

5/6/2022

Members of the Conference Committee on HF4293:

On behalf of the 837 members of the League of Minnesota Cities, we would like to express our positions on the third engrossment (House) and the first unofficial engrossment (Senate) of HF 4293.

Transportation: The League supports the Senate position on providing funding for the Small Cities Assistance Account, Art. 10, section 20 (*Transportation Policy: R63*). The League supports House Art. 13, section 59 (*Transportation Policy: R83*), which directs MnDOT and the Department of Public Safety to submit an implementation plan for a speed safety camera pilot project. The League opposes the provision in Senate Art. 10, section 11 (*Transportation Policy: R15*) that requires a city to remove a street from its municipal state-aid system if the number of lanes on that street is reduced to one lane in each direction. The League requests House Art. 13, section 39 (*Transportation Policy: R52*) which establishes a program for the Minnesota Department of Transportation (MnDOT) to make grants that serve as a match for federal funds provided under federal discretionary transportation grant programs be modified with language agreed to by state and local stakeholders.

Additional local government investment authority: The League supports the provisions contained in House Art. 2, sections. 56, 57, 58/Senate Art. 5, sections 21, 22, 23 (*State Agency Policy: R43-A2; R44-A2*). These sections would allow limited, additional investment authority for additional municipalities with the State Board of Investment (SBI) or index mutual funds and also provide local government insurance trusts (The League of Minnesota Cities Insurance Trust, the Minnesota Counties Insurance Trust and the Minnesota Association of Townships Insurance Trust) with longer-term SBI investment authority to address longer-term liabilities such as workers' compensation costs.

Native landscapes: The League has concerns with the proposed language in House Art. 2, section 67 (*State Agency Policy: R59-A2*). While we appreciate the intent of the legislation to expand the ability of property owners to opt for properly managed natural landscaping, we feel that existing procedures for local elected officials to propose, discuss, and decide changes to local ordinance related to property and landscaping are the best way to deal with these issues. Additional resources, both financial and technical, from the state to encourage that choice by property owners and cities would be welcome.

Requirements for grants to non-governmental organizations: The League has concerns with the new requirements in Senate Art. 5, sections 16 and 17 (*State Agency Policy: R18-A2*) in which a non-profit organization that has a local elected official on their board would be ineligible to receive state grant funding. While the League does not have an official position on this, we do not understand why local elected officials would be included in this provision as they do not have jurisdiction over state grant awards. Many local elected across the state do serve their communities

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by sitting on boards, which can range from anywhere from a church council, food shelf, fire relief association, VFW, and more that may occasionally be the beneficiary of state funds.

Cybersecurity: The League supports the House language, Art. 2, section 29 (*State Agency Policy: R24-A2*) that authorizes Minnesota IT Services to make grants to local units of government as a part of a federal cybersecurity program authorized by the Infrastructure Investment and Jobs Act (P.L. 117-58) that support efforts to address cybersecurity threats at the local level. We also appreciate the inclusion in the House bill, Art. 2, section 29, of the required state matching funds (*State Agency Appropriations: R3-A1*) that are required by the federal government for Minnesota IT to access federal cybersecurity grant program funding. Cyber threats to local governments continue to be a pervasive concern for cities across the state and direct funding to cities to address these issues is a critical first step in strengthening local government cyber defenses.

Office of Collaboration and Dispute Resolution: The League supports the House Language , Art. 1 section 7 (*State Agency Appropriations, R6-A1*) that provides a budget increase for the Office of Collaboration and Dispute Resolution (OCDR). OCDR, has been a key partner for cities as they have worked to develop solutions to contentious public issues. For example, OCDR recently designed and facilitated a collaborative problem-solving process to develop the State-Local Government Agreement that is required under the National Opioid Settlement. Because of their ability to successfully help the government resolve contentious public issues, OCDR is overwhelmed with requests for services. The request to add an additional position to the office would be an important investment as the cost of contracted mediators, litigation, and unresolved conflict for even one conflict far exceeds the cost of an additional staff person who can assist the government in resolving multiple conflicts each year as well as build government's capacity to effectively collaborate and manage conflict.

Pensions: The League has no specific position on the temporary increase in the retiree cost-of-living increase included in the House language in Articles 7 through 10 (*State Gov Pensions and Retirement: R1-R5*). However, if the conference committee supports a COLA adjustment, we urge you to also include the state funding in Article 10 to cover the COLA costs. The League has long supported actions to address unfunded pension liabilities and without state funding, the cost of the COLA increases would significantly increase the unfunded liabilities for the Public Employees Retirement Association pension plans.

Thank you for considering the positions of the League of Minnesota Cities.

Sincerely,



Gary N. Carlson

League of Minnesota Cities