

Fredrikson and Byron Legislative Update



MAT/MATIT STATE LEGISLATIVE UPDATE

March 14, 2021

We have officially arrived at the First Committee Deadline as of this past Friday, March 12. This included a week full of committee hearings and a very busy legislative calendar. Just a reminder, here are the key legislative deadlines and their meanings:

- 1st Deadline: Friday, March 12, 2021 (Committees must act favorably on policy bills in the house of origin)
- 2nd Deadline: Friday, March 19, 2021 (Committees must act favorably on policy bills that met the first deadline in the other house)
- 3rd Deadline: Friday, April 9, 2021 (Committees must act favorably on major appropriation and finance bills)
- Passover/Easter Break: March 29 – April 5
- Final day of session: May 17, 2021.

The volume of new bill introductions is finally beginning to slow down and, with the passing of the First Committee Deadline, we're beginning to see which bills may make it to the end of the legislative process and which ones may not. After this week in which many will try to get their bills past Second Committee Deadline, it will become more obvious. That's a good thing as Fredrikson & Byron (F&B) is tracking more than 100 bills which are of interest to MAT and MATIT.

Unfortunately, MAT's annexation bills (SF1032, SF1969) did not get hearings in time for the First Committee Deadline and are technically finished for this session. On the positive side, a number of truck weight limit exemption bills that MAT opposes are also done for the legislative session, but the volunteer driver definition legislation – which MAT favors - is still alive as it passed out of the House Commerce Committee.

The big news at the end of this past week was the Governor's announced rollbacks to some of his previous executive orders. Along with President Biden's announcement that he wants the states to open vaccines to all adults beginning May 1st, we could see even more of the Governor's executive orders lifted by the 3rd week in May (end of session).

These are the major points from Governor Walz's announcement on Friday:

- Businesses are advised that employees can begin to work in-person again, as Walz is lifting the "work from home" recommendation.
- No limits on places of worship with social distancing and masking.
- Restaurants can expand capacity to 75 percent, bar seating allowed for groups of 4.
- Household gatherings allowed 50 people outdoors, 15 people indoors. No limit on number of households.
- Gyms allowed to expand to 50 percent capacity.
- Salons / personal services have no limits but have to keep distancing and masking in place.
- Large indoor venues can have up to 3,000 fans on April 15th.

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- Outdoor events and venues are allowed more capacity depending on the size of the venue beginning April 1st.
- Twins games will be allowed 10,000 fans starting on Opening Day.

The other big news of the week was passage of \$1.9 trillion America Rescue Plan by Congress and signed into law by President Biden. The State of Minnesota stands to get nearly \$2.55 billion and \$2.1 billion for local government. Depending on the timing and the federal guidance on what the funding can be used for will complicate end of legislative session budget negotiations. So stay tuned on that!

Finally, we need to **increase grassroots advocacy on MAT's top priority, transportation funding**. MAT is urging legislators to support a \$20 million annual increase for town roads and bridges. For townships to have a chance of receiving a significant funding increase, **we need township officers to contact their legislators!**

If you have any further questions about grassroots advocacy or other issues listed below, feel free to contact Steve Fenske.

Last Week's MAT Highlights:

- March 8 – Positive MAT/Small Cities Transportation Meeting with Sen. Jasinski on transportation funding (see more detail below).
- March 9 - Senate Local Govt. Policy Committee
 - SF1782 (Osmek) - Towns and certain political subdivisions establishment of inflow and infiltration prevention programs and loans and grants to property owners authorization.
https://www.revisor.mn.gov/bills/text.php?number=SF1782&version=1&session=ls92&session_year=2021&session_number=0
 - Passed out of committee and is on the Senate Floor.
 - SF1544 (Jasinski) - Open meetings conducted through the use of telephone or interactive technology terminology and requirements modification.
https://www.revisor.mn.gov/bills/text.php?number=SF1544&version=latest&session=ls92&session_year=2021&session_number=0
 - Passed out of committee and is on the Senate floor.
- March 9 – House Labor Committee
 - HF1203 (Wolgamott) - COVID-19; workers' compensation claim presumption extended.
https://www.revisor.mn.gov/bills/text.php?session=ls92&number=HF1203&session_number=0&session_year=2021&version=list
 - Passed out of the committee and is on the House Floor.
- March 10 – Workers' Compensation Advisory Council (WCAC)
 - A number of consensus proposals were approved including:
 - a) Minimum compensation rate adjustment
 - b) Inpatient Hospital (DRG) payment calculator
 - c) Ambulatory Surgical Center fee schedule
 - d) Prohibited practices penalty amendments

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- e) Prompt First Action Report
- f) Subpoena of DLI employees prohibited
- g) Penalties for collecting payment of medical bills from employees

- Rep. Wolgamott/Sen. Howe Proposal (HF1203/SF1203) - Extended the sunset date for the workers' compensation COVID-19 presumption to December 31, 2021.

- Other proposals, including Rep. Huot/Sen. Clausen's proposal (HF1730/SF1035) to extend presumption of occupational disease for firefighters with certain forms of cancer was not approved but will be further reviewed for possible action later this year for the 2022 legislative session. MATIT submitted a letter opposed to HF1730/SF1035.

- March 10 – House Commerce Committee
 - HF586 (Murphy) - Volunteer drivers receiving funding from public transit participation program clarified as not for hire.
https://www.revisor.mn.gov/bills/text.php?number=HF586&version=0&session=ls92&session_year=2021&session_number=0
 - Passed out of committee and will be re-referred to the House Transportation Committee.

- March 10 – Positive MAT/Small Cities Transportation Meeting with House Transportation Committee Chair Rep. Frank Hornstein (see below).

- March 10 - State Government Finance and Elections
 - HF1359 (Freiberg) Towns and political subdivision authorized to established inflow and infiltration prevention programs and make loans or grants to property owners.
https://www.revisor.mn.gov/bills/text.php?number=HF1359&version=0&session=ls92&session_year=2021&session_number=0
 - Passed out of committee and is on the House Floor.

 - HF702 (Becker-Finn) Cities and towns allowed to require additional licensing for hotels.
https://www.revisor.mn.gov/bills/text.php?number=HF702&version=0&session=ls92&session_year=2021&session_number=0
 - Passed out of committee and is on the House Floor

This Week's MAT Highlights:

- March 15 – House Agriculture Committee
 - HF1524 (Sundin) - Department of Agriculture, Board of Animal Health, and Agriculture Utilization Research Institute budget established; border-to-border broadband fund account money transferred; agriculture policy and technical changes made; biofuels program and advisory committee created; and money appropriated.
https://www.house.leg.state.mn.us/comm/docs/v4HTVE3s0UiOYHHf8_Rbog.pdf

- March 16 – House Transportation

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- [HF1148](#) (Olson) - Town roads and bridges funding provided, and money appropriated.
 - [HF1620](#) (Lippert) - Motor vehicle rental tax revenue allocation amended.
 - [HF586](#) (Murphy) - Volunteer drivers receiving funding from public transit participation program clarified as not for hire.
- March 17 – House Industrial Education and Economic Development
 - [HF14](#) (Ecklund) Broadband grant program money deposit transferred.

KEY MAT ISSUES

- Local Govt. Street Assessment – MAT continues to participate in the coalition to push legislation forward in the legislative process. Due to the First Committee Deadline, it is possible that HF527/SF277 are finished for the legislative session.
- Culvert Replacement Cost Shift – MAT leadership, MAT staff and F&B lobbyist are in a holding pattern on this issue as proper state agencies/boards determine if legislation is necessary.
- Broadband – Various funding proposals from key legislators continue to move through the legislative process in the House and the Senate. The Governor has recommended funding for broadband. This will come into focus as we get closer to the Third Committee Deadline. MAT and F&B lobbyists will continue to monitor and, if appropriate, testify in committee.
- Open Meeting Law/Mandated Public Comments – MAT continues to work in coalition with other state/local government stakeholders to make sure that, as this and other germane legislation moves through the legislative process, it is user-friendly for townships and doesn't create unfunded mandates. HF1140/SF1544 (Elkins/Jasinski) have been amended to reflect how townships already publish meeting minutes. These bills are now on the House and Senate Floors.
- Elections – Various election-law bills are currently moving through the legislative process (eg; HF9, SF173). Because of the 2020 election outcomes and its aftermath, there are strong feelings and it could be a while before any significant changes make it into law.
- Transportation – MAT staff and F&B lobbyists are exploring transportation funding options with key House and Senate transportation legislators. The funding option that seems to be gaining support in the Senate is a legislative increase of dedicated revenue from auto sales parts to a township road account and a small cities account (SF625). This would amount to \$9 million in new annual revenue for townships. MAT, the small cities coalition, the Mn Transportation Alliance are working with Sens. Newman (Senate Transportation Committee Chair), Jasinski and Howe to increase this amount beyond \$9 million.

In the House, Transportation Committee Chair Rep. Hornstein is more inclined to support increased dedicated funds from car rental sales tax for township roads and bridges. This week, Rep. Hornstein will hear HF1148 (Olson), funding \$5.2 million in one-time funding for township roads and \$2.8 million in one-time funding for township bridges. But Rep. Hornstein is more interested in amending HF1620 (Lippert) in committee so that dedicated car rental sales tax revenue goes to small cities *and* townships. This way, townships could see an increase in ongoing funding of \$38 million per biennium (or \$19 million a year)!

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The key to our success on transportation funding will be putting maximum pressure on all legislators for significant increased funds for town roads and bridges; to the amount of \$20 million more per year! **This will require a large-scale effort by all town officials to contact your legislator as soon as possible!**

- Annexation – MAT staff & F&B lobbyists have now moth-balled the collective annexation legislation as it did not pass out of the appropriate policy committees before the First Committee Deadline.
- Volunteer Driver Legislation – HF586 (Volunteer drivers receiving funding from public transit participation program clarified as not for hire) was heard and passed out of the House Commerce Committee. It has now been referred to the House Transportation Committee with a Tuesday hearing.

The pressure is now on to get the bill a hearing in the Senate Commerce Committee and make the Second Committee Deadline. MAT has been assisting by lobbying the committee staff and chair.

- Energy Issues – The House heard bills this week that would provide changes to community solar gardens. HF653 and HF1397 were held over for inclusion without amendment, despite a long list of ones offered. Rep. Long's bill hasn't yet been introduced, it had a brief informational discussion and will have more consideration and action in a future hearing. There is nothing of note for the townships in the discussion. These bills have not been heard in the Senate; it is worth noting that Sen. Rarick has the companion to HF653, the contiguous county change. Sen. Dibble has the companion to Rep. Long's HF1397.
- Decommissioning Solar Panels – While consensus language with an MPCA stakeholders' group is still a year away, MAT Board Members are concerned about any current legislation that will not prohibit continued disposal of solar photovoltaic panels (and wind turbines too) into town landfills, creating hazardous leaching into soils and the water table.