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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1903

02/25/2014 Authored by Runbeck

The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act
1.2 relating to cities; prohibiting cities from retaining persons to lobby on their
1.3 behalf; proposing coding for new law in Minnesota Statutes, chapters 415; 477A.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **[415.20] CITY LOBBYING PROHIBITED.**

1.6 Subdivision 1. **Prohibition.** A statutory or home rule charter city must not pay any
1.7 employee of the city, or any other person or business, to attempt to influence legislative
1.8 or administrative action at the federal, state, or metropolitan government level, by
1.9 communicating or urging others to communicate with representatives or employees of the
1.10 legislative or administrative body.

1.11 Subd. 2. **Investigation; penalty.** A taxpayer in a city may request the state auditor
1.12 to investigate whether the city has violated this section. If the state auditor determines
1.13 that the city spent money in violation of this section, the commissioner of revenue shall
1.14 reduce the local government aid payment to the city by an amount equal to two times the
1.15 amount the city spent on lobbying.

1.16 Subd. 3. **Application.** This section does not apply to a city's membership in a
1.17 nonprofit organization of cities, including the League of Minnesota Cities. This section
1.18 does not apply to a city official or employee responding to a request for information
1.19 from a representative or employee of a federal, state, or metropolitan legislative or
1.20 administrative body.

1.21 Sec. 2. **[477A.0175] DEDUCTIONS FROM AID PAYMENTS.**

1.22 Notwithstanding any other law to the contrary, the aid payment to a city under section
1.23 477A.013, subdivision 9, shall be reduced by the penalty amount determined in section

2.1 415.20, subdivision 2. If the penalty is imposed before July 1 of any calendar year it will
2.2 be a reduction in aids paid during that same calendar year; otherwise the penalty shall be a
2.3 reduction in aid in the next calendar year. If the certified aid amount is less than the
2.4 penalty, any excess penalty shall be deducted from the city's taconite aid payments under
2.5 sections 298.28 and 298.282, and then if necessary, from its municipal street aid payments
2.6 under section 162.13. Any money deducted from aid payments under this section shall be
2.7 retained in the fund from which they were appropriated. Notwithstanding any other law to
2.8 the contrary, no adjustment will be made to any imposed property tax levy limit to allow
2.9 the city to increase its property tax levy to compensate for an aid loss under this section.

2.10 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
2.11 2015 and thereafter.