

## 2023 Session – Wrap Up

Fast and furious legislative session passes record number of bills

### Winners:



- **Construction Workers** – A bonding bill finally passed along with an increase in the gas tax to pay for road maintenance.
- **Taxpayers** – Rebate checks are in the mail! Social Security benefit recipients will be exempt from taxation for those making \$100,000 or less and reduced for those making up to \$140,000. New renter's and child tax credits were also passed.
- **Pot Lovers** – Legalized adult-use recreational cannabis.

### Losers:



- **Odds Makers** – Legalized sports betting didn't cross the finish line.
- **Online Shoppers**- expect to pay more for delivery of that Amazon package or food delivery over \$100 via a new delivery tax.
- **Businesses** – increased taxes and mandates make the Minnesota business climate more challenging.

### \$17+ Billion Budget Surplus, a Democrat Trifecta, More Investment and More Tax Increases

After six years of split partisan control and “gridlock,” the Senate and House have DFL majorities and Governor Walz is also a DFLer. This “trifecta” allowed for a record number of bills to be introduced and passed.

The speed of work and the process were often criticized, but advocates were excited for the opportunities the trifecta presented. The budget increased from approximately \$52B to close to \$72B.

In most years, highlights would cover many of the important provisions of the session. Given the extensive new initiatives, we only have room to share highlights of some of the bills passed this session. If you have questions or would like further details, please contact us.

### PASSED INTO LAW

- **\$1B for [Housing](#)** – Legislators agreed to spend an historic amount on like rental assistance, first-generation homebuyer support, lead removal and sprinkler retrofitting, and implemented a .25% tax on the seven-county metro-area to generate funds for housing projects.
- **\$2.2B additional for [Education](#)** – A “floor” and “ceiling” was set on the per-pupil formula, tying it to inflation and ensuring schools will be able to keep up with the costs.
- **\$1.5 billion for [Transportation and Transit funding](#)** – this includes an inflationary increase in the gas tax, a 50 cent delivery fee, with certain restrictions, and another .75c. metro-area sales.
- **[Paid Family and Medical Leave](#)** passed into law after years of attempts by advocates. The resulting bill will not come into effect until January of 2026. The bill provides 12 weeks of family leave and 12 weeks of medical leave with a cap of 20 weeks, with a 0.7% payroll tax to pay for it.

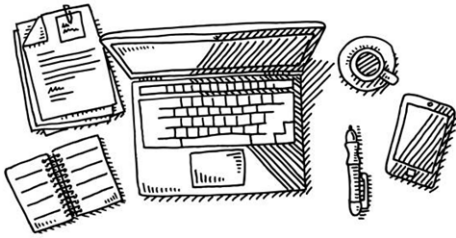


# 2023 Regular Session – Wrap Up

## Bonding and Taxes

### Tax Credits & Rebate Checks

- The [tax bill](#) reauthorized the historic credit for another eight years
- authorized rebate checks for those with income up to \$75K for single filers and \$150,000 for joint filers, enacted a new \$1750 per child tax credit, and a renter's credit.

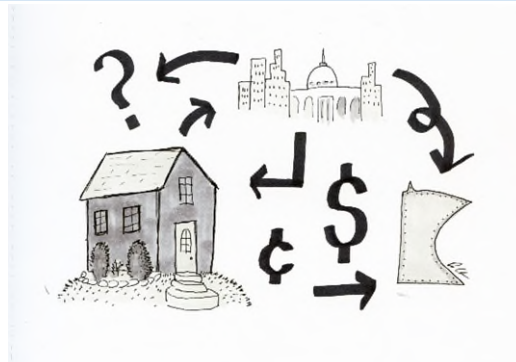


### Bonding Bill

After failing to pass a bonding bill in the last three years, the legislature worked out a deal in the final stretch of session to pass two Capital Investment bills in 2023:

- [HF669](#) issued \$1.5B in bonds, \$220M of which are transportation projects and \$225M in GO cash
- [HF670](#) spends an additional \$870M in cash on infrastructure projects.

**FAST FACT:** All bills not included in an omnibus or passed as a standalone are now returned to the last committee that had possession and may be heard and acted upon during next years' session.



**Note:** The legislature is adjourned until February 12, 2024.  
The Governor may call the legislature back for a Special Session if he feels there is a need.

### Election Dates

#### *Municipal Elections*

August 8<sup>th</sup> – Primary Election

November 7<sup>th</sup> – General Election

