3.989 REIMBURSEMENT TO LOCAL POLITICAL SUBDIVISIONS FOR COSTS OF STATE MANDATES.

Subdivision 1. **Definitions.** In this section:

(1) "Class A state mandates" means those laws under which the state mandates to political subdivisions, their participation, the organizational structure of the program, and the procedural regulations under which the law must be administered; and

(2) "Class B state mandates" means those mandates resulting from legislation enacted after July 1, 1998, that specifically reference this section and that allow the political subdivisions to opt for administration of a law with program elements mandated beforehand and with an assured revenue level from the state of at least 90 percent of full program and administrative costs.

Subd. 2. **Compilation of local impact notes.** The commissioner of management and budget shall post to the agency website a copy of all local impact notes.

Subd. 3. **Certain political subdivisions; report.** The political subdivisions that have opted to administer class B state mandates shall report to the commissioner of management and budget by September 1, 1998, and by September 1 of each year thereafter, identifying each instance when revenue for a class B state mandate has fallen below 85 percent of the total cost of the program and the political subdivision intends to cease administration of the program.

The commissioner shall forward a copy of the report to the chairs of the appropriate funding committees of the senate and the house of representatives.

The political subdivision may exercise its option to cease administration only if the legislature has failed to include the shortfall as an appropriation in the state budget for the next fiscal year.

Subd. 4. **Exemptions.** Laws and executive orders enumerated in section 3.988 are exempted from this section.

History: *1997 c 231 art 11 s 4; 1998 c 389 art 16 s 6,7; 2008 c 154 art 16 s 3,4; 2009 c 101 art 2 s 109; 2013 c 134 s 6*