

Legislative Session Wrap Up

Intergovernmental Relations Department

June 5, 2014



Overview

- Recap on early progress
- Capital Investment
- Taxes
- Budget
- Other policy items
- Bills that did not become law

Recap on early progress

- Minimum Wage Increase (Chapter 166)
- Farmers Markets (Chapter 163)
- Omnibus Tax Bill I (Chapter 150)

Capital Investment

Bonding Bill – Chapter 294

- 2 Separate Bills:
 - \$846 million = General Obligation (bonding bill)
 - \$200 million = General Fund (cash bill)
 - Total = \$1.2 billion in investment in state and local infrastructure and asset preservation.
- Bonding Bill Highlights
 - \$21.5 million for the Nicollet Mall redesign
 - \$8.5 million for the Sculpture Garden
 - \$12.25 million for Local Bridge Replacement and Rehabilitation, of which \$11.75 million is designated for the Franklin Avenue Bridge
 - \$24.35 million for Local Road Improvement Fund Grants
 - \$550,000 for the Hennepin Center for the Arts
 - \$330,000 for the Brian Coyle Community Center
 - \$56.7 million for the Tate Laboratory Renovation at the University of Minnesota – Twin Cities campus
 - \$3.6 million for Minneapolis Community and Technical College
 - \$20 million to MinnesotaHousing for public housing rehabilitation

Capital Investment

Cont. Bonding Bill – Chapter 294

- \$15 million to the Met Council for the Transit Capital Improvement Program. Listed eligible projects include:
 - I-35W/Lake Street Transit Station
 - Improved access to the red line Cedar Grove station in Eagan
- Transitways including but not limited to:
 - Penn Avenue North BRT
 - Bottineau Boulevard
 - Snelling Avenue BRT
 - East 7th Street in St. Paul
 - I-94 Gateway
 - Red Line, Red Rock, Riverview, Robert Street, and Rush Line BRT.

Capital Investment

General Fund Cash Bill – Chapter 295

- Cash Bill Highlights
 - \$1 million for Safe Routes to Schools infrastructure grants
 - \$3 million for YWCA Early Learning Facilities
 - \$20.74 million for Local Road Improvement Fund grants (total = \$33 million)
 - \$30 million for Local Road Improvement Fund Grants (total = \$54.3 million)
 - \$80 million to Minnesota Housing for housing infrastructure bonds

Taxes

Omnibus Tax Bill II – Chapter 308

\$103 million (net) in expenditures for FY14-15

- Increase in base LGA appropriation by \$7.8m
 - Increased base LGA for 2015, 2016, ongoing
 - Minneapolis 2015 LGA increases by \$986K
- Local government sales tax clarifications
- One-time increase in direct property tax relief

Taxes

Omnibus Tax Bill II – Chapter 308

City-related policy changes:

- Extension of city/county deadline for proposed levies (from Sept 15 to Sept 30)
- Additional flexibility for development TIF districts certified between April 20, 2009 and June 30, 2012

Budget

Supplemental Appropriation Bill – Chapter 312

Total General Fund Impact:

- \$262 million in FY14-15
- \$851.8 million in FY16-17

Budget

Supplemental Appropriation Bill – Chapter 312

HHS Budget (FY14-15)

- 5% rate increase for home and community based workers (\$80 million)
- Healthy Homes (\$300K/year)
 - \$60,000 for lead, \$240,000 for healthy homes grants
- Safe Harbor (\$1.5 million increase)
- Homeless Youth Act (\$1 million increase)

Budget

Supplemental Appropriation Bill – Chapter 312

Environment:

– Recycling and SCORE Funding

- Commercial Buildings required to offer recycling for at least three types of materials (paper, glass, metals)
- Increased funding for SCORE. \$4.0 million in FY 2015. Base increased by \$3.0 million in subsequent years
- Half of new funding dedicated to recycling compostable materials.

– Pollinators

- Labeling Bill (Chapter 299) Provides definition of pollinator lethal insecticide and guidelines for advertising “pollinator friendly” plants and nursery stock.
- Compensation for bee kill by pesticides includes process to file a claim, criteria to qualify for payment, appeals process, and restitution for person found improperly using the pesticide. Provision also includes a study of reinstating the apiary program and a process established by the Commissioner of Agriculture to investigate bee kills.

– Water Issues

- \$800,000 for study of water issues in the North and East Metro Groundwater Management Area

Budget

Transportation Investments

- Bonding Bill (Chapter 294)
- General Fund Cash Bill (Chapter 295)
- Supplemental Budget Bill (Chapter 312)

Budget

Transportation Investments

Bonding Bill:

– Local Bridge Replacement	\$12,257,000
– Local Road Improvement Fund Grants	24,356,000
– Transit Improvement Program	15,000,000

Capital Investment Cash Bill:

– Local Bridge Replacement	\$20,743,000
– Local road improvement	30,000,000
– Safe Routes to School	1,000,000

Budget

Transportation Investments

Supplemental Budget: Metropolitan Transit

– Transit Shelters	\$ 500,000
– 2014 Election day Free Rides	144,000
– Suburban Transit Providers	250,000
– I-35W/Lake Street Station	1,000,000
– Snelling BRT	1,000,000

Provisions that did not prevail:

- Winter street maintenance (potholes)
- Transit Development and Improvements
- Transportation and Economic Development (TED)

Budget

Education Investments

- Early Learning Scholarships:
 - \$4.65 million increase in FY15, with a \$4.88 million annual base increase to \$27.88 million per year starting in FY16
 - Scholarship cap of \$5,000 per child is eliminated after FY15, and beginning in FY16, the Commissioner of Education will establish target scholarship amounts based on average rates for early learning programs.
- Early Childhood Family Education:
 - \$4.65 million increase in FY15, with a \$5.167 million base increase to \$27.938 million starting in FY16.
- Northside Achievement Zone:
 - NAZ will receive \$350,000 in FY15, with an ongoing base appropriation of \$200,000 per year starting in FY16.
 - Funding may be used for NAZ programming and services consistent with federal Promise Neighborhood agreements and requirements.

Other Policy Items

- Expungements (Chapter 246)
 - Gives courts authority to expunge all records relating to the arrest and delinquency proceedings (was just adjudication of delinquency)
 - Gives courts authority to expunge records held by the executive branch
 - Adds three new categories under which a petitioner may request statutory expungement:
 - Successful completion of the terms of a diversion program or stay of adjudication and has not been recharged for at least 2 years.
 - Petitioner was convicted of or received a stayed sentence for a petty, misdemeanor, or gross and has not been convicted of a new crime for at least 5 years.
 - Petitioner was convicted of or received a stayed sentence for certain lower level felony offenses.

Other Policy Items

- Domestic Violence

- Firearms (Chapter 213)

- Domestic violence restraining order provisions amended to prohibit persons subject to the restraining orders from possessing weapons, and persons convicted of domestic violence offenses required to surrender their firearms while they are prohibited from possessing firearms.
 - Previously, court has discretion. Bill requires surrendering of firearms for certain OFPs, and are an “imminent risk.”

- Crime of Violence (Chapter 260)

- Adds fifth degree assault, felony domestic assault, and felony assault by strangulation to the list of “Crimes of Violence” and prohibits these offenders from possessing a firearm

- Probable Cause Arrests (Chapter 177)

- Warrantless arrests
 - Increases the 24-hour time limit to 72 hours for warrantless arrests in misdemeanor and gross misdemeanor domestic abuse offenses.
 - For “Gone on Arrival” cases

Other Policy Items

- **Scrap Metal Regulation (Chapter 190)**
- Amends provisions enacted in 2013 regarding the City of Minneapolis' Automated Property System (APS) for tracking scrap metal and scrap vehicle transactions.
 - It delays the effective date of implementation from January 2015 to February 2016 and provides a grace period for enforcement.
 - Establishes the parameters for implementing a fee schedule for use of APS. Fee may not exceed 72 cents for the first four years of operation. Thereafter, the city may adjust the fee to reflect the ongoing, reasonable costs of operating and maintaining the system.
 - Fee schedule may be examined by the State Auditor at any time.
 - City must file a biennial report with the state auditor and the Legislature that outlines the fee schedule and costs associated with APS.
 - RCA on issue going to Public Safety, Civil Right & Emergency Management

Other Policy Items

- Unauthorized Access to Private Data (Ch. 284)
 - Establishing additional security measures to help ensure that private data is “only accessible to persons whose work assignment reasonably requires access to the data, and is only being accessed by those persons for purposes described in the procedure”
 - Performing an annual security assessment of “personal information”
 - Protocols that must be followed if there is a breach
- Legislative Commission on Data Practices and Personal Data Privacy (Chapter 193)
 - More attention to data security and the MN Data Practices Act.
 - Commission will meet in the interim and will likely discuss whether the Legislature should require government entities to adopt additional security measures to ensure that private data is not improperly accessed.

Other Policy Items

Women's Economic Security Act (Chapter 239)

- Equal pay certificate of compliance requirement if state has contract worth more than \$500K with 40+ employee business
- Grant program for high-wage, high-demand job placement
- Report on potential retirement savings plan
- Expanded MN Parental Leave Act (from 6 to 12 weeks)
- Expanded sick leave to care for grandchild, mother or father in law, and victims of domestic abuse, sexual assault and stalking
- Expanding access to childcare by removing the \$5,000 cap and providing an additional \$4.65 million for early learning scholarships
- Pregnancy and nursing mother accommodations
- Wage disclosure protection

Other Policy Items

Omnibus Liquor Bill (Chapter 240)

- License Conditions
- All Star Game – Hennepin County Cities
- Small Brewer Growler Sales
- Microdistillery Cocktail Room License
- Special Law Provisions
 - Minneapolis Institute of Arts
 - American Swedish Institute

Other Policy Items

- Cell Phone Theft (Chapter 241)

Legislation combines two proposals that:

- Requires cell phones sold in Minnesota after July 1 to include technology that remotely makes a phone inoperable; and
- “devalues” a stolen cell phone by requiring a store credit or a check to be issued for a sale of a used phone to retailer. Records of the sales are also required.

- Pollinator Labeling (Chapter 299)

- Provides definition of pollinator lethal insecticide and guidelines for advertising “pollinator friendly” plants and nursery stock.

Other Policy Items

Pensions

- Public Employee Pension – General
 - Starting January 1, 2015 employee and employer contributions increase by 0.25% of payroll/salary.

Other Policy Items

HHS Policy Bill (Chapter 291)

- Local public health statute update
- E-cigarettes
 - Not included in Minnesota Clean Indoor Air Act
 - Included ban of use in:
 - Buildings owned by the state, cities, counties, townships, school districts, other political subdivisions
 - MnSCU and U of M
 - Health care and daycare facilities
 - Public Schools
 - Allows political subdivisions to enforce stricter regulations

Other Policy Items

Medical Cannabis (Chapter 311)

- Allowable forms include pill, liquid, vapor
- Only for individuals with qualifying conditions
- Two in-state manufacturers, eight distribution facilities (application process begins Aug. 2014)
- Distribution centers open July 2015

Bills that did not become law

- Driver's License Bill
- Automatic License Plate Reader Bill
- Municipal Preemption of State Pesticide Rules
- Payday Lending Regulations
- Tax Bill II Provisions:
 - Repeal of Minneapolis Library Debt Service Aid
 - Exclusion of first \$150,000 in value of commercial/industrial property from the state general levy
 - Inclusion of mixed-use properties in special service district assessments