

2022 Regular Session – Wrap Up



MN Divided Legislature Brought Disappointments and Success



Winners:

- **Liquor Lovers** – More ways to enjoy Craft Distilleries and Breweries.
- **Hunters and Environmentalists** – Millions in funding for our Minnesota Habitat.
- **Farmers and Rural Minnesotans** – The Ag/Broadband omnibus bill had \$210M for broadband grants and \$18.4M for drought relief.



Losers:

- **Odds Makers** – Legalized sports betting didn't cross the finish line.
- **"Mini-sotans"** – The education omnibus bill, with funding for special education cross-subsidy and literacy didn't pass.
- **Grandpa and Grandma** – The tax bill had included elimination of the social security tax, but didn't pass.

Budget Surplus of \$9.3 Billion + \$1.2 Billion in Federal Covid-19 Relief

PASSED INTO LAW

- **\$2.7 Billion for Unemployment Insurance** – Legislators agreed to spend \$2.7B to replenish the unemployment insurance trust fund and pay back the Federal Government.
- **\$500 Million for Frontline Worker Hero Pay** - \$500M designated for "hero pay" to reward frontline workers with \$750 bonus checks.
- **\$890 Million for Reinsurance** – The MN Premium Security Plan was extended for three years and included some policy changes to help stabilize the individual and small-group health insurance market.

A \$12 Billion (over three years) global agreement was reached with one week before session was to adjourn.

- \$4 Billion Tax Cuts
- \$4 Billion Spending
- \$4 Billion Bottom Line

In the past several years leadership has come to a "global agreement" as a framework to complete the work for the session. The agreement is brought forward by the House Majority DFL, the Senate Republican Majority and the Governor.

This year they were unable to meet the adjournment deadline despite the global agreement. Almost all of the remaining funds will fall to the bottom line to be available next year.





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Other Issues

Taxes

A deal was struck by the conference committee that included elimination of the social security tax, a significant renters' credit and a reduction in the general levy. Despite the agreement the conference committee report was never brought to a vote.

Bonding Bill

While no official public statement was made by either Chair, conflicting reports from insiders led us to believe there was not an agreement when session adjourned.

Public Safety

The House DFL focused on community supports and investigatory services, while the Senate GOP cornerstone issue was more funding for law enforcement. Both sides were unable to come to an agreement and the bill stalled.

Paid Family and Medical Leave & Child Care

The answer to the question of Paid Family and Medical Leave will not be resolved this year. The tax agreement also contained an increase in the child and dependent care tax credit which was not passed with because it was part of the tax bill.

Please note: At the time of this writing, the legislature is adjourned until January 3, 2023. The Governor may call the legislature back at any time for Special Session. During the Special Session, the legislature may set the agenda and adjourn at it's discretion. Traditionally there is a pre arranged agreement with leadership before the Governor will call a Special Session.

Nearly a quarter of legislators are leaving the legislature (45 members).
In addition, 11 House members are running for the Senate and one Senator is running for the House.

