



Capitol Watch

Legislative Update From the Minnesota Grocers Association

Date: January 23, 2025

To: Andrew Fleming, ACOSTA - Sales & Marketing

This Week – Courts and Committees

We're now nearly two weeks into the deadlock in the Minnesota House, with both parties firmly entrenched in their positions. Democrats are sharing updates on the work they're doing in their districts while continuing to stay away from St. Paul. Meanwhile, Republicans spent the week pushing forward with their priority legislation, holding hearings on those bills in committee. Over in the Senate, committees spent their week hearing updates on their respective jurisdictions and presentations from the Governor's agency commissioners regarding his proposed budget.

The ongoing dispute over whether the House has properly organized itself has now reached the Minnesota Supreme Court. The court heard arguments Thursday about the legality of the Republicans' actions so far. The central issue is whether 67 or 68 members constitute a quorum, the minimum number needed for the body to take action. The DFL has boycotted the Capitol in an attempt to deny the GOP a quorum. Republicans have organized anyway, electing Rep. [Lisa Demuth](#) (R – Cold Spring) as Speaker of the House. It is expected that the court will rule relatively quickly, but it is unlikely that the ruling will bring a swift conclusion to the political acrimony. The struggle over power in the House will likely continue until there is some sort of power sharing agreement between two caucuses.

Additionally, legal developments at the Capitol have begun to unfold. Last Friday afternoon (1/17), two significant rulings were made. First, a Becker County judge granted Sen. [Nicole Mitchell](#)'s (DFL – Woodbury) motion to delay her felony burglary trial until after the legislative session. The second decision came from the Minnesota Supreme Court, which unanimously ruled that Governor Walz violated state law by prematurely issuing the writ for a special election in House District 40B. This means the special election will likely be postponed until March, allowing Republicans to maintain their 67-66 edge in the House until near the mid-point of session.

MGA Testifies on Delivery Fee Repeal

[Steve Barthel](#), MGA's Director of Government Relations, testified in the House Transportation Finance and Policy Committee in support of the repeal of the Retail Delivery Fee that was passed in 2023. The repeal is part of [HF5](#), introduced by [Rep. Jim Joy](#) (R-Hawley). In addition to the repeal of the delivery fee, the bill includes provisions to exempt all Social Security benefits from the state's individual income tax, freeze automatic increases to the state gas tax, and make other changes to transportation funding. The bill was passed by the Republican members of the committee, with DFL members still boycotting, and will now move on to the Taxes Committee for further consideration.



Bill of the Week

[HF113](#), authored by Rep. [Elliot Engen](#) (R – White Bear Township) and proposes to amend Minnesota state law to provide a sales tax exemption for all school supplies effective from July 1, 2025. The exemption would cover a wide range of common school items including: binders, calculators, composition books, crayons, erasers, folders, glue, paste, glue sticks, highlighters, legal pads, lunch boxes, markers, notebooks, poster board, construction paper, graph paper, copy paper, loose-leaf ruled paper, colored paper, pencil boxes, school supply boxes, pencil sharpeners, pencils, pens, protractors, rulers, scissors, and writing tablets.

Register Today: MGA 2025 Day on Hill

The MGA's annual Day on the Hill will take place on **Wednesday, February 26, 2025**. The day will include informational briefings from the MGA Government Relations Team, meetings with legislators and agency leaders, and the exciting Bipartisan Bag-Off. Mark your calendars to join us for this great opportunity to connect with decision-makers and help amplify industry's voice on legislative priorities. The MGA encourages members to bring as many of their teams as possible to this important day. The registration form can be found [HERE](#).

MGA Capitol Check Out Call – Friday, January 31

The MGA Government Relations Team invites you to join us for a discussion on the latest updates from St. Paul. Our bi-weekly Capitol Check Out calls will keep you informed on key developments from the 2025 legislative session. Each call lasts up to 30 minutes and will be recorded for easy sharing with your team.

Join us **Friday, January 31 at 9:30 a.m.** for our first call of the 2025 session. These calls will now be held virtually via Microsoft Teams. Contact [Steve Barthel](#) to receive the meeting link and recurring calendar invite.

2025 Legislative Sponsorship Available

[2025 Legislative Sponsorship Contracts](#) are now available! Becoming an MGA Legislative Sponsor demonstrates that you are a committed partner in advancing the work of the MGA in St. Paul. A legislative sponsorship is an investment in your business and contributes to MGA efforts to build relationships, engage policy makers, and advance industry priorities.

Sponsors receive recognition throughout the year in all of our legislative updates, publications, and events. Thank you to those who have already submitted their sponsorships! (see below) If you have any questions about sponsorship, please contact [Steve Barthel](#).

[Patrick Garofalo](#), President and [Steve Barthel](#), Director of Government Relations, are here to assist. Do not hesitate to contact us with any questions or concerns.

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