



February 21, 2023

Senator Erin Murphy
3211 Minnesota Senate Building
Saint Paul, MN 55155

RE: Support for SF 1086 (Cwodzinski) - Political subdivision compensation limit repealed

Dear Senator Murphy,

On behalf of the Municipal Legislative Commission (MLC), a coalition of 19 suburban communities, I write in support of SF 1086 which repeals the salary cap for local units of government.

The MLC strongly believes locally elected officials are in the best position to determine the needs of their communities, and as such, supports policies that empower these officials to do so. One such decision is the ability for local officials to determine compensation of city employees. Currently, Minnesota law limits salaries of city employees to 110% of the governor's salary, without a waiver from the state. The law was put into place in 1997, repealed in 1980, and reinstated in 1983.

This artificial salary cap puts cities at a disadvantage when attracting and retaining talented high level individuals to help lead their cities. Minnesota cities face significant challenges competing nationally, as we are the only state in the country that has a local government salary cap.

Further, the salary cap law has also not been applied in a uniform way – exemptions have been granted for school districts, hospitals, clinics and HMOs owned by political subdivisions, and most recently, the Metropolitan Airports Commission.

We would like to thank Senator Cwodzinski for his leadership in addressing this issue and offering a solution to equip localities with an additional tool necessary to attract and retain the best talent. The MLC looks forward to working with the bill author and supporting this legislation as it moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Hovland', with a stylized flourish at the end.

James Hovland
Chair, MLC
Mayor, City of Edina