

1.1 Senator moves to amend S.F. No. 1828 as follows:

1.2 Page 4, line 23, strike "three-year average"

1.3 Page 4, line 24, strike "for the most recent years available"

1.4 Page 5, after line 2, insert:

1.5 "(i) "Group A offenses" means the annual number of Group A offenses under the National
1.6 Incident-Based Reporting System reported for each county by the Department of Public
1.7 Safety. By July 1 of each year, the commissioner of public safety shall certify to the
1.8 commissioner of revenue the number of Group A offenses reported for each county for the
1.9 three most recent full calendar years available.

1.10 (j) "Adjusted offenses" means the county's average annual number of Group A offenses
1.11 for the three-year period ending with the second prior calendar year to the year in which
1.12 the aid is certified. For aid payable in 2024 and 2025 only, for the purpose of the three-year
1.13 average calculated under this paragraph, the commissioner must substitute the annual number
1.14 of Part I crimes for any year in which the annual number of Group A offenses is not
1.15 available."

1.16 Page 5, after line 4, insert::

1.17 "Sec. 7. Minnesota Statutes 2022, section 477A.0124, subdivision 3, is amended to read:

1.18 Subd. 3. **County need aid.** ~~For 2005 and subsequent years,~~ The money appropriated to
1.19 county need aid each calendar year shall be allocated as follows: 40 percent based on each
1.20 county's share of age-adjusted population, 40 percent based on each county's share of the
1.21 state total of households receiving SNAP benefits, and 20 percent based on each county's
1.22 share of the state total of ~~Part I crimes~~ adjusted offenses.

1.23 **EFFECTIVE DATE.** This section is effective for aid payable in calendar year 2024
1.24 and thereafter."

1.25 Page 6, after line 4, insert:

1.26 "Sec. 10. Minnesota Statutes 2022, section 477A.014, subdivision 1, is amended to read:

1.27 Subdivision 1. **Calculations and payments.** (a) The commissioner of revenue shall
1.28 make all necessary calculations and make payments pursuant to sections 477A.013 and
1.29 ~~477A.03~~ under this chapter directly to the affected ~~taxing authorities~~ political subdivisions
1.30 annually. ~~In addition,~~ The commissioner shall notify the ~~authorities~~ political subdivisions
1.31 of their aid amounts, ~~as well as~~ the computational factors used in making the calculations

2.1 ~~for their authority~~, and those statewide total figures that are pertinent, before August 1 of
 2.2 the year preceding the aid distribution year, unless a different date is specified.

2.3 (b) For the purposes of this subdivision, aid is determined for a city or town based on
 2.4 its city or town status as of June 30 of the year preceding the aid distribution year. If the
 2.5 effective date for a municipal incorporation, consolidation, annexation, detachment,
 2.6 dissolution, or township organization is on or before June 30 of the year preceding the aid
 2.7 distribution year, such change in boundaries or form of government shall be recognized for
 2.8 aid determinations for the aid distribution year. If the effective date for a municipal
 2.9 incorporation, consolidation, annexation, detachment, dissolution, or township organization
 2.10 is after June 30 of the year preceding the aid distribution year, such change in boundaries
 2.11 or form of government shall not be recognized for aid determinations until the following
 2.12 year.

2.13 Subd. 1a. Adjustments to computational factors. ~~(e)~~ (a) Changes in boundaries or
 2.14 form of government ~~will~~ may only be recognized for the purposes of this subdivision, to
 2.15 the extent that, on or before July 15 of the aid calculation year: (1) changes in ~~market values~~
 2.16 ~~are included in market values reported by assessors to the commissioner, and changes in~~
 2.17 ~~population and household size are included in their respective certifications to the~~
 2.18 ~~commissioner as referenced in section 477A.011~~ computational factors have been recertified
 2.19 or otherwise reported in reliable form to the commissioner, or (2) an annexation information
 2.20 report as provided in paragraph ~~(d)~~ (b) is received by the commissioner ~~on or before July~~
 2.21 ~~15 of the aid calculation year.~~ Revisions to estimates or data for use in recognizing changes
 2.22 in boundaries or form of government are not effective for purposes of this subdivision unless
 2.23 received by the commissioner on or before July 15 of the aid calculation year. Clerical errors
 2.24 in the certification or use of estimates and data established as of July 15 in the aid calculation
 2.25 year are subject to correction within the time periods allowed under subdivision 3.

2.26 ~~(d)~~ (b) In the case of an annexation, an annexation information report may be completed
 2.27 by the annexing jurisdiction and submitted to the commissioner for purposes of this
 2.28 subdivision if the net tax capacity of annexed area for the assessment year preceding the
 2.29 effective date of the annexation exceeds five percent of the city's net tax capacity for the
 2.30 same year. The form and contents of the annexation information report shall be prescribed
 2.31 by the commissioner. The commissioner shall ~~change the net tax capacity, the population,~~
 2.32 ~~the population decline, the commercial industrial percentage, and the transformed population~~
 2.33 adjust the computational factors used to calculate aid under section 477A.013, subdivision
 2.34 9, for the annexing jurisdiction only if the annexation information report provides data the
 2.35 commissioner determines to be reliable for ~~all of these factors used to compute city revenue~~

3.1 ~~need for the annexing jurisdiction. The commissioner shall adjust the pre-1940 housing~~
3.2 ~~percentage and household size only if the entire area of an existing city or town is annexed~~
3.3 ~~or consolidated and only if reliable data is available for all of these factors used to compute~~
3.4 ~~city revenue need for the annexing jurisdiction~~ the entire annexed area.

3.5 **EFFECTIVE DATE.** This section is effective July 1, 2023."

3.6 Page 6, line 11, delete "and thereafter"

3.7 Page 6, line 12, after "\$714,398,012" insert ". For aids payable in 2025 and thereafter,
3.8 the total aid payable under section 477A.013, subdivision 9, equals the total aid payable
3.9 under section 477A.013, subdivision 9, in the previous year"

3.10 Page 6, line 27, strike "and thereafter"

3.11 Page 6, line 29, after the period, insert "For aids payable in 2026 and thereafter, the total
3.12 aid payable under section 477A.0124, subdivision 3, equals the total aid payable under
3.13 section 477A.0124, subdivision 3, in the previous year, multiplied by the inflation adjustment
3.14 under subdivision 6."

3.15 Page 7, line 7, delete "and thereafter" and after "\$228,473,444" insert ". For aids payable
3.16 in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 4, equals
3.17 the total aid payable under section 477A.0124, subdivision 4, in the previous year"

3.18 Page 7, delete section 11 and insert:

3.19 "Sec. 13. Minnesota Statutes 2022, section 477A.03, is amended by adding a subdivision
3.20 to read:

3.21 Subd. 6. **Inflation adjustment.** (a) For purposes of this section, "inflation adjustment"
3.22 means an amount equal to one plus the sum of:

3.23 (1) the annual percentage increase in the implicit price deflator for government
3.24 expenditures and gross investment for state and local government purchases as prepared by
3.25 the United States Department of Commerce for the 12-month period ending March 31 of
3.26 the previous calendar year; and

3.27 (2) the annual percentage increase in total city population as of January 15 of the current
3.28 year.

3.29 (b) The inflation adjustment calculated for aids payable in 2025 and thereafter must not
3.30 be less than 1.025 nor greater than 1.05.

- 4.1 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2024
- 4.2 and thereafter."
- 4.3 Renumber the sections in sequence and correct the internal references
- 4.4 Amend the title accordingly