

2024 End of Legislative Session Update

The 2024 Legislative Session concluded at midnight on May 20. This was the second year of the biennium which is typically regarded as the policy and capital investment year.

The House and Senate ran out of time to pass large portions of their supplemental budget bills individually. The Tax Omnibus Agreement, [HF 5247](#), was amended to include 10 additional issues. It passed in the House and Senate in the last hour of session. The Uber/Lyft compromise bill was included in the large omnibus bill that passed in the last moments of Session. The Governor signed HF 5247 on May 24, 2024.

Capital Investment

The Legislature did not pass a capital investment bill this session. A bill that would have used General Fund money to fund a smaller capital investment package failed late on the last night of session. That legislation included \$71 million from the general fund to state agencies and would have required new financial management requirements for future city projects requesting or receiving state funding as direct appropriations. The bill included the additional \$5.7 million in funds for the Roof Depot project. It also included assistance for Minneapolis homeowners for Emerald Ash Borer removal, and funding for North Commons Regional Park.

The City's top capital investment priority, the Nicollet Avenue Bridge, along with funding for ADA pedestrian ramp improvements were included in GO Bond proposals released the last week of session, but they did not ultimately pass.

Comprehensive Plan Clarification

The Comprehensive Plan Clarification was included in the final Housing bill that passed as part of the large omnibus package. The path for adoption and what was clarified in state statute evolved during the last few weeks of session. Rather than exempting all comprehensive plans from the MN Environmental Rights Act (MERA), the bill clarifies that comprehensive plans are not subject to 116D, which is the section of statute that establishes the Environmental Impact Statement (EIS) process. It also makes clearer in statute that individual projects are subject to environmental review. Finally, there is a narrower provision applying only to current comprehensive plans for cities of the First Class in the metro area that went into Session Law. This provides clarification that the Minneapolis 2040 plan is not subject to claims under MERA.

Taxes

The final tax bill, included in HF 5247, includes an extension to the Child Tax Credit and a minerals article, aiding the Iron Range. It also includes language for county tax forfeiture policy changes. Most substantive provisions being considered were removed from the final agreement. The local sales tax general authority proposals that were in the House and Senate bills were not included in the bill that passed. Changes to the City's downtown taxing boundary were also not included in the final bill.

Arts & Cultural Affairs

The final Jobs and Economic Development bill, which is [Chapter 120](#) in Session Laws, includes some provisions that support artistry and cultural events in the City:

- \$597,000 in a onetime grant to the Minneapolis Downtown Council for the Taste of Minnesota event.
- \$100,000 in a onetime grant to Film North to attract a film festival— this will support the application process for the Sundance Film Festival bid.
- \$100,000 in a onetime grant to InspireMSP to develop programming to assist middle school-aged children in Minneapolis and St. Paul to develop an interest in and connect with the creative industry in Minnesota.

Labor

The final Labor bill was included as part of the large omnibus package, [HF 5247](#), and includes a number of provisions relevant to the City.

Earned Sick and Safe Time

The bill includes several modifications to the 2023 ESST law, including an exemption for volunteer and paid on-call firefighters, and restrictions on use for employees with duties related to public safety during weather events and for essential employees under certain circumstances.

Paid Family Medical Leave

The legislature passed clarifications to last year's Paid Family Medical Leave law to ensure that the first week of medical leave is covered after a person can prove they have a seven-day qualifying event. This change will result in an increase to the payroll tax; the amount of the increase is to be determined by the Department of Employment and Economic Development.

PELRA Changes

The final labor bill includes updates to PELRA, specifically around payroll deduction for union fees, clarification on requirements to provide union representatives access to new employees, and specifics around meeting requirements.

Prevailing Wage

The final labor bill applies state prevailing wage requirements to the federal low-income housing tax credit, including for the suballocators – Minneapolis, St. Paul, Washington, and Dakota Counties.

Supplemental Transportation Spending

The Legislature approved \$73 million in supplemental transportation spending. This includes \$58 million to MnDOT, \$10 million to the Met Council and \$4 million to the the Department of Public Safety. The MnDOT allocation includes \$1 million for the implementation of a speed and red-light camera pilot in work zones and to facilitate standards and reporting on pilots conducted in Minneapolis and Mendota Heights.

Other bill provisions include:

- State authority for the Cities of Minneapolis and Mendota Heights to operate a 4-year pilot program to study the efficacy of speed limit and red-light camera enforcement. The provision

also allows MnDOT and DPS to operate a warning-based pilot program in construction work zones;

- Expanded authority for cities of the first class to create pedestrian malls in all city right of way within their city, as well as new authority for other cities to establish pedestrian malls in non-residential areas within their jurisdiction;
- Requires the Metropolitan Council to scope Arterial Bus Rapid Transit projects to include all pedestrian accessibility and signal components and requires the cost of these components to be shared equally between the Metropolitan Council and local governments;
- Includes the creation of a Blue Line Extension Anti-Displacement Community Prosperity Program Board and allows \$10 million from a previous allocation to Hennepin County to be used for the purpose of funding anti-displacement strategies;
- Makes changes to the definition of an electric assisted bicycle;
- \$1.2 million for the Lights On Program to provide vouchers distributed by law enforcement to drivers with malfunctioning or broken lighting equipment;
- Requires the Met Council to provide an annual financial review related to transportation to the Legislature and the commissioner of the Department of Management and Budget;
- Amends and broadens requirements for a Metropolitan Council plan on transitioning to zero-emission transit vehicles;
- Requires consultation between the Met Council and MnDOT on future light rail construction projects;
- Restricts the use of the regional transit sales tax adopted last year by requiring prior legislative approval for its use on light rail construction;
- Provides transportation network company (Uber and Lyft) drivers a pay guarantee of \$1.28 per mile and .31 cents per minute. This agreement includes provisions related to driver deactivation process, insurance, injury compensation and data sharing, and it preempts local governments from establishing their own wage requirements.

Transportation Policy Omnibus

The Legislature also passed a separate policy omnibus bill. This bill was signed into law by the Governor as [Chapter 104](#) for the session. Provisions included in this law are:

- Makes changes to a railroad's contact requirements following an incident involving discharge of oil or other hazardous substances, requiring contacting the fire department through the local 911 call center, rather than specifically contacting the fire chief;
- Creates a definition and registration requirements for roadable aircraft that stipulate that the vehicle is subject to the same registration, titling, and tax provisions as other motor vehicles, requires application for a registration certificate, and requires registration as both an aircraft and a motor vehicle;
- Prohibits a road authority from towing a vehicle for unpaid parking tickets;
- Requires that the operator of a vehicle involved in a collision that only results in property damage to report it to a peace officer;
- Specifies the situations in which peace officer reporting on a collision is required, including to identify criteria for location, a fatality or injury, and extent of the damage;
- Modifies the requirements for child restraints when a child is transported in a motor vehicle;
- Makes several changes related to driver's licenses, including noncompliant credentials, caretaker information, data privacy, accepted documents for proving identity, and conforming changes.

Public Safety

The public safety and judiciary supplemental spending and policy bill, [HF 5216](#), was passed by the legislature and awaits the governor's approval. The bill includes \$53.9 million of additional state spending. The spending includes \$9.5 million in new funding to the Office of Justice Programs for crime victim services grants, \$36 million for the judicial branch and \$7 million for mapping schools for emergency response. The agreement also includes a provision that would replenish the Disaster Assistance Contingency Account if that reserve fund falls below \$50 million and there is enough of a budget surplus at end of a biennium to restore it to \$50 million.

Other public safety policy provisions passed this session include:

- Allows juveniles convicted of a crime to forgo paying a court-ordered fine if they participate in a local restorative process established by the Office of Restorative Justice;
- Creates and funds a task force on domestic violence and firearms;
- Creates and funds a task force on traffic stops;
- Requires and funds a violence against Latina women report;
- Creates and funds a program to provide therapy dogs for first responders;
- Prohibits peace officers from using the perception of the odor of cannabis as the sole basis to search a motor vehicle;
- Makes any confession by a juvenile obtained using deception inadmissible in court;
- Makes "swatting", when a fictitious call sends first responders to the home of an elected official, judge, prosecuting attorney, prison employee, or a peace officer, a felony offense;
- Bans the "gay panic" defense. This would eliminate as a legal defense to a crime that the defendant acted based on the discovery of, knowledge about, or potential disclosure of the victim's actual or perceived sexual orientation, gender identity, or gender expression;
- Prevents a peace officer making a traffic stop for a secondary offense of the motor vehicle code from asking if the driver can identify the reason for the stop. Instead, an officer must first inform the driver of the reason for the stop before engaging in questioning related to the suspected violation;
- Increases to the penalty for making a straw firearm purchase, buying a firearm for someone ineligible to purchase or possess them, from a gross misdemeanor to a felony;
- A ban on binary trigger devices that enable a semiautomatic gun to fire more than one shot with a single pull and release of a trigger.

Elections

The Governor signed the Elections supplemental funding and policy omnibus, [Chapter 112](#), into law on May 17th. The new law had a budget target of \$500,000 for the remainder of the biennium. Other funds were reallocated from previous spending and allowed for an additional \$3 million to be directed to the Voting Operations, Technology and Elections Resources Account, which assists local governments with some election-related expenses. Other expenditures include \$144,000 transfer to the Voting Rights Act cost sharing account, \$70,000 in one-time funds to the Campaign Finance and Public Disclosure Board, \$50,000 for campaign treasurer training and \$20,000 to notify local governments and update their systems to accept disclosures in local spending by political committees and funds.

Policy provisions include:

- The "Minnesota Voting Rights Act" which will prohibit any state voting standards that deny or limit any citizen's right to vote based on their race, color or language. This could include

insufficient polling places, redistricting plans that “pack” persons of color to weaken their voting strength, and lack of language assistance for voters whose first language is not English. It would also ensure a private right of action and allow both sides a way to work together to rectify a problem without going to court.

- Prohibits certain types of “deepfake” advertisements in a campaign;
- Expands the scope of “doxing” crimes as they apply to election officials, law enforcement officials, and the family members and household members of both types of officials;
- Prohibits, with some exceptions, making information from the public voter information list available on the internet as a list or database and from selling or providing access to information from the list;
- Requires the designation of an additional polling place for at least one day on a postsecondary institution campus that provides on-campus housing to at least 100 students, if requested by the institution or the student government organization. In order to defray some of these additional costs, the law now requires the Office of the Secretary of State to reimburse up to \$5,000 for one polling location the first year (and an additional \$3,000 for each additional polling place) and \$3,000 in subsequent years.

Cannabis

Legislators passed [HF 4757](#), a large update to last year’s cannabis legalization law. The bill has been sent to the Governor for his signature. Under this bill the Office of Cannabis Management will now be allowed to issue licenses to potential retailers without first requiring they obtain a physical space to conduct business. Licensees would still be required to follow local zoning requirements before final licensing approval. These changes are meant to speed up the path for retail operations to begin in the state.

Other changes to the law would allow “social equity applicants”, defined as people harmed by over-prosecution of cannabis laws in the past, to get earlier approval of retail licenses. The bill also provides that a city or county seeking to establish a municipal cannabis store must be granted a license, but the municipal establishment would not count against the cap on the number of licensed cannabis retailers in the jurisdiction.

Lastly, the bill includes a change to the allowable uses of grant funding that was directly allocated to local public health agencies last session. Instead of funding being used for education and community outreach, the language was expanded to specify that that funding must be used for prevention, education, and recovery programs focusing on substance misuse prevention and treatment options.

Copper Wire Theft

HF 4757 also includes commerce provisions related to combating copper wire theft. This provision will require anyone who is selling copper metal to have a state issued license or hold one of several state or local occupational licenses.

Housing and Homelessness

The final housing bill includes \$10 million in funding for housing stability, working groups and studies, preservation of existing affordable housing and homelessness prevention.

Metro Sales Tax Clarification

Last session, the local affordable housing aid program was created as part of the metro sales tax. This is a quarter-cent (0.25%) sales tax increase for the seven-county metro area that will fund rental assistance and provide aid to cities and counties for affordable housing development. This session, modifications to the usage of funds were further clarified in state statute, and it was clarified to state that proceeds from the sales tax revenue should be used as an additional resource, rather than to replace current sources of funding. Local governments will be required to report to the Minnesota Housing Finance Agency on their use of funds.

Recapitalization Program

This new program is also known as the Housing Affordability Preservation Investment Program. It will support the recapitalization of distressed affordable housing properties, preserving state-funded affordable housing assets and ensuring that families currently stably housed can remain in their homes.

Expediting Rental Assistance

\$471,000 in FY25 is allocated to the Minnesota Housing Finance Agency (MHFA) to conduct a workgroup consisting of the Commissioner of the Department of Human Services (DHS), representatives from County and Tribal housing administrators and housing nonprofit agencies. The purpose of the workgroup is to identify the amount of funding needed to meet all emergency rental assistance needs. The Commissioner of DHS must submit a report to the legislature annually on January 15 detailing the projected need for emergency rental assistance.

Task Force on Long-Term Sustainability of Affordable Housing

The final housing bill establishes a task force that will bring together experts from across the sector to study the financial health and stability of affordable housing providers and to provide recommendations to the legislature to promote long-term sustainability to prevent the loss of affordable units and promote housing security for renters.

Emergency Shelter Needs Analysis for Transgender Adults Experiencing Homelessness

The Commissioner of DHS must contract with a nonprofit to conduct a needs analysis for emergency shelter serving transgender adults experiencing homelessness and to conduct site analysis and develop a plan for building emergency shelter. The nonprofit must submit a report to the Commissioner of DHS with the results of the needs analysis and preliminary recommendations for site locations.

Minnesota Cooperative Housing Act

This is a standalone bill, [HF 3800](#), that passed and was signed into law. It clarifies the requirements to create and operate cooperatives in Minnesota, by consolidating housing cooperative incorporation and governance under one statute.

Additional housing programs that received funding for FY25 include:

- \$50 million for Housing Infrastructure Bonds, which are used for new construction, acquisition, or rehabilitation;
- \$8.1 million for the Family Homeless Prevention and Assistance Program, to provide supportive and financial assistance to families, youth and individuals experiencing homelessness or at risk of becoming homeless;
- \$53.4 million for the Challenge Program, which aids in the development of affordable permanent rental housing that supports economic development and redevelopment activities, job creation, or job preservation.

Renter Protections

The Legislature approved a number of new renter protections in [HF 3492](#). Unless otherwise stated, these provisions are effective 30 days following the date of final enactment:

- Provides specific remedies in a situation where a landlord has rented a unit and either new construction or remodeling or additions are not completed, and the tenant cannot move into the unit;
- Requires a notice to tenants if the landlord charges additional rent or fees for pets and provides a penalty if the notice is not provided and the tenant was not supposed to be charged a fee under the law;
 - In addition to that, the notice must tell the tenant that fees and additional charges for pets cannot be charged for service animals or support animals.
- Prohibits landlords from denying a rental application solely because the tenant provided an individual taxpayer identification number;
- Establishes a right to organize for tenant's living in a residential building and requires landlords to allow certain organizing activities to happen at the residential building;
 - In addition, retaliation by a landlord for organizing is prevented and penalties are imposed for landlord violation.
- Updates and further clarifies that only one of the tenants on a lease must meet the qualifications of an infirmed tenant to allow all the tenants to give notice and move out.

Homelessness Response

The Legislature approved one-time funds in the amount of \$3.3 million for the Emergency Services Program (ESP). The state uses this funding to provide grants to organizations to provide emergency shelter, motel vouchers, day shelter, street outreach and essential services for people who are homeless. Grants will be awarded to entities that received an award in the previous round and had an increase in demand since the time of the award.

Sustainability, Energy and Environment

This year, the Energy bill was combined with the Agriculture and Commerce bill to make one large omnibus bill, [SF 4942](#). The Environment bill was a standalone omnibus bill, [HF 3911](#), with its own conference committee.

Key provisions included in these bills are:

Packaging Waste and Cost Reduction Act, a.k.a. Extended Producer Responsibility (EPR)

The purpose of this new law is to hold manufacturers accountable for the packaging they produce by requiring producers to work with existing waste haulers and recycling facilities to ensure recycling services are as conveniently available as trash collection. In addition, packaging producers are incentivized to increase recycled content. This will relieve local governments and residents of some of the costs of recycling.

Composting grants for multifamily buildings

\$593,000 in FY25 is to establish a grant program through the Minnesota Pollution Control Agency (MPCA) to fund pilot projects that encourage composting in multifamily buildings. Eligible applicants include: cities and counties, owners of multi-family buildings, and any organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

Community tree planting grants

Two programs are created (one at the Department of Natural Resources and one at the Met Council) to provide grants for removal and planting of shade trees; replacing trees lost to pests, disease, or storms; or establishing more diverse community forests. Priority must be given to projects removing and replacing ash trees posing a significant public safety concern and to projects located in areas meeting certain criteria.

Enforcement powers for MPCA

Authorizes the MPCA, when there is evidence of certain behaviors such as records falsification and chronic permit violations, to investigate and exercise powers that include revoking a permit, requiring financial assurances, and other measures. This is reserved for significant, repeated, and intentional violations.

Air pollution facilities compliance protocols

The Commissioner of MPCA must develop compliance protocols for facilities with air emissions permits that provide for more frequent physical measurement of emissions using a variety of methods. Which methods that are used is up to the discretion of the Commissioner.

Single-metered utility service modifications

This is a standalone bill, [SF 4759](#), that passed and was signed into law. It requires tenants in shared-metered buildings to pay only their fair share of utilities. In addition, it provides the same protections to tenants in shared metered buildings as those who get their service from regulated utilities.

Additional provisions in the Energy bill include:

- \$1.2 million in onetime funding to establish a program in the Department of Commerce to award grants to cities, counties, towns, and the Met Council to defray the cost of analysis to determine the feasibility of and design options for installing a geothermal energy system;
- \$1.5 million in onetime funding to establish a program in the Department of Commerce to provide financial incentives to local permitting authorities to deploy federally developed software (SolarApp+) that automates and streamlines the permit reviewing and issuing process for residential solar projects;
- Establishes the position of Interconnection Ombudsperson at the Public Utilities Commission (PUC), whose duties are to facilitate the resolution of interconnection disputes and review utility interconnection policies to assess opportunities to reduce the number of disputes.

Additional provisions in the Environment bill include:

- Requires a waste composition study to be conducted every three years by 20% of the owners/operators of several different categories of waste disposal facilities, to be selected by the Commissioner of the MPCA;
- Ban on mercury-containing lighting – bans the sale of several types of compact fluorescent lamps in Minnesota by January 1, 2025;
- Adds the encouragement, promotion, and funding of the utilization of trees and forest resources to the list of purposes of the Minnesota ReLeaf program. In addition, requires priority for grants awarded under the program to be given to projects located in areas meeting certain criteria;
- Increases maximum penalty amounts for violations of environmental laws under chapters 115, 114C, and 116, including increases for repeat violations;

- Requires higher penalty amounts for violations occurring within 36 months of a previous violation— 10% escalation or more for the same violation, except the amount must not exceed the maximum penalty of \$25,000 per day.

Health and Human Services

The omnibus Health and Human Services bill addresses abortion coverage, prior authorization reform and provides school-linked mental health services grants. The omnibus Human Services bill was split into two— one that focuses on policy, [SF 4399](#), and one that focuses on supplemental appropriations, [SF 5335](#).

State academic standards required in health education

This new policy provision is part of the final Education supplemental budget bill, and it modifies requirements related to health education by requiring districts to adopt the state standards. Under current law, school districts develop their own health education standards. For other subject areas, such as language arts and math, the state develops standards that all districts must implement. The new state health standards will include the following health-related topics: cardiopulmonary resuscitation and automatic defibrillator education; vaping awareness and prevention education; cannabis and substance use education starting in the 2026-2027 school year; and sexually transmitted infections and diseases education.

Vapor provisions

This policy provision changed the definition of minor to clarify that it is someone under 21 years of age and it defines vapor products. In addition, it further clarifies that vapor products should not use deceptive marketing practices by imitating a product that is not a vapor product such as food/candy or attempting to conceal the nature of the vapor product from parents, teachers, or other adults.

Epinephrine auto-injector administration in schools requirements modified

This allows registered nurses and licensed practical nurses to administer epinephrine auto-injectors in a school setting according to a condition-specific protocol.

Insurance prior authorization reform

This policy provision reforms the prior authorization process in order to streamline administrative tasks for providers, reduce delays in care, and improve patient access to timely and appropriate treatments, ultimately enhancing the overall quality of healthcare delivery.

Insurance coverage for abortion services

Establishes requirements for health plan coverage of abortions and abortion-related services; makes changes to insurance statutes regarding abortion; modifies requirements for medical assistance (MA) coverage of abortions and abortion-related services.

Insurance coverage for gender-affirming care

Further clarification on what is already mandated in insurance coverage for gender-affirming care. No health plan that covers physical or mental health services may be offered, sold, issued, or renewed in Minnesota that excludes coverage for medically necessary gender-affirming care.

Additional provisions in the bill include:

- Modifies the requirements of drug and medicine administration in schools, by including licensed nurses as school personnel that may determine that drugs or medicine should be given without

delay. In addition, it requires school nurses that consult on the development of a procedure to administer drugs and medicine in school be a licensed school nurse;

- \$3 million in FY 2025 for school-linked behavioral health grants that provide school-connected clinical treatments to increase accessibility for children and youth who are uninsured or under insured;
- Exempts certain licensed facilities (ie. Group homes) from local government rental licensing regulations.