

2025 Legislative update

Metropolitan Council meeting



June 25, 2025 - Judd Schetnan, Government Affairs Director

2025 legislative session



Session overview

- 2025 was a “budget year” – legislature sets the budget for the upcoming state fiscal years (FY) 26-27 biennium.
 - State fiscal year is July 1-June 30.
 - Governor proposed a 2-year budget for the state based on budget forecasts in November 2024 and February 2025.
 - Focus is on larger omnibus finance bills that may also include policy.
- Legislature met from January 14 to May 19, and in a one-day special session on June 9, to wrap up the budget.

2025 regular session outcomes

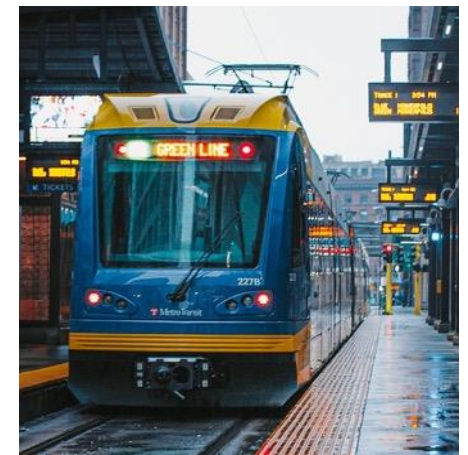
Legacy omnibus bill (HF 2563)

Clean Water Fund:

- **\$2.75 million** for the Met Council's Water Sustainability Support program, for projects to address emerging drinking water supply threats and overall water sustainability.
- **\$1.4 million** for the Council's Water Demand Reduction Grant program, which provides grants to municipalities for projects that encourage implementation of water demand reduction and efficiency measures.

Parks and Trails Fund:

- **\$24.31 million** in FY2026 and **\$27.222 million** in FY2027 for the Metropolitan Regional Parks System.
 - Continues the 40/40/20 split.
 - Met Council matches the 10% statutorily directed to land acquisition with \$2 of regional funds for every \$3 of state funds.
 - Park implementing agencies match 25% of total acquisition costs.



2025 regular session outcomes

Judiciary and public safety omnibus bill (HF 2432)

- Updates the Minnesota Government Data Practices Act to include certain Metropolitan Council leaders as “public officials” as defined in Minnesota Statutes, section 13.43.
 - Identifies additional executive positions that would be subject to certain public disclosures under Minnesota Statutes, section 13.43, subdivision 2, paragraph (e), clause (4), subparagraph (i).
- The language includes the following Met Council leaders as a “public official:”
 - Met Council chair and Council members
 - Regional administrator
 - Deputy regional administrator
 - General counsel
 - Executive heads of divisions (Community Development, Environmental Services, Metro Transit, Metropolitan Transportation Services)
 - Executive head responsible for compliance with Equal Employment Opportunity provisions (OEEO director)
 - Metro Transit police chief

2025 special session outcomes - funding

Omnibus transportation bill (HF 14 – First special session)

- **\$3.502 million** in general funds for FY26-27 for transit operations (reduction of \$61.4 million).
 - **\$40.028 million** in general funds is expected for FY28-29 (reduction of \$24.88 million).
- Base general funding for Metro Mobility and Metro Move services - **\$112.507 million** in FY26 and **\$118.34 million** in FY27.
- Regional Transit Capital (RTC) Bond authorization.
 - Authority to issue up to **\$54.6 million** after July 1, 2025.
 - Authority to issue up to **\$56.2 million** after July 1, 2026.
 - Department of Revenue retains approx. **\$1.8 million** in FY27 and **\$3.9 million** in FY28-29 of the regional sales tax for transportation to account for general fund interaction of bond issuance.

2025 special session outcomes - funding

Omnibus transportation bill (HF 14 – First special session)

- **\$1.4 million** in FY26 from the regional sales tax to four transportation management organizations in the metro area.
- **\$8 million** for Washington Avenue bridge suicide prevention barriers.
 - \$2 million from the active transportation portion of the regional sales tax that goes to the Transportation Advisory Board.
 - \$6 million from the Hennepin County local option sales tax.

2025 special session outcomes - policy

Omnibus transportation bill (HF 14 – First special session)

- **Loan authorization from Met Council to MnDOT to advance METRO F Line and Riverview BRT projects** – up to **\$250 million** in funds from the regional transportation sales tax to coordinate major highway and transitway construction in key trunk highway and BRT corridors.
- **Make fares on regular route transit free for Metro Mobility riders** – makes permanent part of the pilot fare initiative from 2023 session.
- **Alignment of Met Council procurement rules with state procurement rules** - aligns Met Council procurement authority with laws for state agencies regarding procurement of goods and services from small and targeted businesses.
- **Change to legislative reporting requirements** around transportation finance and cleaning and repair standards.

2025 special session outcomes - policy

Omnibus transportation bill (HF 14 – First special session)

- **Bus rapid transit alternate mode analysis** – directs the Met Council to analyze alternate transit options in the METRO Blue Line Extension corridor.
- **High-subsidy transit service analysis** – directs the Met Council to analyze high-subsidy regular transit routes.
- **Special transportation service forecasting analysis** – requires MnDOT to analyze Met Council forecasting practices for Metro Mobility.
- **MnDOT study on wheelchair accessible vehicle supply and availability** – the study will examine the supply and demand of wheelchair accessible vehicles and wheelchair accessible transportation services.

2025 special session outcomes

Omnibus environment bill (SF 3 – First special session)

- **\$2.54 million** from the general fund and **\$9.2 million** from the natural resources fund (lottery-in-lieu) in each of the next two fiscal years (FY26 and FY27) for regional parks operations and maintenance.
 - Total of **\$23.48 million** for the upcoming biennium.
 - Increase of **\$250,000** annually from the natural resources fund.
 - 100% passed through to regional parks implementing agencies using distribution formula in statute.
- **\$750,000** in FY26 from the general fund for additional resources for the White Bear Lake Area Comprehensive Plan Work Group (previously established in 2023 with a \$2 million appropriation).
- **\$900,000** in FY26 from the general fund for Community Tree Planting grants and technical modification to criteria language for community tree planting statute.

2025 special session outcomes - bonding

Capital investment bill (HF 18 – First special session)

- **\$15 million** in general obligation bonds to address inflow and infiltration (I/I) into the regional wastewater system.
- **\$1 million** in general obligation bonds for community tree planting grants.
- Governor Walz recommended **\$5 million** for BRT and **\$1.5 million** for regional parks and trails capital grant program. Funding for these items were **not included** in the bonding bill.



Judd Schetnan

Director, Government Affairs

