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Donna Gravley (17-29)

### Surplus Auction

City-County-School Surplus Auction

**Saturday, April 27, 2013 - 9:00 AM**

1480 8th Ave, Arena, Windom, MN

**CHECK AGAIN THE WEEK PRIOR TO THE SALE FOR MORE LISTINGS AND PICTURES!**

**Office Items:** Tables, Desks, Lamps, TV/VCR, Vacuum, Office Chairs, AV Carts, Computer Tables, Light Fixtures, Wooden Cabinets, Student Chairs, Colored Chairs, Refrigerator units, Overhead Projectors, Micro fiche, VCR's, Cubicles to include panels, elect strips and fixtures, Law Library Books (Northwest Reporter, Mn Statutes, Dunnell's Digest, Supreme Court Reports, Mn Practices, Mn Laws, American Jurisprudence, etc...), Printer Stand, Bunn Commercial Coffee Maker, HP Scanner, File Boxes, Cables, File Cabinets, Corner Cabinet, 16" Bronze Letters, Many City Christmas Decorations, 80 Art Prints, Copy Machine,

**Equipment:** 1998 Chevy 2500 4x4 Pickup(64213 miles), 1984 John Deere 420 Hydro Garden Tractor (power steering, belly mower, snow blower, cab, 3 point hitch,, rear blade and front hyd. lift plow blade), Toro 118 Grounds Master Front Deck Lawn Mower, 2 Lg V-Style Snow Plows (1-Falls & 1-Omstead), 6 Used Street Sweeper Tube Type Brooms, Portable Gas Engine Stick Type Arc Welder/Generator on Homemade Trailer, Several Pull Type Sweepers, Kato Lite-Cummins Diesel Generator -140 KW 277/480 volt,

**Tools:** Radial Arm Saws 10" and 12", Drill Press, Thor Electric Intake/Exhaust Valve Grinder, 20<sup>th</sup> Century 220 volt Stick Type Arc Welder,

**Misc:** Metal Cabinets, Basketball Backboards, Gas Weedwhips, Chainsaws(for parts), Aluminum Pickup Toolboxes, Steel Delta Pickup Toolbox, Knipco Heater, John Deere Utility Tractor Heat Houser, Reese Trailer Hitch "receiver type", Hand Sys, Truck Tires, Picnic Table Hardware, Koreen War Hospital Operating Tables in case, Blader Electric Motor 7.5 hp, Playground Horse Swings, Padded Splinting Boards, Amulance Cot, Aluminum Stretchers, Laerdal Portable Suction units, Dinamap XL Vital Signs Monitor 110v, Bomag Tamper, Incandescent Fixtures, Water Heater Blankets, Chromalox Heater 240 volt,

**Auct Note: This is a large surplus auction of the City of Windom, Cottonwood County, and Windom School District. This is a partial list so don't miss this sale!**

**→ Gravley Auction Service ←**

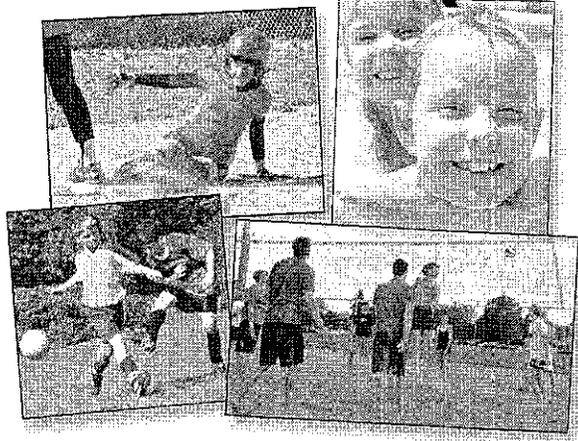
*Everything is sold AS IS, WHERE IS. It is the sole responsibility of the buyer, to judge the value, condition and authenticity of merchandise and bid accordingly. Please inspect all items before bidding on them. All sales are final.*

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# SUMMER PARK & RECREATION & COMMUNITY EDUCATION REGISTRATION

Tuesday, April 18 • 5:00 to 6:30 p.m.



Register for Summer Recreation Activities,  
Swimming Lessons & Community Education Classes!

— PLEASE NOTE —

Separate checks for Swimming, Recreation  
& Community Education please!

**\$25 late fee**

## SWIMMING PASSES WILL BE ON SALE!

### Family Swimming Pass

Buy your Family Swimming Pass  
before May 31 & save \$10.00!

**\$95<sup>00</sup>** before May 31  
**\$105<sup>00</sup>** after May 31

### Individual Swimming Pass

Buy Individual (student & adult)  
before May 31 & save \$5.00!

**\$55<sup>00</sup>** before May 31  
**\$60<sup>00</sup>** after May 31

**\$25<sup>00</sup>** Season Wading Pool/Non-  
Swimmer Individual Pass

Passes available at Windom  
City Hall on Monday, April 22.

## Sand Volleyball

An organizational meeting will be held

Wednesday, April 24 • 7:00 p.m. at City Hall Council Chambers  
It's MANDATORY that all teams have a representative there!

## It is important to register on this date!

Because of picking of teams in late April registrations for 30/60 league  
(3rd/4th & 5th/6th) received after Wed., May 1 may be denied!

For more information,  
e-mail: [winarena@windomnet.com](mailto:winarena@windomnet.com) or  
call 507-831-6122. If no answer, leave a message.



Coalition of Greater Minnesota Cities

# CGMC in Brief

April 12, 2013

Contact: Tim Flaherty  
651-225-8840

## Meeting with House Leadership on CGMC Priorities

On Tuesday of this week Tim Flaherty and Bradley Peterson met with Speaker of the House Paul Thissen (DFL – Minneapolis) and House Majority Leader Erin Murphy (DFL – St. Paul). The meeting was to press House Leadership on LGA as the preferred property tax relief program for Greater Minnesota communities. It was quite clear that while House leadership supports LGA, they have a strong preference for the Property Tax Refund Program (aka the “Circuit Breaker”).

Flaherty and Peterson also discussed the CGMC’s economic development bills with House leadership and urged their inclusion in the House Omnibus Tax Bill.

The House is set to unveil their full Omnibus Tax Bill on Monday which will be discussed and passed out of the committee sometime next week.

## Meeting with Greater MN DFL Representatives

CGMC’s Tim Flaherty and Amanda Duerr met with a group of Greater Minnesota DFL House members (Lien-Moorhead, Faust-Hinckley, Simonson- Duluth, Savick-Wells, Johnson-North Mankato, Sawatzky-Willmar, and McNamar-Elbow Lake) to discuss LGA, economic development, and transportation. The conversation focused on increasing the House Tax Bill’s LGA appropriation to \$80 million, as agreed upon by all of the city groups. All of the members were supportive of this idea and set up a meeting with leadership to discuss this priority for their Greater Minnesota districts.

## A Roadblock to Transportation Funding

Until this week, the Senate and House Transportation Committees intended to advance legislation that would make a statewide, comprehensive investment in Minnesota’s transportation infrastructure—roads, bridges, and transit. However, on Monday, the Governor expressed his strong opposition to a gas tax increase, which was a major component of the planned transportation investment. Discussions between the Transportation chairs (Sen. Scott Dibble and Rep. Frank Hornstein, both of Minneapolis) and the Governor were unable to persuade him to change his position or accept an alternative funding source to support highways. The Governor continued to express his support for a sales tax increase in the metro area to support transit.

The chairs said they would only support a statewide transportation investment, one that included roads as well as transit. Because highway funding was off the table with the Governor, they stated their intention to move forward with a “lights on” transportation bill that includes no new revenue. Such a bill was considered on Wednesday in the Senate Transportation Committee, but was tabled due to an indicated lack of support for passage. It is currently unclear what the next steps will be for the Senate. The House plans to introduce its “lights on” bill today and begin committee discussions on Friday.

CGMC Transportation lobbyist Amanda Duerr is closely following the transportation budget discussion and has expressed to the committees and their individual members that the CGMC supports a statewide transportation investment that addresses the needs of roads and bridges in Greater Minnesota. Please contact her at (651) 259-1928 or [acduerr@flaherty-hood.com](mailto:acduerr@flaherty-hood.com) with any questions on this issue.



## **House Bonding Bill Moves Forward**

The House Capital Investment committee today passed an \$858 million bonding bill. Along with funding for the State Capitol renovation, the bill includes support for many projects in Greater Minnesota, such as: civic centers in Rochester, Mankato, and St. Cloud; \$20 million for local bridge improvements; \$35 million for local road improvements; and funds to develop numerous trails, including the Heartland, Luce Line, and Minnesota River Trails.

## **Greater MN Economic Development Bills Heard in Senate Tax Committee**

Governor Dayton released a bonding plan of similar size and scope earlier in the week. The Senate has yet to release a bonding plan.

This week, the Senate Tax committee held hearings on three Greater Minnesota Economic Development Partnership Bills. All three bills were laid over for possible inclusion in the Senate Tax Bill, and CGMC lobbyists will work with Tax Chairman Rod Skoe and the rest of the committee to pass these initiatives into law.

The Internship Tax Credit/Grant Program (HF 331-Norton/SF 241-Eken) offers a tax credit intended to help pay new interns' wages by paying 40% of an intern's wages up to \$4,000. The reception was very good, and the bill was laid over for possible inclusion in the tax omnibus bill that will be put together in the next two weeks.

The New Employee Job Training Program Tax Credit (HF 292-Ward/SF 240-Tomassoni) provides employers with money for flexible training programs. The state holds the tax withholdings of the newly hired employee and uses this new revenue to reimburse the business for training costs. It offers short term and immediate training options with a \$20 million biennial appropriation. The legislation has been heard in both bodies' Tax Committees and was seen as an interesting and unique way of funding job creation. It has been laid over for possible inclusion in the tax omnibus bills in both bodies.

A new Greater Minnesota business expansion program (HF 1578-Savick/SF 1451-Jensen) provides DEED with three tools for helping existing Greater Minnesota businesses grow: a jobs tax credit, sales tax exemption, or statewide business property tax exemption. Business must commit to job growth levels to receive the benefits. This bill was also laid over for possible inclusion.

## **Street Improvement District Legislation Progress**

This week, the Street Improvement District legislation (HF 745-Erhardt) was heard in the House Tax Committee, where it was laid over for possible inclusion in the House tax omnibus bill. Chair Ann Lenczewski (DFL-Bloomington) expressed interest in including this proposal in the tax bill, as it is an effective tool to help cities meet their street maintenance needs. She did, however, indicate that there were some concerns with the proposal that she would like to work on before the omnibus tax bill is assembled next week. Non-profit and business organizations continue to raise concern on the impact of Street Improvement Districts and fees on their properties.

The Street Improvement District bill still awaits a hearing in the Senate Tax Committee.



## Labor and Employee Relations Seminars Scheduled

The CGMC Labor and Employee Relations Committee will hold labor and employee relations seminars from 10:00 a.m. to 4:00 pm. on **Thursday, June 6 in Detroit Lakes** and **Thursday, June 13 in Waseca**. The seminars will provide practical and legal solutions for providing services and managing employees in local government. Seminar topics include: **health care reform impact on collective bargaining; handling employee leaves; updates on settlements, arbitrations and the Legislature; and avoiding “danger” in responding to union proposals**. Additionally, a panel of knowledgeable city representatives will discuss what their cities have done and will do from a labor and employment and budgeting standpoint to deal with the tough economic and financial conditions. More information on these seminars will be sent to cities soon!

## Media Round Up

- Forum- Job, tax plans could benefit rural Minnesota (CGMC bills)
- Duluth News Tribune- Our view: LGA- More predictability, fewer politics = yes!
- Mankato Free Press- Dayton meets with voters in North Mankato
- New Ulm Journal- Dayton explains his position on gas tax hike
- Star Tribune- DFLers put brakes on higher gas tax
- MPR- House introduces \$800m bonding bill
- Pioneer Press- Dayton pitches public works plan
- Albert Lea Tribune- Editorial: Metro parks want to take all the Legacy funding
- Albert Lea Tribune – Editorial: Boost LGA and stabilize with a new formula



**Steve Nasby**

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**From:** Michael J Miller <MjMiller@flaherty-hood.com>  
**Sent:** Friday, April 12, 2013 10:25 AM  
**To:** Amanda C Duerr  
**Subject:** CGMC Action Alert



**Dedicated to a Strong Greater Minnesota**

## **ACTION ALERT**

On Monday, the House Tax Committee will release its Omnibus Bill, including all of the tax policy for this session. It is critical that we work to include three pieces of legislation in this bill.

Now is the time for you to contact legislators and urge them to support putting the following legislation in the tax bill:

### **New Employee Job Training Program Tax Credit (HF292, Ward)**

- Provides employers with money for flexible training programs.
- State holds the tax withholdings of the newly hired employee and uses this new revenue to reimburse the business for training costs.
- Offers short term and immediate training options

### **Expansion of the Greater Minnesota Angel Investment Credit (HF329, Simonson)**

- Current program provides a 25% tax credit to capital investors who help get a business off the ground.
- 95% of 2012 investments were in the metro area.
- Bill increases the credit to 50% to qualifying Greater Minnesota businesses

### **Jobs and Business Expansion Program – (HF1578, Savick)**

- Provides DEED with Three Tools for helping existing Greater MN Businesses Grow
- Jobs Tax Credit, Sales Tax Exemption, Statewide Business Property Tax Exemption
- Business must commit to job growth levels

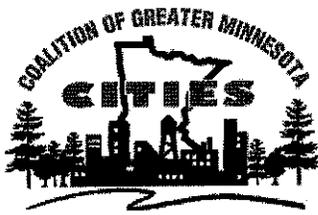
**The message for legislators is to please support these bills and put them in the Tax Bill. Greater Minnesota needs these low cost economic development tools.**

**Please contact your Representative and these members of leadership with this message:**

**Speaker Paul Thissen, 651-296-5375, [rep.paul.thissen@house.mn](mailto:rep.paul.thissen@house.mn)**

**Majority Leader Erin Murphy, 651-296-8799, [rep.erin.murphy@house.mn](mailto:rep.erin.murphy@house.mn)**  
**Tax Chair Ann Lenczewski, 296-0573, [rep.ann.lenczewski@house.mn](mailto:rep.ann.lenczewski@house.mn)**

The bill will be marked up next week, so please act quickly!



Coalition of Greater Minnesota Cities

# CGMC in Brief

April 4, 2013

Contact: Tim Flaherty  
651-225-8840

## House Unveils Property Tax Relief Bill; Falls Short on LGA Funding

On Tuesday, the House Property and Local Tax Division unveiled its division report, which contains the House's starting position on property tax relief, LGA, and a number of other property tax related issues. The full division report (in the form of a bill) can be found [here](#).

The House panel did recommend adopting the formula that formed the basis of the city group agreement, as well as the inflation factor that we recommended. However, much to our dismay, the Division is only recommending an additional \$60 million to the program versus the Governor's recommendation of \$80 million. [Here](#) is a run from House Research that shows what LGA a city would get under the lessor appropriation.

Most significantly, the Division is recommending changes to the Property Tax Refund program (also known as the "circuit breaker") that would increase that program's funding by \$156 million per year. This program is heavily weighted towards the metro area, with about 70% of the current dollars going into the metro versus 30% towards Greater Minnesota.

In Wednesday's committee hearing, Bradley Peterson testified on behalf of CGMC that the mix of property tax relief granted in the bill was unbalanced and that the LGA program is not being treated fairly.

CGMC agreed to the new LGA formula on the basis that it include the \$80 million additional appropriation and the inflation and population growth adjustment. The \$80 million is critical to making the formula acceptable because our overall share of LGA will be decreasing (from about 69% in 2013 to 66% in 2014 and towards 61% over time). Additionally, the new formula does not have any explicit recognition of the burdens placed on cities by virtue of being a regional center. Unlike the old formula, there is no separate pot of money for "regional center aid." This was only acceptable to CGMC because of the \$80 million increased appropriation.

During the committee hearing, Peterson also pointed out the already significant growth in the PTR program. From 2003 to 2013, the PTR program has grown 271% (from about \$86.9 million to \$354 million). Meanwhile, LGA has been cut and languished. From 2003 to 2013, LGA is down 25%. See the attached chart. Under the House proposal, the PTR would skyrocket so that by 2017 it would have grown 499% since 2003. Over that same time period, under the House proposal, LGA would still be 6% less in 2017 than it was in 2003.

Peterson strongly urged the House to fix this imbalance by upping the LGA appropriation to \$80 million before the Omnibus Tax Bill is voted off the House floor. In the next week, we will be working closely with rural legislators to help them fix this problem with the House property tax relief approach. If you have any questions, please contract Tim Flaherty or Bradley Peterson.



## **Jobs Training Bill Hearing**

This week, the House Tax Committee held a hearing on the Greater Minnesota Jobs Training Bill. The New Employee Job Training Tax Credit (HF 292-Ward/SF 240-Tomassoni) provides employers with money for training programs. The \$20 million initial appropriation for the program is more than offset by state revenues collected through the payroll withholdings of the newly hired and trained employees. This provides the employee with a job that would not have otherwise existed, allows the employer to hire employees that can make an immediate impact, and grows businesses in Greater Minnesota.

Rep. Ward demonstrated that the jobs skills gap is greater in rural areas, and this program will assist with that issue. Committee members understood the problem the bill was addressing, and the legislation was laid over for possible inclusion in the House Omnibus Tax Bill.

## **Hearings on Monday**

Next Monday (April 8) at 8:30a.m., the Senate Tax Committee will be hearing our JOBZ replacement legislation, Jobs Training Bill, and Internship Bill. This is a big day for the Economic Development Partnership and we need your assistance! We need people willing to testify on these bills, as this is our last chance to put our best foot forward in getting this legislation passed in the Senate. Mike Miller will write talking points for you to add to your thoughts and you do not need to know the technical aspects of the legislation. Please contact Mike at 651-259-1905 or [mjmillier@flaherty-hood.com](mailto:mjmillier@flaherty-hood.com) if you are interested in testifying.

## **Winsted Joins CGMC**

Exciting News! This week, the City of Winsted voted to join the CGMC! We would like to extend a special thanks to Hutchinson Mayor Steve Cook for his efforts to recruit Winsted and his wonderful comments during the city council meeting. The CGMC looks forward to working with Winsted to advocate for a strong Greater Minnesota.

## **Send LGA Resolutions to CGMC**

In a recent Action Alert, CGMC member cities were encouraged to adopt resolutions in support of the LGA formula proposed and supported by the city groups. When your city adopts these resolutions, please forward a copy to the CGMC staff so we can keep record of member positions. Resolutions may be sent to Amanda Duerr at [acduerr@flaherty-hood.com](mailto:acduerr@flaherty-hood.com).

## **Conservation Rate Changes Postponed**

Last year, the CGMC worked with the League of Minnesota Cities and the Legislature to make changes to onerous water conservation requirements. This year, a bill was introduced, HF 683/SF 243, that would have undone all the changes from last year. However, as it progressed in the House, the bill was amended to leave in place the changes we made if the groundwater sources used by the public water supplier are sustainable. The committee has spent considerable time discussing water shortages, and as a result, a more controversial provision was also added into the bill that would require permits for all water users in "designate groundwater management areas."

At the bill hearing yesterday, the author declared that more information was needed before the bill could move forward and suggested that it should probably be held over until the second half of the biennium. The bill has had no hearings in the Senate yet. Thus, the bill is in a holding pattern until 2014, but we expect the Legislature will continue to focus on this issue.

If you have any questions regarding the changes, please contact Elizabeth Wefel at [eawefel@flaherty-hood.com](mailto:eawefel@flaherty-hood.com) or 651-259-1924.



## MPCA Updating Law Regarding Municipal Lab Certification

Two years ago, the CGMC worked with the Legislature to ease the burdensome certification requirements placed on municipal wastewater treatment facility laboratories that test for compliance with NPDES permits. Although the legislation provided some relief, many believed it did not go far enough. In response, the MPCA announced in September 2011 that it would be taking over the certification process which it had previously delegated to the MDH. The law authorizing the MDH to perform the certification for WWTF was still on the books.

Earlier this session, legislation was introduced that would make it clear that the MPCA retained authority over municipal WWTF lab certification. Although the CGMC was pleased that the MPCA continues to make progress on making this process simpler and less expensive, we expressed concern that the change left open the possibility that labs which test for both wastewater and drinking water could be saddled with excessive registration fees. The CGMC environmental lobbyist, Elizabeth Wefel (with assistance from MESERB lobbyist Steve Nyhus) has been working with the MPCA for over a month to achieve a solution that best serves the interests of our cities.

The MPCA has proposed amending the bill to reflect that the MPCA will allow these dual labs to rely on their MDH certification and will not charge them additional fees until the MPCA develops formal rules for its own processes. At that point, the MDH and MPCA will be required to work out a solution that minimizes fees for the dual labs. That's a lot of technical jargon, but the bottom line is that the MPCA is continuing to improve the process for our municipal WWTF labs and we are working with them to ensure that it's done in a manner that protects our municipal labs' interests.

Elizabeth Wefel had reached out individually to the cities that have the dual labs most affected by these changes. If your city wants to learn more about the changes, please contact her at [ewefel@flaherty-hood.com](mailto:ewefel@flaherty-hood.com) or 651-259-1924.

## Labor and Employee Relations Seminars Scheduled

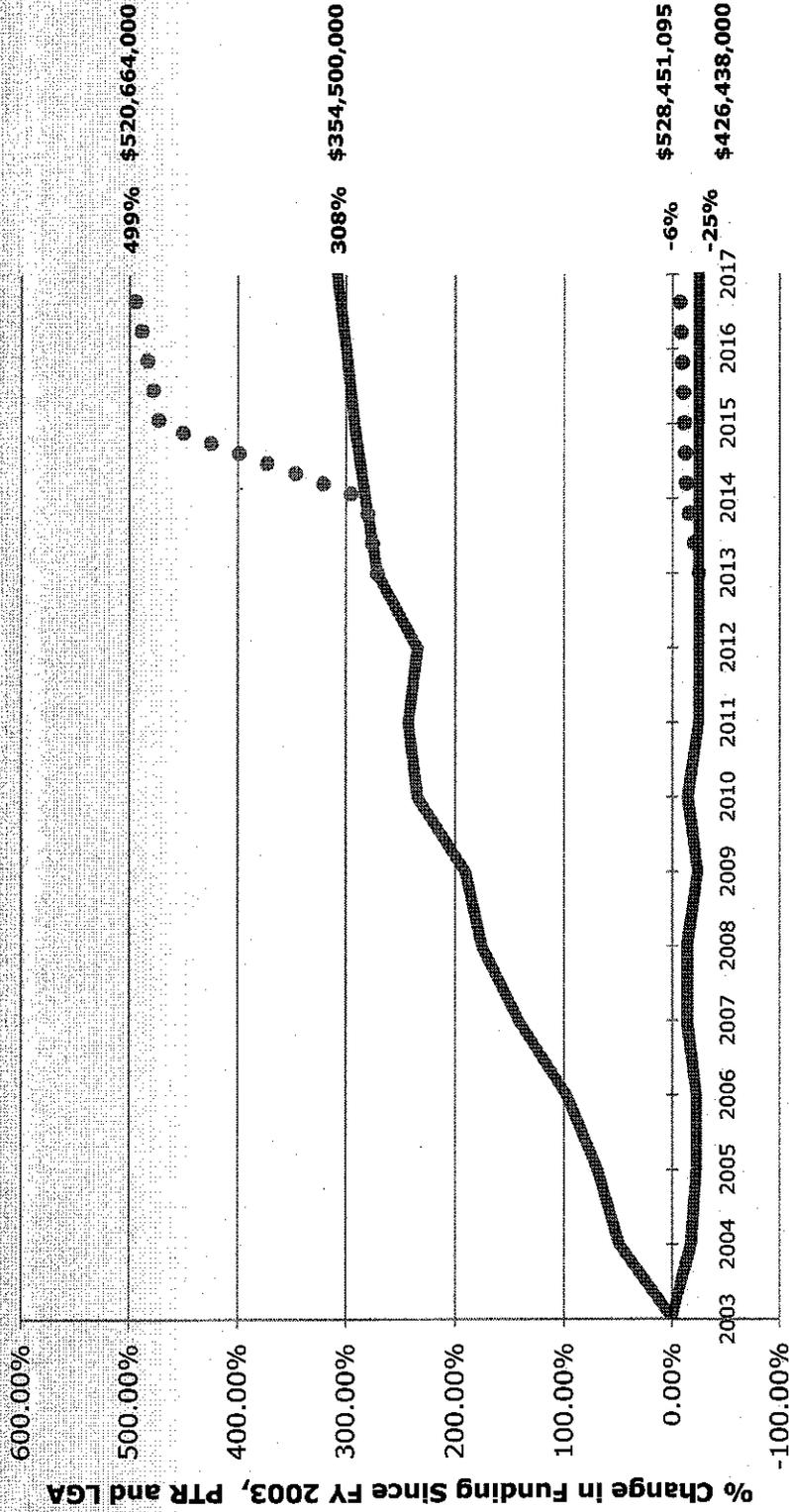
The CGMC Labor and Employee Relations Committee will hold labor and employee relations seminars from 10:00 a.m. to 4:00 pm. on **Thursday, June 6 in Detroit Lakes** and **Thursday, June 13 in Waseca**. The seminars will provide practical and legal solutions for providing services and managing employees in local government. Seminar topics include: **health care reform impact on collective bargaining; handling employee leaves; updates on settlements, arbitrations and the Legislature; and avoiding "danger" in responding to union proposals**. Additionally, a panel of knowledgeable city representatives will discuss what their cities have done and will do from a labor and employment and budgeting standpoint to deal with the tough economic and financial conditions. More information on these seminars will be sent to cities soon!

## Media Round Up

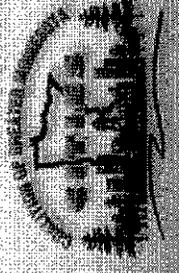
- Fergus Falls Journal: Incentives would help economic development in Fergus Falls (CGMC bills)
- Albert Lea Tribune: Cities may get more LGA funding
- Brainerd Dispatch: Brainerd hopeful LGA will improve
- St. Cloud Times: Metro, outstate at odds again over parks and trails funding
- Pioneer Press: Legislature's session is half over, but not its work



# "Circuit Breaker" Skyrockets While LGA Declines



The House Property Tax Division Report continues substantial growth in "Circuit Breaker," while LGA funding is still below the 2003 amount.



HF 2 Amendment data provided by the Minnesota Department of Revenue. Historical and forecast data provided by Minnesota Management & Budget. Prepared by Flaherty & Hood, P.A. for the Coalition of Greater Minnesota Cities, 4/3/13



# CITIES BULLETIN

Issue 13

April 1, 2013

Print a Copy



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## Citizen Email Protection Bill Passes Senate Judiciary Committee

After passing the Senate Judiciary Committee, the citizen email protection legislation awaits a vote on both the House and Senate floors. [Read more.](#)

## Street Improvement District Support Resolutions Needed

The League is asking cities to pass a resolution or write a letter to show support for street improvement district legislation. [Read more.](#)

## 15-Minute Advocate: Support Bill to Make Citizen Email Addresses Private

Share your city's support for the citizen email protection provision before it is voted on by representatives and senators. [Read more.](#)

## Bill Modernizing Publication Requirements Passes House and Senate Committees

This League-sponsored legislation clarifies an existing law allowing certain bids to be published online. [Read more.](#)

## What Happens to All of Those Policy Bills?

When legislators reconvene on April 2, they will have roughly six weeks remaining in the 2013 regular session to complete their work. [Read more.](#)

## MnDOT Announces 2013 State Road Construction Program

The agency will spend \$1.1 billion statewide to improve safety and mobility for motorists. [Read more.](#)

## 2013 Policy Committee Meeting Dates Set

City officials and staff are encouraged to sign up and mark their calendars for the 2013 policy committee meetings. [Read more.](#)

## Centennial Spotlight

### The St. Peter Tornado: 15 Years Later

March 29 marked the 15th anniversary of the largest claim in LMC's Insurance Trust history. Watch a first-hand account, and learn more about the city's recovery, in our most recent centennial blog post. [Read more.](#)

## More Information and Resources

**One Month Left for Discounted Pricing: 2013 LMC Annual Conference and Marketplace**

**Duluth: Last Chance to Register Online for Safety & Loss Control Workshops in Your Area**

**Mayors: Join Your Colleagues for the MMA Annual Conference at the End of this Month**

**More Emergency Runs = More Opportunities for EMS Injuries: This Week in Rob Boe's Blog**

**Clerks: Registration Now Open for the 2013 Clerks' Orientation Conference**

**Special Rate on Safety & Health Conference for Minnesota Safety Council Members**

## Training, Conferences, Events

Upcoming League Events

Online Training/E-Learning

Co-Sponsored Events

Events Sponsored by Other Organizations

## Featured Events

**2013 Safety & Loss Control Workshops**  
9 Dates & Locations

**LMC 2013 Annual Conference and Marketplace**  
June 19-21—St. Paul

**2013 Clerks' Orientation Conference**  
June 19-21—St. Paul

## Quick Links

- [Archive of Previous Issues](#)
- [City Jobs](#)
- [Jobs with LMC](#)
- [Wanted/For Sale/RFP Announcements in the LMC Marketplace](#)
- [Weekly 4M Fund Rates \(Minnesota Municipal Money Market Fund\)](#)

## LMC Business Alliance

LMC Business Alliance members provide valuable financial support to the League and help support our mission to serve Minnesota cities.

[View Alliance members](#)

## Contact Us / Subscribe

The Cities Bulletin is published weekly during the legislative session and bi-weekly during the interim.

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For legislative questions:  
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For editorial or other Bulletin questions:  
**Contact Claudia Hoffacker**  
Editor  
(651) 215-4032 or (800) 925-1122  
[choffacker@lmc.org](mailto:choffacker@lmc.org)

## Citizen Email Protection Bill Passes Senate Judiciary Committee



**After passing the Senate Judiciary Committee, the citizen email protection legislation awaits a vote on both the House and Senate floors.**

The citizen email protection legislation, one of the League's legislative priorities for 2013, passed the **Senate Judiciary Committee** ([Link to: http://www.senate.mn/committees/committee\\_bio.php?cmtc\\_id=1016&ls=](http://www.senate.mn/committees/committee_bio.php?cmtc_id=1016&ls=)) by a vote of 4-2. It was also included in the omnibus data practices bill (**SF 745** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0745&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0745&ssn=0&y=2013)), **Sen. Kari Dziedzic** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15375](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15375)), DFL-Minneapolis), which was passed to the Senate floor on March 21.

Similar language was passed by the **House Civil Law Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=88003](http://www.house.leg.state.mn.us/comm/committee.asp?comm=88003)) as Section 1 of the House version of the omnibus data practices bill (**HF 695** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF0695&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF0695&ssn=0&y=2013)), **Rep. Steve Simon** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=12280](http://www.house.leg.state.mn.us/members/members.asp?leg_id=12280)), DFL-Hopkins) on March 15. Both Sen. Dziedzic and Rep. Simon have expressed support for the citizen email provision.

The legislation would make email addresses and phone numbers submitted to cities by individuals private data, if they were submitted to receive information of a general nature from the city.

Under current law, if a city collects an email address or phone number from a citizen, the email address becomes public data, and must be given to any person who asks for it. Email addresses and phone numbers can be used by solicitors, telemarketers, campaign organizations, or even by those attempting to scam citizens out of more sensitive personal information. A citizen testifying in favor of the legislation told committee members that he first felt betrayed by the City of Roseville for disclosing his email address, and when he was told that state law gave the city no choice, he felt betrayed by the state.

The League believes that no citizen's email address or phone number should have to be given to a third party simply because the citizen asked the government to provide him or her with updates about city business or schedules.

The Judiciary Committee amended the bill to clarify that the email addresses and phone numbers submitted to a city may only be used for the specific purposes for which the information was provided. For example, if a citizen asked a city to send a text message regarding a snow emergency, the city could not send a text message regarding the status of a construction project.

Both the House and Senate bills await action by their respective bodies. The Legislature generally shifts its focus to budget matters after the second committee deadline, which was March 22, so it may be some time before the bills are debated on the floor.

City officials have played a critical role in advancing this legislation. St. Paul Councilmember and LMC Board member Chris Tolbert testified on the House bill, and Falcon Heights Mayor Peter Lindstrom testified in the Senate. Numerous other city officials have already contacted

their elected officials in writing and by phone, and the League can continue to use your help to make sure this legislation passes. For information on how to contact your legislators, check out the **updated 15-Minute Advocate on the citizen email legislation** (*Link to:*

<http://www.lmc.org/page/1/15maEmailData.jsp> .

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Street Improvement District Support Resolutions Needed



**The League is asking cities to pass a resolution or write a letter to show support for street improvement district legislation.**

(Published Apr 1, 2013)

A League initiative that would allow cities to create street improvement districts has advanced through several committees and remains viable as the Legislature prepares for the post-break home stretch.

In an effort to demonstrate the broad city support that exists for this initiative, the League is seeking resolutions of support from city councils. If your council is unable to meet soon to pass a resolution, then please send a letter to your legislators from your mayor. Support from cities is critical to securing key votes from legislators who may not be familiar with the street improvement district initiative.

### The bills:

**SF 607** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0607&ssn=0&y=2013>*) : Authors: **Sen. Jim Carlson** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15245](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15245)*) (DFL-Eagan) (chief author), Sen. John Pederson (R-St. Cloud), Sen. Scott Dibble (DFL-Minneapolis), Sen. Dave Senjem (R-Rochester), Sen. Ann Rest (DFL-New Hope)

**HF 745** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF745&ssn=0&y=2013>*) : Authors: **Rep. Ron Erhardt** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10167](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10167)*) (DFL-Edina) (chief author), Rep. Frank Hornstein (DFL-Minneapolis), Rep. Bob Gunther (R-Fairmont), Rep. Paul Torkelson (R-Hanska), Rep. David Bly (DFL-Northfield)

### What the bill does

This bill would allow cities to collect fees from property owners within a district to fund municipal street maintenance, construction, reconstruction, and facility upgrades. If enacted, this legislation would provide cities with an additional tool to build and maintain city streets.

The League has prepared an “advocacy toolkit” containing a fact sheet with talking points, a sample city council resolution, and a sample letter to be signed by the mayor.

- **View the League’s fact sheet and talking points (pdf)** (*Link to: [http://www.lmc.org/media/document/1/2013facts\\_streetimprovedist.pdf](http://www.lmc.org/media/document/1/2013facts_streetimprovedist.pdf)*)
- **View sample resolution for city council (doc)** (*Link to:*

[http://www.lmc.org/media/document/1/sampleres\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/sampleres_streetimprovedist.doc)

- **View sample letter of support for mayor's signature (doc)** (*Link to:*

[http://www.lmc.org/media/document/1/samplemayorletter\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/samplemayorletter_streetimprovedist.doc))

If your city passes a resolution or your mayor signs a letter of support, please send a copy to your legislators (**find them here** (*Link to: <http://www.gis.leg.mn/OpenLayers/districts/>*) ) and to Anne Finn at the League of Minnesota Cities at **afinn@lmc.org** (*Link to: <mailto:afinn@lmc.org>*) .

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Anne Finn

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

**afinn@lmc.org** (*Link to: <mailto:afinn@lmc.org>*)

## How to Post a Comment

1. Type your comment in the "Leave a message..." box.
2. Identify yourself (required) in one of these ways:
  - Click on a social media icon to sign in through your account, OR
  - Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click "Post as (your name)."

## 15-Minute Advocate: Support Bill to Make Citizen Email Addresses Private



**Share your city's support for the citizen email protection provision before it is voted on by representatives and senators.**

(Published Apr 1, 2013)

### 1. Get Informed.

A proposal to categorize citizen email addresses given to cities as private data has made it through all legislative committees. Its next stop will be on the House and Senate floors. The original bill **SF 60** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0060&ssn=0&y=2013>*) / **HF 20** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF20&y=2013&ssn=0&b=house>*) , authored by **Sen. Bev Scalze** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=12279](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=12279)*) (DFL-Little Canada) and **Rep. Mike Freiberg** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15398](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15398)*) (DFL-Golden Valley), is now included in the

(*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0745&ssn=0&y=2013>*)

omnibus data practices bill (SF 745

**Sen. Kari Dziedzic** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15375](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15375)), DFL-Minneapolis).

Citizens often give their personal contact information to a city or other government agency to receive information such as newsletters or crime alerts, or to register a complaint. Under current law, those citizen email addresses and phone numbers become public data. Any third party can request the email addresses and phone numbers and use them for any purpose. A city cannot ask the requester the purpose of the request.

During the last election cycle, several cities received requests for all citizen email addresses maintained by the city. This resulted in unexpected and unwelcomed email solicitations.

- **Watch a recent KSTP News story about the legislation** (Link to:

<http://kstp.com/news/stories/S2919054.shtml?cat=1>)

The League does not believe that citizens should have to receive emails from interest groups or other third parties simply because they have requested to receive information from their government.

It is important to note that the bill would not make the content of any correspondence private, and any citizen would have access to the information the same as they do today. The only change would be to make the email addresses and phone numbers of citizens private. The legislation strikes the right balance between maintaining government transparency while protecting a person's private information.

## 2. Take Action.

Contact your legislators to share your concerns with keeping citizen email private, or your city's experience with citizen email requests. Representatives and Senators will vote on their respective versions of the bill sometime in the coming weeks. There may be little advance notice as to when a vote will be taken as the legislature nears the latter half of the session. Therefore, it is important to contact your legislators sooner rather than later.

- **Find out who your legislators are and how to contact them** (Link to:

<http://www.gis.leg.mn/OpenLayers/districts/>)

## 3. Stay Involved.

Stay tuned to League publications for more information:

- Bookmark **Third Reading** (Link to: <http://www.lmc.org/page/1/third-reading.jsp>) for your source of legislative information in an up-to-date fashion.
- Follow #lmcleg on **Twitter** (Link to: <http://www.twitter.com>) to stay in touch with the latest legislative action on this issue.
- Follow Patrick Hynes (@pjhynes2 (Link to: <https://twitter.com/pjhynes2>)) on twitter for updates on this bill and other data practices legislation.
- Consider joining the **Human Resources & Data Practices Policy Committee** (Link to: <http://www.lmc.org/page/1/human-resources-data-practices.jsp>), which established the League's policy on this issue. Contact Laura Ziegler (see right) for more information.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Patrick Hynes

IGR Representative

(651) 281-1260 or (800) 925-1122

**phynes@lmc.org** (*Link to: <mailto:phynes@lmc.org>*)

### Contact Laura Ziegler

IGR Liaison

(651) 281-1267 or (800) 925-1122

**lziegler@lmc.org** (*Link to: <mailto:lziegler@lmc.org>*)

## How to Post a Comment

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—Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click “Post as (your name).”

## Bill Modernizing Publication Requirements Passes House and Senate Committees



**This League-sponsored legislation clarifies an existing law allowing certain bids to be published online.**

(Published Apr 1, 2013)

League-sponsored legislation that will reduce duplicative publication requirements for soliciting bids completed the committee process and awaits debate by the full House and Senate.

The bill, **SF 843** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=SF843&b=senate&y=2013&ssn=0>*) (**Sen. Bev Scalze** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=12279](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=12279)*), DFL-Little Canada) / **HF 1196** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF1196&y=2013&ssn=0&b=house>*) (**Rep. Mike Nelson** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10779](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10779)*), DFL-Brooklyn Park) modernizes the definition of “recognized industry trade journal” to allow cities to publish bids for projects funded by special assessment on construction bidding websites.

A number of city public works officials brought this issue to the attention of the League during the 2012 policy committee process. The officials noted that the statute was outdated, and as a result, cities had to publish bid solicitations in newspapers from first-class cities in addition to publishing them on websites commonly used in the construction industry. This increased publication costs without increasing the number or quality of responsive bids.

The legislation is drafted narrowly to reduce conflict and give the bill the best chance of passage. There has been no opposition to the legislation, and the **Minnesota Newspaper Association** (*Link to: <http://mna.org/>*) supports the narrow language. The bill can be debated by the Senate and House at any time in the coming weeks.

The legislation does not tackle the broader issue of statutory publication requirements that continue to be a costly burden for cities. The League has introduced legislation that addresses publication requirements on a broader level, (**SF 1152** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1152&ssn=0&y=2013>*) , **Sen. John Pederson** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15336](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15336)*) , R-St. Cloud/**HF 1286** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF1286&y=2013&ssn=0&b=house>*) , **Rep. Zachary Dorholt** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15393](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15393)*) , DFL-St. Cloud) with an eye toward the 2014 legislative session.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Patrick Hynes

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(651) 281-1260 or (800) 925-1122

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3. Click Next.
4. Click “Post as (your name).”

## What Happens to All of Those Policy Bills?

**When legislators reconvene on April 2, they will have roughly six weeks**



**remaining in the 2013 regular session to complete their work.**

(Published Apr 1, 2013)

With the passing of last week's second policy committee deadline, the focus of the Legislature will change. In the week before the first deadline, one lobbyist counted that more than 600 bills were considered by committees in the House and Senate. Last week before the second deadline, more than 530 bills were scheduled for hearings.

The policy committee deadlines have significantly reduced the number of bills actively being considered by the Minnesota Legislature. House members have introduced 1,661 bills, and senators have introduced 1,511 bills this session. Although not all of these bills were affected by the first and second committee deadlines (tax, bonding, and budget bills are not impacted), there are currently far fewer bills under active consideration.

In the House, 163 bills are on the **General Register** ([Link to: http://www.house.leg.state.mn.us/cco/generalreg.asp](http://www.house.leg.state.mn.us/cco/generalreg.asp)), which is the list of bills that have been passed by all relevant committees and now await action by the full House. Prior to each floor session, the **House Rules and Legislative Administration Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=88023](http://www.house.leg.state.mn.us/comm/committee.asp?comm=88023)) designates bills for floor action by placing bills on the **Calendar for the Day** ([Link to: http://www.house.leg.state.mn.us/cco/calendar.asp](http://www.house.leg.state.mn.us/cco/calendar.asp)) or on the **Fiscal Calendar** ([Link to: http://www.house.leg.state.mn.us/cco/fiscal.asp](http://www.house.leg.state.mn.us/cco/fiscal.asp)). Time permitting, the bills are debated, amended, and passed in one day.

Similar to the House, Senate bills that have been passed by all relevant committees are placed on **General Orders** ([Link to: http://www.senate.leg.state.mn.us/orders/go.html](http://www.senate.leg.state.mn.us/orders/go.html)). Currently, there are 151 bills on General Orders. However, the Senate uses a different procedure to process bills on the floor. The **Senate Rules and Administration Committee** ([Link to: http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmtc\\_id=1017&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmtc_id=1017&ls=)) designates bills for action by the full Senate. Then Senate members, acting as the Committee of the Whole, have a chance to debate the legislation and offer amendments. After debate and markup, the Senate votes to recommend the bill for passage, progress (or delayed action), to refer the bill back to committee for further action, or to recommend that a bill not pass. After favorable action by the Committee of the Whole, the bill is placed on the **Calendar** ([Link to: http://www.senate.leg.state.mn.us/orders/calendar.html](http://www.senate.leg.state.mn.us/orders/calendar.html)). Bills on the Calendar must then receive a final vote. Bills on the Calendar can be debated, but cannot be amended.

Over the next several weeks, the House and Senate will begin the process of taking final floor action on bills on the House General Register and the Senate General Orders. Policy bills that did not meet the committee deadlines can still be revived if they are favorably acted on by the House and Senate Rules committees, but few bills, if any, proceed on their own if they have missed a deadline. It is more common for the language of a dead bill to be amended onto another bill that covers a similar subject area. That is why no bill is truly "dead" until the session adjourns.

When the Minnesota Legislature reconvenes on April 2, roughly six weeks will remain in the 2013 regular legislative session. The committees will move quickly from the discussions of policy bills into discussions of the state budget and the omnibus tax bills. The third committee deadline, which is set for April 19, is the deadline for committees to act favorably on major

appropriation and finance bills.

The Legislature must complete its work by May 20, the deadline set by the Minnesota Constitution.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

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3. Click Next.
4. Click “Post as (your name).”

## MnDOT Announces 2013 State Road Construction Program

**The agency will spend \$1.1 billion statewide to improve safety and mobility for motorists.**

(Published Apr 1, 2013)



The **Minnesota Department of Transportation** (*Link to: <http://www.dot.state.mn.us/>*) (MnDOT) announced on March 27 that more than 300 construction projects are scheduled for 2013. The projects are aimed at improving highways, bridges, and other state transportation infrastructure to ensure the safety and mobility of the traveling public.

In a news release issued by MnDOT, Commissioner Charlie Zelle said, “The transportation infrastructure is a key component to our state’s economy. This work helps ensure that motorists can continue to get to work, to recreation, and that goods and services can get to us.”

The 2013 construction program includes work on 87 projects in the Twin Cities metro area and 193 projects in Greater Minnesota. An additional 57 projects statewide will improve safety at railroad crossings, repair seawalls and docks, make improvements on runways and terminals at

regional airports, and improve transit centers.

**High-impact projects in the Twin Cities metro area include:**

- Interstate 694/Highway 10 interchange reconstruction in Arden Hills.
- Highway 36 interchange at English Street construction in Maplewood.
- I-35/I-35E pavement, bridge, and guardrail construction from Elko to Eagan.

**Projects in Greater Minnesota include:**

- I-94 resurfacing between Clearwater and St. Cloud.
- Highway 78 resurfacing from Battle Lake to Perham, including reconstructing Lake Street in downtown Battle Lake to install accessible pedestrian ramps (“Complete Streets”).
- Highway 60 four-lane reconstruction with roundabouts in Worthington.

Because of the number of work zones motorists will encounter as crews perform road construction and maintenance work, MnDOT asks drivers to be alert on the road this summer.

**MnDOT urges motorists to:**

- Check **www.511mn.org** (*Link to: <http://www.511mn.org>*) for up-to-date information about traffic and road conditions.
- Minimize distractions (e.g., don’t use cell phones or eat or drink while driving).
- Follow posted speed limits; fines double in work zones.
- Expect delays, especially during peak travel times.

**Access a complete list of projects, including construction dates and traffic impacts** (*Link to: <http://www.mndot.gov/construction>*)

Motorists can also keep informed about MnDOT projects and other transportation topics through social media and email updates.

- **Access MnDOT’s social media sites, and sign up to receive email updates** (*Link to: <http://www.dot.state.mn.us/socialmedia/index.html>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

**Your LMC Resource**

**Contact Anne Finn**

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

**afinn@lmc.org** (*Link to: <mailto:afinn@lmc.org>*)

## How to Post a Comment

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—Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click "Post as (your name)."

## 2013 Policy Committee Meeting Dates Set



**City officials and staff are encouraged to sign up and mark their calendars for the 2013 policy committee meetings.**

(Published Apr 1, 2013)

As the 2013 Legislative Session begins to finish its final six weeks, the League is gearing up for summer policy development and policy committees.

### 2013 Policy Committees Meeting Dates:

**Improving Service Delivery** (*Link to: <http://www.lmc.org/page/1/improving-service-delivery.jsp>*) (9:30 a.m.-12 p.m.)

- Monday, July 22
- Monday, Aug. 26
- Monday, Sept. 23

**Improving Local Economies** (*Link to: <http://www.lmc.org/page/1/improving-local-economies.jsp>*) (9:30 a.m.-12 p.m.)

- Tuesday, July 23
- Tuesday, Aug. 27
- Tuesday, Sept. 24

**Human Resources and Data Practices** (*Link to: <http://www.lmc.org/page/1/human-resources-data-practices.jsp>*) (1:30- 4 p.m.)

- Tuesday, July 23
- Tuesday, Aug. 27
- Tuesday, Sept. 24

**Improving Fiscal Futures** (*Link to: <http://www.lmc.org/page/1/improving-fiscal-futures.jsp>*) (9:30 a.m.-12 p.m.)

- Wednesday, July 24
- Wednesday, Aug. 28
- Wednesday, Sept. 25

Committee members typically serve for two-year terms; this year is the second year of the term. We always welcome new members.

All meetings will occur in the St. Croix Room, which is located on the first floor of the League building at 145 University Ave. W in St. Paul. There will also be a conference call-in option available for all meetings. More information will be sent to members before each meeting.

- **Sign up for one of our four 2013 policy committees** (*Link to: <http://www.surveymonkey.com/s/CZG9B8J>*)  
*Note: Members of last year's policy committees should sign up online here too.*
- **Read more about what policy committees do and what it's like to serve on a policy committee** (*Link to: <http://www.lmc.org/page/1/committee-signup.jsp>*)

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**[lziegler@lmc.org](mailto:lziegler@lmc.org)** (*Link to: <mailto:lziegler@lmc.org>*)



## Special Rate on Safety & Health Conference for Minnesota Safety Council Members

Take advantage of special registration fees for the 79th annual Minnesota Safety & Health Conference. It's a benefit of your membership in the **Minnesota Safety Council** (*Link to: <http://www.minnesotasafetycouncil.org/home.cfm>*), which is funded by LMCIT for all of its member cities and affiliates.

There are also significantly lower than the standard member rates for one-day or three-day tickets!

The conference, presented by the Minnesota Safety Council May 14-16 at the Minneapolis Convention Center, will have nearly 100 sessions on safety management topics. Sessions include case studies from cities and counties, and specific issues such as the aging workforce, ergonomics, effective safety committees, fork truck training, workplace violence, and much more.

The event features local and national experts, continuing education credits, the opportunity to earn the Basic Safety Certificate, and 100-plus exhibitors. The third day of the conference features the Governor's Safety Awards Luncheon, which recognizes exceptional performance in safety.

- **Learn more and register for the conference** (*Link to: <http://www.minnesotasafetycouncil.org/conf/13index.cfm>*)
- **Learn more about your Minnesota Safety Council membership through LMCIT** (*Link to: <http://www.minnesotasafetycouncil.org/lmcit/>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

### For More Information

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[jeff.lovig@minnesotasafetycouncil.org](mailto:jeff.lovig@minnesotasafetycouncil.org) (*Link to: <mailto:jeff.lovig@minnesotasafetycouncil.org>*)

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# CITIES BULLETIN

Issue 14

April 8, 2013

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## House Proposes Water Appropriation Fee Increases

The bill reaches the Senate floor, and a second committee hearing is scheduled in the House. [Read more.](#)

### CITIES NEWS

## Tax Expenditure Reduction Bill Considered

Bill includes a repeal of the income tax exemption for municipal bond interest, which would raise municipal borrowing costs. [Read more.](#)

## Senate to Consider Local Government Aid and Sales Tax Exemptions

These bills impacting cities will be heard on Tuesday, April 9. [Read more.](#)

## Organized Collection Issues Continue to Make Progress

A second House committee approved the League-supported bill. [Read more.](#)

## 15-Minute Advocate: Pass Resolutions on Street Improvement Districts and Sales Tax Exemption

Show your city's support for two League initiatives with a resolution or letter of support on legislation that continues to move. [Read more.](#)

## House Jobs Finance Committee Passes Omnibus Jobs Finance & Policy Bill

The House omnibus jobs bill is set to spend \$234.86 million for the upcoming biennium. [Read more.](#)

## State Government Finance Omnibus Bill Passes to Ways and Means

Bill would spend more than \$921 million on various state government departments and operations. [Read more.](#)

## Omnibus Pension Bills Moving

Two omnibus retirement bills have been approved by the Legislative Commission on Pensions and Retirement and will be moving through the legislative process in the coming weeks. [Read more.](#)

## House Property and Local Tax Division Approves Omnibus Property Tax Article

Bill includes LGA reform and funding as well as other tax modifications of interest to cities. [Read more.](#)

## National Bipartisan Policy Think Tank Releases Report on Housing

Report highlights areas of growth and opportunity in the future of housing. [Read more.](#)

## Letter Supporting Tax-Exempt Status of Municipal Bonds Delivered to President Obama

The letter is supported by the National League of Cities and the League of Minnesota Cities. [Read more.](#)

## Street Improvement District Support Resolutions Still Needed

The League is asking cities to pass a resolution or write a letter to show support for street improvement district legislation. [Read more.](#)

### Centennial Spotlight

## Annual Conferences: Then and Now

Get a glimpse of a "moment in time" from the League's 1956 annual conference—and read about what's in store for this year's conference!—in our most recent centennial blog post. [Read more.](#)

### More Information and Resources

**Just Announced: Important Federal Health Care Reform Training for Cities**

**Follow Capitol Action During the Week on "The Third Reading" Newsfeed**

**Sign-Up Encouraged for the 2013 Policy Committees**

**Seeking Nominations: Minnesota Women in City Government Leadership Awards**

### Featured Events

**Federal Health Care Reform Training for Cities**  
4 Dates & Locations

**2013 Safety & Loss Control Workshops**  
9 Dates & Locations

**LMC 2013 Annual Conference and Marketplace**  
June 19-21—St. Paul

**2013 Clerks' Orientation Conference**  
June 19-21—St. Paul

### Quick Links

- [Archive of Previous Issues](#)
- [City Jobs](#)
- [Jobs with LMC](#)
- [Wanted/For Sale/RFP Announcements in the LMC Marketplace](#)
- [Weekly 4M Fund Rates \(Minnesota Municipal Money Market Fund\)](#)

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## House Proposes Water Appropriation Fee Increases



The bill reaches the Senate floor, and a second committee hearing is scheduled in the House.

The **House Environment, Natural Resources, and Agriculture Finance Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88011>*) kicked off their return from the break by discussing a new proposal to increase water appropriation fees by \$6.8 million per year: \$2.4 million of that would be collected from municipal systems, \$1.4 million from agricultural irrigation, \$2 million from various industry permits, and approximately \$1 million from increases to the summer water use surcharge.

**HF 1679** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF1679&b=house&y=2013&ssn=0>*) (**Rep. Jean Wagenius** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10690](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10690)*), DFL-Minneapolis) was introduced on April 2 and sets residential water appropriation fees at \$15 per million gallons, which would start being paid in 2014 for water used in 2013. The size of the system no longer changes the base fee. Non-agricultural irrigation is charged \$75 per million gallons. Agricultural irrigation and other water uses will be charged \$35 per million gallons. The summer surcharge rate paid on the difference between summer water use and January water use is set at \$75 per million gallons. The proposal currently expands the summer surcharge window to include May and September in addition to the current June, July and August time period.

The proposal is meant to significantly increase annual funding to the Department of Natural Resources' water management account for the following specific uses:

- \$800,000 for compliance monitoring, education, and enforcement of appropriation permits;
- \$500,000 for contracts with Soil and Water Conservation Districts (SWCD) or local governments for water level monitoring;
- \$660,000 for surface water monitoring to measure interaction with groundwater;
- \$2,800,000 for groundwater and surface water cumulative impact assessment, regional monitoring of cumulative impacts, and well interference assistance;
- \$1,338,000 to accelerate **County Geologic Atlas Part B** (*Link to: <http://legacy.leg.mn/projects/county-geologic-atlases-part-b-groundwater-0>*) work;
- \$200,000 for updated precipitation analysis; and,
- \$400,000 for electronic permitting, data integration, and water use data availability.

A link to an estimate of city fee increase amount broken down by city is available (see below), as well as a spreadsheet estimating changes for all categories of appropriation fee payers, both done based on 2010 water use data.

A version of this fee change is expected to be included in the House Environment and Natural Resources budget bill when it is prepared next week. The Senate has not discussed this proposal, although the language was introduced there on April 4 as **SF 1549** (*Link to:*

*<https://www.revisor.mn.gov/bills/bill.php?f=SF1549&y=2013&ssn=0&b=senate>*) (**Sen. Bev Scalze** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=12279](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=12279)*), DFL-Little Canada).

- **Alphabetical list of estimated city appropriation fee changes based on 2010 water use data.** (Link to: <http://www.lmc.org/media/document/1/2013waterfeealpha.pdf>)
- **Summary chart of estimated appropriation fee changes by type of user based on 2010 water use data.** (Link to: <http://www.lmc.org/media/document/1/2013waterfeetype.pdf>)

**Read the current issue of the Cities Bulletin** (Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)

## Tax Expenditure Reduction Bill Considered



**Bill includes a repeal of the income tax exemption for municipal bond interest, which would raise municipal borrowing costs.**

(Published Apr 8, 2013)

On Thursday evening, the House Tax Committee considered **HF 1493** (Link to:

<https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF1493&ssn=0&y=2013>), a bill authored by **Rep. Ann Lenczewski** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10369](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10369)) (DFL-Bloomington), that would repeal or limit a variety of tax preferences, including the repeal of the tax-exempt status of municipal bond interest income for bonds issued on or after July 1, 2013. Currently, there is no Senate companion to HF 1493.

The bill is notable not only for the amount of revenue it would produce for the state but also due to the timing of the hearing. According to the revenue analysis, the bill would raise an estimated \$412 million in the first year of the biennium and an additional \$351 million in FY2015. The timing of the hearing occurs as the House is in the process of crafting the income, corporate income, and sales tax sections of their omnibus tax bill. With the projected \$627 million state budget deficit and House budget initiatives, the omnibus tax bill will have to generate revenues to fund both.

Several organizations testified in opposition to the repeal of the municipal bond interest exemption. The League of Minnesota Cities, the **Association of Minnesota Counties** (Link to: <http://www.mncounties.org/>), the **Minnesota School Boards Association** (Link to: <http://www.mnmsba.org/public/main.cfm>), and **Metro Cities** (Link to: <http://www.metrocitiesmn.org/>) all testified in opposition based on the impact of the repeal on borrowing costs. Currently, local governments can issue bonds at lower interest rates because bond holders are willing to receive a lower interest rate in exchange for the tax benefit. Without the tax benefits, interest rates will increase to be competitive with other bonds. The increase in bond payments will increase the cost of construction projects funded by the bonds, and that cost will flow to local taxpayers.

Clearly, many cities have contacted their legislators to express concern about the repeal of the bond interest exemption. Many committee members contacted by League staff prior to the hearing were clearly aware of the negative impact on city borrowing costs. If the provision appears in the chair's delete-all omnibus tax amendment, we will alert cities to contact their House members.

The bill also makes significant changes to other aspects of the individual income tax as well as

the corporate franchise and occupation taxes, and modifies the sustainable forest incentive program, extends the suspension of the political contribution refund program, and clarifies the imposition of local lodging taxes.

Several of the most visible changes in the bill are limits on itemized deductions. More specifically, the bill would limit the itemized deduction for mortgage interest and the property tax itemized deduction for property taxes to the mortgage interest and property taxes on an individual's principal residence. The bill would also repeal the charitable contribution itemized deduction and the charitable contribution subtraction for non-itemizers and replaces them with a nonrefundable credit equal to eight percent of charitable contributions in excess of two percent of adjusted gross income or \$400, whichever is greater.

The bill was laid over for possible inclusion in the House omnibus tax bill. The full House omnibus tax bill will be released on Monday, April 15.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

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  - Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click "Post as (your name)."

## Senate to Consider Local Government Aid and Sales Tax Exemptions



**These bills impacting cities will be heard on Tuesday, April 9.**

(Published Apr 8, 2013)

The **Senate Tax Reform Division** (*Link to:* ) will be considering a number of bills impacting cities on Tuesday, April 9, including three bills that

would exempt purchases made by all cities from the state sales tax, a bill that would exempt purchases made by cities that do not receive local government aid (LGA), and the Senate companion to the LGA reform bill that has now been included in the **House Property and Local Tax Division** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=88026](http://www.house.leg.state.mn.us/comm/committee.asp?comm=88026)) report.

The bills that would exempt cities from the sales tax include **SF 1523** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1523&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1523&ssn=0&y=2013)), authored by **Sen. Ann Rest** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10558](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10558)) (DFL-New Hope), **SF 329** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0329&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0329&ssn=0&y=2013)) authored by **Sen. Dave Senjem** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10806](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10806)) (R-Rochester), and **SF 104** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0104&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0104&ssn=0&y=2013)), authored by **Sen. Chuck Wiger** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10713](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10713)) (DFL-Maplewood). According to the Minnesota Department of Revenue, these three bills would result in a savings to cities and counties in the first full year of implementation of roughly \$130 million. Although these bills exempt the majority of city purchases, they do not exempt purchases made by cities that are inputs to goods and services that are generally provided by a private business and the purchases would be taxable if made by a private business engaged in the same activity. **Sen. Roger Chamberlain** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1187](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1187)) (R-Lino Lakes) has a separate bill that would exempt purchases made by cities not receiving LGA from the state sales tax. Currently, there are approximately 120 cities that do not receive LGA. The savings to these cities has not yet been estimated by the Department of Revenue.

**Sen. Roger Reinert** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1167](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1167)) (DFL-Duluth) is the chief author of **SF 1491** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1491&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1491&ssn=0&y=2013)), the LGA reform bill that is the companion to the House LGA reform bill (**HF 1608** ([Link to: https://www.revisor.mn.gov/bills/bill.php?f=HF1608&b=house&y=2013&ssn=0](https://www.revisor.mn.gov/bills/bill.php?f=HF1608&b=house&y=2013&ssn=0))) introduced by **Rep. Ben Lien** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15405](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15405)) (DFL-Moorhead) and now included in the House Property and Local Tax division report.

Under SF1491/ HF1608, the LGA formula would be updated by using a three-tier LGA-need-factor calculation depending on the population of the city, with separate "need" calculations for cities under 2,500 population, cities between 2,500 and 10,000 population, and a third calculation for cities over 10,000 population. Statistical analysis showed that different factors explained variations in city revenue base for different size cities. All three formulas were derived using revenue base (levy plus aid) as a proxy for city need. The small city need calculation is based on a graphical analysis, and the medium and large city need calculations are based on regression analysis similar to the techniques used in previous LGA formulas.

The bill stabilizes the LGA system by modifying the method used to allocate the annual appropriation increase. Cities whose current LGA distribution is furthest from their unmet need will receive proportionally larger increases. The bill would also cap the maximum annual loss for any city which would allow cities to accurately plan for formula changes.

The bill also significantly simplifies the LGA system. The bill repeals seven pages of LGA statutes that are obsolete under this LGA proposal and eliminates several of the formula side pots.

Under the bill, 92 cities would experience a reduction in their LGA distribution. However, in the first year (calendar year 2014), the bill would prevent any reductions to cities. In the future, the bill would limit reductions to a yet-to-be-defined percentage of their previous year's levy.

As introduced, the bill does not specify an appropriation level, but the bill includes an annual inflation and population adjustment to the LGA appropriation that would be limited to between 2.5 percent and 5 percent per year.

We will report on the outcome of the hearing later this week in *The Third Reading* (*Link to: <http://lmc.org/page/1/third-reading.jsp>*).

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

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  - Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click "Post as (your name)."

## Organized Collection Issues Continue to Make Progress



**A second House committee approved the League-supported bill.**  
(Published Apr 8, 2013)

**The House Environment and Natural Resources Policy Committee** (*Link to:*

*<http://www.house.leg.state.mn.us/comm/committee.asp?comm=88010>*) passed **HF 128** (*Link to: [https://www.revisor.mn.gov/bills/bill.php?](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF128&ssn=0&y=2013)*

*[b=House&f=HF128&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF128&ssn=0&y=2013)*) (**Rep. Linda Slocum** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15283](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15283)*

, DFL-Richfield) on April 4 and sent it to the Rules Committee. The **House Rules Committee**

(*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88023>*) will decide whether to send the bill to the

**House Commerce & Consumer Protection Finance and Policy Committee** (*Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=88004>) for its final policy committee hearing in the House, even though policy committee deadlines to act on bills have already passed for the session. If the bill is approved to move on, it is expected that the House Commerce Committee would hear the bill.

This legislation removes the existing contentious 180-day mandated process for establishing organizing solid waste collection in a city and replaces it with a city being allowed to study the issue through the formation of a committee prior to any public votes being required. It includes language that was worked out between city interests and independent solid waste collectors that requires a 60-day negotiation before a study committee is established to allow existing licensed collectors to develop a proposal that meets community goals in an organized collection system while preserving the market share of each hauler.

The chance to have a first shot to keep their market share during a transition to an organized collection system was very important to those haulers. If that proposal is acceptable, the city may adopt an organized collection ordinance to execute that agreement, which can be anywhere from three to seven years in duration. Otherwise, the city can progress to formation of a committee and a study of a broader slate of options.

This legislation has been supported by the League and **Metro Cities** ([Link to: http://www.metrocitiesmn.org/](http://www.metrocitiesmn.org/)) and has passed all necessary committees in the Senate (**SF 510** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0510&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0510&ssn=0&y=2013)), **Sen. John Marty** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10403](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10403)), DFL-Roseville), where it awaits action on the Senate floor.

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

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3. Click Next.
4. Click "Post as (your name)."

## 15-Minute Advocate: Pass Resolutions on Street Improvement Districts and Sales Tax Exemption



Show your city's support for two League initiatives with a resolution or letter of support on legislation that continues to move.

(Published Apr 8, 2013)

### 1. Get Informed.

City support for the city sales tax exemption and street improvement districts initiatives has proven extremely effective in both educating and securing support from legislators. The League has previously written about both initiatives and continues to encourage cities to submit resolutions supporting it. Read on for a summary of resources related to both initiatives:

- **Sales Tax Exemption For City Purchases**

**SF 1523** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=senate&f=SF1523&ssn=0&y=2013>) (**Sen. Ann Rest** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10558](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10558)) , DFL-New Hope), **SF 329** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=senate&f=SF0329&ssn=0&y=2013>) (**Sen. Dave Senjem** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10806](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10806)) , R-Rochester), and **SF 104** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=senate&f=SF0104&ssn=0&y=2013>) (**Sen. Charles Wiger** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10713](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10713)) , DFL-Maplewood) would add local units of government to the list of entities that are exempt from sales tax on purchases. All three bills will be heard in the **Senate Tax Reform Division** (Link to: [http://www.senate.mn/committees/committee\\_bio.php?ls=88&cmtc\\_id=3068](http://www.senate.mn/committees/committee_bio.php?ls=88&cmtc_id=3068)) of the Taxes Committee on Tuesday, April 9 at 8:30 a.m.

A bill (**SF 1537** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=senate&f=SF1537&ssn=0&y=2013>) ) by **Rep. Roger Chamberlain** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15325](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15325)) (R-Lino Lakes) that would exempt sales tax on purchases by cities that did not receive local government aid in the previous calendar year will also be heard at the hearing.

The House companion is **HF 469** (Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF469&y=2013&ssn=0&b=house>) (**Rep. Peter Fischer** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15396](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15396)) , DFL-Maplewood). Coauthors include Rep. Leon Lillie (DFL-N. St. Paul), Rep. Ron Erhardt (DFL-Edina), Rep. JoAnn Ward (DFL-Woodbury), and Rep. Barb Yarusso (DFL-Shoreview). Two other bills (**HF 295** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF295&ssn=0&y=2013>) , Rep. Nick Zerwas, R-Elk River) and (**HF 466** (Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF466&b=house&y=2013&ssn=0>) , **Rep. Paul Anderson** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15301](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15301)) , R-Starbuck) were also introduced and heard in the **House Tax Committee** (Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88025>) .

Read this **Third Reading** (Link to: <http://www.lmc.org/page/1/salestaxexemptionresolution.jsp>) article for more information on the impact that this bill would have.

- **Street Improvement Districts**

This bill (**SF 607** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0607&ssn=0&y=2013>) / **HF 745** (Link to:

<https://www.revisor.mn.gov/bills/bill.php?b=house&f=HF745&ssn=0&y=2013>) would allow cities to collect fees from property owners within a district to fund municipal street maintenance, construction, reconstruction, and facility upgrades. If enacted, this legislation would provide cities with an additional tool to build and maintain city streets. Both bills have a mix of Republican and Democratic-Farmer-Labor (DFL) co-authors.

The Senate bill was heard in the **Senate Taxes Committee** (*Link to: [http://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=1019&ls=1](http://www.senate.mn/committees/committee_bio.php?cmte_id=1019&ls=1)*) on Monday, April 8 at 8:30 a.m. We expect it to continue to move through the process thereafter, so continued action by cities is crucial. The House bill met the committee deadlines and is currently awaiting a hearing in the **House Taxes Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88025>*).

**View the League's fact sheet and talking points (pdf)** (*Link to: <http://www.lmc.org/media/document/1/salestaxexemptionresolution.pdf>*)

**Access more background information on this bill** (*Link to: <http://www.lmc.org/page/1/streetimprovdistdeadlinemet.jsp>*)

## 2. Take Action.

Consider sharing your city's support for these city initiatives by passing a resolution (or a letter of support from your mayor) at your next city council meeting. Be sure to email or send your city's resolutions to [liaison@lmc.org](mailto:liaison@lmc.org) and to your legislators (contact information below). Thank you to cities who have already sent copies of resolutions.

**Find out who your legislators are and how to contact them** (*Link to: <http://www.gis.leg.mn/OpenLayers/districts/>*)

- **Sales Tax Exemption for City Purchases**

The League's FF-9 policy (page 91 of **2013 City Policies** (*Link to: <http://www.lmc.org/media/document/1/2013citypolicies.pdf?inline=true>*)) supports the reinstatement for sales tax exemption for all local government purchases. It also states that this exemption must not be coupled with cuts in local government aid (LGA) or other state shared revenues.

**Access Resolution Template for Sales Tax Exemption (doc)**

(*Link to: <http://www.lmc.org/media/document/1/salestaxexemptionresolution.pdf>*)

- **Street Improvement Districts**

League legislative policies LE-6 and LE-30 (pages 46 and 62 in **2013 City Policies** (*Link to: <http://www.lmc.org/media/document/1/2013citypolicies.pdf?inline=true>*)) support this legislation.

The League has already received more than 35 resolutions from cities supporting the initiative. Thank you to those cities that have already sent in their resolutions to Anne Finn. See a **photo of the resolutions** (*Link to: <https://www.facebook.com/photo.php?fbid=459200064156465&set=pb.160194134057061.-2207520000.1365187353&type=3&theater>*) submitted so far. We hope to continue to collect resolutions of support from cities in the coming weeks.

**View sample resolution for city council (pdf)** (*Link to: [http://www.lmc.org/media/document/1/samplers\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/samplers_streetimprovedist.doc)*)

*http://www.lmc.org/media/document/1/samplers\_streetimprovedist.doc*

**View sample letter of support for mayor's signature (pdf)** (*Link to:*

[http://www.lmc.org/media/document/1/samplemayorletter\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/samplemayorletter_streetimprovedist.doc)

**Access the compiled action toolkit for cities to advocate on this legislation** (*Link to:*

<http://www.lmc.org/page/1/street-improve-dist-support-resolutions-needed.jsp>)

### 3. Stay Involved.

Stay tuned to League publications for more information:

- Bookmark **Third Reading** (*Link to: <http://www.lmc.org/page/1/third-reading.jsp>*) for your source of legislative information in an up-to-date fashion.
- Follow #lmcleg on **Twitter** (*Link to: <http://www.twitter.com>*) to stay in touch with the latest legislative action on this issue.
- Follow IGR staff on **Twitter** (*Link to: <https://twitter.com/mimnesotacities>*) for updates on these bills and other legislation.

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

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[lziegler@lmc.org](mailto:lziegler@lmc.org) (*Link to: <mailto:lziegler@lmc.org>*)

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3. Click Next.
4. Click “Post as (your name).”

## House Jobs Finance Committee Passes Omnibus Jobs Finance & Policy Bill



**The House omnibus jobs bill is set to spend \$234.86 million for the upcoming biennium.**

(Published Apr 8, 2013)

The House Jobs and Economic Development Finance and Policy Committee (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88018>*) passed the omnibus jobs bill (**HF 729** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF729&ssn=0&y=2013>*), **Rep. Tim Mahoney** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10394](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10394)*), DFL-St. Paul) on Thursday, April 4.

The bill puts significant general fund dollars towards a number of economic development programs used and supported by Minnesota cities.

The bill includes:

- \$10 million in FY 2014 and \$10 million in FY 2015 for the **Minnesota Investment Fund** (*Link to: [http://www.positivelyminnesota.com/Business/Financing\\_a\\_Business/DEED\\_Business\\_Finance\\_Programs/Minnesota\\_Investment\\_Fund.aspx](http://www.positivelyminnesota.com/Business/Financing_a_Business/DEED_Business_Finance_Programs/Minnesota_Investment_Fund.aspx)*) (MIF). The base funding level for FY 2016-17 increases to \$13.75 million per year. Governor Dayton recommended \$30 million in his budget.
- \$18.5 million for the **Minnesota Job Creation Fund** (*Link to: <http://deeddevelopments.wordpress.com/2013/01/25/minnesota-job-creation-fund/>*), a new program proposed by Governor Dayton in his budget proposal.
- \$5.58 million from the general fund for the **Redevelopment Grant Program** (*Link to: [http://www.positivelyminnesota.com/Government/Financial\\_Assistance/Site\\_Cleanup,\\_Redevelopment,\\_Transit\\_Funding/Redevelopment\\_Grant\\_Program.aspx](http://www.positivelyminnesota.com/Government/Financial_Assistance/Site_Cleanup,_Redevelopment,_Transit_Funding/Redevelopment_Grant_Program.aspx)*) . Governor Dayton did not recommend additional funding for this program.

The League's legislative policies supports strong funding for MIF, a proven statewide development program that has been successfully used by dozens of Minnesota cities. The League also supports funding the Redevelopment Grant Program, which provides up to 50 percent of the redevelopment costs for cleaning up blighted properties. It is particularly important to use general funds for these programs because the funds provide greater flexibility than bonding dollars.

The Minnesota Job Creation Fund (MJCF) would to some extent replace the **Job Opportunity Building Zone** (*Link to: [http://www.positivelyminnesota.com/Business/Financing\\_a\\_Business/Tax-Free\\_Development\\_%28JOBZ%29/](http://www.positivelyminnesota.com/Business/Financing_a_Business/Tax-Free_Development_%28JOBZ%29/)*) (JOBZ) program, which is set to expire in 2015. Unlike JOBZ, the MJCF is available statewide. Qualifying businesses would need to expend at least \$500,000 in a construction project and create at least 10 new jobs, or expend at least \$25 million in capital investment, and retain at least 200 employees. Qualifying businesses would receive capital investment rebates of up to \$1 million and job creation award payments based on the wages paid to new employees. The Governor's budget proposal contained \$25 million for the program.

The omnibus bill will next be heard on Tuesday, April 9 in the **House Ways and Means Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88029>*). The Senate has not announced when its version of the bill will be released.

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## State Government Finance Omnibus Bill Passes to Ways and Means



**Bill would spend more than \$921 million on various state government departments and operations.**

(Published Apr 8, 2013)

After two hours of discussion, the **House State Government Finance and Veterans Affairs Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=88024](http://www.house.leg.state.mn.us/comm/committee.asp?comm=88024)) laid over the omnibus state government finance bill (**HF 1184** ([Link to: https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF1184&ssn=0&y=2013](https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF1184&ssn=0&y=2013)), **Rep. Mary Murphy** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10444](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10444)), DFL-Hermantown) on Thursday evening, April 4.

The bill, as currently amended, would spend \$921.4 million from the general fund in the next biennium, which is \$26 million more than the current base budget for fiscal years 2014 and 2015.

Articles one and two outline the allocation of funding for various state departments, councils and

agencies. Articles three through six are focused on policy changes and updates.

Some highlights of the bill most relevant to cities include:

- **Paid leave for military service:** Current law provides that state and municipal officers and employees may take up to 15 days annually of paid leave from their public employment for active military service, whether for purposes of training or deployment. This language clarifies that the public employer must allow the officer or employee to take such leave at the person's discretion, whether all at once or spread throughout the year. (Article three, section 1).
- **Veterans preference:** The bill authorizes towns and cities to give contract preferences to veteran-owned small businesses. The League worked with **Rep. Bob Dettmer** (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=15276>*) (R-Forest Lake) who initiated the language to ensure that the language was permissive and not prescriptive for cities. (Article three, section 10).
- **CTAS software fee:** The state auditor is authorized to charge user fees to local government entities for the City and Township Accounting System (CTAS). Currently, approximately 320 cities and 1,050 towns use CTAS to file audit reports with the state auditor and are not charged for using the software. The revenue from the fee would be used to pay for a necessary upgrade of the software and would be a one-time appropriation for \$250,000. After the upgrade is complete, the fees would go into the fund to pay for the "development, maintenance, and distribution" of the software. The language does not establish an annual fee, but the state auditor has indicated it would be approximately \$300 a year. (Article four, section 10).
- **Auto theft prevention surcharge:** This language transfers the collection of the automobile prevention surcharge from the Department of Public Safety to the Department of Revenue. This revenue helps fund automobile prevention efforts by local law enforcement agencies. There is no change to the underlying prevention programs. (Article 5, sections 9 and 10).

The bill was scheduled to be taken up again on Monday, April 8 at 12:30 p.m., and it is anticipated that there will be amendments considered at that time. Murphy, House State Government Finance and Veterans Affairs Committee Chair, has said that the bill will be voted on Wednesday, April 10.

The Senate state departments and veterans finance bill (it currently does not have a Senate file number) will be heard on Thursday in the **Senate Finance Committee** (*Link to:* ). It is authored by **Sen. Tom Saxhaug** (*Link to: [http://www.senate.mn/members/member\\_bio.php?mem\\_id=1056](http://www.senate.mn/members/member_bio.php?mem_id=1056)*) (DFL-Grand Rapids).

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## Omnibus Pension Bills Moving

**Two omnibus retirement bills have been approved by the Legislative Commission on Pensions and Retirement and will be moving through the legislative process in the coming weeks.**

(Published Apr 8, 2013)



The **Legislative Commission on Pensions and Retirement** (Link to: <http://www.lcpr.leg.mn/>), also known as the Pension Commission, has completed its work for the 2013 Legislative Session. This year, the Pension Commission produced two omnibus bills: omnibus retirement bill I covers system-wide noncontroversial provisions and omnibus retirement bill II contains provisions that required more consideration, such as legislation affecting the **Public Employees Retirement Association Police and Fire Plan** (Link to: [http://www.mnpera.org/index.asp?Type=B\\_BASIC&SEC={17E89BDA-4D0A-4693-A24A-1CD486D34E7A}](http://www.mnpera.org/index.asp?Type=B_BASIC&SEC={17E89BDA-4D0A-4693-A24A-1CD486D34E7A})) (PERA-P&F).

Included in omnibus retirement bill I (**SF 489** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0489&ssn=0&y=2013>), **Sen. Sandy Pappas** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10503](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10503)), DFL-St. Paul/ **HF 629** (Link to: <https://www.revisor.mn.gov/bills/bill.php?f=HF629&y=2013&ssn=0&b=house>), **Rep. Mary Murphy** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10444](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10444)), DFL-Hermantown) is a

provision that repeals PERA's little-used pre-age 62 supplement pension option. Another would allow unmarried couples covered by a survivor option pension to rescind that decision by joint agreement. Most of the other provisions of the bill that impact PERA are minor administrative and language changes. This bill has already passed the **State and Local Government Committee** (Link to: [http://www.senate.mn/committees/committee\\_bio.php?cmte\\_id=3061&ls=](http://www.senate.mn/committees/committee_bio.php?cmte_id=3061&ls=)) in the Senate and the **Government Operations Committee** (Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88013>) in the House.

The Pension Commission released the omnibus retirement bill II (SF 1191, Sen. Sandra Pappas, DFL-St. Paul /HF 1152, Rep. Mary Murphy, DFL-Hermantown) on April 2. It contains the PERA-P&F stabilization bill originally introduced as **SF 447** (Link to: <https://www.revisor.mn.gov/bills/bill.php?>

*b=Senate&f=SF0447&ssn=0&y=2013*) (**Sen. Sandra Pappas** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10503](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10503)*), DFL-St. Paul)/**HF 618** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF618&ssn=0&y=2013>*) (**Rep. Michael Nelson** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10779](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10779)*), DFL-Brooklyn Park). The provision is intended to address the funding shortfall faced by the PERA-P&F fund. If enacted, the modifications will affect all plan members, retirees, and employers.

The bill incorporates the following changes:

- Increasing active members' contributions by a total of 1.2 percent of salary, phased in over two years beginning in 2014. Thus, the current contribution rate of 9.6 percent would increase to 10.2 percent in 2014, and 10.8 percent in 2015;
- Concurrently, increasing employer contribution rates by 1.8 percent, phased in over the same two-year period. That would take employer contributions from the present 14.4 percent of salary to 16.2 percent;
- Capping initial retirement benefits at 99 percent of average salary (equivalent to 33 years of service) for individuals first enrolling in the plan after June 30, 2014;
- Increasing vesting for members enrolled in the plan after June 2014 to 50 percent after 10 years of service, and increasing 5 percent each year thereafter to fully vested after 20 years of service;
- Changing the early retirement reduction factor from 1.2 percent per year (2.4 percent for post-June 2007 members) to 5 percent per year. This would be phased in over 5 years starting July 1, 2014 (**click here for more detailed information and an early retirement calculator** (*Link to: [http://www.mnpera.org/index.asp?SEC={5B117C44-6B2A-4EA5-B255-3EBD8C49A568}&Type=B\\_BASIC](http://www.mnpera.org/index.asp?SEC={5B117C44-6B2A-4EA5-B255-3EBD8C49A568}&Type=B_BASIC)*));
- Setting benefit recipients' annual increases at 1 percent until the plan is back to 90 percent funded; and
- Delaying the first retirement increase paid to new retirees for three years (two years beyond current law).

Legislation that would implement a \$5 surcharge on auto and homeowner insurance policies to help fund public safety pension funds in the state has been moved out of the Pension Commission and is traveling on its own. Those bills, **HF 857** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF857&ssn=0&y=2013>*) (**Rep. Joe Atkins** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10753](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10753)*), DFL-Inver Grove Heights) and **SF 935** (*Link to: <https://www.revisor.mn.gov/bills/bill.php?f=SF935&y=2013&ssn=0&b=senate>*) (**Sen. Sandra Pappas** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10503](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10503)*), DFL-St. Paul) have progressed through committees and now are sitting in the House and Senate Taxes committees. The bills have received bipartisan support in committee hearings.

The Senate version of the surcharge bill has been converted into a general fund appropriation, based on an amendment offered by **Sen. Roger Reinert** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1167](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1167)*) (DFL-Duluth). Sen. Reinert was concerned about the regressive nature of the surcharge and, although his amendment converts the bill into a general fund appropriation, he is still seeking a modified surcharge that will be less regressive than the proposed surcharge.

The omnibus retirement bill II will begin its journey through the legislative process as soon as the week of April 8.

## Background

According to PERA's actuaries, the plan currently has a funding deficiency representing approximately 7.9 percent of active members' salaries. That means, absent any other changes to the plan, combined member and employer contributions would need to increase nearly 8 percent to fully fund the plan by 2038, the date mandated by law for full funding. Nearly all agree increasing contributions alone to address the problem is financially impossible. Although the 2012 merger of the Minneapolis fire and police relief associations with the P&F Plan bolstered the number of plan retirees, it does not factor into the plan's funding difficulties. The law providing for the merger mandates that any additional cost to the plan is the responsibility of the City of Minneapolis.

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## House Property and Local Tax Division Approves Omnibus Property Tax Article

**Bill includes LGA reform and funding as well as other tax modifications of interest to cities.**

(Published Apr 8, 2013)



**The House Property and Local Tax Division** (Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=88026>) concluded its work for the 2013 session last Wednesday by approving a 146-page delete-all amendment to **HF 2** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF2&ssn=0&y=2013>) (**Rep. Jim Davnie** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10126](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10126)), DFL-Minneapolis), a bill that will form the backbone of the broader, yet-to-be-released 2013 omnibus tax bill. We expect the full omnibus tax bill to be unveiled as early as next week.

The bill, which was approved without any amendments, includes a number of provisions of interest to cities including LGA formula reform and funding, an expansion of direct property taxpayer relief programs, and a new funding source for police and firefighter pensions.

The House chose not to restore the former homestead credit program, but instead the bill expands and renames the homeowner property tax refund as the "homestead credit refund" and also modifies the renter refund program. These two programs provide homeowners and renters a state-paid direct refund based upon the individual's property taxes paid relative to their personal income. The bill also requires the **Department of Revenue** (Link to: <http://www.revenue.state.mn.us/Pages/default.aspx>) to match property tax data submitted by each county with income tax and other data collected by the Department of Revenue and then notify potentially eligible homeowners of the program.

Additionally, the bill replaces the current LGA formula with a new formula that makes adjustments to an individual's city aid based on its "aid gap," or the difference between its current aid and its unmet need as measured by the formula. The LGA appropriation is increased by \$60 million from the current \$426 million to \$486 million for the 2014 calendar year distribution. In subsequent years, the appropriation is increased annually by the sum of the increases in the annual growth in inflation for state and local governments as measured by the implicit price deflator, and annual change in total city population. The annual growth factor is limited to a maximum of 5 percent and a minimum of 2.5 percent. For estimates of the impact of the LGA formula on individual cities, please refer to this spreadsheet that estimates the distribution under the bill at \$60 million:

**Comparison of current law LGA vs. LGA under HF 2(pdf)** (Link to: <http://www.house.leg.state.mn.us/hrd/issinfo/hf2delga.pdf>)

For more information on the House formula, please see **this earlier League article** (Link to: <http://www.lmc.org/page/1/board-LGA-2013.jsp>) (but note that the referenced spreadsheet reflects an \$80 million appropriation level).

The bill also imposes a \$5 annual surcharge on homeowners and automobile insurance policies, and dedicates the proceeds of the surcharge for specified fire and police pension purposes. The surcharge was proposed by **Rep. Joe Atkins** (Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10753>) (DFL-Inver Grove Heights) and **Sen. Sandy Pappas** (Link to: [http://www.senate.mn/members/member\\_bio.php?mem\\_id=1046](http://www.senate.mn/members/member_bio.php?mem_id=1046)) (DFL-St. Paul) to stem the erosion in the existing police and fire state aid programs. Over the past decade, funds dedicated to fire state aid have declined by more than 30 percent while police state aid revenues have declined by roughly 17 percent. The homeowner and automobile surcharges terminate when the funding ratios of the State Patrol Retirement Plan and the **PERA Police & Fire Plan** (Link to: [<http://lmc.org/page/1/cities-bulletin-print-page.jsp>\[4/8/2013 2:05:11 PM\]](http://www.mnpera.org/index.asp?Type=B_BASIC&SEC={17E89BDA-4D0A-4693-A24A-</a></p></div><div data-bbox=)

ICD486D34E7A}) equal or exceed 90 percent.

Fire surcharge (based on homeowner insurance) would generate an estimated \$7.5 million per year and would be distributed as follows:

- 17.342 percent to the **Public Employees Retirement Association** (*Link to: <http://www.mnpera.org/>*) (PERA) for deposit in the PERA Police & Fire Fund to reduce the funding deficiency in the plan;
- 8.658 percent to municipalities employing paid firefighters who have retirement coverage in the PERA Police & Fire Fund; and
- 74 percent for municipalities with volunteer firefighters.

Police surcharge (based on the automobile insurance) would generate an estimated \$15.5 million per year and would be distributed as follows:

- One-third as police state aid to be distributed to employing government entities; and
- Two-thirds to PERA (for deposit as a supplemental state aid in the PERA Police & Fire Fund) and to the **Minnesota State Retirement System** (*Link to: <http://www.msrs.state.mn.us/>*) for deposit as a supplemental state aid in the **State Patrol Retirement Fund** (*Link to: <http://www.msrs.state.mn.us/ptrf/>*).

The bill also converts the computation of levy, tax, spending, debt, and similar limits that are based on “market value” or “taxable market value” to estimated market value. These changes are needed as a result of the 2011 law that replaced the market value homestead credit with the market value exclusion, which inadvertently reduced the market-value based levy limits for EDAs, HRAs, and port authorities, as well as the calculation of each city’s net debt limit. These changes will restore these existing levy and debt limits by using the market value of the city before the homestead market value exclusion.

Other provisions of interest:

- Allocates \$1.5 million for border city enterprise zone tax reductions.
- Authorizes an optional adjustment to the original net tax capacity for TIF districts that suffered large reductions in captured tax capacity as a result of enactment in 2011 of the homestead market value exclusion.
- Includes special TIF law provisions for the cities of Bloomington, Ely, Glencoe, Maplewood, Oakdale, and St. Cloud, and the Dakota County Community Development Agency for a project in West St. Paul.
- Imposes a new \$1 per ton tax on silica sand extraction and a 3 percent tax on processing of silica sand.
- Modifies the distribution of taconite production tax revenues.
- Clarifies the treatment of accommodations intermediaries for local lodging taxes.
- Modifies existing local sales tax provisions for the cities of Clearwater, Central MN cities (St. Cloud-area cities), Proctor, and St. Paul, and also allows a new food and beverage tax and lodging tax in the city of Bemidji.

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## National Bipartisan Policy Think Tank Releases Report on Housing



**Report highlights areas of growth and opportunity in the future of housing.**  
(Published Apr 8, 2013)

Barry Ziggas, member of the **Bipartisan Policy Center** (*Link to: <http://bipartisanpolicy.org/>*) (BPC) Housing Committee, spoke to a group of housing developers and advocates at an event on Thursday, April 4. The event was organized by **Minnesota Housing Partnership** (*Link to: <http://www.mhponline.org/>*). It also featured **Congressman Keith Ellison** (*Link to: <http://ellison.house.gov/>*) and **Minnesota Housing Finance Agency** (*Link to: <http://www.mnhousing.gov/>*) Commissioner Mary Tingerthal.

### Housing Report

The recommendations of BPC's Housing Commission are the culmination of a 16-month process that engaged 21 individuals from varying backgrounds.

**View list of commission participants** (*Link to: <http://bipartisanpolicy.org/projects/housing/members>*)

The plan calls for reforms that would establish a new performance-based system for delivering federal rental assistance with greater devolution of responsibilities to state and local providers. The commission also proposes shifting existing resources to assist more effectively the most vulnerable households, and to preserve and expand the **Low Income Housing Tax Credit** (*Link to: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/training/web/lihtc/basics](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/lihtc/basics)*) program to increase the supply of affordable rental housing.

For first-time home buyers, the report emphasizes the importance of housing counseling as a means of preparing for home ownership. The commission also recommends proposals to enable seniors to “age in place” safely and affordably while integrating housing with health care and other programs. And for the one-third of Americans who live in rural areas, the commission recommends continued support for home ownership and rental assistance in those communities.

**Access the full report and other material online** (*Link to: <http://bipartisanpolicy.org/projects/housing>*)

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## Letter Supporting Tax-Exempt Status of Municipal Bonds Delivered to President Obama



**The letter is supported by the National League of Cities and the League of Minnesota Cities.**

(Published Apr 8, 2013)

A letter urging President Obama not to eliminate tax exemption for municipal bonds was signed by 14 senators, including Minnesota Senator Al Franken. Both Senators Franken and Klobuchar were encouraged by the League of Minnesota Cities to sign the letter.

The letter was sent prior to the release of President Obama’s budget, which is expected to be released on Wednesday, April 10, and could include a previously proposed limitation on the value of deductions and exemptions for high earners.

Signatures on the letter included:

- *Sen. Mark Begich (D-AK)*
- *Sen. Maria Cantwell (D-WA)*
- *Sen. Kirsten Gillibrand (D-NY)*
- *Sen. William Cowan (D-MA)*
- *Sen. Bernard Sanders (I-VT)*
- *Sen. Tom Udall (D-CO)*
- *Sen. Tom Harkin (D-IA)*
- *Sen. Elizabeth Warren (D-MA)*
- *Sen. Tim Johnson (D-SD)*
- *Sen. Barbara Boxer (D-CA)*
- *Sen. Mary Landrieu (D-LA)*
- *Sen. Heidi Heitkamp (D-ND)*
- *Sen. Al Franken (D-MN)*
- *Sen. Tammy Baldwin (D-WI)*

The League shared concerns about the impact that altering the tax treatment of municipal bonds would have on the ability of cities, counties, and states to manage their finances and invest in the future. Important services provided by local governments would be impacted, such as:

- power and water utilities
- police and fire protection
- road, airport, port, and housing infrastructure projects

This is part of a larger, long-term effort by the National League of Cities to preserve tax-exempt status of municipal bonds. The League of Minnesota Cities sent a similar message to the Minnesota congressmen and congresswomen in December when sequestration legislation would have automatically eliminated the tax exempt status on municipal bonds.

**Access more information and resources from NLC on this issue** (*Link to: <http://www.nlc.org/influence-federal-policy/advocacy/legislative-advocacy/protect-municipal-bonds>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

## Your LMC Resource

### Contact Heather Cederholm

IGR Liaison

(651) 281-1256 or (800) 925-1122

**[hcederholm@lmc.org](mailto:hcederholm@lmc.org)** (*Link to: <mailto:hcederholm@lmc.org>*)

### Contact Laura Ziegler

IGR Liaison

(651) 281-1267 or (800) 925-1122

**[lziegler@lmc.org](mailto:lziegler@lmc.org)** (*Link to: <mailto:lziegler@lmc.org>*)

## How to Post a Comment

1. Type your comment in the “Leave a message...” box.
2. Identify yourself (required) in one of these ways:
  - Click on a social media icon to sign in through your account, OR
  - Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click “Post as (your name).”

## Street Improvement District Support Resolutions Still Needed



**The League is asking cities to pass a resolution or write a letter to show support for street improvement district legislation.**

(Published Apr 8, 2013)

A League initiative that would allow cities to create street improvement districts has advanced through several committees and remains viable as the Legislature prepares for the post-break home stretch.

In an effort to demonstrate the broad city support that exists for this initiative, the League is seeking resolutions of support from city councils. If your council is unable to meet soon to pass a resolution, then please send a letter to your legislators from your mayor. Support from cities is critical to securing key votes from legislators who may not be familiar with the street improvement district initiative.

### The bills:

**SF 607** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF0607&ssn=0&y=2013>) : Authors: **Sen. Jim Carlson** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15245](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15245)) (DFL-Eagan) (chief author), Sen. John Pederson (R-St. Cloud), Sen. Scott Dibble (DFL-Minneapolis), Sen. Dave Senjem (R-Rochester), Sen. Ann Rest (DFL-New Hope)

**HF 745** (Link to: <https://www.revisor.mn.gov/bills/bill.php?b=House&f=HF745&ssn=0&y=2013>) : Authors: **Rep. Ron Erhardt** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10167](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10167)) (DFL-Edina) (chief author), Rep. Frank Hornstein (DFL-Minneapolis), Rep. Bob Gunther (R-Fairmont), Rep. Paul Torkelson (R-Hanska), Rep. David Bly (DFL-Northfield)

### What the bill does

This bill would allow cities to collect fees from property owners within a district to fund municipal street maintenance, construction, reconstruction, and facility upgrades. If enacted, this legislation would provide cities with an additional tool to build and maintain city streets.

The League has prepared an “advocacy toolkit” containing a fact sheet with talking points, a

sample city council resolution, and a sample letter to be signed by the mayor.

- **View the League's fact sheet and talking points (pdf)** *(Link to: [http://www.lmc.org/media/document/1/2013facts\\_streetimprovedist.pdf](http://www.lmc.org/media/document/1/2013facts_streetimprovedist.pdf))*
- **View sample resolution for city council (doc)** *(Link to: [http://www.lmc.org/media/document/1/sampleres\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/sampleres_streetimprovedist.doc))*
- **View sample letter of support for mayor's signature (doc)** *(Link to: [http://www.lmc.org/media/document/1/samplemayorletter\\_streetimprovedist.doc](http://www.lmc.org/media/document/1/samplemayorletter_streetimprovedist.doc))*

If your city passes a resolution or your mayor signs a letter of support, please send a copy to your legislators (**find them here** *(Link to: <http://www.gis.leg.mn/OpenLayers/districts/>)*) and to Anne Finn at the League of Minnesota Cities at **afinn@lmc.org** *(Link to: <mailto:afinn@lmc.org>)* .

**Read the current issue of the Cities Bulletin** *(Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)*

## Your LMC Resource

### Contact Anne Finn

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

**afinn@lmc.org** *(Link to: <mailto:afinn@lmc.org>)*

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  - Click on a social media icon to sign in through your account, OR
  - Register with Disqus by entering your full name in the first field and email address in the second field.
3. Click Next.
4. Click "Post as (your name)."



## Seeking Nominations: Minnesota Women in City Government Leadership Awards

**Nominate an elected or appointed female in government by May 10.**

*(Published Apr 8, 2013)*

**Minnesota Women in City Government** (*Link to: <http://www.mwcg.org/>*) (MWCG) will offer Leadership Awards to two outstanding women in Minnesota city government in 2013 and is seeking nominations. One award will be presented to an elected woman in city government, and another award will go to an appointed woman in city government. Both winners will be recognized for individual achievement in their city, as well as leadership and mentoring roles both inside and outside of their communities.

Nominations are now open for both awards. The MWCG Leadership Awards are open to all female elected and appointed Minnesota city officials. A panel of judges representing MWCG and the League of Minnesota Cities will determine the finalists and the winner of the awards. Current members of the MWCG Board of Directors are not eligible to be nominated for the award.

The two award winners will be honored at the MWCG Annual Meeting held during the LMC Conference in St. Paul on Wednesday, June 19, 2013 at a noon luncheon.

Nominations are due by **May 10**. Nomination Form and Nomination Statement should be emailed with attachments to **MLMarcoux@aol.com** (*Link to: <mailto:MLMarcoux@aol.com>*) or mailed to MWCG, c/o Marcia Marcoux, 1743 8th St. S.W., Rochester, MN 55902.

- **View the MWCG Leadership Award Program Overview and Nominating Statement information (pdf)** (*Link to: <http://www.lmc.org/media/document/1/mwcg2013nomrules.pdf>*)
- **View the MWCG Leadership Award nomination form (pdf)** (*Link to: <http://www.lmc.org/media/document/1/mwcg2013nomform.pdf>*)

### Past MWCG Leadership Award Winners

#### 2012

Andrea Lauer, Mayor, City of Royalton  
Jessica Rich, Administrator, City of Floodwood

#### 2011

Susan Banovetz, Mayor, City of Vadnais Heights  
Kandis Hanson, City Manager, City of Mound

#### 2010

Jane Robbins, Mayor, City of Pine City  
Lisa Vatsndal, Neighborhood Services Manager, City of Moorhead

**2009**

Pat Coupanger, Councilmember, City of Elmore  
Laurie Ahrens, City Manager, City of Plymouth

**2008**

Elizabeth Kuoppala, Councilmember, City of Eveleth  
Theresa Goble, Finance Director, City of Brainerd

**2007**

Brenda Johnson, Councilmember and Vice Mayor, City of Chatfield

**Read the current issue of the Cities Bulletin** ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

\* By posting you are agreeing to the **LMC Comment Policy** ([Link to: http://www.lmc.org/page/1/comment-policy.jsp](http://www.lmc.org/page/1/comment-policy.jsp)).

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**Your LMC Resource**

**Contact Heather Cederholm**  
Member Outreach Coordinator  
(651) 281-1256 or (800) 925-1122  
[hcederholm@lmc.org](mailto:hcederholm@lmc.org) ([Link to: mailto:hcederholm@lmc.org](mailto:hcederholm@lmc.org))

**For More Information**

**Contact Marcia Marcoux**  
MWCG  
[MLMarcoux@aol.com](mailto:MLMarcoux@aol.com) ([Link to: mailto:MLMarcoux@aol.com](mailto:MLMarcoux@aol.com))

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## Sign-Up Encouraged for the 2013 Policy Committees

**The meeting dates are set, and city officials and staff are now needed for the 2013 Policy Committees.**

*(Published Apr 8, 2013)*

As the 2013 Legislative Session begins its final push, the League is gearing up for summer policy development and policy committees.

2013 Policy Committees Meeting Dates:

### **2013 Policy Committees Meeting Dates:**

**Improving Service Delivery** (*Link to: <http://www.lmc.org/page/1/improving-service-delivery.jsp>*) (9:30 a.m.-12 p.m.)

- Monday, July 22
- Monday, Aug. 26
- Monday, Sept. 23

**Improving Local Economies** (*Link to: <http://www.lmc.org/page/1/improving-local-economies.jsp>*) (9:30 a.m.-12 p.m.)

- Tuesday, July 23
- Tuesday, Aug. 27
- Tuesday, Sept. 24

**Human Resources and Data Practices** (*Link to: <http://www.lmc.org/page/1/human-resources-data-practices.jsp>*) (1:30- 4 p.m.)

- Tuesday, July 23
- Tuesday, Aug. 27
- Tuesday, Sept. 24

**Improving Fiscal Futures** (*Link to: <http://www.lmc.org/page/1/improving-fiscal-futures.jsp>*) (9:30 a.m.-12 p.m.)

- Wednesday, July 24
- Wednesday, Aug. 28
- Wednesday, Sept. 25

Committee members typically serve for two-year terms; this year is the second year of the term. We always welcome new members.

All meetings will occur in the St. Croix Room, which is located on the first floor of the League building at 145 University Ave. W in St. Paul. There will also be a conference call-in option available for all meetings. More information will be sent to members before each meeting.

- **Sign up for one of our four 2013 policy committees** (*Link to: <http://www.surveymonkey.com/s/CZG9B8J>*)  
*Note: Members of last year's policy committees should sign up online here too.*

- **For more information on what policy committees do, or what it's like to serve on a policy committee, see this FAQ** (*Link to: <http://www.lmc.org/page/1/committee-signup.jsp>*)

**Read the current issue of the Cities Bulletin** (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

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**[lziegler@lmc.org](mailto:lziegler@lmc.org)** (*Link to: <mailto:lziegler@lmc.org>*)

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