Strengthening County Program Aid

Updating the County Program Aid Formula to Support Today’s Counties

Minnesota has a tradition of state-mandated, county-administered programming that requires counties to deliver essential services in public safety, human services, transportation, and other vital program areas on the state’s behalf. To help pay for these services, the state distributes funding to counties via County Program Aid (CPA) with the additional goal of offsetting mandate costs and decreasing property taxes. While recent legislative changes successfully addressed formula flaws that created regional volatility, funding is still not near historic highs when program dollars accounted for more than 20 percent of counties’ average levy. As counties continue to grapple with new mandates, cost shifts, and increased service costs, CPA stands as the most important general purpose aid in managing these costs and providing property tax payers relief.

CPA is Property Tax Relief

2018 was the first year the revised CPA formula was used, and it resulted in meaningful relief for property owners in Minnesota. 74% of counties surveyed reported their CPA increase had a significant or moderate impact on their 2019 budget. About two-thirds of counties that received a 20 percent or greater increase in their aid amount for 2018 kept their levy increase below the state’s average.

"Rock County receives $517,040 in CPA, this money results in a direct "buy down" of our levy by 8%. This money is used as general property tax relief for our taxpayers and helps defray the cost of mandated services."
- Rock County

"We rely on CPA as an important revenue source to fund our operations. It makes a big difference for us --helping provide state-mandated services, and keeping local property taxes down."
- Dakota County

"Counties are expected to offer efficient, fair and consistent services to tax payers. Over the last 10 years, Marshall County’s aid fluctuated from $1.2 million to $133,000. Without consistency in CPA, it’s not possible to provide consistency for taxpayers."
- Marshall County

In an age when counties are forced to do more with less, while still providing quality services and maintaining low property tax burdens, CPA remains an important tool in providing counties with the resources to fund transportation, human services, public safety, and many other programs of statewide importance.

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