless Application Fees

A T-Mobile-backed bill would limit the ability of cities to recoup actual costs from wireless companies looking to install facilities on water towers, poles, and buildings.

(Published Apr 2, 2018)

A bill that would cap local government application fees for installing wireless equipment on city property has not yet had a hearing in the House or Senate, but may receive an informational hearing when legislators return on April 9.


A local government unit must limit an application fee to the actual cost incurred, including the cost of any third-party consultant used to assist with the application review, but the application fee cannot exceed $3,000. The ceiling would be in place even if the city incurred costs greater than the cap to adequately evaluate the site.

Despite significant changes in telecommunications law last year, the bill is being pushed by T-Mobile. The language is exclusive of small cell wireless installations.

Both authors have communicated with the League that the bill may receive a hearing on an informational basis, which means they would take public testimony and refrain from moving the bill to the next committee stop or the floor.

League opposes the bill

The League’s primary concern with the bill is that actual costs exceed the allowable amount of $3,000 in some cases. Each siting is unique to evaluate structures for various wireless equipment, particularly when sites are not primarily designed for installing large wireless equipment. The League also has concerns that the definition of wireless facilities is wide-ranging.

Committee stops

In the House, the bill was referred to the Government Operations and Elections Policy Committee (Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=90011). In the Senate, the bill’s first stop would be in the Energy and Utilities Finance and Policy Committee (Link to: http://www.senate.leg.state.mn.us/commission/commission_bio.php?cmte_id=3092&ls=90).

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 Ranked-Choice Voting Prohibition Passes Senate Committee

The bill, which would prohibit cities from implementing ranked-choice voting, has been referred to the Senate Rules Committee. (Published Apr 2, 2018)

The Senate State Government Finance and Policy and Elections Committee on March 27 passed SF 3325, a bill that would prohibit cities, counties, townships and school districts from implementing ranked-choice voting.

The bill, authored by Sen. Mark Koran (R-North Branch), was referred to the Senate Rules and Administration Committee, presumably for not making deadline in the House. The House companion, HF 3690, (Rep. Cindy Pugh, R-Chanhassen), awaits action by the Government Operations and Elections Policy Committee.

League staff testified against the bill and will continue to monitor it.

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Your LMC Resource

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MnDOT Releases Updated Greater Minnesota Transit Investment Plan

The Greater Minnesota Transit Investment Plan, which was first released in 2009, sets the 20-year strategic direction and investment priorities to increase mobility for transit users. (Published Apr 2, 2018)

The Minnesota Department of Transportation (MnDOT) released an updated Greater Minnesota Transit Investment Plan on March 27. The plan was first released in 2009 and sets the 20-year strategic direction and investment priorities to increase mobility for transit users.

It supports the state Legislature’s target of meeting 90 percent of the public transit need in Greater Minnesota by 2025. The plan also includes an addendum that outlines how legislative funding changes since the plan was finalized will affect the goal of meeting the target.

The 2017 Legislature’s transportation finance omnibus bill reduced the general fund appropriation to the Greater Minnesota Transit Account for fiscal year 2018 by approximately $16 million. MnDOT estimated the 2025 ridership target for Greater Minnesota transit providers is to support 17 million rides or an additional 4.8 million rides annually, a 40 percent increase in ridership from today. The increase will require an additional 51,000 new service hours each year.

To achieve the 90 percent target, approximately $120 million of additional revenue will be required, or about $5 million per year. MnDOT evaluated the current level of transit service and then developed a service plan and the cost needed to improve reliability, evening, and weekend services—the most significant factors to current and potential riders.

MnDOT provides funding for 36 transit systems in Greater Minnesota. Total operating cost in 2015 was $84.4 million.

Access the updated Greater Minnesota Transit Investment Plan (Link to: http://minnesotago.org/index.php?cID=435)

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

Your LMC Resource

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Assistant IGR Director
Gov. Dayton included some federal tax conformity provisions in his supplemental budget, but the House and Senate have yet to release their conformity bills. (Published Apr 2, 2018)

When the session began on Feb. 20, one of the most hotly discussed legislative topics was the need to address the implications of the 2017 federal tax law on the state’s income tax structure. The Legislature is now roughly halfway to the constitutional adjournment date of May 21, 2018, and where is the federal conformity legislation? (Read related article. [Link to: http://www.lmc.org/page/1/FederalTaxConformity.jsp])

Included with the release of Gov. Dayton’s supplemental budget [Link to: http://www.lmc.org/page/1/GovSupplementalBudget.jsp] were a broad set of recommendations on individual income and corporate income tax conformity changes that the governor is recommending to the Legislature.

For individuals, Gov. Dayton’s proposal starts by changing the starting point for Minnesota income taxes from “federal taxable income” to “federal adjusted gross income.”

In addition to the change to “federal adjusted gross income,” the governor’s recommendations attempt to address the new federal cap placed on the deduction of state and local taxes. The governor’s proposal would allow taxpayers to take the standard deduction when filing their federal income taxes, but allow that same taxpayer to itemize deductions at the state level.

These itemized deductions include the full amount of the property taxes, as well as many of the current federal deductions, including unreimbursed employee expenses, interest on home equity loans, all mortgage interest on new property purchases, casualty losses, moving expenses and reimbursements, and charitable donations. The governor’s proposal also creates a new, non-refundable tax credit for individual income tax filers and expands the working family tax credit.

Although the governor released the outline of his plan in mid-March, legislation reflecting his recommendations has not yet been officially introduced in either the House or the Senate. Last week, House Taxes Committee Chair Greg Davids [Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10123] announced to the committee that he is waiting on the introduction of the governor’s tax conformity bill.

Some aspects of the governor’s tax conformity plan drew a quick negative response from leadership in the House and Senate, including the proposal to roll back several of the business tax relief provisions he signed into law in last year’s omnibus tax bill. This will set up a potentially contentious debate between legislative leadership and the governor,
with the clock ticking toward adjournment.

When the Legislature returns from break on April 9, there will be roughly six weeks remaining in the 2018 session. The House, Senate, and governor will need to work quickly to reach agreement on a federal conformity package.

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