

Excerpt of Legislative Up-date provided by the MN Association of School Administrators written by Ms. Valarie Dosland – MASA Lobbist. *Dec. 2022*

The 2023 election season once again brought an unexpected change in the political dynamic at the state legislature – a DFL trifecta in the governor’s office, the state senate, and the state house of representatives.

Senate Democrats now hold 34 seats, Senate Republicans hold 33. House Democrats continue to have 70 seats, House Republicans hold 64 seats.

Because of the large number of retirements and election changes, there will be a lot of new faces to get to know. Twenty-eight percent of the members are new to the capitol (71 new members in both bodies). The legislature is also growing more diverse with each election – at least 35 out of 201 members of next year’s House and Senate identify as people of color.

It will take some time for the dust to settle now that the election is over. The first month following the election is busy for incoming legislators. After voting on party leadership, caucuses in both bodies sort out committee structure, appoint new committee chairs, and make committee assignments. In addition, members will have to settle into their offices and pick their seats in the respective chambers. It will not be until closer to the start of the 2023 session for the dust to settle.

Shortly after the election, each caucus met to elect leadership. Senator Kari Dziedzic (DFL-Minneapolis) was elected Majority Leader. The Senate DFL caucus also elected Senator Bobby Joe Champion (DFL-Minneapolis) as President of the Senate, Senator John Marty (DFL-Roseville) as Finance Chair, and Senator Ann Rest (DFL-New Hope) as Tax Chair. Senator Mark Johnson (R-East Grand Forks) was elected Minority Leader.

In the House, Representative Melissa Hortman (DFL-Brooklyn Park) was chosen again as Speaker of the House. Representative Jamie Long (DFL-Minneapolis) was elected Majority Leader, and Representative Lisa Demuth (R-Cold Spring) was elected Minority Leader.

House and Senate leaders also established their respective committee structures and appointed new committee chairs.

Senator Mary Kunesh (DFL-New Brighton) will chair the Education Finance Committee, and Senator Steve Cwudzinski (DFL-Eden Prairie) will chair the Education Policy Committee. Representative Cheryl Youakim (DFL-Hopkins) will chair the House Education Finance Committee, Representative Laurie Pryor (DFL-Minnetonka) will chair the House Education Policy Committee, and Representative Dave Pinto (DFL-St. Paul) will chair the House Children and Families Committee.

### **Looking to the 2023 legislative session**

With the DFL in control, several issues now have legs that previously did not with a divided legislature. Most notably, the governor and the DFL leadership highlight education funding as a top priority. Other issues include paid family leave and the legalization of recreational marijuana, among several other hot-button topics.

Regarding education issues, because it is a budget-setting year, the per-pupil formula will be on top of mind and also reducing the special education cross-subsidy. Several other funding items may advance. They include English Learner funding, universal free meals, student mental health and safety, and incentives to attract new teachers into the workforce. Some policy items that could advance include proposals for alternatives to suspension and exclusion, new graduation requirements, and unemployment protections for hourly school employees.

### **Budget Surplus Ahead**

At the beginning of the 2022 legislative session, the state had a \$7.7 million budget surplus which grew to \$9.25 billion with the February forecast. This was in addition to \$1 billion in unspent federal COVID-19 relief money. While they passed some spending provisions last session, the legislature left over \$7 billion on the bottom line due to failed budget negotiations.

On December 6, the Minnesota Management and Budget (MMB) Department released the November forecast that showed a budget surplus of \$17.6 billion for the next biennium. This

surplus is a result of several factors including unspent surplus from the last session, increased tax collections, and reduced state spending. For this biennium, \$12 billion is considered one-time but MMB expects an ongoing surplus in future biennia, even though inflation does add some uncertainty.