

**STATE AID
Federal Enforcement
Reimbursement Aid**

April 20, 2026

Department of Revenue
Analysis of S.F. 5038 (Dibble) / H.F. 4871 (Freiberg) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	\$0	(\$10,000)	\$0	\$0

Effective for aids payable in 2026 only.

EXPLANATION OF THE BILL

The proposal establishes a one-time \$10 million state aid program for cities to reimburse costs associated with federal immigration enforcement actions. Eligible costs include operating and capital costs for public safety, emergency management, public works, and legal services incurred between December 1, 2025, and May 31, 2026. Cities would submit reimbursement claims to the Office of the State Auditor for review, and the Department of Revenue would certify and issue payments. The \$10 million would be allocated to cities in proportion to each city's share of total eligible costs.

REVENUE ANALYSIS DETAIL

- The one-time appropriation would result in a \$10 million state general fund cost in fiscal year 2027.

Source: Minnesota Department of Revenue
Property Tax Division – Research Unit
<https://www.revenue.state.mn.us/revenue-analyses>

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