

(a) Changes the minimum MOE for each county and city to be its lowest library spending in the second or third preceding year. Under current law, a county or city has to spend at least the amount it spent two years ago which means that if a city or county increases its library spending it must maintain that higher levy of spending every other year in perpetuity.

(b), (c) Allow a city or county to reduce its library MOE if general purpose county or city state aids and credits are cut. The allowed reduction is the lesser of (a) 10 percent of its current MOE, or (2) a percent equal to percent of its aid and credit cut to its levy plus general purpose aids. The percent in clause (2) is based on the certified aid and levy amounts for the current year for cuts that occur after the current year's levies have been set, and on the paid amount of levy plus aids in the previous year for proposed future cuts. Requires that the Pay 2009 reductions be based on both 2008 unallotments and 2009 aid and credit cuts. The commissioner of revenue is required to calculate the MOE reductions for calendar year 2009 and in future years must certify the percentage used in calculating reductions under paragraph (c) to the commissioner of education by August 1 of the year prior to the year in which the reduced aids are paid.

(d) States that regardless of the allowed cuts in paragraphs (a) to (c), no city or county MOE can go below the minimum required effort currently in law.

Effective for support in calendar year 2009 and thereafter for library grants paid in fiscal year 2010 and thereafter, except that changes in paragraph (a) are effective for support in calendar year 2010 and thereafter.

- 4 **Notice of proposed property taxes (TnT).** Strikes the language referring to the TnT hearing from the section governing the TnT notice mailed to each taxpayer. Requires the notice to include information on regularly scheduled meetings where the budget and levy will be discussed and voted on. Effective for taxes payable in 2010 and thereafter.
- 5 **Adoption of budget and levy (TnT).** Strikes the language prescribing the TnT hearing. Effective for taxes payable in 2010 and thereafter.
- 6 **Temporary suspension of new or increased maintenance of effort and matching fund requirements.** Imposes a two year moratorium on the implementation of new or increased MOE or matching fund requirements. This should give the Legislative Commission on Mandate Reform, established in another article of the bill, time to study and make recommendations on any new proposals. To avoid causing a problem with the new federal stimulus bill that may require some increased spending, the counties and cities will remain responsible if the city or county is currently providing the federal MOE or match and the federal government increases those requirements. Effective the day after enactment.
- 7 **Determination of county tax rate (TnT).** Conforming change related to eliminating the truth in taxation hearing requirement. Effective for taxes payable in 2010 and thereafter.
- 8 **Duties (TnT).** Conforming change related to eliminating the truth in taxation hearing requirement. Effective for taxes payable in 2010 and thereafter.
- 9 **Tax levy for repayment (TnT).** Conforming change related to eliminating the truth in taxation hearing requirement. Effective for taxes payable in 2010 and thereafter.
- 10 **Application of other laws (TnT).** Conforming change related to eliminating the truth in

taxation hearing requirement. Effective for taxes payable in 2010 and thereafter.

- 11 Budget (TnT).** Conforming change related to eliminating the truth in taxation hearing requirement. Effective for taxes payable in 2010 and thereafter.
- 12 Repealer.** Paragraph (a) repeals the provisions related to the truth in taxation hearing and newspaper notice. Paragraph (b) repeals levy limits. Effective for taxes payable in 2010 and thereafter.

Article 2: Miscellaneous

Section

- 1 Best value contracting.** Strikes the limit on the number of contracts per year for all entities.
- 2 Abandonment; end of operation as cemetery.** Permits a county that has taken over an abandoned cemetery to prohibit further burials in the cemetery.
- 3 Compensation of (fence viewers).** Strikes the \$60 cap on compensation for fence viewers and allows a town board to recover all costs. The language is based on the damages provision in the law governing establishment of cartways.
- 4 Public burial ground is town's after ten years.** Permits a town that has assumed ownership of a cemetery to prohibit further burials in it.
- 5 County offices; closing; effect.** Requires a county to keep its offices open for public business at least four days a week (instead of five).
- 6 Plans and specifications, advertisement for bids.** Updates the threshold amounts for contracts and day labor under the special assessment statute by providing a cross-reference to the Uniform Municipal Contracting Law (UMCL).
- 7 Contracts; day labor.** Same as section 7.
- 8 Letting of contracts; performance bonds (HRA).** Same as sections 7 and 8.
- 9 Fee.** Strikes the \$10 cap on booking fees and allows a county to recover actual costs of booking.

Article 3: Rules Process.

1 **Effective date for rules requiring local implementation.**

Subd. 1. Determination. Requires a state agency to determine if a local government (city county, town) will be required to adopt or amend a local regulation to comply with a proposed rule. Provides for the administrative law judge (ALJ) to approve or disapprove.

Subd. 2. Effective dates. Provides that a rule becomes effective the next July 1 or January 1, or a later date provided by the law or rule, after final adoption if it does require a new or amended local regulation.

Subd. 3. Exceptions. Provides that the effective dates in subdivision 2 do not apply when the good cause exemption, expedited rulemaking process, or process for repealing obsolete rules apply, or when any other law specifies that the rulemaking process in chapter 14 do not apply; if federal law requires an effective date before the dates in subdivision 2; or the governor waives application of subdivision 2.

Provides two set times a year for rules to take effect if they would require a local government to make a plan or ordinance change.

Article 4: Legislative Commission on Mandate Reform

1 **Objections to rules.** Adds the Legislative Commission on Mandate Reform, established below, to the law that authorizes the Legislative Coordinating Commission or a house or senate committee with jurisdiction over administrative rules to file an objection to a rule with the secretary of state, which has the effect of placing the burden of proving the validity of the rule on the agency in any proceeding for judicial review or enforcement of the rule. Also permits the commission to petition for declaratory judgment as to the validity of a rule objected to and to intervene in litigation.

2 **Public hearings by state agencies.** Adds the Legislative Commission on Mandate Reform, established below, to the law that authorizes the Legislative Coordinating Commission to request an agency to hold a public hearing on rules to which the commission objects.

3 **Legislative Commission on Mandate Reform; established.**

Subd. 1. Established.

Subd. 2. Membership. Four senators appointed by the senate subcommittee on committees and three senators appointed by the senate minority leader; four house members appointed by the speaker and three appointed by the house minority leader.

Subd. 3. Terms; vacancies. Two-year terms. Vacancies must be filled so as to preserve the representation established in this section.

Subd. 4. Chair. Elected by and from among the members for two years. Must alternate between house and senate.

Subd. 5. Compensation. May be reimbursed for reasonable expenses as members of the legislature.

Subd. 6. Staff. Direct the Legislative Coordinating Commission to provide administrative support.

Subd. 7. Meetings; procedures; tie votes. Meetings at the call of the chair. Action requires votes in favor by at least four house members and four senators.

Subd. 8. Funding. Directs the commission to bill the commissioner of revenue for costs of administrative support and grants, up to \$100,000 per year. Provides for one half the costs to come from state aid to counties and one half to come from state aid to cities.

- 4 Legislative Commission on Mandate Reform; review and recommendations to legislature.** Directs the commission to solicit from local governments information on laws and rules that are problematic mandates and then to determine why each was enacted or adopted, if that reason still exists, costs to comply, and whether it can be repealed or modified. Requires the commission to submit a bill with mandate reform each session.
- 5 Legislative Commission on Mandate Reform; grants.** Provides for the commission to make recommendations to the commissioner of revenue to make grants to local government associations, the University of Minnesota, MnSCU, or other accredited postsecondary institutions to research and make recommendations on mandate reform.
- 6 Expiration.** The commission expires June 30, 2013.
- 7 First meeting after effective date.** Requires a first meeting as soon as practicable after all appointments are made. Provides for the speaker of the house to designate a commission member to convene the first meeting.