

A bill for an act
relating to local government aid; expanding the members of the study group
to study aids to local governments; amending Laws 2008, chapter 366, article
2, section 12.

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

Section 1. Laws 2008, chapter 366, article 2, section 12, is amended to read:

Sec. 12. STUDY OF AIDS TO LOCAL GOVERNMENTS.

The chairs of the senate and house of representatives committees with jurisdiction
over taxes shall each appoint ~~five~~ six members to a study group of the tax committees to
examine the current system of aids to local governments and make recommendations
on improvements to the system. Of the ~~five~~ six members appointed by each chair, two
must be members of the tax committee, one of whom is a majority party member and
one of whom is a minority party member. The remaining members must represent local
units of government. At least two of the members appointed by each chair must either
(1) represent a city or group of cities not of the first class located in the seven-county
metropolitan area as defined in section 473F.02, or (2) be a legislator from a district in
which at least two-thirds of its population reside in towns or cities not of the first class
located in the seven-county metropolitan area as defined in section 473F.02. The chairs
of the divisions of the tax committees having jurisdiction over property taxes shall also
be members and shall serve as cochairs of the study group. The study shall include,
but not be limited to, consideration of existing disparities in the distribution of local
government aid, an analysis of current law need and capacity factors as well as alternative
need factors, alternative analytical methods for determining correlations between factors
and need, the formula used to calculate aid for small cities, and volatility in the local

H.F. No. 2800, as introduced - 86th Legislative Session (2009-2010) [10-5025]

2.1 government aid distribution. The group must report on its specific recommendations
2.2 to the legislature by December 15, 2010.

2.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.