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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4279

03/12/2026 Authored by Bennett
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 taxation; sales and use; authorizing the city of Albert Lea to extend its
1.3 local sales tax for additional projects; amending Laws 2005, First Special Session
1.4 chapter 3, article 5, section 38, as amended.

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

1.6 Section 1. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended
1.7 by Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section
1.8 23, Laws 2017, First Special Session chapter 1, article 5, section 12, and Laws 2017, First
1.9 Special Session chapter 1, article 5, section 13, is amended by adding a subdivision to read:

1.10 Subd. 1a. Authorization; extension. Notwithstanding Minnesota Statutes, section
1.11 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at an
1.12 election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of
1.13 Albert Lea may extend the sales and use tax of one-half percent authorized under subdivision
1.14 1, paragraph (a), for the purposes specified in subdivision 2a. Except as otherwise provided
1.15 in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,
1.16 administration, collection, and enforcement of the tax authorized under this subdivision.
1.17 The tax imposed under this subdivision is in addition to any local sales and use tax imposed
1.18 under any other special law.

1.19 EFFECTIVE DATE. This section is effective the day after the governing body of the
1.20 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section
1.21 645.021, subdivisions 2 and 3.

1.22 Sec. 2. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended by
1.23 Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section 23,

2.1 Laws 2017, First Special Session chapter 1, article 5, section 12, and Laws 2017, First
 2.2 Special Session chapter 1, article 5, section 13, is amended by adding a subdivision to read:

2.3 Subd. 2a. Use of revenues; additional projects. The revenues derived from the tax
 2.4 authorized under subdivision 1a must be used by the city to pay the costs of collecting and
 2.5 administering the tax and paying for the following projects in the city, plus associated costs
 2.6 related to the issuance of bonds used to finance all or part of the following projects:

2.7 (1) \$20,000,000 for water quality improvements for the Shell Rock Watershed District;

2.8 (2) \$9,300,000 for the expansion, improvement, and equipping of the Songbird Trail;

2.9 (3) \$4,500,000 for the expansion, improvement, and equipping of the Albert Lea Public
 2.10 Library;

2.11 (4) \$4,700,000 for the Snyder Field Complex, including the expansion, improvement,
 2.12 and equipping of the Snyder Field Recreation Area; and

2.13 (5) \$1,500,000 for acquisition, construction, improvement, and equipping of Miracle
 2.14 Field at Edgewater Park.

2.15 EFFECTIVE DATE. This section is effective the day after the governing body of the
 2.16 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section
 2.17 645.021, subdivisions 2 and 3.

2.18 Sec. 3. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended by
 2.19 Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section 23,
 2.20 Laws 2017, First Special Session chapter 1, article 5, section 12, and Laws 2017, First
 2.21 Special Session chapter 1, article 5, section 13, is amended by adding a subdivision to read:

2.22 Subd. 3a. Bonding authority. (a) The city may issue bonds under Minnesota Statutes,
 2.23 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision
 2.24 2a and approved by voters as required under Minnesota Statutes, section 297A.99, subdivision
 2.25 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision
 2.26 may not exceed \$40,000,000, plus an amount applied to the payment of the costs of issuing
 2.27 the bonds. The bonds may be paid from or secured by any money available to the city,
 2.28 including the tax authorized under subdivision 1a. The issuance of bonds under this
 2.29 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

2.30 (b) The bonds are not included in computing any debt limitation applicable to the city.
 2.31 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest

3.1 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
3.2 under Minnesota Statutes, section 475.58, is not required.

3.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
3.4 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section
3.5 645.021, subdivisions 2 and 3.

3.6 Sec. 4. Laws 2005, First Special Session chapter 3, article 5, section 38, subdivision 4, as
3.7 amended by Laws 2014, chapter 308, article 3, section 23, and Laws 2017, First Special
3.8 Session chapter 1, article 5, section 13, is amended to read:

3.9 Subd. 4. **Termination of taxes.** (a) The taxes imposed under this section expire at the
3.10 earlier of (1) 30 years after the taxes are first imposed, or (2) when the city council first
3.11 determines that the amount of revenues raised to pay for the projects under subdivision 2,
3.12 shall meet or exceed the sum of \$30,000,000. Any funds remaining after completion of the
3.13 projects may be placed in the general fund of the city.

3.14 (b) The tax imposed under subdivision 1a expires at the earlier of (1) 30 years after the
3.15 tax is first imposed, or (2) when the city council determines that the amount of revenues
3.16 received from the tax is sufficient to pay for the project costs authorized under subdivision
3.17 2a for projects approved by the voters as required under Minnesota Statutes, section 297A.99,
3.18 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
3.19 of the bonds under subdivision 3a, including interest on the bonds. Except as otherwise
3.20 provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money
3.21 remaining after payment of the allowed costs due to the timing of the termination of the tax
3.22 under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general
3.23 fund of the city. The tax imposed under subdivision 1a may expire at an earlier time if the
3.24 city so determines by ordinance.

3.25 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
3.26 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section
3.27 645.021, subdivisions 2 and 3.