

# HOUSE RESEARCH

## Bill Summary

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Provides a onetime extra LGA payment of \$97,260 to the city of Hermantown with aids payable in 2019. The extra payment is made from the existing LGA appropriation, causing a small decrease in 2019 aids to some other cities compared to their 2019 aid under current law.

**Background:** In 2017 a “glitch” was discovered in the city LGA formula that caused 20 cities to lose aid they otherwise would have gotten in 2017. The glitch in the formula was fixed going forward but those cities lost about \$167,300 in aid between 2016 and 2017. The city of Hermantown’s loss was \$97,260 or 58% of the total aid lost to the 20 cities due to the formula glitch.