



January 22, 2026

Chair Noor, Vice Chair Pratt, and members of the Legislative Budget Oversight Commission,

On behalf of the Association of Minnesota Counties (AMC) and the League of Minnesota Cities (LMC), we thank you for taking the time to contemplate how to best understand legislative impacts on local governments and whether to make updates to the local impact note process. In addition, we appreciate the proactive outreach the Legislative Budget Office took to communicate to our associations prior to this meeting. Much of the context of those conversations is included in comments below.

Firstly, we appreciate and understand the tough task LBO has in balancing immediacy of legislative response vs. the importance of providing full, robust, and meaningful information. These two priorities are naturally in conflict with one another but also do not present an obstacle so significant as to preclude a reasonable solution.

In conversations with LBO this month, counties and cities suggested a “both and” approach of producing a quick, high-level impact note with highly summarized impact areas (including operational, staffing, and fiscal/levy impacts) along with an opportunity for legislators to request a more detailed, comprehensive review/assessment that follows the timing of current reports. The former provides legislators with quick turnaround time and still capture broad areas of local impacts. When available, the Office could still include small sampling of “example” impacts from cities and counties across the State while reserving for more thorough statewide analysis until later. We have also suggested incorporating a formatted summary impact box similar to the revenue estimates used in tax committee that would offer a clearer visual aid to legislators and the public of categories of potential local impact. This nonpartisan, professional tool has been useful in tax committee when legislators deliberate complex policy with contrasting interest group opinion.

We believe this two-fold approach allows the Legislature to receive quick input while also holding the prospects for a more detailed and data analytic approach that reflects the depth and statewide participation expected in the current LBO process. Lastly, we caution against treating the LBO fiscal note process as a mandated function of local governments given the non-uniform ability to allocate resources to timely participation and the potential effect mandated participation would have in relations with the Office.

Again, we thank both the Legislature and LBO for their thoughtfulness in approaching this critical function and for including local government voices in the process. We share the common goal of ensuring that the Legislature receives accurate and comprehensive information about how proposed laws would affect local governments and the services they provide to Minnesotans and stand ready to assist in the forthcoming months.

Sincerely,

Beth Johnston,  
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