ARTICLE 1: PROPERTY TAXES

Section 1. Board of Assessors reports. Amends Minn. Stat. § 270.41, subd. 3a, by combining separate reports to the Governor and the Legislature into a single report containing the same information required under current law. Effective for reports issued in 2020 and thereafter.

Section 2. Definitions. Amends Minn. Stat. § 272.029, subd. 2, to clarify that the construction date of a wind energy conversion system is not altered if the system is replaced, repaired, or otherwise maintained or altered. Effective the day following final enactment.

Section 3. Definitions. Amends Minn. Stat. § 272.0295, subd. 2, to clarify that the construction date of a solar energy generating system is not altered if the system is replaced, repaired, or otherwise maintained or altered. Effective the day following final enactment.

Section 4. Notification of tax. Amends Minn. Stat. § 272.0295, subd. 5, to allow the commissioner to correct clerical errors until December 31. Effective the day following final enactment.

Section 5. Assessor powers and duties. Amends Minn. Stat. § 273.063, by clarifying that the “powers and duties” performed by a city assessor in a county having a city of the first class are the powers and duties identified in section 273.061, subd. 8. Effective the day following final enactment.

Section 6. Assessor education. Amends Minn. Stat. § 273.0755, by specifying that licensed assessors must complete 30 hours of education on Minnesota laws, assessment administration, and administrative procedures, which may be spread out over every four-year licensing cycle, rather than mandating completion of a single weeklong course on these topics. Effective for the four-year licensing period starting on July 1, 2020, and thereafter.

Sections 7, 8, 10. Lake Vermilion-Soudan Underground Mine State Park PILT. Payment in-lieu of taxes (PILT) references in Minn. Stat. §§ 273.124, subd. 14; 273.18; and 477A.10, are amended to include a cross-reference to Minn. Stat. § 477A.17, the Lake Vermilion-Soudan Underground Mine State Park PILT statute. Effective the day following final enactment.
Section 9. Exemptions. Amends Minn. Stat. § 287.04, to allow an exemption for mortgage loans made under low or moderate income housing program if the assignee of the mortgage is a governmental agency. Currently, the governmental agency must be listed as the mortgagee for the exemption to apply. It also corrects the format to reflect that the exemptions under § 287.04 are listed as clauses, not paragraphs. This section is effective for mortgages recorded after July 31, 2020.

ARTICLE 2: FIRE AND POLICE STATE AIDS

Section 1. Compliance report due dates. Amends Minn. Stat. § 6.495, subd. 3, to provide due dates for financial compliance reports submitted by the state auditor to the commissioner of revenue. The reports certify which relief associations are eligible to receive fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 2. Fire and police premium report penalties. Amends Minn. Stat. § 297I.26, subd. 2, to eliminate obscure penalty language no longer needed by the commissioner of revenue. A cross-reference is also added to clarify consequences for an insurance company that knowingly makes and files an inaccurate or false report. Effective for reports required to be filed after December 31, 2020.

Section 3. Apportionment agreement definition. Amends Minn. Stat. § 477B.01, by adding a new subd. 1a, which defines “apportionment agreement” for the purposes of fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 4. Fire department definition. Amends Minn. Stat. § 477B.01, subd. 5, to add joint powers entities and fire protection special taxing districts to the definition of “fire department” for the purposes of Chapter 477B. Effective for aids payable in calendar year 2021 and thereafter.

Section 5. Fire protection special taxing district definition. Amends Minn. Stat. § 477B.01, by adding a new subd. 6a, which defines a fire protection special taxing district for purposes of fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 6. Joint powers entity definition. Amends Minn. Stat. § 477B.01, by adding a new subd. 7a, which defines a joint powers entity for purposes of fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 7. Municipality definition. Amends Minn. Stat. § 477B.01, subd. 10, to include joint powers entities and fire protection special taxing districts in the definition of “municipality” for purposes of fire state aid. Park districts and the University of Minnesota are eliminated from the definition. These entities do not currently receive fire state aid and are not anticipated to qualify for fire state aid in the future. Effective for aids payable in calendar year 2021 and thereafter.

Section 8. Secretary definition. Amends Minn. Stat. § 477B.01, subd. 11, to include the secretary of a joint powers board or fire protection special taxing district board in the definition
of “secretary” for purposes of fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 9. Fire department criteria. Amends Minn. Stat. § 477B.02, subd. 2, to require a fire department to have a fire department identification number issued to it by the state fire marshal as one of the criteria for receiving fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 10. Fire department personnel and benefits criteria. Amends Minn. Stat. § 477B.02, subd. 3, to eliminate outdated personnel criteria for fire departments to receive fire state aid. Language is also added to clarify that a fire department may not be associated with two retirement benefit plans at the same time. Effective for aids payable in calendar year 2021 and thereafter.

Section 11. Public safety answering point requirement. Amends Minn. Stat. § 477B.02, by adding a new subd. 4a, which requires a fire department to be dispatched by a public safety answering point in order to qualify for fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Sections 12, 17. Documentation filing requirements. Amends Minn. Stat. § 477B.02, subd. 5, to clarify the documentation and information required to be filed with the commissioner by municipalities and independent nonprofit firefighting corporations. Notifications of contract termination, apportionment agreements, joint powers agreements, fire protection special taxing district resolutions or agreements, and any amended versions of such documents, must all be filed with the commissioner at the time and in the form and manner as the commissioner prescribes. In the event a fire department is located in an unorganized territory, the county auditor is also required to provide information that the commissioner needs to apportion the estimated market value of the fire department service area. Minn. Stat. § 477B.03, subd. 4, is also amended to reflect the documentation required to be filed with the commissioner. Effective for aids payable in calendar year 2021 and thereafter.

Section 13. PERA certification. Amends Minn. Stat. § 477B.02, subd. 8, to provide that the executive director of the Public Employees Retirement Association only needs to certify to the commissioner of revenue changes to a fire department’s retirement coverage by the voluntary statewide volunteer firefighter retirement plan since the previous certification. Effective for aids payable in calendar year 2021 and thereafter.

Section 14. Fire department certification to commissioner. Amends Minn. Stat. § 477B.02, subd. 9, to require the municipal clerk or the secretary to annually certify a fire department’s fire department service area and whether all the qualification criteria for fire state aid are met. The municipal clerk or secretary must send a copy of the certification to the fire chief within five business days of filing. Effective for aids payable in calendar year 2021 and thereafter.

Section 15. Penalty for fire state aid certification. Amends Minn. Stat. § 477B.02, subd. 10, to eliminate a ten-day grace period between the fire state aid certification due date and the time a
penalty begins accruing. The grace period is replaced by a notification issued by the commissioner of revenue on March 1 alerting a municipal clerk or secretary that has not yet filed the certification form of the March 15 due date and applicable penalty for late filed certifications. Language is added requiring a municipal clerk or secretary to correct a certification form rejected by the commissioner within 30 days of the notice of rejection. The penalty timeline is shortened to ten weeks and applies to both late certifications and corrective certifications filed after March 15th that are also filed more than 30 days after the date on the notice of rejection. Effective for aids payable in calendar year 2021 and thereafter.

Section 16. Population data. Amends Minn. Stat. § 477B.03, subd. 3, to require the commissioner to use population estimates from the state demographer rather than federal census data to calculate fire state aid. Effective for aids payable in calendar year 2021 and thereafter.

Section 18. Fire state aid appeal. Amends Minn. Stat. § 477B.03, subd. 7, to provide that objections to fire state aid apportionments may only be raised within 60 days after the apportioned fire state aid is paid. Effective for aids payable in calendar year 2021 and thereafter.

Section 19. Fire state aid payments. Amends Minn. Stat. § 477B.04, subd. 1, to clarify that aid is withheld from payment for noncompliance with financial reporting requirements. If the Office of the State Auditor certifies that the requirements have been met, the commissioner of revenue must make the payments within ten business days of receipt of the certification. Language also clarifies that joint powers entities and independent nonprofit firefighting corporations must designate in writing the city or town to be paid fire state aid on its behalf. Effective for aids payable in calendar year 2021 and thereafter.

Section 20. Fire state aid amount corrections. Amends Minn. Stat. § 477B.04, by adding a new subd. 4, that specifies how clerical errors that resulted in an incorrect payment are to be adjusted. Adjustments may only occur within three years after payment was issued. Effective for aids payable in calendar year 2021 and thereafter.

Section 21. Penalty for police state aid certification. Amends Minn. Stat. § 477C.02, subd. 4, to eliminate a ten-day grace period between the police state aid certification due date and the time a penalty begins accruing. The grace period is replaced by a notification issued by the commissioner on March 1 alerting a municipal clerk, municipal clerk-treasurer, or county auditor that has not yet filed the certification form of the March 15 due date and applicable penalty for late filed certifications. Language is added requiring a municipal clerk, municipal clerk-treasurer, or county auditor to correct a certification form rejected by the commissioner within 30 days of the notice of rejection. The penalty timeline is shortened to ten weeks and applies to both late certifications and late corrective certifications filed after March 15th that are also filed more than 30 days after the date on the notice of rejection. Effective for aids payable in calendar year 2021 and thereafter.

Sections 22, 24. Police state aid amount corrections. Amends Minn. Stat. § 477C.04, by adding a new subd. 4, that specifies how clerical errors that resulted in an incorrect payment are to be adjusted. Adjustments may only occur within three years after payment was issued. Minn. Stat. § 477C.03, subd. 2, is also amended to delete vague language describing aid payment adjustments. Effective for aids payable in calendar year 2021 and thereafter.
Section 23. Police state aid appeal. Amends Minn. Stat. § 477C.03, subd. 5, to provide that objections to police state aid apportionments may only be raised within 60 days after the apportioned police state aid is paid. Effective for aids payable in calendar year 2021 and thereafter.

Section 25. Repealer. An uncodified provision repeals Minn. Stat. § 477B.02, subd. 4. This subdivision details outdated equipment requirements for fire departments that should no longer be used as a factor in determining qualification for fire state aid. Minn. Stat. § 477B.03, subd. 6, is also repealed. This subdivision contained vague language describing aid payment adjustments. It is no longer needed with the fire state aid correction language added to § 477B.04. Effective for aids payable in calendar year 2021 and thereafter.

ARTICLE 3: MISCELLANEOUS

Section 1. Adjustment; definition; period; rounding. Amends Minn. Stat. § 270C.22, subd. 1, to correct the statutory year calculation of inflation for the property tax refund chapter. Effective for property tax refunds based on property taxes payable in 2020, and rent paid in 2019.

Section 2. Repealer. Repeals Minn. Stat. § 270C.17, subd. 2, which requires local units of government, whose tax is administered by the department, to pay for new computer system development costs. Subdivision 2 is unnecessary as the commissioner is required to deduct from the proceeds remitted any direct or indirect costs to administer, audit, and collect local sales taxes under Minn. Stat. § 297A.99, subd. 11. Effective the day following final enactment.