

2016 Legislative Session Review

Metropolitan Council
May 25, 2016



2016 Legislative Session

- Non-budget year, but a \$900 million surplus remained from the 2015 session
- Leaders cited 4 major areas to address in short 2016 session
 - Transportation
 - Tax bill
 - Bonding bill
 - Supplemental budget

2016 Legislative Session

- Legislature passed Tax and Supplemental Budget bills, but did *not* pass a Transportation or Bonding bill
- Tax bill
 - \$257 million in tax reductions and expenditures in current biennium; \$543 million in the next biennium
- Supplemental Budget bill
 - \$182 million in the current biennium; \$233 in the next biennium

Council Initiative: Regional Transit Capital Bonds

- Authorization for Regional Transit Capital (RTC) bonds was included in the Tax bill
 - Total of \$82.1 million (\$40.1 million in 2016 and \$42 million in 2017)
 - Backed by the transit debt service levy collected in the transit taxing area
 - Funds support small capital projects of all regional transit providers, including Metro Transit, Suburban Transit Providers, Metro Mobility, and Transit Link dial-a-ride
 - Greatest demand for bond funds is fleet replacement

Items of Interest to Council

- Metro Transit Technician Training Program
 - \$407,000 appropriation through Twin Cities R!SE for a new cohort for the program.
- White Bear Lake Proposal Development
 - \$150,000 from the Clean Water Fund to DNR for development of 3 design-build proposals to augment White Bear Lake. DNR is to consult with Council.
- Soccer Stadium
 - Stadium site property tax exemption provided and liquor license authorized.

What did **not** happen

Governance Changes

- Metropolitan Council governance reform was discussed in both bodies, with a number of different proposals
 - Staggered terms
 - Only local elected officials eligible to be Council Members
 - Change nominating committee membership and process
 - Appointments made by local governments
 - “Blue Ribbon Commission” to study structure

What did **not** happen

Sewer Availability Charges (SAC) Exemption

- House and Senate Committees heard a bill that would exempt new and expanded outdoor seating from paying SAC
- Council staff worked with Metro Cities to advise against creating specific exemptions in statute

What did **not** happen

Northstar Extension to St. Cloud

- House proposed an extension of Northstar to the St. Cloud Amtrak station
- Required state to negotiate with BNSF for right-of-way
- Bill prohibited commitment of state funds for capital expenditures and operating costs (beyond current budget)
- Bill outlined conditions on timing and frequency of trips

What did **not** happen

Bonding Bill

- Senate proposed \$1.5 billion bill
- House proposed \$800 million bill
- Both bills failed to get 3/5 vote required in their respective bodies
- No agreement was reached by the conference committee convened to negotiate
- Attempt in the final hour of session to pass a bill failed

What did **not** happen

Transportation

- Negotiations continued from the 2015 conference committee
- Disagreements over new revenue, dedication of General Fund dollars, transit funding

What's next?

- Leaders have spoken about the possibility of a special session to pass a bonding bill. No decisions have been made at this point.
- The Governor has two weeks to sign bills that were presented to him.



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