

This Document can be made available
in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **1921**

03/01/2017 Authored by Koznick and Heintzeman
The bill was read for the first time and referred to the Committee on Transportation Finance
03/15/2017 Adoption of Report: Amended and re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to transportation; re-allocating township aid to the town roads account;
1.3 amending Minnesota Statutes 2016, section 477A.03, subdivisions 2, 2c; repealing
1.4 Minnesota Statutes 2016, section 477A.013, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 477A.03, subdivision 2, is amended to read:

1.7 Subd. 2. **Annual appropriation.** A sum sufficient to discharge the duties imposed by
1.8 subdivision 2c and sections 477A.011 to 477A.014 is annually appropriated from the general
1.9 fund to the commissioner of revenue.

1.10 Sec. 2. Minnesota Statutes 2016, section 477A.03, subdivision 2c, is amended to read:

1.11 Subd. 2c. ~~Towns~~ **Town roads.** ~~For aids payable in 2015~~ Beginning with fiscal year
1.12 2019 and thereafter, the total aids paid under section 477A.013, subdivision 1, is limited to
1.13 commissioner of revenue must transfer an amount equaling \$10,000,000 to the town road
1.14 account under section 162.081, subdivision 1, for distribution, apportionment, and use as
1.15 provided under section 162.081, subdivisions 2 to 4.

1.16 Sec. 3. **REPEALER.**

1.17 Minnesota Statutes 2016, section 477A.013, subdivision 1, is repealed.

1.18 **EFFECTIVE DATE.** This section is effective beginning with aids payable in 2018.

477A.013 MUNICIPAL GOVERNMENT DISTRIBUTIONS.

Subdivision 1. **Towns.** In 2014 and thereafter, each town is eligible for a distribution under this subdivision equal to the product of (i) its agricultural property factor, (ii) its town area factor, (iii) its population factor, and (iv) 0.0045. As used in this subdivision, the following terms have the meanings given them:

(1) "agricultural property factor" means the ratio of the adjusted net tax capacity of agricultural property located in a town, divided by the adjusted net tax capacity of all other property located in the town. The agricultural property factor cannot exceed eight;

(2) "agricultural property" means property classified under section 273.13, as homestead and nonhomestead agricultural property, rural vacant land, and noncommercial seasonal recreational property;

(3) "town area factor" means the most recent estimate of total acreage, not to exceed 50,000 acres, located in the township available as of July 1 in the aid calculation year, estimated or established by:

- (i) the United States Bureau of the Census;
- (ii) the State Land Management Information Center; or
- (iii) the secretary of state; and

(4) "population factor" means the square root of the towns' population.

If the sum of the aids payable to all towns under this subdivision exceeds the limit under section 477A.03, subdivision 2c, the distribution to each town must be reduced proportionately so that the total amount of aids distributed under this section does not exceed the limit in section 477A.03, subdivision 2c.