



Meeting: Local Taxes Advisory Task Force Agenda

Date: 08/16/2023

Agenda

- Welcome (Commissioner Marquart)
- Introductions (Audel Shokohzadeh)
 - Name, organizational affiliation, where do you live, what is your favorite summer activity?
- Local Taxes Advisory Task Force Charter (Audel Shokohzadeh)
- Establishing Team Norms (Audel Shokohzadeh)
- Previewing Upcoming Meetings (Audel Shokohzadeh)
- Closing (Commissioner Marquart)

Meeting Materials

Local Taxes Advisory Task Force Charter

The Local Taxes Advisory Task Force (Advisory Task Force) was established by [Minnesota Session Laws 2023, Chapter 64 – H.F. No. 1938, Article 4, Section 51](#). The purpose of the Advisory Task Force is to examine the use of local taxes as a funding mechanism for cities and counties to fund capital projects and other improvement projects.

Responsibilities

The Advisory Task Force must determine objective evaluation criteria for:

- General local sales tax proposals
- Food and beverage tax proposals
- Lodging tax proposals seeking accommodations beyond the restrictions of Minnesota Statutes, section 469.190

The task force will identify:

- The appropriate entity to objectively evaluate local tax proposals based on the established criteria prior to legislation on these taxes being heard in legislative committees.
- The process for enacting special laws authorizing new or modifying existing general and special local taxes.
- Any necessary changes to current law to accommodate the task force determinations.

When making general local sales tax proposal determinations, the task will consider:

- The current requirement of demonstrating regional significance and what, if any, measures should be in place to define regional significance.
- The role of a local government's receipt of general purpose state aid and the amount of aid received.
- The role of a local government's ability to levy project costs through property taxes by analyzing their net tax capacity tax rate compared to state- and county-wide averages.
- Any other considerations identified by the task force.

Roles

The Advisory Task Force consist of 7 members:

- Commissioner of Revenue chair of the advisory task force and submits a report to legislators.
- Member of the League of Minnesota Cities represents the League and its members.
- Member of the Association of Minnesota Counties represents the Association and its members.
- Public members represent a wide range of perspectives.

Members will engage in thoughtful dialogue to develop recommendations that fulfill the statutory responsibilities of the Advisory Task Force.

Additionally, the following representatives will provide support to the advisory task force:

- Consultant facilitates meetings, records meeting minutes, draft the report.
- Revenue staff provides professional, technical, and administrative support.

Advisory Task Force Report

The commissioner of Revenue must submit a report to the legislature with recommendations by January 15, 2024. The report should reflect the recommendations of a majority of the members of the Advisory Task Force. The Advisory Task Force will expire upon submission of its report. The legislative committee with jurisdiction over local taxes must hold a public hearing on the report during the regular legislative session.

Team Norms

To ensure the report reflects the recommendation of a majority of the members of the Advisory Task Force, members agree to the following team norms to ensure meetings are efficient, effective, and inclusive.

[To be developed in the first meeting]

Establishing Team Norms

- Brainstorm
 - What overarching norms are important to you when working as a team?
 - What communication norms are important to you when working as a team?
 - What decision-making norms are important you when working as a team?
 - What conflict resolution norms are important to you when working on a team?
 - What norms are important to you during meetings?
- Select and Adopt Norms
 - Based on what we learned, which norms do the full team, or most of the team members share?
 - Are there any suggested norms individuals feel strongly about that weren't endorsed by a majority of the team?

Previewing Upcoming Meetings

This is a tentative roadmap of the topics we will cover in future meetings. The topics covered in each meeting are subject to change.

- **Date:** August 16
 - **Topic:** Working Group Meeting (Introductions, Orientation)
- **Date:** August 30
 - **Topic:** Working Group Meeting (Evaluation criteria)
- **Date:** September 13
 - **Topic:** Working Group Meeting (Evaluation criteria)
- **Date:** September 27
 - **Topic:** Public testimony
- **Date:** October 11
 - **Topic:** Working Group Meeting (Entity to evaluate local tax proposals)
- **Date:** October 25
 - **Topic:** Working Group Meeting (Special laws authorizing new or modifying existing general and special local taxes, changes to current law)
- **Date:** November 8
 - **Topic:** Public testimony
- **Date:** November 22
 - **Topic:** Working Group Meeting (Developing the report)
- **Date:** December 6
 - **Topic:** Working Group Meeting (Developing the report)
- **Date:** December 20
 - **Topic:** Public testimony and feedback on draft report
- **Date:** January 3
 - **Topic:** Working Group Meeting (Review of the report and next steps with submitting the report)