GMNP
GREATER MN PARTNERSHIP

2026 Session Wrap-Up

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Executive Director of GMNP

FACTORS - 2026 LEGISLATIVE SESSION

The 2026 Legislative Session was driven by some key elements:

- Ongoing fraud investigations and prosecution
- Gun violence
- Federal immigration enforcement actions
- Constrained state fiscal resources and a reduction in federal funding
- Election politics + Large number of legislative retirements
- Tied House – Senate +1 DFL seat, lame duck Governor

GMNP Legislative Advocacy

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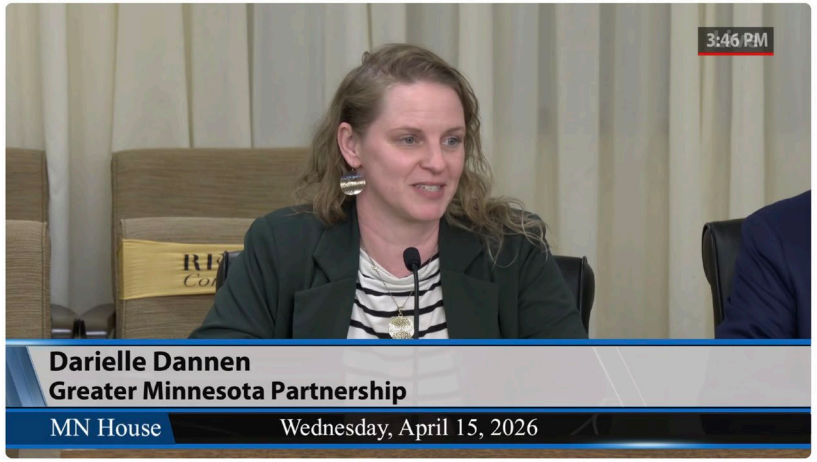
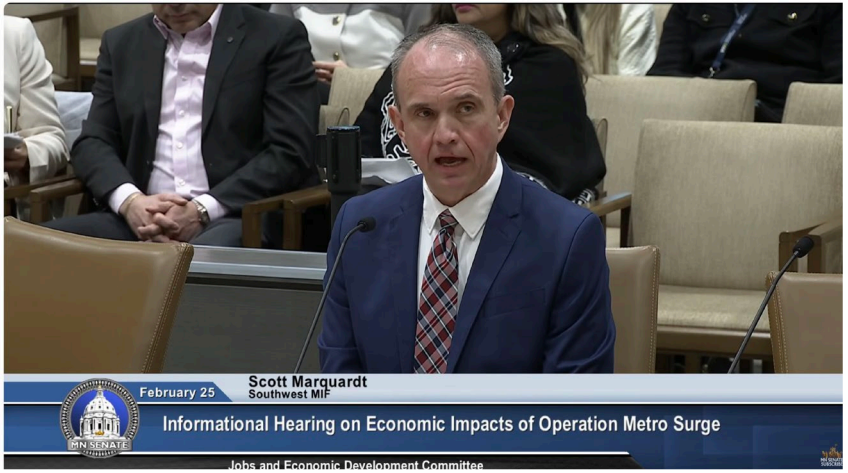
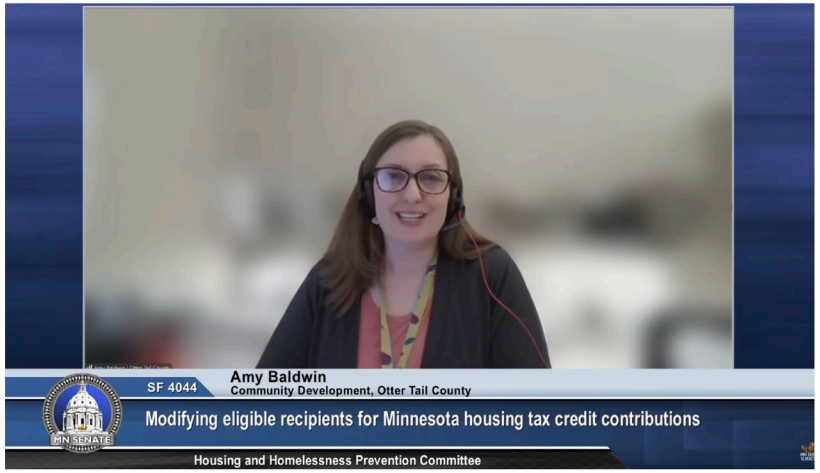


GMNP SHOWED UP!

- Testimony
- Legislative outreach
- Day at the Capitol
- Feedback and collaboration during session
- We worked on 14 different bills

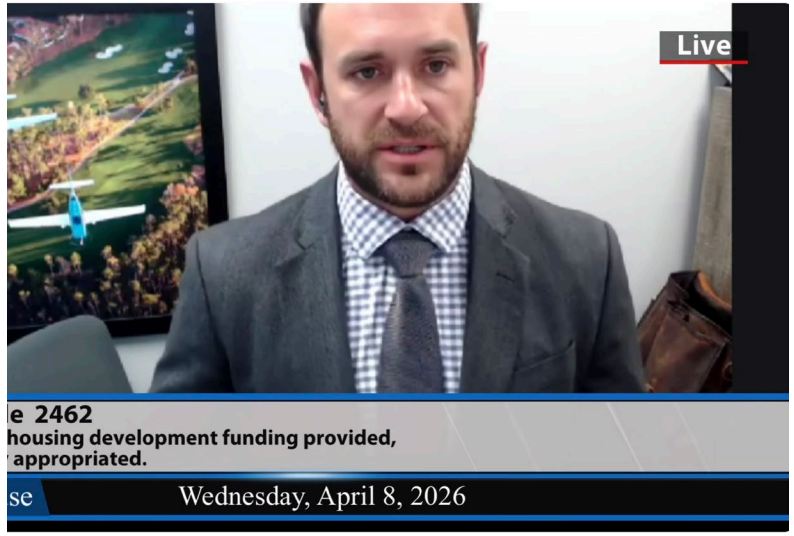




GMNP ADVOCACY

We have the best members!

Thank you everyone who testified this legislative session!



Outcomes 2026 Legislative Session

HOUSING

HOUSING

Program	Final – Chapter 100
Workforce Housing Development Program	$14.3 million one-time
Housing Infrastructure Bonds (HIB)	$100 million

HOUSING POLICY – LAND USE & ZONING

- We continued to participate in the ongoing conversations about proposals that would preempt local land use and zoning decisions from local governments

- Again, this year **those proposals failed to advance**, with opponents expressing their opinion that the proposals continue to be overbroad and complex

HOUSING POLICY – FISCAL TRANSPARENCY

Makes changes to Minnesota Housing’s authority around interest income on state appropriated funds.

- Modifies a report on operating costs to include earnings from investments and Minnesota Housing's projected biennial costs
- Requires Minnesota Housing to use 25% of their aggregated earnings from investments of their state appropriations beyond funds needed to administer programs for comparable purposes than originally appropriated for
- Required to notify chairs and minority leads when transferring funds between programs receiving state appropriations
- Legislative report due Feb. 15, 2027, on how to provide legislative fiscal staff with access to Minnesota Housing’s accounting subsystem

ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

- Increased federal immigration enforcement efforts had a sizable **economic impact** on **small businesses** in key communities in Greater Minnesota
- We worked in coalition to **advocate for state support** for impacted businesses
- Those efforts were ultimately **unsuccessful**
- The lack of a small business recovery package was also a **barrier** to a Jobs Omnibus bill passing

TAXES

OMNIBUS TAX BILL

- **Federal Tax Conformity** – Makes multiple changes to decouple the state from the federal tax preference for Opportunity Zones.
- **Changes to the Dependent Care Credit** – Doubles the dependent care credit to $6,000 for taxpayers with two dependents.
- **Sustainable Aviation Fuel** – Expanded current tax credit structure by extending availability through tax year 2036 and increasing the credit allocations for fiscal years 2026 and 2027. Any unallocated credits can be carried over.

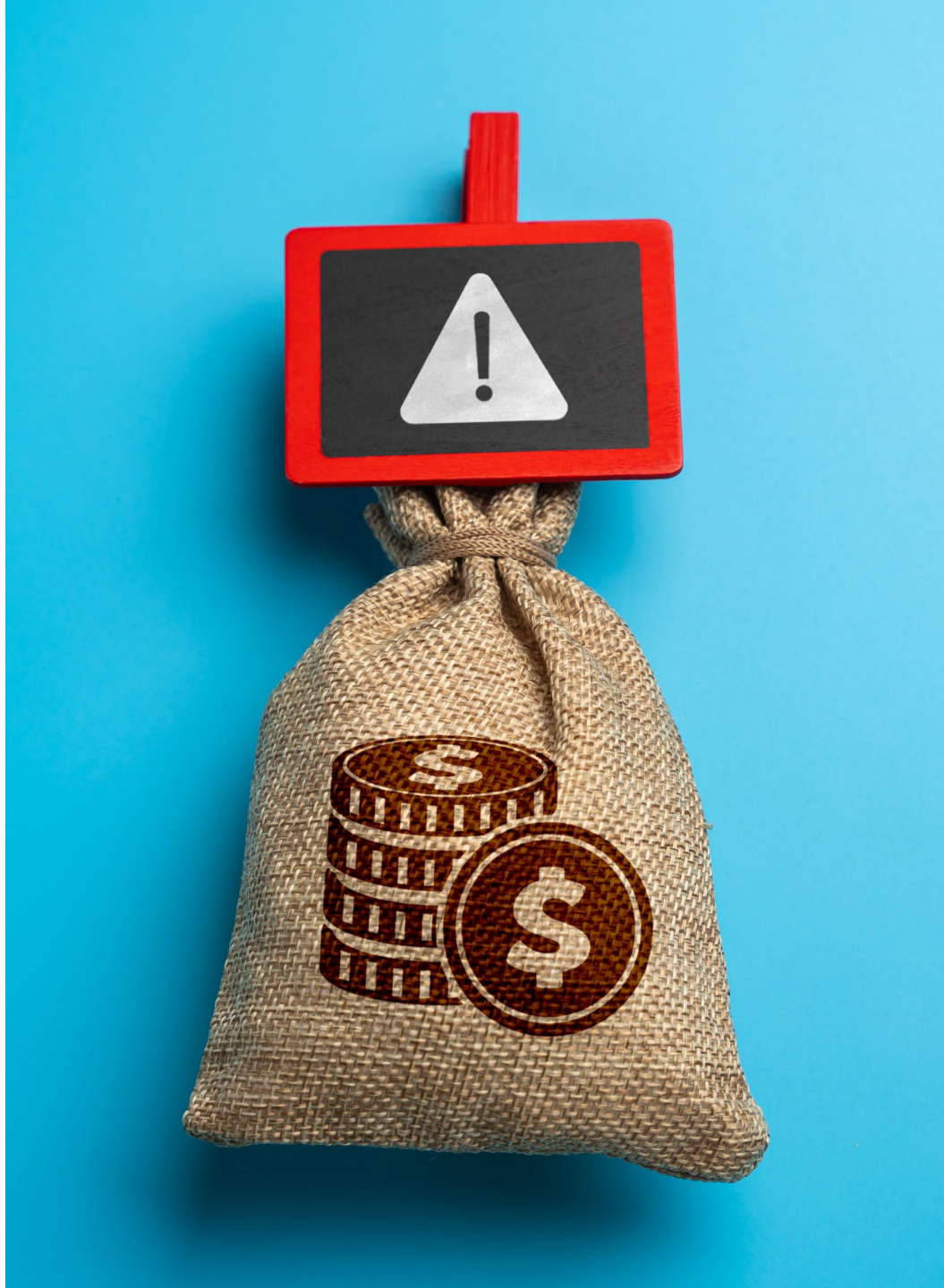
NOT INCLUDED: State Housing Tax Credit changes
Changes to housing TIF in Greater Minnesota

CAPITAL INVESTMENT

BONDING PACKAGE

Appropriates **$1.2 billion** incorporating H.F. 719, which includes the GO provisions (cash is in the sister-bill H.F. 2484). H.F. 719 includes:

- **$2 million** – Greater Minnesota Business Development Public Infrastructure program (BDPI)
- **$2 million** – Innovative Business Development Public Infrastructure program (IBDPI)
- **$2 million** – Transportation Economic Development Infrastructure program (TEDI)
- **$2 million** – DCYF early childhood facilities grants



CHILD CARE

CHILD CARE POLICY CHANGES

Child Care Licensing Modernization policy changes are the culmination of five years of work to put in place **updated licensing standards** and a **risk-based inspection process** with **licensing reports** that are **accurate** and reflect the **safety** and **quality** of child care.

- **Article 12** – Child Care Center Licensing Modernization
- **Article 13** – Family Child Care Licensing Modernization

WHAT'S NEXT?

Campaigning has started in earnest!

- Governor
- House and Senate control
- Other constitutional officers

DISCUSSION

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