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S.F. No. 4247 – Providing for an Annual Inflation and Population Adjustment to the Appropriations for Local Government Aid and County Program Aid

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Date: March 5, 2024

Section 1. Cities. Sets the total aid payable of Local Government Aid as the amount of the previous year multiplied by the inflation adjustment found in section 3. Effective beginning with aids payable in calendar year 2025.

Section 2. Counties. Sets the total aid payable of County Need Aid as the amount of the previous year multiplied by the inflation adjustment found in section 3. Sets the total aid payable of County Tax Base Equalization Aid as the amount of the previous year multiplied by the inflation adjustment found in section 3. Effective beginning with aids payable in calendar year 2025.

Section 3. Inflation adjustment. Establishes the “inflation adjustment” as the greater of: (1) 1.025; or (2) one plus the rate of change in inflation according to the implicit price deflator for government expenditures and gross investment for state and local governments plus the rate of change in total city population. The inflation adjustment shall not exceed 1.05. Effective beginning with aids payable in calendar year 2025.