HOUSE RESEARCH

Bill Summary

FILE NUMBER: DATE: H.F. 894 March 2, 2015

> Version: As introduced

Authors: Kiel and others

Subject: Border city aid

Analyst: Joel Michael, joel.michael@house.mn Anita Neumann, anita.neumann@house.mn

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

This bill provides an annual \$1 million allocation for border city aid. This aid would be allocated among the five qualifying cities (Breckenridge, Dilworth, East Grand Forks, Moorhead, and Ortonville) on a per capita basis. The city could choose whether to use the allocation for the regular border city enterprise zone program or the border city development zone program. Allocations are used to provide tax reductions to businesses in the cities (either new or expanding businesses or existing businesses). The allocations would remain available until used. In the past, allocations have been made for these programs on a one-time (not permanent) basis.