

# HOUSE RESEARCH

## Bill Summary

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**Authors:** Marquart and others  
**Subject:** Local government performance measurement programs  
**Analyst:** Deborah A. Dyson  
Steve Hinze

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### Overview

H.F. 1201 creates the Council on Local Results and Innovation to establish a standard set of performance measures, and minimum standards for performance measurement systems, for counties and cities that want to use them. The council is also to serve as a statewide resource for the development, promotion, and implementation of local government performance measurement systems. Counties and cities that choose to participate in the reporting of standard measures are eligible for cost reimbursement payments from the state. Counties and cities that choose to implement performance measurement systems that meet the minimum standards established by the council are exempt from levy limits (if otherwise applicable) and from truth-in-taxation hearing requirements (if otherwise applicable).

### Section

#### 1 Council on local results and innovation.

**Subd. 1. Creation.** Creates the council with 11 members, including the state auditor, eight persons who are not legislators appointed by the chair and minority leads of the house and senate committees with jurisdiction over property taxes, and one person each appointed by the Association of Minnesota Counties and the League of Minnesota Cities. Specifies four year, staggered terms, desired knowledge, and experience of appointees. Provides that after the initial appointments, the eight appointments by legislators must be made by the council.

**Subd. 2. Duties.** (a) Requires the council to develop by February 15, 2010, standard sets of approximately ten performance measures for counties and ten for cities (level I) aimed at measuring the efficiency and effectiveness of counties and cities in providing services.

(b) Requires the council to develop minimum standards for performance

measurement systems, which may vary by size and type of jurisdiction, by February 15, 2011 (level II).

(c) Requires the council to serve as a statewide resource to aid in the development, promotion, and implementation of local government performance measurement systems.

**Subd. 3. Reports.** Requires the council to report its initial set of performance measures to the property tax committees of the house and senate by February 28, 2010. Requires an annual report by February 1 in subsequent years. Permits the state auditor to make the reports instead of the council if agreed by both the state auditor and the council.

**Subd. 4. Operation of council.** Directs the state auditor to convene the first council meeting; chair to be elected by and from among the council members for two-year terms; council members serve without compensation; council members to rotate and share administrative support responsibilities; council exempted from open meeting law but required to conduct open meetings; and meeting notices to be published on the state auditor's web site.

**Subd. 5. Termination.** Council expires January 1, 2019.

Effective upon enactment.

## 2 Local performance measurement and reporting.

**Subd. 1. Reports of local performance measures.** Requires a county or city that participates to report results to its citizens annually and to file a report with the state auditor by July 1.

Describes two levels of participation. A city or county participating at level I must report on results for the standard set of performance measures. In 2011, a city or county participating at level II must submit a resolution indicating it either has implemented or is in the process of implementing a local performance measurement system meeting the minimum standards. In 2012 and thereafter, level II participants must affirm that they have implemented a local performance measurement system meeting the minimum standards.

**Subd. 2. Benefits of participation.** (a) A participant in 2010 may receive a per capita reimbursement of 25 cents, up to \$25,000, and is exempt from levy limits and truth in taxation hearing requirements for taxes payable in 2011.

(b) A participant at level I in 2011 may receive a per capita reimbursement of 25 cents, up to \$25,000. A participant at level II in 2011 is exempt from levy limits and truth in taxation hearing requirements for taxes payable in 2012.

(c) A participant at level I in 2012 or any year thereafter may receive a per capita reimbursement of 25 cents, up to \$25,000. A participant at level II in 2012 or any year thereafter is exempt from levy limits and truth in taxation hearing requirements for taxes payable in the following year.

**Subd. 3. Certification of participation.** Directs the state auditor to certify

participation to the commissioner of revenue. Provides for the commissioner of revenue to make the per capita reimbursements and notify each city and county that is exempt from levy limits.

**Subd. 4. Appropriation.** Establishes a standing appropriation from the general fund for payments made under this section.

Effective December 31, 2009.