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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 2753

February 12, 2008

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The bill was read for the first time and referred to the Committee on Health and Human Services

February 21, 2008

By motion, recalled and re-referred to the Committee on Taxes

February 25, 2008

By motion, recalled and re-referred to the Committee on Local Government and Metropolitan Affairs

1.1 A bill for an act
1.2 relating to local government; authorizing establishment of the White Community
1.3 Hospital District; authorizing hospital district to levy property taxes.

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

1.5 Section 1. **WHITE COMMUNITY HOSPITAL DISTRICT.**

1.6 Subdivision 1. **Authorized.** Notwithstanding the contiguity requirement in
1.7 Minnesota Statutes, section 447.31, subdivision 2, any two or more of the following cities
1.8 and towns in St. Louis County may establish by resolution of their respective governing
1.9 bodies the White Community Hospital District: the cities of Aurora, Biwabik, and Hoyt
1.10 Lakes, and the towns of Biwabik, White, and Colvin. Notwithstanding Minnesota Statutes,
1.11 section 447.31, the proposed resolution to establish the hospital district must be published
1.12 in the official newspaper of the city or town and may be adopted without a referendum at
1.13 the next regularly scheduled meeting of the governing body after publication.

1.14 Subd. 2. **Powers; may make grants.** (a) Except as otherwise provided in this
1.15 section, the White Community Hospital District shall be organized and have the powers
1.16 and duties provided in Minnesota Statutes, sections 447.31, except subdivisions 2, 5, and
1.17 6; 447.32, subdivisions 5, 7, and 9; 447.345; 447.37; and 447.38.

1.18 (b) The hospital district may levy taxes as provided in this section to provide funding
1.19 to make grants to the White Community Hospital and any affiliated health care facility or
1.20 provider for any purpose authorized for hospital districts in Minnesota Statutes, sections
1.21 447.31 to 447.38, except 447.331.

1.22 Subd. 3. **Annexation; detachment.** Once the hospital district is established, any
1.23 other city, town, or unorganized area in St. Louis County may join the hospital district
1.24 in the same manner provided in subdivision 1 for establishment of the hospital district.

2.1 A city, town, or unorganized area that is a member of the hospital district may detach
2.2 from the district in the same manner as it may join. An annexation to or detachment
2.3 from the hospital district is effective for taxes payable in the following calendar year if
2.4 the resolution is adopted, or in the case of an unorganized area the petition submitted
2.5 to the county auditor, before July 1 of the levy year. A resolution adopted or petition
2.6 submitted after July 1 of any year is effective for the taxes payable the year following
2.7 the next levy year.

2.8 Subd. 4. **Unorganized areas.** An unorganized area in St. Louis County shall
2.9 become a member of the hospital district if at least ... percent of the residents of the
2.10 unorganized area signed a petition submitted to the hospital district board and the county
2.11 auditor requesting to participate in the hospital district.

2.12 Subd. 5. **Hospital district board.** The hospital district shall be governed by a
2.13 hospital board composed of one member of each participating city and town's governing
2.14 body, appointed by the governing body. If the hospital district only has two members,
2.15 each member city or town shall appoint two board members. The hospital district board
2.16 must appoint from among its members a chair, clerk, treasurer, and any other officers the
2.17 board deems necessary or useful. The St. Louis County Board of Commissioners shall
2.18 appoint a resident of any unorganized area that is participating in the hospital district. All
2.19 board members serve at the pleasure of the respective appointing authorities.

2.20 Subd. 6. **No compensation; expenses.** Board members shall serve without
2.21 compensation but shall be eligible for per diem and expenses provided by, and at the
2.22 discretion of, their respective appointing authorities.

2.23 Subd. 7. **Operating tax levy.** The hospital district board may levy a tax as
2.24 provided in Minnesota Statutes, section 447.34, except as provided in this subdivision.
2.25 If the hospital district board levies it must be a uniform tax rate levied against the net
2.26 tax capacity of all taxable properties located within each participating city, town, or
2.27 unorganized area. The maximum amount that may be levied in the hospital district must
2.28 not exceed 0.066088 percent of the fully taxable market value of all taxable properties
2.29 located within each participating city, town, or unorganized area.

2.30 Any tax levied by the hospital district is in addition to all other taxes levied on the
2.31 property, including taxes levied for any other hospital purpose by a participating city
2.32 or town. The levy must be disregarded in the calculation of all other rate or per capita
2.33 levy limitations imposed by law.

2.34 **EFFECTIVE DATE; NO LOCAL APPROVAL.** This section is effective the
2.35 day following final enactment without local approval under Minnesota Statutes, section

- 3.1 645.023, subdivision 1, paragraph (a), for taxes levied in 2008, payable in 2009, and
- 3.2 thereafter.