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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1265

02/26/2015 Authored by Davids, Backer and Hertaus

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

03/17/2015 Adoption of Report: Re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; local government aid; providing dedicated aid to certain
1.3 cities to fund transportation costs; amending Minnesota Statutes 2014, sections
1.4 477A.013, by adding a subdivision; 477A.03, subdivision 2a.

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

1.6 Section 1. Minnesota Statutes 2014, section 477A.013, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 14. **Additional aid for transportation funding.** (a) A city that is not eligible
1.9 for a portion of the revenues in the municipal street aid account under section 162.13 is
1.10 eligible for aid under this subdivision. This aid is in addition to the amount of aid a city is
1.11 certified to receive under subdivision 9, and any aid a city receives under this subdivision
1.12 must be used for road and bridge construction, reconstruction, and maintenance.

1.13 (b) The amount of aid that an eligible city receives under this subdivision is equal to
1.14 a per capita amount multiplied by the city's population. The commissioner of revenue
1.15 shall set the per capita amount, which must be the same for all eligible cities, so that
1.16 the total aid distributed under this subdivision equals the total amount available for this
1.17 subdivision under this section. The population used in calculating the aid paid under this
1.18 subdivision shall be the most recently available population as of January 1 of the year in
1.19 which the aid is calculated.

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

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

2.1 Subd. 2a. **Cities.** ~~For aids payable in 2014, the total aid paid under section~~
2.2 ~~477A.013, subdivision 9, is \$507,598,012.~~ (a) The total aid paid under section 477A.013,
2.3 subdivision 9, is \$516,898,012 for aids payable in 2015. For aids payable in 2016 and
2.4 thereafter, the total aid paid under section 477A.013, subdivision 9, is \$519,398,012.

2.5 (b) The total aid payable in 2016 and thereafter under section 477A.013, subdivision
2.6 14, is \$20,000,000.

2.7 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year
2.8 2016 and thereafter.