SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 4564

1.1   A bill for an act

1.2   relating to local government aid; state government finance; appropriating money
1.3   from the coronavirus relief account in the federal fund for distributions to counties,
1.4   cities, and towns.

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

1.6   Section 1. **CORONAVIRUS RELIEF FUND; LOCAL GOVERNMENT**

1.7   **DISTRIBUTIONS.**

1.8   Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this

1.9   subdivision have the meanings given them.

1.10   (b) "Commissioner" means the commissioner of revenue.

1.11   (c) "Eligible city" means a city whose home county is an eligible county.

1.12   (d) "Eligible county" means a Minnesota county with a population less than 500,000.

1.13   (e) "Eligible town" means a town in an eligible county.

1.14   (f) "Population" means, for a city or a town, the population used to calculate aids payable

1.15   in 2021 under Minnesota Statutes, chapter 477A. Population means, for a county, the

1.16   population as measured by the United States Census Bureau in 2019 and used to calculate

1.17   aid amounts under Public Law 116-136.

1.18   Subd. 2. **Local government distribution amounts.** (a) The distribution amount for an

1.19   eligible town equals the greater of: (1) $.......; or (2) the product of: (i) the town's population;

1.20   and (ii) $........

2.1 (b) The distribution amount for an eligible city equals the greater of: (1) $.......; or (2)

2.2 the product of: (i) the city's population; and (ii) $........

2.3 (c) The distribution amount for an eligible county equals the difference between the

2.4 county initial distribution amount and the county subtraction amount. The county initial

2.5 distribution amount equals the product of: (1) the county's population, and (2) $174.49. The

2.6 county subtraction amount equals: (1) the sum of the distribution amounts attributable to

2.7 any eligible town in the county, plus (2) the sum of the distribution amounts attributable to

2.8 any portion of an eligible city in the county.

2.9 Subd. 3. **Distribution schedule.** The commissioner must distribute the amounts calculated

2.10 under this section no later than June 15, 2020.

2.11 Subd. 4. **Allowable uses.** The local government must use aid distributions under this

2.12 section for purposes consistent with the requirements of title V of Public Law 116-136.

2.13 Prior to distributing the aid, the commissioner must require each eligible local government

2.14 to certify its intent to comply with the requirements of this section. The certification must

2.15 be in the form and manner determined by the commissioner.

2.16 Subd. 5. **Local government collaborative agreement.** A local government may enter

2.17 into a collaborative agreement with one or more other local governments to share aid

2.18 distributions under this section, consistent with subdivision 3. The commissioner may require

2.19 each local government to provide information about the agreement in the form and manner

2.20 determined by the commissioner.

2.21 Subd. 6. **Expenditure time limits.** (a) Any aid amount remaining unexpended by the

2.22 local government on October 1, 2020, must be returned to the commissioner and is canceled

2.23 to the coronavirus relief account in the federal fund.

2.24 (b) Notwithstanding paragraph (a), any aid amount remaining unexpended by the local

2.25 government on December 15, 2020, for a local government that has entered into an agreement

2.26 under subdivision 4 must be returned to the commissioner and is canceled to the coronavirus

2.27 relief account in the federal fund.

2.28 Subd. 7. **Hennepin County and Ramsey County distributions to cities and**

2.29 **towns.** Hennepin County and Ramsey County must distribute aid to cities and towns in the

2.30 county. The aid amounts for each city and town must be calculated by the county as if those

2.31 cities and towns were eligible for a distribution from the state under the formula provided

2.32 in subdivision 2, paragraphs (a) and (b). The county must distribute the amounts calculated

2.33 to cities and towns no later than the date indicated in subdivision 3.

3.1   Subd. 8. **Appropriation.** $667,156,931 in fiscal year 2020 is appropriated from the

3.2   coronavirus relief account in the federal fund to the commissioner of revenue for aid

3.3   distributions under this section. If the appropriation in this subdivision exceeds the amount

3.4   required to fund the distributions in this section, any remaining balance must cancel to the

3.5   coronavirus relief account in the federal fund. If the appropriation in this subdivision is less

3.6   than the amount to fund the distributions in this section, the commissioner must proportionally

3.7   reduce the per capita allowances in subdivision 2 and distribute the available appropriation.

3.8   This is a onetime appropriation.

3.9   **EFFECTIVE DATE.** This section is effective the day following final enactment.