

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 3053

(SENATE AUTHORS: EKEN)

DATE	D-PG	OFFICIAL STATUS
03/21/2016	5161	Introduction and first reading Referred to Taxes

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A bill for an act  
relating to state aids; increasing the ongoing appropriation for the local  
government aid to cities; amending Minnesota Statutes 2014, section 477A.03,  
by adding a subdivision; Minnesota Statutes 2015 Supplement, section 477A.03,  
subdivision 2a.

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

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Section 1. Minnesota Statutes 2015 Supplement, section 477A.03, subdivision 2a,  
is amended to read:

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Subd. 2a. **Cities.** ~~The total aid paid under section 477A.013, subdivision 9, is~~  
~~\$516,898,012 for aids payable in 2015.~~ For aids payable in 2016 and thereafter, the total  
aid paid under section 477A.013, subdivision 9, is \$519,398,012. For aids payable in  
2017, the total aid payable under section 477A.013, subdivision 9, is \$564,982,145. For  
aids payable in 2018 and thereafter, the total aid paid under section 477A.013, subdivision  
9, is the amount certified to be paid under that section in the previous year multiplied by  
the inflation adjustment factor calculated in subdivision 6.

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**EFFECTIVE DATE.** This section is effective for aids payable in calendar year  
2017 and thereafter.

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Sec. 2. Minnesota Statutes 2014, section 477A.03, is amended by adding a subdivision  
to read:

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Subd. 6. **Inflation adjustment factor.** The inflation adjustment factor is equal to  
one plus the percentage increase in the implicit price deflator for government consumption  
expenditures and gross investment for state and local government prepared by the Bureau  
of Economic Analysis of the United States Department of Commerce for the 12-month

2.1 period ending June 30 of the year preceding the year in which the aid is certified. The  
2.2 inflation adjustment factor may not be greater than 1.05 or less than one.

2.3 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year  
2.4 2017 and thereafter.