

EXTRA SESSION  
CHAPTER 24—S.F.No.10

[Coded]

*An act relating to metropolitan development; providing for the allocation among governmental units of increases in the assessed valuation of commercial-industrial property within the metropolitan area; providing a formula for the distribution of additional revenues to municipalities within the metropolitan area; creating certain accounts in the state treasury; and appropriating money.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [473F.01] **METROPOLITAN AREAS; DISTRIBUTION OF REVENUES; PURPOSE.** The legislature finds it desirable to improve the revenue raising and distribution system in the seven county Twin Cities area to accomplish the following objectives:

(1) To provide a way for local governments to share in the resources generated by the growth of the area, without removing any resources which local governments already have;

(2) To increase the likelihood of orderly urban development by reducing the impact of fiscal considerations on the location of business and residential growth and of highways, transit facilities and airports;

(3) To establish incentives for all parts of the area to work for the growth of the area as a whole;

(4) To provide a way whereby the area's resources can be made available within and through the existing system of local governments and local decision making;

(5) To help communities in different stages of development by making resources increasingly available to communities at those early stages of development and redevelopment when financial pressures on them are the greatest;

(6) To encourage protection of the environment by reducing the impact of fiscal considerations so that flood plains can be protected and land for parks and open space can be preserved; and

(7) To provide for the distribution to municipalities of additional revenues generated within the area or from outside sources pursuant to other legislation.

Sec. 2. [473F.02] **DEFINITIONS.** Subdivision 1. The terms defined in this section shall have the meanings therein ascribed to them for purposes of this act unless context otherwise requires.

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Subd. 2. "Area" means the territory included within the boundaries of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

Subd. 3. "Commercial-industrial property" means the following categories of property, as defined in Minnesota Statutes, Section 273.13, excluding that portion of such property (a) which may, by law, constitute the tax base for a tax increment pledged pursuant to Minnesota Statutes, Section 462.585 or Section 474.10, to the extent and while such tax increment is so pledged; (b) which may, by law, constitute the tax base for tax revenues set aside and paid over for credit to a sinking fund pursuant to direction of the city council in accordance with Laws 1963, Chapter 881, as amended, to the extent that such revenues are so treated in any year; or (c) which is exempt from taxation pursuant to Minnesota Statutes, Section 272.02:

(a) That portion of class 3 property consisting of stocks of merchandise and furniture and fixtures used therewith; manufacturers' materials and manufactured articles; and tools, implements and machinery, whether fixtures or otherwise.

(b) Class 3h property.

(c) Class 3j property.

(d) That portion of class 4 property which is either used or zoned for use for any commercial or industrial purpose, except for such property which is, or, in the case of property under construction, will when completed be used exclusively for residential occupancy and the provision of services to residential occupants thereof. Property shall be considered as used exclusively for residential occupancy only if each of not less than 80 percent of its occupied residential units is, or, in the case of property under construction, will when completed be occupied under an oral or written agreement for occupancy over a continuous period of not less than 30 days.

If the classification of property prescribed by section 273.13 is modified by legislative amendment, the references in this subdivision shall be to such successor class or classes of property, or portions thereof, as embrace the kinds of property designated in this subdivision.

(e) That property valued and assessed under Minnesota Statutes, Section 273.13, Subdivision 14.

Subd. 4. "Residential property" means the following categories of property, as defined in Minnesota Statutes, Section 273.13, excluding that portion of such property exempt from taxation pursuant to Minnesota Statutes, Section 272.02:

(a) Class 3b property

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(b) Class 3c property

(c) Class 3cc property

(d) Class 3f property

(e) And that portion of Class 4 property used exclusively for residential occupancy.

(f) That property valued and assessed under Minnesota Statutes, Section 273.13, Subdivision 17.

Subd. 5. "Governmental unit" means a county, city, village, borough, town, school district, or other taxing unit or body which levies ad valorem taxes in whole or in part within the area.

Subd. 6. "Administrative auditor" means the person selected pursuant to section 3.

Subd. 7. "Population" means the most recent estimate of the population of a municipality made by the metropolitan council and filed with the state auditor. The council shall annually estimate the population of each municipality as of a date which it determines and, in the case of a municipality which is located partly within and partly without the area, the proportion of the total which resides within the area, and shall promptly thereafter file its estimates with the state auditor.

Subd. 8. "Municipality" means a city, village, borough, town, or township located in whole or part within the area. If a municipality is located partly within and partly without the area, the references in this act to property or any portion thereof subject to taxation or taxing jurisdiction within the municipality are to such property or portion thereof as is located in that portion of the municipality within the area, except that the fiscal capacity of such a municipality shall be computed upon the basis of the valuation and population of the entire municipality.

Subd. 9. "Qualifying municipality" means each city, village, or borough which is located in whole or in part within the metropolitan area and which has a population of not less than 2500.

Subd. 10. "County" means each county in which a governmental unit is located in whole or in part.

Subd. 11. "Locally raised revenues" means the total money receipts of a municipality, including those of its constituent agencies, boards, commissions, and other bodies, from all sources and for all purposes, reduced by the expenses, including a reasonable allowance for depreciation of capital assets, incurred in the operation by the municipality of facilities for the production or sale of electricity,

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water, gas, heat, or telephone service, except that locally raised revenues shall not include:

(a) Revenues derived from the operation of municipal liquor stores;

(b) Public grants, as defined in subdivision 17, except that for purposes of this subdivision the amount prescribed by clause (2) of subdivision 16 shall be multiplied by 10;

(c) Grants or gifts from private persons, unless made by an entity exempt from ad valorem taxation in an amount which does not exceed the ad valorem tax which would have been payable by the entity during that year for the benefit of the recipient if the exemption did not exist; and

(d) The proceeds of any indebtedness incurred by the municipality.

The public examiner shall certify the locally raised revenues of each municipality for each year to the state auditor not later than September 1 of the subsequent year. If the fiscal year of a municipality ends on a date other than December 31, the certification shall relate to the fiscal year which ended in the calendar year preceding that in which the certificate is required to be made, and references in this act to the locally raised revenues of a municipality in a specified year shall be deemed to refer to the fiscal year ended in the specified calendar year.

Subd. 12. "Market value" of real property within a municipality means the "actual market value" of real property within the municipality, determined in the manner and with respect to the property described for school districts in Minnesota Statutes, Section 475.53, Subdivision 4, except that no adjustment shall be made for property on which taxes are paid into the state treasury under gross earnings tax laws applicable to common carrier railroads. For purposes of this act, the equalization aid review committee shall annually make determinations and reports with respect to each municipality which are comparable to those it makes for school districts under Minnesota Statutes, Section 124.211, Subdivision 3, in the same manner and at the same times as are prescribed by that subdivision. The auditor of each county and the commissioner of taxation shall annually determine and certify to the state auditor, for each municipality, information comparable to that required of each of them by section 475.53, subdivision 4, for school districts, as soon as practicable after it becomes available. The state auditor shall then compute the market value of property within each municipality.

Subd. 13. "Valuation" means the market value of real property within a municipality.

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Subd. 14. "Fiscal capacity" of a municipality means its valuation, determined as of January 2 of any year, divided by its population, determined as of a date in the same year.

Subd. 15. "Average fiscal capacity" of municipalities means the sum of the valuations of all municipalities, determined as of January 2 of any year, divided by the sum of their populations, determined as of a date in the same year.

Subd. 16. "Fiscal effort" of a municipality for any year means its locally raised revenues in that year, divided by its valuation in that year.

Subd. 17. "Public grants" means (1) the sum of all moneys received by a municipality pursuant to Minnesota Statutes, Sections 273.13, Subdivisions 3 and 15 (4), 273.69, Subdivision 8, 290.361, Subdivision 4, 297.13, 297A.51 to 297A.60, and 340.60; and (2) one tenth of all other moneys received by a municipality from the federal and state governments, and their agencies and political subdivisions, under programs of intergovernmental aids and grants distributed by formula or upon application. The public examiner shall certify the public grants of each municipality for each year to the state auditor not later than September 1 of the subsequent year.

Subd. 18. "Adjusted fiscal capacity" of a municipality means the product of its fiscal capacity and the sum of its locally raised revenues and public grants, divided by its locally raised revenues.

Subd. 19. "Base adjusted fiscal capacity" for municipalities for any year means the highest adjusted fiscal capacity of any qualifying municipality in that year.

Subd. 20. "Metropolitan area municipal equity account" or "municipal equity account" means the moneys deposited in the state treasury and credited to the account, for distribution to municipalities in accordance with this act, pursuant to other legislation. A metropolitan area municipal equity account is hereby established in the state treasury.

Subd. 21. "Metropolitan council" or "council" means the metropolitan council created by Minnesota Statutes, Chapter 473B.

Subd. 22. "Levy" means the amount certified to the county auditor pursuant to Minnesota Statutes, Chapter 275, less all reductions made by the auditor pursuant to any provision of law in determining the amount to be spread against taxable property.

Sec. 3. [473F.03] **ADMINISTRATIVE AUDITOR.** Subdivision 1. On or before July 1 of 1972 and each subsequent even numbered year the auditors of the counties within the area shall meet at the call of the auditor of Hennepin county and elect from among their

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number one auditor to serve as administrative auditor for a period of two years and until his successor is elected. If a majority is unable to agree upon a person to serve as administrative auditor, the state auditor shall appoint him from among the auditors of the counties in the area. If the administrative auditor ceases to serve as a county auditor within the area during the term for which he was elected or appointed, a successor shall be chosen in the same manner as is provided herein for the original selection, to serve for the unexpired term.

Subd. 2. The administrative auditor shall utilize the staff and facilities of the auditor's office of the county he serves to perform the functions imposed upon him by this act. His county shall be reimbursed for the marginal expenses incurred by its county auditor and his staff hereunder by contributions from each other county in the area in an amount which bears the same proportion to the total expenses as the population of the other county bears to the total population of the area. The administrative auditor shall annually, on or before February 1, certify the amounts of total expense for the preceding calendar year, and the share of each county, to the treasurer of each other county. Payment shall be made by the treasurer of each other county to the treasurer of the county incurring expense on or before the succeeding March 1.

Sec. 4. [473F.04] **ASSESSED VALUATION; 1971.** On or before November 20, 1972, the assessors within each county in the area shall determine and certify to the county auditor the assessed valuation in 1971 of commercial-industrial property subject to taxation within each municipality in his county.

Sec. 5. [473F.05] **ASSESSED VALUATION; 1972 AND SUBSEQUENT YEARS.** On or before November 20 of 1972 and each subsequent year, the assessors within each county in the area shall determine and certify to the county auditor the assessed valuation in that year of commercial-industrial property subject to taxation within each municipality in his county.

Sec. 6. [473F.06] **INCREASE IN ASSESSED VALUATION.** On or before November 20 of 1972 and each subsequent year, the auditor of each county in the area shall determine the amount, if any, by which the assessed valuation in that year of commercial-industrial property subject to taxation within each municipality in his county exceeds the assessed valuation in 1971 of commercial-industrial property subject to taxation within that municipality. If a municipality is located in two or more counties within the area, the auditors of those counties shall certify the data required by sections 4 and 5 to the county auditor who is responsible under other provisions of law for allocating the levies of that municipality between or among the affected counties. That county auditor shall determine the amount of the net excess, if any, for the municipality under this section, and

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certify that amount under section 7. Notwithstanding any other provision of this act to the contrary, in the case of a municipality which is designated on the effective date of this act as a redevelopment area pursuant to Section 401(a) (4) of the Public Works and Economic Development Act of 1965, P.L. 89-136, the increase in its assessed valuation of commercial-industrial property for purposes of this section shall be determined in each year subsequent to the termination of such designation by using as a base the assessed valuation of commercial-industrial property in that municipality in the year following that in which such designation is terminated, rather than the assessed valuation of such property in 1971.

**Sec. 7. [473F.07] COMPUTATION OF AREA-WIDE TAX BASE.** Subdivision 1. Each county auditor shall certify the determinations pursuant to sections 4, 5, and 6 to the administrative auditor on or before November 20 of 1972 and each subsequent year. The administrative auditor shall determine the sum of the amounts certified pursuant to section 6, and divide that sum by two and one half. The resulting amount shall be known as the "area-wide tax base for . . . . . (year)."

Subd. 2. The state auditor shall certify to the administrative auditor, on or before November 20 of 1972 and each subsequent year, the population of each municipality for the preceding year, the proportion of that population which resides within the area, the average fiscal capacity of municipalities for the preceding year, and the fiscal capacity of each municipality for the preceding year.

Subd. 3. The administrative auditor shall determine, for each municipality, the product of (a) its population, (b) the proportion which the average fiscal capacity of municipalities for the preceding year bears to the fiscal capacity of that municipality for the preceding year, and (c) two. The product shall be the area-wide tax base distribution index for that municipality, provided that (a) if the product in the case of any municipality is less than its population, its index shall be increased to its population, and (b) if a municipality is located partly within and partly without the area its index shall be that which is otherwise determined hereunder, multiplied by the proportion which its population residing within the area bears to its total population as of the preceding year.

Subd. 4. The administrative auditor shall determine the proportion which the index of each municipality bears to the sum of the indices of all municipalities. In the case of each municipality, he shall then multiply this proportion by the area-wide tax base.

Subd. 5. The product of the multiplication prescribed by subdivision 4 shall be known as the "area-wide tax base for . . . . . (year) attributable to . . . . . (municipality)." The administrative auditor shall certify such product to the auditor of the county in which the municipality is located on or before November 25.

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Sec. 8. [473F.08] **TAXABLE VALUE.** Subdivision 1. The county auditor shall determine the taxable value of each governmental unit within his county in the manner prescribed by this section.

Subd. 2. The taxable value of a governmental unit is its assessed valuation, as determined in accordance with other provisions of law, subject to the following adjustments:

(a) There shall be subtracted from its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year pursuant to section 6 in respect to that municipality as the total assessed valuation of commercial-industrial property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of commercial-industrial property within the municipality;

(b) There shall be added to its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to the area-wide base for the year attributable to that municipality as the total assessed valuation of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of residential property of the municipality.

Subd. 3. On or before November 30 of 1972 and each subsequent year, the county auditor shall apportion the levy of each governmental unit in his county in the manner prescribed by this subdivision. He shall:

(a) Determine that portion of the levy which bears the same proportion to the total levy as the amount set forth in subdivision 2, clause (b), bears to the taxable value of the governmental unit; and

(b) Determine the excess of the levy over that portion of the levy determined pursuant to clause (a).

Subd. 4. In 1972 and subsequent years, the county auditor shall divide that portion of the levy determined pursuant to subdivision 3, clause (b), by the assessed valuation of the governmental unit, less that portion subtracted from assessed valuation pursuant to subdivision 2, clause (a). The resulting rate shall apply to all taxable property except commercial-industrial property, which shall be taxed in accordance with subdivision 6.

Subd. 5. On or before November 30 of 1972 and each subsequent year, the county auditor shall certify to the administrative auditor that portion of the levy of each governmental unit determined pursuant to subdivision 3, clause (a). The administrative auditor

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shall then determine the rate of taxation sufficient to yield an amount equal to the sum of such levies from the area-wide tax base. On or before December 5 the administrative auditor shall certify said rate to each of the county auditors.

Subd. 5a. If a governmental unit is located in two or more counties, the computations and certifications required by subdivisions 3 to 5 with respect to it shall be made by the county auditor who is responsible under other provisions of law for allocating its levies between or among the affected counties.

Subd. 6. The rate of taxation determined in accordance with subdivision 5 shall apply in the taxation of each item of commercial-industrial property subject to taxation within a municipality to that portion of the assessed valuation of the item which bears the same proportion to its total assessed valuation as 40 percent of the amount determined pursuant to section 6 in respect to the municipality in which the property is taxable bears to the amount determined pursuant to section 5. The rate of taxation determined in accordance with subdivision 4 shall apply in the taxation of the remainder of the assessed valuation of the item.

Subd. 7. On or before January 1 of 1973 and each subsequent year, the administrative auditor shall certify to the state treasurer the amount of that portion of the levy made by each governmental unit set forth in subdivision 3, clause (a). Each county treasurer shall remit all tax payments computed pursuant to subdivision 5 to the state treasurer not later than 20 days before the times prescribed by Minnesota Statutes, Chapter 276, for the apportionment and distribution of tax revenues by county treasurers. The state treasurer shall deposit such payments to the credit of the area-wide tax account, which is hereby created. Marginal expenses incurred by the state treasurer under this section, and all refunds of tax receipts paid into the account, shall be paid from the account, and all interest earned on moneys in the account shall be credited to the account, and the distributions under subdivision 8 shall be adjusted proportionately to reflect expense payments and interest income and reduced to reflect the payment of each refund in amounts proportionate to the distributions received in the year the tax was paid.

Subd. 8. The state treasurer shall apportion and distribute amounts received by him pursuant to subdivision 7 to the county treasurer having jurisdiction of each governmental unit entitled thereto as shown by the certification to him in accordance with subdivision 7. The apportionment and distribution shall be made in the manner and not later than ten days before the times prescribed by Minnesota Statutes, Chapter 276, for the apportionment and distribution of tax revenues by county treasurers. Each county treasurer shall include the amounts thus received in his distributions pursuant to Chapter 276. Amounts necessary for distributions,

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refunds and payment of administrative expenses under this act are hereby appropriated.

Subd. 9. If the payment of any tax attributable to the area-wide tax base is delinquent, the county treasurer to whom said tax is payable shall promptly notify the state treasurer of the failure of payment. The state treasurer shall deduct the amount of the delinquency from his distributions to the county entitled to receive payment from the taxpayer. If the tax is subsequently paid or collected, the amount so paid or collected shall be retained by the county and distributed by it to the governmental units whose distributions were reduced pursuant to this subdivision by reason of the delinquency in the amount of such reduction.

Subd. 10. For the purpose of computing the amount or rate of any salary, aid, tax, or debt authorized, required, or limited by any provision of any law or charter, where such authorization, requirement, or limitation is related in any manner to any value or valuation of taxable property within any governmental unit, such value or valuation shall be adjusted to reflect the adjustments to valuation effected by subdivision 2, provided that: (1) in determining the market value of commercial-industrial property or any class thereof within a governmental unit for any purpose other than section 7, (a) the reduction required by this subdivision shall be that amount which bears the same proportion to the amount subtracted from the governmental unit's assessed valuation pursuant to subdivision 2, clause (a), as the market value of commercial-industrial property, or such class thereof, located within the governmental unit bears to the assessed valuation of commercial-industrial property, or such class thereof, located within the governmental unit, and (b) the increase required by this subdivision shall be that amount which bears the same proportion to the amount added to the governmental unit's assessed valuation pursuant to subdivision 2, clause (b), as the market value of commercial-industrial property, or such class thereof, located within the governmental unit bears to the assessed valuation of commercial-industrial property, or such class thereof, located within the governmental unit; and (2) in determining the market value of real property within a municipality for purposes of section 7, the adjustment prescribed by clause (1)(a) hereof shall be made and that prescribed by clause (1)(b) hereof shall not be made.

Subd. 11. For the purposes of computing distributions under Minnesota Statutes, Section 273.69, the property tax levy imposed upon all taxable property for the purpose of a governmental unit, referred to therein, shall be deemed to consist of the levy of that governmental unit, as defined in section 2, subdivision 22, irrespective of the extent to which levies are spread against the area-wide tax base pursuant to this section.

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Sec. 9. [473F.09] **ADJUSTMENTS IN DATES.** If, by reason of the enactment of any other law, the date by which the commissioner of taxation is required to certify to the county auditors the records of proceedings affecting the assessed valuation of property is advanced to a date earlier than November 15, the dates specified in sections 4 through 7 and 10 may be modified in the years to which such other law applies in the manner and to the extent prescribed by the administrative auditor.

Sec. 10. [473F.10] **REASSESSMENTS AND OMITTED PROPERTY.** Subdivision 1. If the commissioner of taxation orders a reassessment of all or any portion of the property in a municipality other than in the form of a mathematically prescribed adjustment of valuation, or if omitted property is placed upon the tax rolls, and the reassessment has not been completed or the property placed upon the rolls, as the case may be, by November 15, the assessed valuation of the affected property shall, for purposes of sections 3 to 8, be determined from the abstracts filed by the county auditor with the commissioner of taxation.

Subd. 2. If the reassessment, when completed and incorporated by the commissioner of taxation in his certification of the assessed valuation of the municipality, or the listing of omitted property, when placed on the rolls, results in an increase in the assessed valuation of commercial-industrial property in the municipality which differs from that used, pursuant to subdivision 1, for purposes of sections 3 to 8, the increase in the assessed valuation of commercial-industrial property in that municipality in the succeeding year, as otherwise computed under section 6, shall be adjusted in a like amount, by an increase if the reassessment or listing discloses a larger increase than was used for purposes of sections 3 to 8, or by a decrease if the reassessment or listing discloses a smaller increase than was used for those purposes, provided that no adjustment shall reduce the amount determined under section 6 to an amount less than zero.

Subd. 3. Subdivisions 1 and 2 shall not apply to the determination of the tax rate under section 8, subdivision 4, or to the determination of the assessed valuation of commercial-industrial property and each item thereof for purposes of section 8, subdivision 6.

Sec. 11. [473F.11] **LATE LEVIES.** Subdivision 1. If a governmental unit does not certify its levy to the county auditor by November 25, then for purposes of section 8, subdivision 3, clause (a), and section 8, subdivision 5, its levy shall be deemed to equal its levy in the preceding year.

Subd. 2. If a governmental unit certifies its levy to the county auditor on or before November 25, no change in its levy subsequent to that date shall be recognized for purposes of section 8, subdivision 3, clause (a), and section 8, subdivision 5.

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Subd. 3. Subdivisions 1 and 2 shall not apply to section 8, subdivision 3, clause (b), and section 8, subdivision 4.

Subd. 4. If, in any year, the levy employed in respect to a governmental unit, for purposes of section 8, subdivision 3, clause (a), and section 8, subdivision 5, is determined under subdivision 1 or subdivision 2, and its actual levy as determined subsequent to November 25 is a different amount, then its levy as otherwise determined in the succeeding year shall, for purposes of those provisions, be increased in the amount of the difference if the actual levy was greater than that employed for purposes of those provisions, or decreased in the amount of the difference if the actual levy was less than that employed for purposes of those provisions.

**Sec. 12. [473F.12] DISTRIBUTIONS FROM MUNICIPAL EQUITY ACCOUNT.** Subdivision 1. The sums deposited in the state treasury to the credit of the municipal equity account and all interest earned thereon shall be distributed to qualifying municipalities in the manner provided by this section. Amounts so distributed shall be expended by each municipality in the manner determined by its governing body consistently with other statutory and charter provisions.

Subd. 2. On September 1 of 1971 and each subsequent year, the state auditor shall estimate the total amount available for distribution to municipalities from the municipal equity account during the subsequent calendar year. The amount so estimated shall be the sum of the estimated balance in the account on November 15 of the year in which the estimate is made, the estimated deposits to the credit of the account thereafter through November 15 of the subsequent year, and interest earned by the fund over the 12 month period. The amount to be distributed to each qualifying municipality shall be the amount determined in accordance with subdivision 3, except that (a) if the sum of the amounts so determined differs from the total amount estimated to be available for distribution, the amount of the distribution to each municipality shall be adjusted proportionately, and (b) the amount to be distributed to each qualifying municipality, after any adjustment prescribed by clause (a), shall not be less than \$9, or, if the total amount estimated to be available for distribution is less than \$40 millions, that proportion of \$9 which equals the proportion which the total amount estimated to be available for distribution bears to \$40 millions, multiplied by the population of the municipality residing within the area as determined in the year preceding that in which the estimate is made. To the extent that the distributions to any municipality or group of municipalities are adjusted pursuant to clause (b), the distributions to all other municipalities shall be adjusted proportionately in amounts sufficient to make the total of the distributions to all municipalities equal the total amount estimated to be available for distribution. The state auditor shall notify the governing body of each qualifying

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municipality of the amount so determined with respect to that municipality before September 20.

Subd. 3. The amount of the distribution to each qualifying municipality is the product of its fiscal effort for the year preceding that in which the estimate is made and the excess of base adjusted fiscal capacity for municipalities for the preceding year over the adjusted fiscal capacity of the municipality for the preceding year. If a qualifying municipality is located partly within and partly without the area, its distribution shall be that which is otherwise determined hereunder, multiplied by the proportion which its population residing within the area bears to its total population as of the year preceding that in which the estimate is made.

Subd. 4. On or before each of the dates June 15 and November 15 of 1972 and each subsequent year, the state auditor shall issue his warrant in favor of the treasurer of each qualifying municipality in an amount equal to one half the amount determined by the state auditor to be due the municipality in that year under the terms of subdivision 2. There is hereby appropriated from the municipal equity account, to each municipality entitled to payments authorized by this section, sufficient moneys to make such payments.

Sec. 13. [473F.13] CHANGE IN STATUS OF MUNICIPALITY. Subdivision 1. If a qualifying municipality is dissolved, is consolidated with all or part of another municipality, annexes territory, has a portion of its territory detached from it, or is newly incorporated, the secretary of state shall immediately certify that fact to the state auditor. The secretary of state shall also certify to the state auditor the current population of the new, enlarged, or successor municipality, if determined by the municipal commission incident to consolidation, annexation, or incorporation proceedings. The population so certified shall govern for purposes of this act until the metropolitan council files its first population estimate as of a later date with the state auditor. If an annexation of unincorporated land occurs without proceedings before the municipal commission, the population of the annexing municipality as previously determined shall continue to govern for purposes of this act until the metropolitan council files its first population estimate as of a later date with the state auditor.

Subd. 2. The amount of each distribution from the municipal equity account shall reflect the status of municipalities as certified to the state auditor on September 1 of the year preceding that in which the distribution is made. If the status of a municipality thereafter changes before the distribution is made, the distribution shall be made to the successor municipality or municipalities. If there are two or more successors, the distribution shall be apportioned among them in accordance with Minnesota Statutes, Section 414.067.

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Subd. 3. In determining the locally raised revenues or market value of property attributable to a successor municipality for a year prior to a change in status, such amount shall be deemed the sum of the amounts of its predecessor municipalities and towns. If any of the predecessors were divided incident to the change, then for purposes of this act its locally raised revenues shall be apportioned among its successors in proportion to the division of population between them, and the market value of property located therein shall be allocated to the successor in which the property is located.

Approved July 23, 1971.

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EXTRA SESSION  
CHAPTER 25—H.F.No.212

[Coded]

*An act relating to employment; authorizing the state, its governmental subdivisions and other public instrumentalities to employ certain persons in accordance with a federal emergency employment act.*

Be it enacted by the Legislature of the State of Minnesota:

**Section 1. [15.61] FEDERAL EMERGENCY EMPLOYMENT ACT; EMPLOYMENT OF PERSONS BY STATE.** Subdivision 1. The state of Minnesota, its departments, agencies and instrumentalities, and any county, city, village, borough, town, school district or other body corporate and politic, may employ unemployed and underemployed persons as defined in the federal Emergency Employment Act of 1971 pursuant to and in accordance with the terms of that act.

Subd. 2. The provisions of Minnesota Statutes 1969, Sections 197.45 to 197.48 and 43.30 and any other law or ordinance relating to preference in employment and promotion of persons having served in the armed services, the provisions of any civil service law, rule or regulation, the provisions of any city charter or any ordinance or resolution, or the provisions of any other law or statute in conflict with the provisions of the federal Emergency Employment Act of 1971 shall not be applicable to the employment of the persons specified in subdivision 1.

Subd. 3. The provision of any law limiting the complement of any state department or agency is not applicable to persons employed

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