

2018 Legislative Session Review

Metropolitan Council



2018 Legislative Session

Bonding, Supplemental Budget, Taxes were priorities

- Even-numbered years typically focus on bonding
- \$329 budget surplus available for supplemental budget
- Tax conformity to adjust state laws following 2017 federal tax reform

Supplemental Budget Bill

- One combined 989-page bill for all issue areas
 - \$131 million in spending
 - Contained policy provisions across all areas, including high profile issues like MNLARS, school safety, elder abuse, and the opioid crisis
- Governor vetoed this bill earlier today

Supplemental Budget Bill

Included:

- \$2.1 million for the Route 495 “suburb-to-suburb” project
- Required quarterly reports to the legislature summarizing budget amendments to the Council’s adopted budget
- Changed the Office of the Legislative Auditor “transit financial activity report” from quarterly to twice per year
- Required assumptions used to prepare the budget to be included in Council’s budget requests to legislature
- Defined “operating costs” for the state’s share of operating LRT operating costs to exclude capital expenditures
- Prohibited state funds from being used for LRT capital project costs

Supplemental Budget Bill

Included:

- Directed MnDOT to begin negotiations with BNSF to extend the Northstar line to St. Cloud and establishes conditions related to service schedules and budget limitations
- Authorized data sharing between the Department of Human Services and the Council in order to pursue federal reimbursement for Metro Mobility services
- Extended Metro Mobility service to Lakeville

Bonding Bill

- Final bill authorizes about \$1.5 billion in spending
 - \$825M GO bonds
 - \$416M trunk highway bonds
 - \$63M user financing
 - \$45.83M in Environment and Natural Resources Trust Fund (ENRTF) appropriations bonds
 - \$41.25M General Fund

Bonding Bill

Includes:

- \$5M in GO bonds for Inflow & Infiltration mitigation grants
- Pass-through GO bond grants
 - \$1.5M to Carver County for Lake Waconia Regional Park
 - \$400,000 for Loretto to connect city's wastewater system to the force main in Independence
 - \$2M to New Hope for an outdoor swimming pool
 - \$3M to St. Paul for a visitor center in the Bruce Vento Natura Sanctuary
 - \$2.6M to Ramsey County and \$1.4M to Mahtomedi for multi-use trail around White Bear Lake

Governor must act on this bill by June 4



Bonding Bill

Includes:

- \$10M in ENRTF appropriation bonds for regional parks and trails
- Policy language that
 - Allows the advisory committee or administrative law judge hearing a challenge to a system statement to consider the “reasonableness” of the metropolitan system plans or part thereof
 - Requires the Council to conform the development guide, system plans, and system statement for Nowthen to implement any changes requested by the city relating to the Council’s designation of part or all of the city

Tax Bill

- Federal tax overhaul has major implications for state tax laws
- First tax bill vetoed by Governor
- Second tax bill combined with education finance provisions was vetoed by the Governor earlier today
- Second tax bill included correction to a 2017 law related to the Council's authority to issue and manage debt

Council Governance Bill

Bill sent to the Governor would change the governance structure of the Council

29 members –

- 1 local elected official from each Council district
- 2 county commissioners from Hennepin County (one representing Minneapolis, one not representing Minneapolis)
- 1 county commissioner from the other six counties
- MnDOT commissioner and 3 modal reps

Things that did **not** happen

- No transit funding included in the bonding bill
- Prohibition on co-location of light rail and freight rail not included in omnibus finance bill
- Enhanced penalties for interference with transit - also called the “protester bill” - was vetoed
- Provisions to limit the Council’s ability to use funds for capital expenditures were not passed
- A bill to create statewide regulations for transportation network companies (TNCs) stalled in committee
- Senate did not pass proposed constitutional amendment for auto parts sales tax dedication for roads



METROPOLITAN
C O U N C I L