

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 346

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**Version:** As Introduced

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**Subject:** Modifying the extra city aid base paid to certain larger cities

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In 2001, the city aid base (grandfathered portion of city LGA) was amended to provide extra aid to cities in Greater Minnesota with a 2000 population of 10,000 or more. The additional aid to each city is equal to the lesser of (1) \$60 multiplied by its 2000 population over 5,000, or (2) \$2.5 million. This amount does not change over time.

This bill would require the state to recalculate each year the number of cities that qualify for this aid and the amount they would receive. All cities in Greater Minnesota with a current population of 10,000 or more would qualify for this extra aid and the payment would also be recalculated each year, based on the most recent population estimates. Cities that currently do not receive aid under this provision but would qualify in 2008 include:

- Alexandria
- Monticello
- North Branch
- Otsego
- St. Michael
- St. Peter
- Sartell

Cities currently receiving aid under this provision would get more or less aid than under current law, depending on if their population has increased or decreased since 2000.