

Fredrikson and Byron Legislative Update



MAT/MATIT STATE LEGISLATIVE UPDATE

August 3, 2020

We are now through the majority of the summer and the Governor and legislature have yet to agree on a number of key items which effect townships. Major stumbling blocks to success have included the Governor's COVID peacetime emergency powers and proposed legislation dealing with COVID, bonding, taxes, and economic recovery and police reforms related to George Floyd's death.

The latest attempt to resolve differences between the Governor and legislature took place during the July special legislative session (July 13-20). Besides the passage of some policing reforms and the Governor's peacetime emergency powers being upheld by the Minnesota House, other large legislative items went unresolved.

Now, because state law only allows the Governor's peacetime emergency powers to last for 30 days, we are looking at a probable mid-August special legislative session (date yet to be determined but is probably starting August 12). The question that remains unclear is whether anything will be resolved.

State Capitol "insiders" believe that very little will be accomplished. For starters, the continuation of the Governor's peacetime emergency powers is a deal-breaker for House Republicans. They will not be a part of the super-majority required to pass the bonding bill (which includes some small tax provisions as well). And without a bonding bill, the Senate Republicans will not agree to a supplemental budget bill which could address emergency economic recovery that DFLers are pressing for.

Another reason for a short August special legislative session is the upcoming Primary Election of August 11. It has pre-occupied a number of legislators who are facing challengers and don't have time for behind the scenes negotiations. Finally, there is a belief among state bonding officials that a bonding bill cannot be passed as it complicates the buying and selling of bonds during this time of year.

So here's the status of outstanding items that are of interest to MAT:

- Transportation Funding
 - During the regular legislative session, Sen. Jasinski introduced SF4320 which directs funding to a new township program within MnDOT to upgrade township roads to 10-ton capacity. It received a Senate Transportation Committee hearing and was awaiting possible action when COVID hit.

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- The original Senate bonding bill (SF4) in the June special legislative session included \$8 million in one-time funding to help upgrade town roads to 10-ton capacity. It didn't pass the Senate with enough votes.
- During the July special legislative session, the Senate and House DFLers had a deal on a bonding bill (HF3) which included \$5 million in new township funding from the Local Road Improvement Program (LRIP). It failed due to a lack of sufficient votes from the House Republicans.
- For the August special legislative session – if there is a bonding bill – MAT staff and F&B lobbyists are trying to work in the Jasinski bill language (creating a new program) into the proposed \$5 million LRIP proposal. The goal is to give townships more control over those funds.
- MAT is continuing to work behind the scenes with legislators, MnDOT, city and county engineers to get their support.
- **Broadband Funding**
 - For the June special legislative session, the broadband proposal was amended. SF6 still included \$15 million for education distance learning and \$2 million for telehealth.
 - The new portion included a \$10 million supplemental broadband “Challenge” grant to unserved and underserved areas for “last-mile” and “middle-mile” infrastructure costs. SF6 passed the Senate but its House companion (HF35) was not consider for a vote in the House.
 - For the July special legislative session, the identical legislation was introduced but did not receive votes in either legislative body due to gridlock caused by larger partisan issues.
 - At this point, there is some who believe that the broadband bill may not pass anymore as the funding for these three programs must be spent by the end of the year (per COVID CARES Act rules) and there's very little time left.
 - MAT is continuing to work as part of the broadband coalition to “line up” this bill for possible passage in the next special legislative session.
- In the meantime, in an effort to highlight the need for telework, telehealth and distance learning, the Minnesota Rural Broadband held a press conference today to

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discuss the launch of the Minnesota Speed Test Initiative. The initiative will, for the first time, give community and state leaders data about where broadband internet service is available and what speeds people are receiving. To take the test, go to <http://mnruralbroadbandcoalition.com/speedtest>.