

**Subject** Local Taxes Advisory Task Force

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## Overview

This bill creates the Local Taxes Advisory Task Force for the purposes of examining the use of local taxes as funding mechanisms for local governments to fund capital projects.

The task force must determine objective evaluation criteria with which to evaluate local tax proposals, as well as determine the appropriate entity to evaluate the proposals using the established criteria.

Requires the task force to meet twice monthly beginning in July 2023 and requires the task force to issue a report to the legislature detailing its determination.

## Summary

Section	Description
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1	<b>Local taxes advisory task force.</b>
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**Subd. 1. Establishment.** Establishes the Local Taxes Advisory Task Force for the purpose of examining the use of local taxes as funding mechanisms for local government capital projects.

**Subd. 2. Membership.** Requires that the task force consist of the following members:

- three representatives from the house (two appointed by the speaker, one appointed by the minority leader);
- three members of the senate (two appointed by the majority leader, one appointed by the minority leader);
- the commissioner of revenue (or designee);
- one member from the League of Minnesota Cities; and
- one member of the Association of Minnesota Counties.

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Requires that appointments to the task force be made by July 1, 2023.

**Subd. 3. Meetings.** Requires the commissioner to convene the first meeting and all subsequent meetings. The first meeting must be held by July 15, 2023. Requires the task force to meet twice monthly until September 15, 2023, at which point the commissioner may increase or decrease the meeting frequency.

**Subd. 4. Duties.** Requires the task force to examine local taxes and determine:

- objective evaluation criteria for all local tax proposals that require legislative approval;
- the appropriate entity or entities to evaluate the proposals based on that criteria prior to legislation being heard in legislative committees;
- the appropriate process for enacting special laws that authorize a new or modify an existing local tax; and
- any necessary changes to current law to accommodate the above determinations.

**Subd. 5. Report; expiration.** Requires the task force to issue a report on its determinations to the legislature by January 15, 2024. The commissioner is responsible for compiling the report. States that if the members do not agree on final determinations that the report include the differing opinions of members and their preferred recommendations.

The task force expires upon submission of the report.

**Subd. 6. Officer; support.** Requires the commissioner to act as chair of the task force and provide support to the task force.

**Subd. 7. Expenses.** Allows reimbursement for travel expenses to members of the task force.



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