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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 419

01/29/2015 Authored by Anderson, S.; Dean, M.; Draskowski and Mack

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

03/23/2015 By motion, recalled and re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property tax aids; providing county aid to cover increased
1.3 health care cost; amending Minnesota Statutes 2014, sections 477A.0124, by
1.4 adding a subdivision; 477A.03, subdivision 2b.

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

1.6 Section 1. Minnesota Statutes 2014, section 477A.0124, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 7. **Aid payments for additional health care costs.** (a) A county is eligible
1.9 for aid under this subdivision in any year that the county had higher total administrative
1.10 costs due to lack of functionality of the MNsure eligibility determination system for
1.11 medical assistance and Minnesota Care in the previous calendar year compared to
1.12 those costs had the MNsure eligibility determination system been fully functional. The
1.13 aid equals the amount necessary to reimburse the county for additional staff hours and
1.14 associated expenses related to increased processing time for (1) determining eligibility for
1.15 medical assistance and MNsure applicants, and (2) processing renewals and modifications
1.16 for life change events of existing clients for medical assistance and MNsure.

1.17 (b) A county claiming aid under this subdivision must submit information
1.18 documenting the increased costs described in paragraph (a) by a date and in the form and
1.19 manner specified by the commissioner. Payments under this subdivision must be made
1.20 with other county aid payments under this section.

1.21 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
1.22 2016 and thereafter.

1.23 Sec. 2. Minnesota Statutes 2014, section 477A.03, subdivision 2b, is amended to read:

2.1 Subd. 2b. **Counties.** (a) For aids payable in 2014 and thereafter, the total aid
2.2 payable under section 477A.0124, subdivision 3, is \$100,795,000. Each calendar year,
2.3 \$500,000 of this appropriation shall be retained by the commissioner of revenue to
2.4 make reimbursements to the commissioner of management and budget for payments
2.5 made under section 611.27. The reimbursements shall be to defray the additional costs
2.6 associated with court-ordered counsel under section 611.27. Any retained amounts not
2.7 used for reimbursement in a year shall be included in the next distribution of county
2.8 need aid that is certified to the county auditors for the purpose of property tax reduction
2.9 for the next taxes payable year.

2.10 (b) For aids payable in 2014 and thereafter, the total aid under section 477A.0124,
2.11 subdivision 4, is \$104,909,575. The commissioner of revenue shall transfer to the
2.12 commissioner of management and budget \$207,000 annually for the cost of preparation of
2.13 local impact notes as required by section 3.987, and other local government activities.
2.14 The commissioner of revenue shall transfer to the commissioner of education \$7,000
2.15 annually for the cost of preparation of local impact notes for school districts as required by
2.16 section 3.987. The commissioner of revenue shall deduct the amounts transferred under
2.17 this paragraph from the appropriation under this paragraph. The amounts transferred
2.18 are appropriated to the commissioner of management and budget and the commissioner
2.19 of education respectively.

2.20 (c) There is no limit on the amount of aid paid under section 477A.0124, subdivision
2.21 7.

2.22 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
2.23 2016 and thereafter.