

2022 Legislative Preview

Dates & Logistics

- January 31, 2022 - session begins
- February 15, 2022 - redistricting agreement deadline
- May 23, 2022 - session adjournment
- House: expected to remain largely remote. In person meetings and hybrid committee hearings will take place in the Capitol. House offices to remain closed to the public.
- Senate: expected to remain hybrid. Limited public access to Senate offices.

2021 Session Recap

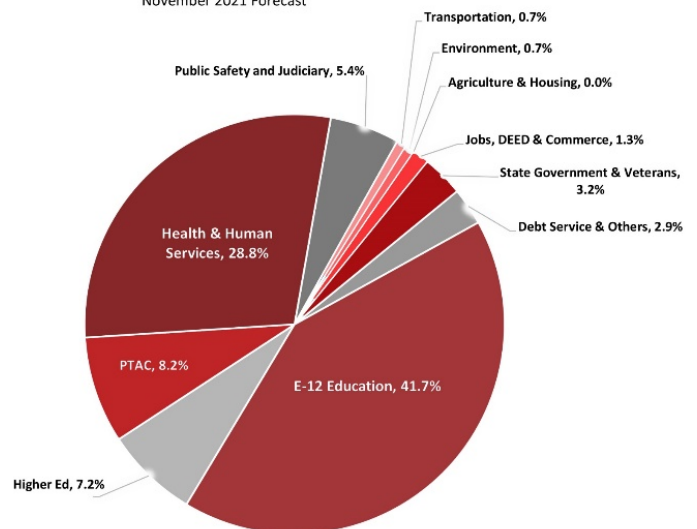
2,722 bills introduced in the House
2,643 bills introduced in the Senate
45 bills enacted into law

Any bill not passed is considered viable for the 2022 session

Budget

- \$7.7 billion forecasted budget surplus for the FY 2022-2023 biennium
- The FY 2020-21 biennium ended with a positive general fund balance of \$4.1 billion, \$2.9 billion higher than estimated at the end of the 2021 legislative sessions. The closing balance at the end of the biennium represents “money in the bank” available as a resource for the FY 2022-23 biennium.
- Total state general fund expenditures for the FY 2022-23 biennium are projected to be \$51.9 billion, \$364 million (0.7 percent) lower than previously expected.
- Total general fund revenues for FY 2022-23 are now forecast to be \$56 billion, \$5.1 billion (10.1 percent) more than the February 2021 forecast. Total tax revenues for the biennium are forecast to be \$53.4 billion

Where the General Fund Dollars Go



How the 2020-2021 legislature has allocated general fund dollars.

Beginning budget - \$54.5 M

Spent - \$47.4 M

After supplementing the Budget Reserve, Cash Flow Account, and Stadium Reserve, plus appropriations unspent – Carry Forward \$4.1 M



Bonding

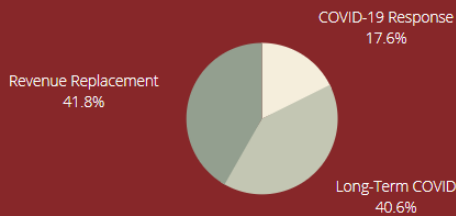
- A record \$5.5 B in requests have been made.
- In 2020, the bonding bill appropriated \$1.9 B.
- Of the current requests, \$4.2 B come from state agencies, and \$1.2 B from cities, counties and local entities.
- Gov. Walz is expected to release his recommendations by Jan. 17.



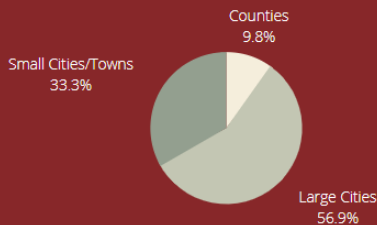
Redistricting

- Every 10 years, based on the new census data, Congressional and Senate district boundaries are redrawn. The Minnesota state legislative districts are also redrawn.
- Feb. 15 deadline for Congressional, Senate, and House district maps.
- March 29 deadline for municipal district maps.
- April 26 deadline for local government election districts maps.
- Chief Justice Gildea has named the panel of five judges to the commission that will draw the maps in the event the legislature cannot agree by the deadlines.

State Allocated Funds



Municipality Allocated Funds



American Rescue Plan Federal Funds

- Minnesota received est. \$8.5 billion in federal funds.
- Cities, counties, and townships received est. \$2.1 B.
- Of that, \$1.11 B goes to the counties, \$644 M to the 21 largest cities, and \$377 M goes to remaining cities and towns.
- The state received \$2.833 billion - \$500 M for COVID-19 response to be allocated by Governor Walz, \$1.1 B for long-term COVID-19 response to be allocated by the legislature, and \$1.2 B in revenue replacement.
- \$3.5 B is allocated to program specific federal funds.

Rent Control & Assistance

- New rent control measures passed in St. Paul and Minneapolis during the 2021 elections.
- St. Paul: capped annual rent increases at 3%.
- Minneapolis: voted to allow city council to draft rent control measures as part of their charter.
- Minnesota has received 65,619 applications for rental assistance, totaling \$398.4 M requested. More than \$273.9 M has been paid in over 58,640 payments.



Other Key Issues to Watch

Changes to MN liquor laws, sports betting, public safety and police reform, ongoing COVID-19 response measures, and election security.

