HOUSE RESEARCH

Bill Summary

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Version: The delete everything amendment (H3458DE2)

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Subject: Lake Mille Lacs Area economic relief program

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Overview

This bill establishes an economic relief program for businesses in the Lake Mille Lacs area affected by a decline in walleye fishing in the lake, authorizes property tax abatements for qualifying businesses, and refunds the state general levy on commercial/industrial and seasonal resort property in the 14 cities and towns surrounding the lake.

Section

- 1 Lake Mille Lacs area economic relief program. Requires Mille Lacs County to develop and operate a relief program for businesses affected by a decline in walleye fishing in the lake.
 - Authorizes grants, interest-free or forgivable loans, or tourism promotion activities.
 - Authorizes Mille Lacs County to establish application requirements, and grant and loan terms.
 - Requires Mille Lacs County to develop grant and loan approval criteria and procedures in consultation with DEED.
 - Establishes a relief area consisting of the 14 cities and towns surrounding the lake.
 - Requires a business to document a reduction in gross receipts in any two-year period since 2010 and be a business in one of a list of business types to qualify for relief.
 - Requires DEED to audit the county's compliance with program guidelines.

H.F. 3458
Version: The delete everything amendment (H3458DE2)
April 5, 2016
Page 2

Section

- 2 Lake Mille Lacs area property tax abatement. Authorizes the counties of Aitkin, Crow Wing, and Mille Lacs to abate the taxes payable in 2016 for taxpayers meeting the qualification requirements established in section 1.
 - Authorizes each county to retain a portion of the state general levy equal to the amount of tax abated.
 - Prohibits a taxpayer from appealing an abatement decision made by a county board under this section to the tax court.
 - Requires the commissioner of revenue to audit a county's compliance with this section, if they grant an abatement.
- 3 State general levy in economic relief area. Refunds the state general levy payable in 2016 on all commercial/industrial and seasonal resort property in the economic relief area.
- **Appropriation; Lake Mille Lacs area economic relief program.** Appropriates \$5,000,000 in fiscal year 2017 on a onetime basis to the economic relief program established in section 1.