

Legislative Update

April 1, 2010

Summary of Budget and Job Bills

Budget Bill (HF1 671/Chapter 215)

- Budget bill covers state agencies, higher education and aids and credits.
- Reductions are for the current biennium which ends June 30, 2011. Reductions include:
 - Higher Education \$ 47.000 million
 - Environment and Natural Resources 12.757
 - Transportation 14.650
 - Public Safety 22.651
 - Aids and Credits 111.279

Budget Bill

- Budget also includes transfers of appropriations to the General Fund and cancellations.
- Aids and Credits include reductions in LGA, Market Value Homestead Credit (MVHC) and County Program Aid.
- Reductions of \$105.0 million split equally between cities and counties.
- Calendar year 2010 city reductions will come from MVHC first then by LGA.
- Minneapolis' 2010 state aid reduction is \$10.9 million (\$6.2 MVHC + \$4.7 LGA).
- Calendar year 2011 LGA projected to approximate 2010 certified LGA amount.

Jobs Bill

- Bill includes tax credits for angel investors and historic preservation.
- Bill also includes PACE – special assessments for energy improvements and general tax increment law amendment to spur construction.
- Amendments to Mall of America (MoA) legislation to permit using local taxes to support development in any phase of the (MoA).
- Permits Public Facilities Authority (PFA) to make loans for transportation infrastructure facilities.