

Public Policy Update | December 2024

2024 Elections

The results of the 2024 election are, for the most part, fully settled. In Minnesota, Kamala Harris won the state with 4.25% margin. Operatives on both sides acknowledged that 4% was the likely over-under for a state House flip, and it appears we're currently tied 67-67 with two DFL wins being challenged in the courts. The results of these challenges are unlikely to be resolved before the legislature begins on January 14, 2025, and we anticipate the tie will hold.



A tied House hasn't happened since the late 1970s, so we're in uncharted waters here, with questions about power control in a chamber that lacks real physical office space as their 'State Office Building' is under major renovation and expansion for the next two years. Power-sharing negotiations have reportedly been successful thus far, and they've announced the committees will all be co-chaired equally by the two parties. Committee memberships, and other details for the upcoming session are to be determined.



The state Senate will remain in DFL control 34-33 as the Ds held onto Senate District 45 (deep western suburbs). Woodbury DFLer Nichole Mitchell's felony burglary charge and pending trial will haunt this chamber for many months to come.

MMB Budget Forecast

Twice a year, Minnesota Management and Budget (MMB) releases a forecast for the state's finances. The November forecast was recently released and provides a sobering outlook for our state's lawmakers ahead of a budget-setting session. While Minnesota is expected to have a surplus of \$616 million for the 2026-2027 biennium, there is a \$5.1 billion deficit brewing for fiscal years 2028-2029 unless the legislature takes measures to prevent it. MMB Commissioner Erin Campbell praised the state for forecasting four years into the future, saying it gives lawmakers "ample time to take action and change the trajectory." With this forecast in mind and the February forecast to come, Minnesota legislators will need to make difficult budget decisions and work thoughtfully to avoid the looming deficit.

2025 Session Outlook

Every two years, in the odd-numbered year, the legislature is mandated to settle the state budget for the upcoming biennium. In 2025, the legislature will set the budget for fiscal years 2026-2027. Considering the tie in the House and the recent economic forecast, this session will almost certainly move much slower than in the past two years. The DFL trifecta of 2023-2024 processed a record-breaking amount of bills, and we can expect this split legislature to fall far below that benchmark. Most agree a smaller amount of bills to be considered will be a benefit to all, as lawmakers will be forced to be more deliberate in their work. Bills will need to be bipartisan to have any hope for success.

With the co-chair arrangement in the House and a desire to rein in spending, we should anticipate the Republican lead, Rep. Ron Kresha (GOP Little Falls) facing pressure from his caucus to hold a hearing aimed at

scaling back the MN Free Meals program in addition to considering expanding the allowable uses of surplus nutrition funds by school administration. These efforts face an uphill battle as the DFL-led Senate and Gov. Walz would almost certainly block any attempt to dramatically change MN Free Meals. MSNA will stay involved in any preparations for this hearing or efforts to dismantle MN Free School Meals.

Washington Outlook

President-elect Donald Trump has been busy nominating his Cabinet. A few nominations to keep an eye on are the Secretary of the U.S. Department of Agriculture and Secretary of Health and Human Services.

Brooke Rollins had been nominated to serve as Secretary of the U.S. Department of Agriculture. Rollins is president, CEO, and co-founder of the America First Policy Institute. During the first Trump administration, Rollins served as director of the Office of American Innovation and acting director of the Domestic Policy Council. A native of Texas, Rollins grew up on a farm and earned a bachelor's in agricultural development from Texas A&M University and a law degree from the University of Texas.

Robert F. Kennedy Jr. has been nominated to serve as Secretary of Health and Human Services. In this role, he would oversee public health initiatives and co-lead the development of the Dietary Guidelines for Americans (DGA), which form the basis for federal nutrition standards. Kennedy's potential leadership comes as the Dietary Guidelines Advisory Committee (DGAC) finalizes its 2025-2030 DGA scientific report. SNA recently submitted comments to the DGAC emphasizing the importance of achievable, science-based recommendations that support school meal programs.

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