



May 12, 2022

Members of the Omnibus Jobs, Energy and Commerce Policy and Supplemental Appropriations Conference Committee,

On behalf of the 837 member cities of the League of Minnesota Cities, we thank you for the opportunity to submit comments as the Conference Committee considers differences between the fourth engrossment of SF 4091 and the first unofficial engrossment of SF 4091. Below are our comments regarding sections in several articles of the omnibus bill.

**Redevelopment Grant Program (*Jobs Appropriations, House R5*)**

We strongly support the House appropriations language in Article 1 that provides \$5 million in funding for FY 23 for the Redevelopment Grant Program. Redevelopment is a critical part of local economic development and this program helps cities demolish obsolete buildings, develop infrastructure, and make necessary site improvements for new construction. Unfortunately, the program has not received a base appropriation since 2016 and has relied on internal fund transfers from already oversubscribed economic development grant programs.

**Workforce Development Fund (*Jobs Appropriations, House R4*)**

The League supports the House appropriations language in Article 1, Section 2, Subd. 3(c)(1) that provides \$25,750,000 in funding for FY 23 for the Workforce Development Fund. It is critical for the future of our state and local economy to support efforts that provide incumbent worker training and education to improve workforce readiness, which will ensure Minnesota's workforce continues to be able to fill skilled worker gaps and keep jobs and employers in our communities. We also appreciate the dedicated resources in the bill that specifically supports competitive training programs for Black, Indigenous, and people of color.

**Paid Family Leave (*House Article 3*)**

The League continues to have concerns with the Paid Family Leave provisions in House Article 3, including:

*Opt-out.* The opt-out provision (House Art. 3, Sec. 15) does not provide for a subgroup of city employees to opt out. Cities negotiate with multiple collective bargaining units and one unit may want to opt out while another may want to utilize the program and subsequently pay the tax to do so. We suggest adding language which allows a bargaining unit of employees to opt out of the program if their benefits meet the requirements of the bill.

*Requirement to use employer-provided paid leave before applying to DEED.* An employee who uses the leave provided by this program could return to employment and immediately take additional paid leave or vacation, thereby extending beyond the 12 (or 24) weeks allowed by this proposal. Additionally, many employees would prefer to utilize accrued paid leave benefits first as they will often be closer or equal to their standard wages than benefits under this chapter. We suggest adding language to allow employers the option to require the use of all or most of an employee's accrued paid leave before utilizing the state program.

*Total of 24 weeks of paid leave.* The House bill (House Art. 3, Sec. 8, Subd. 5) allows an employee to take both 12 weeks of medical leave and 12 weeks of paid parental leave in the same year. This may make it very difficult to provide essential city services, including police and fire services. We suggest amending the bill to

allow an employer to deny leave in situations that create undue hardship for the employer, similar to the undue hardship standard in the American Disability Act when providing for “reasonable accommodations.”

*Two week waiting period for notification from the DEED.* With the two-week notification timeline for DEED (House Art. 3, Sec. 11), it will be very difficult for an employer to assist an employee needing to take leave and accommodate the leave if neither the employee nor employer know whether the application has been approved by DEED for two weeks after leave has been applied for. We suggest amending the bill to require DEED to respond within five working days to an application for paid leave.

**Catalytic Converter Theft Prevention (*Commerce Finance and Policy, House R73-R76*)**

The League supports the provisions in House Article 30, Sections 3-11 that address the growing problem of catalytic converter theft. The provisions are consistent with the League’s policy calling for more accountability by scrap metal dealers and making it unlawful for a person who is not a registered scrap dealer to possess a used catalytic converter that is not attached to a motor vehicle under most conditions.

**Local Climate Action Plans (*Energy Finance and Policy, House R7 and R102/103*)**

As climate patterns change and precipitation events become more significant, Minnesota cities are faced with considering changes to local plans, land use, transportation systems, and water-related infrastructure to adapt to those situations to prevent and mitigate impacts. The creation of a local planning grants program to assist cities in getting this work done as quickly as possible is extremely helpful, especially in light of the added federal resources being made available in the short term for public infrastructure projects. The League supports the policy and funding in these sections.

**Community Transition Assistance (*Energy Finance and Policy, Senate R12 and R14*)**

Cities that host electrical generation facilities have seen severe impacts on local economic activity and tax revenue when facilities have been closed or seen large employment and valuation changes as part of utility energy transition efforts. Past legislative support for helping ease those impacts has been greatly appreciated and the need continues for the state to play that role for those communities. The League supports the additional funding and extension of the timeline of fund availability proposed in these sections.

Thank you for taking the time to discuss and consider these important places where policy and funding provisions in this omnibus bill and funding intersect with city efforts to promote economic development and protect public health and the environment. If the League can be of any further assistance as this bill moves forward, please let us know.

Sincerely,

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