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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **2287**

March 21, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to airports; authorizing local units of government to create airport  
1.3 authorities; authorizing a property tax levy; defining terms; amending Minnesota  
1.4 Statutes 2006, section 360.031; proposing coding for new law in Minnesota  
1.5 Statutes, chapter 360.

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

1.7 Section 1. Minnesota Statutes 2006, section 360.031, is amended to read:

1.8 **360.031 DEFINITION OF MUNICIPALITY.**

1.9 For the purposes of sections 360.031 to 360.045, inclusive (except section 360.042),  
1.10 only, "municipality" means any county, city, ~~or~~ town, or airport authority of this state.

1.11 **Sec. 2. [360.0425] GENERAL POWERS OF AUTHORITY.**

1.12 An airport authority created under section 360.0426 has all of the powers granted a  
1.13 municipality under sections 360.032 to 360.046.

1.14 **Sec. 3. [360.0426] CREATION OF AN AIRPORT AUTHORITY, DISSOLUTION.**

1.15 Subdivision 1. **Members; definition.** A city together with another city, county,  
1.16 town, or an Indian nation may create an airport authority. For purposes of this chapter,  
1.17 "airport authority" means a governmental entity created pursuant to this section for the  
1.18 purpose of acquiring, establishing, constructing, maintaining, improving, and operating  
1.19 airports and other air navigation facilities.

1.20 Subd. 2. **Process to establish authority.** A city that owns an airport by joint  
1.21 resolution together with other willing governmental units may create an airport authority

2.1 that is authorized to exercise its functions upon passage of a joint resolution by each of  
2.2 their governing bodies.

2.3 Subd. 3. **Airport authority commission.** The powers of the airport authority  
2.4 shall be vested in the airport authority commissioners. The commission shall consist of a  
2.5 minimum of five commissioners. Each governmental unit that is a member of the authority  
2.6 shall be represented by a minimum of one commissioner. If there are fewer than five  
2.7 governmental units that are members of the authority, there must be two commissioners  
2.8 appointed from each member unit of government. The terms of each commissioner are  
2.9 three years. Initial appointments must be staggered so that the terms of approximately  
2.10 one-third of the commissioners expire each calendar year.

2.11 Subd. 4. **Appointment of commissioners.** The governmental body of each member  
2.12 governmental unit shall appoint a resident of that governmental unit to be a commissioner  
2.13 of the airport authority. Upon vacancy of a commissioner prior to the end of a normal term,  
2.14 the appropriate governmental body shall appoint a commissioner to fill the unexpired term.

2.15 Subd. 5. **Compensation; meetings; officers.** Commissioners shall receive no  
2.16 compensation for services, but are entitled to necessary expenses, including travel  
2.17 expenses, in the discharge of the commissioners' duties.

2.18 The commission shall establish a regular meeting schedule. A majority of the  
2.19 commissioners of the authority constitutes a quorum for purposes of conducting business  
2.20 of the authority. Action may be taken by the majority vote of not less than a majority of  
2.21 the commissioners present, providing there is a quorum.

2.22 The commission shall elect a chair, a vice-chair, a secretary, and a treasurer at its  
2.23 organizational meeting. The authority may hire an executive director, a legal advisor,  
2.24 technical experts, and other employees, permanent and temporary, as it may require.

2.25 Subd. 6. **Process to increase size of authority.** An airport authority may be  
2.26 increased in size from time to time to serve additional governmental entities if each of the  
2.27 additional entities and each of the governmental entities currently included in the existing  
2.28 authority adopt a resolution agreeing to the size increase.

2.29 Subd. 7. **Process to decrease size of authority.** An airport authority may be  
2.30 decreased in size if each of the governmental entities that are members of the authority  
2.31 and the current commissioners consent to change and make provisions for the retention  
2.32 or disposition of its assets and liabilities.

2.33 Subd. 8. **Process to dissolve authority.** An airport authority may be dissolved  
2.34 after payment of all debts and a joint resolution of the governing bodies of all of the  
2.35 participating units of government. Before dissolution, the property of the airport  
2.36 authority must be sold, transferred, or distributed as agreed to by the participating units

3.1 of government. Any remaining funds must be distributed to the general funds of the  
3.2 participating units of government.

3.3       Sec. 4. **[360.0427] TAX LEVY MAY BE CERTIFIED BY AN AIRPORT**  
3.4 **AUTHORITY.**

3.5       An airport authority may certify annually to the county assessor, or assessors, an  
3.6 amount of tax to be levied against all real properties within the boundaries of the airport  
3.7 authority. The resulting mill rate shall be uniform across all governmental jurisdictions  
3.8 within the boundaries of the airport authority.