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State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. 2037

03/02/2017 Authored by Backer  
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act  
1.2 relating to county program aid; creating jail administration program aid to counties;  
1.3 appropriating money; amending Minnesota Statutes 2016, sections 477A.0124,  
1.4 subdivision 2, by 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 2016, section 477A.0124, subdivision 2, is amended to  
1.7 read:

1.8 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the  
1.9 meanings given them.

1.10 (b) "County program aid" means the sum of "county need aid," "county tax base  
1.11 equalization aid," and "county transition aid."

1.12 (c) "Age-adjusted population" means a county's population multiplied by the county age  
1.13 index.

1.14 (d) "County age index" means the percentage of the population over age 65 within the  
1.15 county divided by the percentage of the population over age 65 within the state, except that  
1.16 the age index for any county may not be greater than 1.8 nor less than 0.8.

1.17 (e) "Population over age 65" means the population over age 65 established as of July  
1.18 15 in an aid calculation year by the most recent federal census, by a special census conducted  
1.19 under contract with the United States Bureau of the Census, by a population estimate made  
1.20 by the Metropolitan Council, or by a population estimate of the state demographer made  
1.21 pursuant to section 4A.02, whichever is the most recent as to the stated date of the count or  
1.22 estimate for the preceding calendar year and which has been certified to the commissioner  
1.23 of revenue on or before July 15 of the aid calculation year. A revision to an estimate or

2.1 count is effective for these purposes only if certified to the commissioner on or before July  
 2.2 15 of the aid calculation year. Clerical errors in the certification or use of estimates and  
 2.3 counts established as of July 15 in the aid calculation year are subject to correction within  
 2.4 the time periods allowed under section 477A.014.

2.5 (f) "Part I crimes" means the three-year average annual number of Part I crimes reported  
 2.6 for each county by the Department of Public Safety for the most recent years available. By  
 2.7 July 1 of each year, the commissioner of public safety shall certify to the commissioner of  
 2.8 revenue the number of Part I crimes reported for each county for the three most recent  
 2.9 calendar years available.

2.10 (g) "Households receiving food stamps" means the average monthly number of  
 2.11 households receiving food stamps for the three most recent years for which data is available.  
 2.12 By July 1 of each year, the commissioner of human services must certify to the commissioner  
 2.13 of revenue the average monthly number of households in the state and in each county that  
 2.14 receive food stamps, for the three most recent calendar years available.

2.15 (h) "County net tax capacity" means the county's adjusted net tax capacity under section  
 2.16 273.1325.

2.17 (i) "Eligible county" means a county which operates a jail and is located outside the  
 2.18 seven-county metropolitan area, as defined in section 473.121, subdivision 4.

2.19 Sec. 2. Minnesota Statutes 2016, section 477A.0124, is amended by adding a subdivision  
 2.20 to read:

2.21 Subd. 3a. **County jail aid.** (a) The money appropriated to county need aid each calendar  
 2.22 year under section 477A.03, subdivision 2b, paragraph (c), will be distributed to eligible  
 2.23 counties as follows:

2.24 (1) a county with a population less than 10,000 shall receive \$800,000; and

2.25 (2) a county with a population greater than or equal to 10,000 shall receive \$400,000.

2.26 (b) A county that receives a distribution under this subdivision must use the proceeds  
 2.27 solely for the operation of county jails.

2.28 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2018  
 2.29 and thereafter.

3.1 Sec. 3. Minnesota Statutes 2016, section 477A.03, subdivision 2b, is amended to read:

3.2 Subd. 2b. **Counties.** (a) For aids payable in ~~2014~~ 2018 and thereafter, the total aid payable  
3.3 under section 477A.0124, subdivision 3, is \$100,795,000. Each calendar year, \$500,000 of  
3.4 this appropriation shall be retained by the commissioner of revenue to make reimbursements  
3.5 to the commissioner of management and budget for payments made under section 611.27.  
3.6 The reimbursements shall be to defray the additional costs associated with court-ordered  
3.7 counsel under section 611.27. Any retained amounts not used for reimbursement in a year  
3.8 shall be included in the next distribution of county need aid that is certified to the county  
3.9 auditors for the purpose of property tax reduction for the next taxes payable year.

3.10 (b) For aids payable in ~~2014~~ 2018 and thereafter, the total aid under section 477A.0124,  
3.11 subdivision 4, is \$104,909,575. The commissioner of revenue shall transfer to the  
3.12 commissioner of management and budget \$207,000 annually for the cost of preparation of  
3.13 local impact notes as required by section 3.987, and other local government activities. The  
3.14 commissioner of revenue shall transfer to the commissioner of education \$7,000 annually  
3.15 for the cost of preparation of local impact notes for school districts as required by section  
3.16 3.987. The commissioner of revenue shall deduct the amounts transferred under this  
3.17 paragraph from the appropriation under this paragraph. The amounts transferred are  
3.18 appropriated to the commissioner of management and budget and the commissioner of  
3.19 education respectively.

3.20 (c) For aids payable in 2018 and thereafter, the total aid payable under section 477A.0124,  
3.21 subdivision 3a, is \$.....

3.22 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2018  
3.23 and thereafter.