# 2025 LEGISLATIVE SESSION UPDATE

#### LMC Intergovernmental Relations Team

June 26, 2025

#### Your LMC Intergovernmental Relations Team





# <u>Agenda</u>

- Session Context
  Session Highlights and Outcomes
- Issues Panel
- What's Next



### **2025 Legislative Context**

- New legislature historically divided
- New chairs, staff, power sharing
- Budget year
- Financial outlook not rosy



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### 2025 Legislative Context (Continued)



- Desire to "fix" past legislation
- Pressure for a bonding bill (no bill in 2024)
- Overtime Special Session



# <u>Session</u> <u>Highlights and</u> <u>Outcomes</u>



#### **Bonding**

#### Focus on state assets

- \$700 million in general obligation bonds
- Matching funds for federal money
- Pots available for qualified local projects



#### **Environment**

#### 'Lights on' budget with few changes

- DNR groundwater appropriation permit fees increased
- Community tree grants
- Environmental review changes



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### <u>Housing</u>

#### Limited resources/continued bipartisan support

- \$18 million increase to housing program budget
- \$50 million in housing infrastructure bonds
- Local Housing Trust Fund grant expenditure timeline
- Link to landlord-tenant guide requirement









### Land Use and Zoning

Hard fought session, finding a path forward

- Continued bipartisan focus on land use and zoning preemption
- No land use and zoning preemption passed
- Engaged in finding common ground/continued focus during interim – next session
- MHFA required to award additional grant points for zoning/land use provisions ordinance

### Taxes, City Aid Programs

Difficult budget target, "small" tax bill

- No local government aid (LGA) cut
- Local government cannabis aid eliminated
- Local sales tax authority discussions, moratorium expired



### **Transportation**

#### **Difficult negotiations**

- No major changes in city road and bridge funding
- Greater MN transit reduced by \$22 million for biennium
- No shift of metro transportation sales tax away from counties
- Funding for Local Road Wetland Replacement Program





### **Public Safety**

#### **Positive outcome for cities**

- Duty disability benefits changes
- EMS funding for training, staffing, and rural uncompensated care
- Ongoing funding for:
  - Police training in use of force
  - Crisis response
  - Cultural diversity
  - Autism







### Panel Discussion

#### What's Next

- 2025 Law Summaries
- Focus on New Laws in Cities Bulletin series
- 2025 policy committees
- Meeting with your legislators



## Thank Yous

- Board and Executive Committee
- Affiliate groups
- All who contacted legislators, came to the Capitol, testified, or spoke to the media



ed, regmt related to comprehensive plan amendment ies related to certain residential developments limit

Tuesday, March 11, 2025



House File 1987 MN Starter Home Act established, reqmt related to comprehensive plan amendments zoning authority of municipalities related to certain residential developments limited MN House

Tuesday, March 11, 2025



#### CONNECTING LEADERS CELEBRATING COMMUNITY



#### JUNE 25-27 DULUTH

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