

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **2464**

May 4, 2007

Authored by Tschumper

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

1.1 A bill for an act
1.2 relating to public finance; increasing the limit on debt for county capital
1.3 improvement projects; requiring a referendum on revenue bonding for a project
1.4 that could be implemented under the county capital improvement program and
1.5 will be leased to or used by the county; amending Minnesota Statutes 2006,
1.6 sections 373.40, subdivision 4; 475.58, subdivision 1.

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

1.8 Section 1. Minnesota Statutes 2006, section 373.40, subdivision 4, is amended to read:

1.9 Subd. 4. **Limitations on amount.** A county, other than Ramsey, may not issue
1.10 bonds under this section if the maximum amount of principal and interest to become
1.11 due in any year on all the outstanding bonds issued pursuant to this section (including
1.12 the bonds to be issued) will equal or exceed ~~0.05367~~ percent of taxable market
1.13 value of property in the county. Ramsey county may not issue bonds under this section
1.14 if the maximum amount of principal and interest to become due in any year on all the
1.15 outstanding bonds issued pursuant to this section (including the bonds to be issued) will
1.16 equal or exceed ~~0.06455~~ percent of taxable market value of property in the county.
1.17 Calculation of the limit must be made using the taxable market value for the taxes payable
1.18 year in which the obligations are issued and sold. This section does not limit the authority
1.19 to issue bonds under any other special or general law.

1.20 Sec. 2. Minnesota Statutes 2006, section 475.58, subdivision 1, is amended to read:

1.21 Subdivision 1. **Approval by electors; exceptions.** Obligations authorized by law or
1.22 charter may be issued by any municipality upon obtaining the approval of a majority of
1.23 the electors voting on the question of issuing the obligations, but an election shall not be
1.24 required to authorize obligations issued:

- 2.1 (1) to pay any unpaid judgment against the municipality;
- 2.2 (2) for refunding obligations;
- 2.3 (3) for an improvement or improvement program, which obligation is payable wholly
- 2.4 or partly from the proceeds of special assessments levied upon property specially benefited
- 2.5 by the improvement or by an improvement within the improvement program, or from tax
- 2.6 increments, as defined in section 469.174, subdivision 25, including obligations which are
- 2.7 the general obligations of the municipality, if the municipality is entitled to reimbursement
- 2.8 in whole or in part from the proceeds of such special assessments or tax increments and
- 2.9 not less than 20 percent of the cost of the improvement or the improvement program is to
- 2.10 be assessed against benefited property or is to be paid from the proceeds of federal grant
- 2.11 funds or a combination thereof, or is estimated to be received from tax increments;
- 2.12 (4) payable wholly from the income of revenue producing conveniences, except a
- 2.13 revenue producing convenience consisting of a capital improvement, as defined under
- 2.14 section 373.40, subdivision 1, paragraph (b), if the improvement is leased or used
- 2.15 primarily by a county or an agency of a county;
- 2.16 (5) under the provisions of a home rule charter which permits the issuance of
- 2.17 obligations of the municipality without election;
- 2.18 (6) under the provisions of a law which permits the issuance of obligations of a
- 2.19 municipality without an election;
- 2.20 (7) to fund pension or retirement fund liabilities pursuant to section 475.52,
- 2.21 subdivision 6;
- 2.22 (8) under a capital improvement plan under section 373.40; and
- 2.23 (9) under sections 469.1813 to 469.1815 (property tax abatement authority bonds), if
- 2.24 the proceeds of the bonds are not used for a purpose prohibited under section 469.176,
- 2.25 subdivision 4g, paragraph (b).