

CHAPTER 477A

LOCAL GOVERNMENT AID

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477A.011 DEFINITIONS.

[For text of subs 1 to 35, see M.S.1994]

Subd. 36. City aid base. (a) Except as provided in paragraphs (b) and (c), "city aid base" means, for each city, the sum of the local government aid and equalization aid it was originally certified to receive in calendar year 1993 under Minnesota Statutes 1992, section 477A.013, subdivisions 3 and 5, and the amount of disparity reduction aid it received in calendar year 1993 under Minnesota Statutes 1992, section 273.1398, subdivision 3.

(b) For aids payable in 1996 and thereafter, a city that in 1992 or 1993 transferred an amount from governmental funds to its sewer and water fund, which amount exceeded its net levy for taxes payable in the year in which the transfer occurred, has a "city aid base" equal to the sum of (i) its city aid base, as calculated under paragraph (a), and (ii) one-half of the difference between its city aid distribution under section 477A.013, subdivision 9, for aids payable in 1995 and its city aid base for aids payable in 1995.

(c) The city aid base for any city with a population less than 500 is increased by \$40,000 for aids payable in calendar year 1995 and thereafter, and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$40,000 for aids payable in calendar year 1995 only, provided that:

- (i) the average total tax capacity rate for taxes payable in 1995 exceeds 200 percent;
- (ii) the city portion of the tax capacity rate exceeds 100 percent; and
- (iii) its city aid base is less than \$60 per capita.

[For text of subd 37, see M.S.1994]

History: 1995 c 264 art 8 s 13

477A.012 COUNTY GOVERNMENT DISTRIBUTIONS.

[For text of subd 1, see M.S.1994]

Subd. 2. Additional aid for certain counties. (a) Each county that becomes eligible to negotiate a contract with the office of environmental assistance pursuant to section 115A.191 shall be entitled to receive \$6,000 per month in additional local government aids, for each full calendar month that it is eligible. If the state's liability under this clause exceeds \$40,000 in any month, the commissioner shall proportionately reduce the entitlements of each eligible county.

(b) Any county government that has executed a contract with the board pursuant to section 115A.191 shall receive an amount as provided under a schedule set forth in the contract not to exceed \$150,000 per year in additional local government aids, for a period of not more than two years following the execution of the contract. The sum of the state's obligations under this clause may not exceed \$600,000 in any fiscal year.

(c) Aid distributions under this subdivision are in addition to any distributions to which a county is entitled pursuant to subdivision 1, and must not be deducted in the computation of levy limits. When an aid payment is made pursuant to section 477A.015, the commissioner shall distribute to each eligible county the full entitlement due under clause (a) for the county's period of eligibility that was not paid in a previous distribution. The commissioner shall distribute the amounts due under clause (b) to each county that has executed a contract in accordance with the terms of the contract. In no case may any additional aid amounts due under this subdivision be paid prior to July 1, 1987.

[For text of subs 3 to 8, see M.S.1994]

History: 1995 c 247 art 2 s 54

477A.0121 COUNTY CRIMINAL JUSTICE AID.

[For text of subs 1 to 3, see M.S.1994]

Subd. 4. Public defender costs. Each calendar year, two percent of the total appropriation for this section shall be retained by the commissioner of revenue to make reimbursements to the commissioner of finance for payments made under section 611.27. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county criminal justice aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.

[For text of subs 5 and 6, see M.S.1994]

History: 1995 c 264 art 8 s 14

477A.0122 FAMILY PRESERVATION AID.

[For text of subd 1, see M.S.1994]

Subd. 2. Definitions. For purposes of this section, the following definitions apply:

(a) "Children in out-of-home placement" means the total unduplicated number of children in out-of-home care as reported pursuant to section 257.0725.

(b) "Family preservation programs" means family-based services as defined in section 256F.03, subdivision 5, families first services, parent and child education programs, and day treatment services provided in cooperation with a school district or other programs as defined by the commissioner of human services.

(c) "Income maintenance caseload" means average monthly number of AFDC cases for the calendar year.

By July 1, 1994, the commissioner of human services shall certify to the commissioner of revenue the number of children in out-of-home placement in 1991 and 1992 for each county and the income maintenance caseload for each county for the most recent year available. By July 1 of each subsequent year, the commissioner of human services shall certify to the commissioner of revenue the income maintenance caseload for each county for the most recent calendar year available.

[For text of subs 3 to 6, see M.S.1994]

History: 1995 c 186 s 119

477A.0132 AID REDUCTIONS TO LOCAL GOVERNMENTS.

Subdivision 1. Affected local governments. The following reductions shall be made in aids paid to the following local units of government:

(a) For aids payable in 1996, there shall be a nonpermanent reduction in aids to counties, cities, towns, and special taxing districts of \$16,000,000, provided that Laws 1995, chapter 264, article 8, section 25, subdivision 1, is enacted; otherwise the reduction is \$14,000,000.

(b) Aid reductions required under section 16A.711, subdivision 5, shall be nonpermanent reductions in aids to counties, cities, towns, and special taxing districts equal to the difference between the aid amounts certified to be paid and the amount of the appropriation to pay the aids.

(c) For aids payable in 1996 there shall be a permanent reduction in aids to counties of \$10,000,000, provided that Laws 1995, chapter 264, article 8, section 16, is enacted.

Subd. 2. Calculation of aid reduction. The aid reduction to each local government as provided under subdivision 1 will be equal to the product of the reduction percentage and its reduction base. The reduction base is defined as the following:

(a) For subdivision 1, clause (a), the reduction base is equal to the adjusted revenue base for 1996.

(b) For subdivision 1, clause (b), the reduction base is equal to the adjusted revenue base for the year in which the aid payment is to be made.

(c) For subdivision 1, clause (c), the reduction base is a county's aid in calendar year 1996 under section 477A.0121.

Reductions under subdivisions 1, paragraph (a), and 2, paragraph (a), to any individual county, city, or town are limited to an amount equal to 0.45 percent of the unit's 1994 adjusted net tax capacity. For this subdivision, "adjusted net tax capacity" means the political subdivision's net tax capacity calculated using the method for calculating city net tax capacity under section 477A.011, subdivision 20.

Subd. 3. Order of aid reductions. (a) The aid reduction to a local government calculated under subdivisions 1, paragraphs (a) and (c), and 2, paragraphs (a) and (c), is applied to homestead and agricultural credit aid under section 273.1398 only.

(b) The aid reduction to a local government as calculated under other paragraphs of subdivisions 1 and 2, is first applied to its local government aid under sections 477A.012 and 477A.013 excluding aid under section 477A.013, subdivision 5; then, if necessary, to its equalization aid under section 477A.013, subdivision 5; then if necessary, to its homestead and agricultural credit aid under section 273.1398, subdivision 2; and then, if necessary, to its disparity reduction aid under section 273.1398, subdivision 3. No aid payment may be less than \$0. Aid reductions under this section in any given year shall be divided equally between the July and December aid payments unless specified otherwise.

History: 1995 c 264 art 8 s 15

477A.03 APPROPRIATION.

[For text of subd 1, see M.S.1994]

Subd. 2. Annual appropriation. A sum sufficient to discharge the duties imposed by sections 477A.011 to 477A.014 is annually appropriated from the general fund to the commissioner of revenue. For aids payable in 1996 and thereafter, the total aids paid under sections 477A.013, subdivision 9, and 477A.0122 are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3. Aid payments to counties under section 477A.0121 are limited to \$20,265,000 in 1996. For aid payable in 1997 and thereafter, the total aids paid under section 477A.0121 are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3.

[For text of subd 3, see M.S.1994]

History: 1995 c 264 art 8 s 16

477A.12 ANNUAL APPROPRIATIONS; LANDS ELIGIBLE; CERTIFICATION OF ACREAGE.

(a) There is annually appropriated to the commissioner of natural resources from the general fund for payment to counties within the state an amount equal to:

(1) for acquired natural resources land, \$3 multiplied by the total number of acres of acquired natural resources land or, beginning July 1, 1996, at the county's option three-fourths of one percent of the appraised value of all acquired natural resources land in the county, whichever is greater;

(2) 75 cents multiplied by the number of acres of county-administered other natural resources land; and

(3) 37.5 cents multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year.

(b) Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the department of natural resources during July of each year the number of acres of county-administered other natural resources land within the county. The

department of natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify the number of acres of acquired natural resources land and commissioner-administered natural resources land within each county.

(c) For the purposes of this section, the appraised value of acquired natural resources land is the purchase price for the first five years after acquisition. The appraised value of acquired natural resources land received as a donation is the value determined for the commissioner of natural resources by a licensed appraiser, or the county assessor's estimated market value if no appraisal is done. The appraised value must be determined by the county assessor every five years after the land is acquired.

History: 1995 c 220 s 125

477A.14 USE OF FUNDS.

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(a) 37.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, within 30 days of receipt of the payment to the county, the county treasurer shall pay each organized township 30 cents per acre of acquired natural resources land and 7.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

History: 1995 c 220 s 126