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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **1894**

March 12, 2007

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The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs

March 15, 2007

Committee Recommendation and Adoption of Report:

Amended and re-referred to the Committee on Taxes without further recommendation

1.1 A bill for an act  
1.2 relating to the county of Cook; authorizing an extension of the local sales tax;  
1.3 amending Laws 1993, chapter 375, article 9, section 45, subdivisions 2, as  
1.4 amended, 3, as amended, 4, as amended.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 1993, chapter 375, article 9, section 45, subdivision 2, as amended by  
1.7 Laws 1997, chapter 231, article 7, section 36, is amended to read:

1.8 Subd. 2. **Use of revenues.** (a) Revenues received from taxes authorized by  
1.9 subdivision 1 shall be used by Cook county to pay the cost of collecting the tax and to pay  
1.10 all or a portion of the costs of expanding and improving the health care facility located  
1.11 in the county and known as North Shore hospital. Authorized costs include, but are not  
1.12 limited to, securing or paying debt service on bonds or other obligations issued to finance  
1.13 the expansion and improvement of North Shore hospital. The total capital expenditures  
1.14 payable from bond proceeds, excluding investment earnings on bond proceeds and tax  
1.15 revenues, shall not exceed \$4,000,000.

1.16 (b) Additional revenues received from taxes authorized by subdivision 1 may be  
1.17 used by Cook county to pay all or a portion of the costs of betterment of North Shore  
1.18 care center and providing additional improvements to North Shore hospital. Authorized  
1.19 costs include, but are not limited to, securing or paying debt service on bonds or other  
1.20 obligations issued to finance the remodeling of North Shore care center and additional  
1.21 improvements to North Shore hospital. The total capital expenditures payable from bond  
1.22 proceeds, excluding investment earnings on bond proceeds and tax revenues, shall not  
1.23 exceed \$2,200,000.

2.1 (c) If approved by the voters at a special election held before December 31, 2007,  
2.2 additional revenues received from taxes authorized by subdivision 1 may be used by Cook  
2.3 County to pay for the following projects:

2.4 (1) construction and improvements to a county community center and recreation  
2.5 area, including, but not limited to, improvements and additions to the skateboard park,  
2.6 hockey rink, ball fields, community center addition, county parking area, tennis courts,  
2.7 and all associated improvements;

2.8 (2) construction and improvement to the Grand Marais pool;

2.9 (3) construction and improvement to the Grand Marais Public Library; and

2.10 (4) debt service to retire bonds for improvements to the Superior National Golf  
2.11 Course.

2.12 Authorized expenses include, but are not limited to, paying construction expenses  
2.13 related to these improvements, and paying debt service on bonds or other obligations  
2.14 issued to finance acquisition and construction of these improvements.

2.15 Sec. 2. Laws 1993, chapter 375, article 9, section 45, subdivision 3, as amended by  
2.16 Laws 1997, chapter 231, article 7, section 37, is amended to read:

2.17 Subd. 3. **Expiration of taxing authority and expenditure limitation.** The  
2.18 authority granted by subdivision 1 to Cook county to impose a sales tax shall expire  
2.19 ~~when the principal and interest on any bonds or obligations issued under subdivision~~  
2.20 ~~4, paragraph (a), to finance the expansion and improvement of North Shore hospital~~  
2.21 ~~described in subdivision 2, paragraph (a), have been paid, or at an earlier time as the~~  
2.22 ~~county shall, by resolution, determine~~ at the later of (1) 20 years, or (2) when the county  
2.23 determines that the amount of revenues received is sufficient to pay for the principal and  
2.24 interest on any bonds or obligations issued to finance the projects in subdivision 2. Any  
2.25 funds remaining after completion of the improvements and retirement or redemption of  
2.26 the bonds may be placed in the general fund of the county.

2.27 Sec. 3. Laws 1993, chapter 375, article 9, section 45, subdivision 4, as amended by  
2.28 Laws 1997, chapter 231, article 7, section 38, is amended to read:

2.29 Subd. 4. **Bonds.** (a) Cook county may issue general obligation bonds in an amount  
2.30 not to exceed \$4,000,000 for the expansion and improvement of North Shore hospital.

2.31 (b) Additionally, Cook county may issue general obligation bonds in an amount  
2.32 not to exceed \$2,200,000 for the betterment of North Shore care center and additional  
2.33 improvements to North Shore hospital.

3.1 (c) The bonds may be issued without election under Minnesota Statutes, chapter  
3.2 475, on the question of issuance of the bonds or a property tax to pay them. The debt  
3.3 represented by the bonds shall not be included in computing any debt limitations applicable  
3.4 to Cook county, and the levy of taxes required by Minnesota Statutes, section 475.61, to  
3.5 pay principal of and interest on the bonds shall not be subject to any levy limitation or be  
3.6 included in computing or applying any levy limitation applicable to the county.

3.7 (d) Cook County may issue bonds under Minnesota Statutes, chapter 475, to pay  
3.8 capital and administrative expenses for the improvements authorized in subdivision 2,  
3.9 paragraph (c), in an amount that does not exceed \$14,000,000. An election to approve the  
3.10 bonds under Minnesota Statutes, section 475.58, is not required. The issuance of bonds  
3.11 under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.  
3.12 The debt represented by the bonds is not included in computing any debt limitation  
3.13 applicable to the county, and any levy of taxes under Minnesota Statutes, section 475.61,  
3.14 to pay principal and interest on the bonds is not subject to any levy limitation.