

CHAPTER 477A

LOCAL GOVERNMENT AID

477A.011 Definitions.

477A.0122 Family preservation aid.

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477A.06 Existing low-income housing aid.

477A.011 DEFINITIONS.*[For text of subsds 1 to 35, see M.S.1998]*

Subd. 36. **City aid base.** (a) Except as provided in paragraphs (b) to (k), "city aid base" means, for each city, the sum of the local government aid and equalization aid it was originally certified to receive in calendar year 1993 under Minnesota Statutes 1992, section 477A.013, subdivisions 3 and 5, and the amount of disparity reduction aid it received in calendar year 1993 under Minnesota Statutes 1992, section 273.1398, subdivision 3.

(b) For aids payable in 1996 and thereafter, a city that in 1992 or 1993 transferred an amount from governmental funds to its sewer and water fund, which amount exceeded its net levy for taxes payable in the year in which the transfer occurred, has a "city aid base" equal to the sum of (i) its city aid base, as calculated under paragraph (a), and (ii) one-half of the difference between its city aid distribution under section 477A.013, subdivision 9, for aids payable in 1995 and its city aid base for aids payable in 1995.

(c) The city aid base for any city with a population less than 500 is increased by \$40,000 for aids payable in calendar year 1995 and thereafter, and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$40,000 for aids payable in calendar year 1995 only, provided that:

- (i) the average total tax capacity rate for taxes payable in 1995 exceeds 200 percent;
- (ii) the city portion of the tax capacity rate exceeds 100 percent; and
- (iii) its city aid base is less than \$60 per capita.

(d) The city aid base for a city is increased by \$20,000 in 1998 and thereafter and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$20,000 in calendar year 1998 only, provided that:

- (i) the city has a population in 1994 of 2,500 or more;
- (ii) the city is located in a county, outside of the metropolitan area, which contains a city of the first class;
- (iii) the city's net tax capacity used in calculating its 1996 aid under section 477A.013 is less than \$400 per capita; and

(iv) at least four percent of the total net tax capacity, for taxes payable in 1996, of property located in the city is classified as railroad property.

(e) The city aid base for a city is increased by \$200,000 in 1999 and thereafter and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$200,000 in calendar year 1999 only, provided that:

- (i) the city was incorporated as a statutory city after December 1, 1993;
- (ii) its city aid base does not exceed \$5,600; and
- (iii) the city had a population in 1996 of 5,000 or more.

(f) The city aid base for a city is increased by \$450,000 in 1999 to 2008 and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$450,000 in calendar year 1999 only, provided that:

- (i) the city had a population in 1996 of at least 50,000;
- (ii) its population had increased by at least 40 percent in the ten-year period ending in 1996; and
- (iii) its city's net tax capacity for aids payable in 1998 is less than \$700 per capita.

(g) Beginning in 2002, the city aid base for a city is equal to the sum of its city aid base in 2001 and the amount of additional aid it was certified to receive under section 477A.06 in

2001. For 2002 only, the maximum amount of total aid a city may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by the amount it was certified to receive under section 477A.06 in 2001.

(h) The city aid base for a city is increased by \$150,000 for aids payable in 2000 and thereafter, and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$150,000 in calendar year 2000 only, provided that:

- (1) the city has a population that is greater than 1,000 and less than 2,500;
- (2) its commercial and industrial percentage for aids payable in 1999 is greater than 45 percent; and
- (3) the total market value of all commercial and industrial property in the city for assessment year 1999 is at least 15 percent less than the total market value of all commercial and industrial property in the city for assessment year 1998.

(i) The city aid base for a city is increased by \$200,000 in 2000 and thereafter, and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$200,000 in calendar year 2000 only, provided that:

- (1) the city had a population in 1997 of 2,500 or more;
- (2) the net tax capacity of the city used in calculating its 1999 aid under section 477A.013 is less than \$650 per capita;
- (3) the pre-1940 housing percentage of the city used in calculating 1999 aid under section 477A.013 is greater than 12 percent;
- (4) the 1999 local government aid of the city under section 477A.013 is less than 20 percent of the amount that the formula aid of the city would have been if the need increase percentage was 100 percent; and

(5) the city aid base of the city used in calculating aid under section 477A.013 is less than \$7 per capita.

(j) The city aid base for a city is increased by \$225,000 in calendar years 2000 to 2002 and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$225,000 in calendar year 2000 only, provided that:

- (1) the city had a population of at least 5,000;
- (2) its population had increased by at least 50 percent in the ten-year period ending in 1997;
- (3) the city is located outside of the Minneapolis-St. Paul metropolitan statistical area as defined by the United States Bureau of the Census; and
- (4) the city received less than \$30 per capita in aid under section 477A.013, subdivision 9, for aids payable in 1999.

(k) The city aid base for a city is increased by \$102,000 in 2000 and thereafter, and the maximum amount of total aid it may receive under section 477A.013, subdivision 9, paragraph (c), is also increased by \$102,000 in calendar year 2000 only, provided that:

- (1) the city has a population in 1997 of 2,000 or more;
- (2) the net tax capacity of the city used in calculating its 1999 aid under section 477A.013 is less than \$455 per capita;
- (3) the net levy of the city used in calculating 1999 aid under section 477A.013 is greater than \$195 per capita; and
- (4) the 1999 local government aid of the city under section 477A.013 is less than 38 percent of the amount that the formula aid of the city would have been if the need increase percentage was 100 percent.

[For text of subd 37, see M.S.1998]

History: 1999 c 243 art 5 s 42

477A.0122 FAMILY PRESERVATION AID.

[For text of subd 1, see M.S.1998]

Subd. 2. **Definitions.** For purposes of this section, the following definitions apply:

(a) "Children in out-of-home placement" means the total unduplicated number of children in out-of-home care as reported according to section 257.0725.

(b) "Family preservation programs" means family-based services as defined in section 256F.03, subdivision 5, families first services, parent and child education programs, and day treatment services provided in cooperation with a school district or other programs as defined by the commissioner of human services.

(c) "Income maintenance caseload" means average monthly number of Minnesota family investment program cases for the calendar year.

By July 1, 1994, the commissioner of human services shall certify to the commissioner of revenue the number of children in out-of-home placement in 1991 and 1992 for each county and the income maintenance caseload for each county for the most recent year available. By July 1 of each subsequent year, the commissioner of human services shall certify to the commissioner of revenue the income maintenance caseload for each county for the most recent calendar year available.

[For text of subs 3 to 6, see M.S.1998]

History: 1999 c 159 s 133

477A.03 APPROPRIATION.

Subd. 2. **Annual appropriation.** (a) A sum sufficient to discharge the duties imposed by sections 477A.011 to 477A.014 is annually appropriated from the general fund to the commissioner of revenue.

(b) Aid payments to counties under section 477A.0121 are limited to \$20,265,000 in 1996. Aid payments to counties under section 477A.0121 are limited to \$27,571,625 in 1997. For aid payable in 1998 and thereafter, the total aids paid under section 477A.0121 are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3.

(c)(i) For aids payable in 1998 and thereafter, the total aids paid to counties under section 477A.0122 are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3.

(ii) Aid payments to counties under section 477A.0122 in 2000 are further increased by an additional \$20,000,000 in 2000.

(d) Aid payments to cities in 1999 under section 477A.013, subdivision 9, are limited to \$380,565,489. For aids payable in 2000 and 2001, the total aids paid under section 477A.013, subdivision 9, are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3. For aids payable in 2002, the total aids paid under section 477A.013, subdivision 9, are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3, and increased by the amount certified to be paid in 2001 under section 477A.06. For aids payable in 2003 and thereafter, the total aids paid under section 477A.013, subdivision 9, are the amounts certified to be paid in the previous year, adjusted for inflation as provided under subdivision 3. The additional amount authorized under subdivision 4 is not included when calculating the appropriation limits under this paragraph.

[For text of subs 3 and 4, see M.S.1998]

History: 1999 c 243 art 11 s 6

477A.05 [Repealed, 1999 c 243 art 5 s 54]

477A.06 EXISTING LOW-INCOME HOUSING AID.

Subdivision 1. **Eligibility.** (a) For assessment years 1998, 1999, and 2000, for all class 4d property on which construction was begun before January 1, 1999, the assessor shall determine the difference between the actual net tax capacity and the net tax capacity that would be determined for the property if the class rates for assessment year 1997 were in effect.

(b) In calendar years 1999, 2000, and 2001, each city shall be eligible for aid equal to (i) the amount by which the sum of the differences determined in clause (a) for the corresponding assessment year exceeds two percent of the city's total taxable net tax capacity for taxes payable in 1998, multiplied by (ii) the city government's average local tax rate for taxes payable in 1998.

[For text of subds 2 and 3, see M.S.1998]

History: 1999 c 243 art 5 s 43