

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-THIRD SESSION**

**S.F. No. 306**

(SENATE AUTHORS: FARNSWORTH)

DATE  
01/17/2023

D-PG

Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
 1.2 relating to taxation; local government aid; modifying the sparsity factor in the city  
 1.3 aid formula; amending Minnesota Statutes 2022, section 477A.011, subdivision  
 1.4 45.

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

1.6 Section 1. Minnesota Statutes 2022, section 477A.011, subdivision 45, is amended to  
 1.7 read:

1.8 Subd. 45. **Sparsity adjustment.** The sparsity adjustment is 200 for:

1.9 (1) a city with a population of 10,000 or more, ~~the sparsity adjustment is 100 for any~~  
 1.10 ~~city with~~ and an average population density less than 150 per square mile, according to the  
 1.11 most recent federal census. ~~For; and~~

1.12 (2) a city with a population less than 10,000, ~~the sparsity adjustment is 200 for any city~~  
 1.13 ~~with~~ and an average population density less than 30 per square mile, according to the most  
 1.14 recent federal census.

1.15 The sparsity adjustment is zero for all other cities.

1.16 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2024  
 1.17 and thereafter.