

A bill for an act

relating to taxation; modifying provisions relating to property taxes and tax increment financing; providing property tax exemption for certain Tribal property; modifying classification provisions related to relative homesteads, class 4d, and manufactured home properties; authorizing fire protection and emergency medical services special taxing districts; allowing for certain special assessments; modifying local government aid appropriations; modifying existing local taxes and authorizing new local taxes; modifying provisions related to public finance; modifying property tax homeowners' and renters' refunds; authorizing tourism improvement districts; requiring a report; amending Minnesota Statutes 2020, sections 272.02, by adding a subdivision; 273.124, subdivisions 1, 3a, 9, 13; 273.13, subdivisions 25, 34; 275.065, subdivisions 1, 3, by adding subdivisions; 275.066; 290A.04, subdivisions 2, 2a; 297A.993, subdivision 2; 429.021, subdivision 1; 429.031, subdivision 3; 453A.04, subdivision 21, by adding a subdivision; 465.71; 469.176, by adding a subdivision; 469.1763, subdivisions 2, 3, 4; 475.56; 475.58, subdivision 3b; 475.60, subdivision 1; 475.67, subdivision 8; 477A.013, subdivision 13; 477A.03, subdivision 2a; Laws 2019, First Special Session chapter 6, article 6, sections 25; 27; proposing coding for new law as Minnesota Statutes, chapters 299O; 428B; repealing Minnesota Statutes 2020, sections 327C.01, subdivision 13; 327C.16; 469.055, subdivision 7.

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

**ARTICLE 1**

**PROPERTY TAXES**

Section 1. Minnesota Statutes 2020, section 272.02, is amended by adding a subdivision to read:

Subd. 104. Certain property owned by an Indian tribe. (a) Property is exempt that:

(1) is located in a county with a population greater than 28,000 but less than 29,000 as of the 2010 federal census;

(2) was on January 2, 2018, and is for the current assessment owned by a federally recognized Indian tribe or its instrumentality, that is located in Minnesota;

(3) was on January 2, 2018, erroneously treated as exempt under subdivision 7; and

(4) is used for the same purpose as the property was used on January 2, 2018.

(b) The owner of property exempt under paragraph (a) may apply to the commissioner of revenue for a refund of any state general tax paid for property taxes payable in 2020 and 2021. The commissioner may prescribe the form and manner of the application. An amount necessary for refunds under this paragraph is appropriated from the general fund to the commissioner of revenue in fiscal year 2022. This paragraph expires June 30, 2022.

**EFFECTIVE DATE.** (a) The amendments in paragraph (a) are effective beginning with assessment year 2021. For assessment year 2021, an exemption application under this section must be filed with the county assessor by August 1, 2021.

(b) The amendments in paragraph (b) are effective the day following final enactment.

Sec. 2. Minnesota Statutes 2020, section 273.124, subdivision 1, is amended to read:

Subdivision 1. **General rule.** (a) Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

Property held by a trustee under a trust is eligible for homestead classification if the requirements under this chapter are satisfied.

The assessor shall require proof, as provided in subdivision 13, of the facts upon which classification as a homestead may be determined. Notwithstanding any other law, the assessor may at any time require a homestead application to be filed in order to verify that any property classified as a homestead continues to be eligible for homestead status.

Notwithstanding any other law to the contrary, the Department of Revenue may, upon request from an assessor, verify whether an individual who is requesting or receiving homestead classification has filed a Minnesota income tax return as a resident for the most recent taxable year for which the information is available.

When there is a name change or a transfer of homestead property, the assessor may reclassify the property in the next assessment unless a homestead application is filed to verify that the property continues to qualify for homestead classification.

(b) For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner must use the property for the purposes of the homestead, and must apply to the assessor, both by the deadlines given in subdivision 9. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

(c) Residential real estate that is occupied and used for purposes of a homestead by a relative of the owner is a homestead but only to the extent of the homestead treatment that would be provided if the related owner occupied the property. For purposes of this paragraph and paragraph (g), "relative" means a parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew, or niece. This relationship may be by blood or marriage. Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner will not be reclassified as a homestead unless it is occupied as a homestead by the owner; this prohibition also applies to property that, in the absence of this paragraph, would have been classified as seasonal residential recreational property at the time when the residence was constructed. Neither the related occupant nor the owner of the property may claim a property tax refund under chapter 290A for a homestead occupied by a relative. In the case of a residence located on agricultural land, only the house, garage, and immediately surrounding one acre of land shall be classified as a homestead under this paragraph, except as provided in paragraph (d).

(d) Agricultural property that is occupied and used for purposes of a homestead by a relative of the owner, is a homestead, only to the extent of the homestead treatment that would be provided if the related owner occupied the property, and only if all of the following criteria are met:

(1) the relative who is occupying the agricultural property is a grandchild, child, sibling, ~~or parent, grandparent, stepparent, stepchild, uncle, aunt, nephew, or niece~~ of the owner of the agricultural property or of the spouse of the owner;

4.1 (2) the owner of the agricultural property must be a Minnesota resident;

4.2 (3) the owner of the agricultural property must not receive homestead treatment on any  
4.3 other agricultural property in Minnesota; and

4.4 (4) the owner of the agricultural property is limited to only one agricultural homestead  
4.5 per family under this paragraph.

4.6 Neither the related occupant nor the owner of the property may claim a property tax  
4.7 refund under chapter 290A for a homestead occupied by a relative qualifying under this  
4.8 paragraph. For purposes of this paragraph, "agricultural property" means the house, garage,  
4.9 other farm buildings and structures, and agricultural land.

4.10 Application must be made to the assessor by the owner of the agricultural property to  
4.11 receive homestead benefits under this paragraph. The assessor may require the necessary  
4.12 proof that the requirements under this paragraph have been met.

4.13 (e) In the case of property owned by a property owner who is married, the assessor must  
4.14 not deny homestead treatment in whole or in part if only one of the spouses occupies the  
4.15 property and the other spouse is absent due to: (1) marriage dissolution proceedings, (2)  
4.16 legal separation, (3) employment or self-employment in another location, or (4) other  
4.17 personal circumstances causing the spouses to live separately, not including an intent to  
4.18 obtain two homestead classifications for property tax purposes. To qualify under clause (3),  
4.19 the spouse's place of employment or self-employment must be at least 50 miles distant from  
4.20 the other spouse's place of employment, and the homesteads must be at least 50 miles distant  
4.21 from each other.

4.22 (f) The assessor must not deny homestead treatment in whole or in part if:

4.23 (1) in the case of a property owner who is not married, the owner is absent due to  
4.24 residence in a nursing home, boarding care facility, or an elderly assisted living facility  
4.25 property as defined in section 273.13, subdivision 25a, and the property is not otherwise  
4.26 occupied; or

4.27 (2) in the case of a property owner who is married, the owner or the owner's spouse or  
4.28 both are absent due to residence in a nursing home, boarding care facility, or an elderly  
4.29 assisted living facility property as defined in section 273.13, subdivision 25a, and the property  
4.30 is not occupied or is occupied only by the owner's spouse.

4.31 (g) If an individual is purchasing property with the intent of claiming it as a homestead  
4.32 and is required by the terms of the financing agreement to have a relative shown on the deed  
4.33 as a co-owner, the assessor shall allow a full homestead classification. This provision only

5.1 applies to first-time purchasers, whether married or single, or to a person who had previously  
5.2 been married and is purchasing as a single individual for the first time. The application for  
5.3 homestead benefits must be on a form prescribed by the commissioner and must contain  
5.4 the data necessary for the assessor to determine if full homestead benefits are warranted.

5.5 (h) If residential or agricultural real estate is occupied and used for purposes of a  
5.6 homestead by a child of a deceased owner and the property is subject to jurisdiction of  
5.7 probate court, the child shall receive relative homestead classification under paragraph (c)  
5.8 or (d) to the same extent they would be entitled to it if the owner was still living, until the  
5.9 probate is completed. For purposes of this paragraph, "child" includes a relationship by  
5.10 blood or by marriage.

5.11 (i) If a single-family home, duplex, or triplex classified as either residential homestead  
5.12 or agricultural homestead is also used to provide licensed child care, the portion of the  
5.13 property used for licensed child care must be classified as a part of the homestead property.

5.14 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
5.15 in 2022 and thereafter.

5.16 Sec. 3. Minnesota Statutes 2020, section 273.124, subdivision 3a, is amended to read:

5.17 Subd. 3a. **Manufactured home park cooperative.** (a) When a manufactured home park  
5.18 is owned by a corporation or association organized under chapter 308A or 308B, and each  
5.19 person who owns a share or shares in the corporation or association is entitled to occupy a  
5.20 lot within the park, the corporation or association may claim homestead treatment for the  
5.21 park. Each lot must be designated by legal description or number, and each lot is limited to  
5.22 not more than one-half acre of land.

5.23 (b) The manufactured home park shall be entitled to homestead treatment if all of the  
5.24 following criteria are met:

5.25 (1) the occupant or the cooperative corporation or association is paying the ad valorem  
5.26 property taxes and any special assessments levied against the land and structure either  
5.27 directly, or indirectly through dues to the corporation or association; and

5.28 (2) the corporation or association organized under chapter 308A or 308B is wholly  
5.29 owned by persons having a right to occupy a lot owned by the corporation or association.

5.30 (c) A charitable corporation, organized under the laws of Minnesota with no outstanding  
5.31 stock, and granted a ruling by the Internal Revenue Service for 501(c)(3) tax-exempt status,  
5.32 qualifies for homestead treatment with respect to a manufactured home park if its members

hold residential participation warrants entitling them to occupy a lot in the manufactured home park.

(d) "Homestead treatment" under this subdivision means the classification rate provided for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause (5), ~~item (ii)~~, and the homestead market value exclusion under section 273.13, subdivision 35, does not apply.

**EFFECTIVE DATE.** This section is effective beginning with property taxes payable in 2023 and thereafter.

Sec. 4. Minnesota Statutes 2020, section 273.124, subdivision 9, is amended to read:

Subd. 9. **Homestead established after assessment date.** Any property that was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead on December ~~1~~ 31 of a year, constitutes class 1 or class 2a.

Any taxpayer meeting the requirements of this subdivision must notify the county assessor, or the assessor who has the powers of the county assessor under section 273.063, in writing, by December ~~15~~ 31 of the year of occupancy in order to qualify under this subdivision. The assessor must not deny full homestead treatment to a property that is partially homesteaded on January 2 but occupied for the purpose of a full homestead on December ~~1~~ 31 of a year.

The county assessor and the county auditor may make the necessary changes on their assessment and tax records to provide for proper homestead classification as provided in this subdivision.

If homestead classification has not been requested as of December ~~15~~ 31, the assessor will classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, may be entitled to receive homestead classification by proper application as provided in section 375.192.

The county assessor may publish in a newspaper of general circulation within the county a notice requesting the public to file an application for homestead as soon as practicable after acquisition of a homestead, but no later than December ~~15~~ 31.

The county assessor shall publish in a newspaper of general circulation within the county no later than December 1 of each year a notice informing the public of the requirement to file an application for homestead by December ~~15~~ 31.

In the case of manufactured homes assessed as personal property, the homestead must be established, and a homestead classification requested, by May 29 of the assessment year. The assessor may include information on these deadlines for manufactured homes assessed as personal property in the published notice or notices.

**EFFECTIVE DATE.** This section is effective beginning with assessments in 2021.

Sec. 5. Minnesota Statutes 2020, section 273.124, subdivision 13, is amended to read:

**Subd. 13. Homestead application.** (a) A person who meets the homestead requirements under subdivision 1 must file a homestead application with the county assessor to initially obtain homestead classification.

(b) The commissioner shall prescribe the content, format, and manner of the homestead application required to be filed under this chapter pursuant to section 270C.30. The application must clearly inform the taxpayer that this application must be signed by all owners who occupy the property or by the qualifying relative and returned to the county assessor in order for the property to receive homestead treatment.

(c) Every property owner applying for homestead classification must furnish to the county assessor the Social Security number of each occupant who is listed as an owner of the property on the deed of record, the name and address of each owner who does not occupy the property, and the name and Social Security number of the spouse of each occupying owner. The application must be signed by each owner who occupies the property and by each owner's spouse who occupies the property, or, in the case of property that qualifies as a homestead under subdivision 1, paragraph (c), by the qualifying relative.

If a property owner occupies a homestead, the property owner's spouse may not claim another property as a homestead unless the property owner and the property owner's spouse file with the assessor an affidavit or other proof required by the assessor stating that the property qualifies as a homestead under subdivision 1, paragraph (e).

Owners or spouses occupying residences owned by their spouses and previously occupied with the other spouse, either of whom fail to include the other spouse's name and Social Security number on the homestead application or provide the affidavits or other proof requested, will be deemed to have elected to receive only partial homestead treatment of their residence. The remainder of the residence will be classified as nonhomestead residential. When an owner or spouse's name and Social Security number appear on homestead applications for two separate residences and only one application is signed, the owner or

spouse will be deemed to have elected to homestead the residence for which the application was signed.

(d) If residential real estate is occupied and used for purposes of a homestead by a relative of the owner and qualifies for a homestead under subdivision 1, paragraph (c), in order for the property to receive homestead status, a homestead application must be filed with the assessor. The Social Security number of each relative occupying the property and the name and Social Security number of the spouse of a relative occupying the property shall be required on the homestead application filed under this subdivision. If a different relative of the owner subsequently occupies the property, the owner of the property must notify the assessor within 30 days of the change in occupancy. The Social Security number of a relative occupying the property or the spouse of a relative occupying the property is private data on individuals as defined by section 13.02, subdivision 12, but may be disclosed to the commissioner of revenue, or, for the purposes of proceeding under the Revenue Recapture Act to recover personal property taxes owing, to the county treasurer.

(e) The homestead application shall also notify the property owners that if the property is granted homestead status for any assessment year, that same property shall remain classified as homestead until the property is sold or transferred to another person, or the owners, the spouse of the owner, or the relatives no longer use the property as their homestead. Upon the sale or transfer of the homestead property, a certificate of value must be timely filed with the county auditor as provided under section 272.115. Failure to notify the assessor within 30 days that the property has been sold, transferred, or that the owner, the spouse of the owner, or the relative is no longer occupying the property as a homestead, shall result in the penalty provided under this subdivision and the property will lose its current homestead status.

(f) If a homestead application has not been filed with the county by December ~~15~~ 31, the assessor shall classify the property as nonhomestead for the current assessment year for taxes payable in the following year, provided that the owner may be entitled to receive the homestead classification by proper application under section 375.192.

**EFFECTIVE DATE.** This section is effective beginning with assessments in 2021.

Sec. 6. Minnesota Statutes 2020, section 273.13, subdivision 25, is amended to read:

Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt



under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. The market value of class 4a property has a classification rate of 1.25 percent.

(b) Class 4b includes:

(1) residential real estate containing less than four units, including property rented as a short-term rental property for more than 14 days in the preceding year, that does not qualify as class 4bb, other than seasonal residential recreational property;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b) containing two or three units; and

(4) unimproved property that is classified residential as determined under subdivision 33.

For the purposes of this paragraph, "short-term rental property" means nonhomestead residential real estate rented for periods of less than 30 consecutive days.

The market value of class 4b property has a classification rate of 1.25 percent.

(c) Class 4bb includes:

(1) nonhomestead residential real estate containing one unit, other than seasonal residential recreational property;

(2) a single family dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b); and

(3) a condominium-type storage unit having an individual property identification number that is not used for a commercial purpose.

Class 4bb property has the same classification rates as class 1a property under subdivision 22.

Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner does not qualify for class 4bb.

(d) Class 4c property includes:

(1) except as provided in subdivision 22, paragraph (c), real and personal property devoted to commercial temporary and seasonal residential occupancy for recreation purposes, for not more than 250 days in the year preceding the year of assessment. For purposes of

10.1 this clause, property is devoted to a commercial purpose on a specific day if any portion of  
10.2 the property is used for residential occupancy, and a fee is charged for residential occupancy.  
10.3 Class 4c property under this clause must contain three or more rental units. A "rental unit"  
10.4 is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site  
10.5 equipped with water and electrical hookups for recreational vehicles. A camping pad offered  
10.6 for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c  
10.7 under this clause regardless of the term of the rental agreement, as long as the use of the  
10.8 camping pad does not exceed 250 days. In order for a property to be classified under this  
10.9 clause, either (i) the business located on the property must provide recreational activities,  
10.10 at least 40 percent of the annual gross lodging receipts related to the property must be from  
10.11 business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid  
10.12 bookings by lodging guests during the year must be for periods of at least two consecutive  
10.13 nights; or (B) at least 20 percent of the annual gross receipts must be from charges for  
10.14 providing recreational activities, or (ii) the business must contain 20 or fewer rental units,  
10.15 and must be located in a township or a city with a population of 2,500 or less located outside  
10.16 the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion  
10.17 of a state trail administered by the Department of Natural Resources. For purposes of item  
10.18 (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c  
10.19 property also includes commercial use real property used exclusively for recreational  
10.20 purposes in conjunction with other class 4c property classified under this clause and devoted  
10.21 to temporary and seasonal residential occupancy for recreational purposes, up to a total of  
10.22 two acres, provided the property is not devoted to commercial recreational use for more  
10.23 than 250 days in the year preceding the year of assessment and is located within two miles  
10.24 of the class 4c property with which it is used. In order for a property to qualify for  
10.25 classification under this clause, the owner must submit a declaration to the assessor  
10.26 designating the cabins or units occupied for 250 days or less in the year preceding the year  
10.27 of assessment by January 15 of the assessment year. Those cabins or units and a proportionate  
10.28 share of the land on which they are located must be designated class 4c under this clause  
10.29 as otherwise provided. The remainder of the cabins or units and a proportionate share of  
10.30 the land on which they are located will be designated as class 3a. The owner of property  
10.31 desiring designation as class 4c property under this clause must provide guest registers or  
10.32 other records demonstrating that the units for which class 4c designation is sought were not  
10.33 occupied for more than 250 days in the year preceding the assessment if so requested. The  
10.34 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center  
10.35 or meeting room, and (5) other nonresidential facility operated on a commercial basis not  
10.36 directly related to temporary and seasonal residential occupancy for recreation purposes

11.1 does not qualify for class 4c. For the purposes of this paragraph, "recreational activities"  
11.2 means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country  
11.3 ski equipment; providing marina services, launch services, or guide services; or selling bait  
11.4 and fishing tackle;

11.5 (2) qualified property used as a golf course if:

11.6 (i) it is open to the public on a daily fee basis. It may charge membership fees or dues,  
11.7 but a membership fee may not be required in order to use the property for golfing, and its  
11.8 green fees for golfing must be comparable to green fees typically charged by municipal  
11.9 courses; and

11.10 (ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

11.11 A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with  
11.12 the golf course is classified as class 3a property;

11.13 (3) real property up to a maximum of three acres of land owned and used by a nonprofit  
11.14 community service oriented organization and not used for residential purposes on either a  
11.15 temporary or permanent basis, provided that:

11.16 (i) the property is not used for a revenue-producing activity for more than six days in  
11.17 the calendar year preceding the year of assessment; or

11.18 (ii) the organization makes annual charitable contributions and donations at least equal  
11.19 to the property's previous year's property taxes and the property is allowed to be used for  
11.20 public and community meetings or events for no charge, as appropriate to the size of the  
11.21 facility.

11.22 For purposes of this clause:

11.23 (A) "charitable contributions and donations" has the same meaning as lawful gambling  
11.24 purposes under section 349.12, subdivision 25, excluding those purposes relating to the  
11.25 payment of taxes, assessments, fees, auditing costs, and utility payments;

11.26 (B) "property taxes" excludes the state general tax;

11.27 (C) a "nonprofit community service oriented organization" means any corporation,  
11.28 society, association, foundation, or institution organized and operated exclusively for  
11.29 charitable, religious, fraternal, civic, or educational purposes, and which is exempt from  
11.30 federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal  
11.31 Revenue Code; and

(D) "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises.

Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity.

The organization shall maintain records of its charitable contributions and donations and of public meetings and events held on the property and make them available upon request any time to the assessor to ensure eligibility. An organization meeting the requirement under item (ii) must file an application by May 1 with the assessor for eligibility for the current year's assessment. The commissioner shall prescribe a uniform application form and instructions;

(4) postsecondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus;

~~(5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding including manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision 3a, and (iii) class I manufactured home parks as defined in section 327C.01, subdivision 13;~~

(6) real property that is actively and exclusively devoted to indoor fitness, health, social, recreational, and related uses, is owned and operated by a not-for-profit corporation, and is located within the metropolitan area as defined in section 473.121, subdivision 2;

(7) a leased or privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land is on an airport owned or operated by a city, town, county, Metropolitan Airports Commission, or group thereof; and

13.1 (ii) the land lease, or any ordinance or signed agreement restricting the use of the leased  
13.2 premise, prohibits commercial activity performed at the hangar.

13.3 If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be  
13.4 filed by the new owner with the assessor of the county where the property is located within  
13.5 60 days of the sale;

13.6 (8) a privately owned noncommercial aircraft storage hangar not exempt under section  
13.7 272.01, subdivision 2, and the land on which it is located, provided that:

13.8 (i) the land abuts a public airport; and

13.9 (ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement  
13.10 restricting the use of the premises, prohibiting commercial use or activity performed at the  
13.11 hangar; and

13.12 (9) residential real estate, a portion of which is used by the owner for homestead purposes,  
13.13 and that is also a place of lodging, if all of the following criteria are met:

13.14 (i) rooms are provided for rent to transient guests that generally stay for periods of 14  
13.15 or fewer days;

13.16 (ii) meals are provided to persons who rent rooms, the cost of which is incorporated in  
13.17 the basic room rate;

13.18 (iii) meals are not provided to the general public except for special events on fewer than  
13.19 seven days in the calendar year preceding the year of the assessment; and

13.20 (iv) the owner is the operator of the property.

13.21 The market value subject to the 4c classification under this clause is limited to five rental  
13.22 units. Any rental units on the property in excess of five, must be valued and assessed as  
13.23 class 3a. The portion of the property used for purposes of a homestead by the owner must  
13.24 be classified as class 1a property under subdivision 22;

13.25 (10) real property up to a maximum of three acres and operated as a restaurant as defined  
13.26 under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under  
13.27 section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to  
13.28 commercial purposes for not more than 250 consecutive days, or receives at least 60 percent  
13.29 of its annual gross receipts from business conducted during four consecutive months. Gross  
13.30 receipts from the sale of alcoholic beverages must be included in determining the property's  
13.31 qualification under item (ii). The property's primary business must be as a restaurant and  
13.32 not as a bar. Gross receipts from gift shop sales located on the premises must be excluded.

14.1 Owners of real property desiring 4c classification under this clause must submit an annual  
14.2 declaration to the assessor by February 1 of the current assessment year, based on the  
14.3 property's relevant information for the preceding assessment year;

14.4 (11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as  
14.5 a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public  
14.6 and devoted to recreational use for marina services. The marina owner must annually provide  
14.7 evidence to the assessor that it provides services, including lake or river access to the public  
14.8 by means of an access ramp or other facility that is either located on the property of the  
14.9 marina or at a publicly owned site that abuts the property of the marina. No more than 800  
14.10 feet of lakeshore may be included in this classification. Buildings used in conjunction with  
14.11 a marina for marina services, including but not limited to buildings used to provide food  
14.12 and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified  
14.13 as class 3a property; and

14.14 (12) real and personal property devoted to noncommercial temporary and seasonal  
14.15 residential occupancy for recreation purposes.

14.16 Class 4c property has a classification rate of 1.5 percent of market value, except that (i)  
14.17 each parcel of noncommercial seasonal residential recreational property under clause (12)  
14.18 has the same classification rates as class 4bb property, (ii) ~~manufactured home parks assessed~~  
14.19 ~~under clause (5), item (i), have the same classification rate as class 4b property, the market~~  
14.20 ~~value of manufactured home parks assessed under clause (5), item (ii), have a classification~~  
14.21 ~~rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by~~  
14.22 ~~shareholders in the cooperative corporation or association and a classification rate of one~~  
14.23 ~~percent if 50 percent or less of the lots are so occupied, and class I manufactured home~~  
14.24 ~~parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0~~ have  
14.25 a classification rate of 0.75 percent, (iii) commercial-use seasonal residential recreational  
14.26 property and marina recreational land as described in clause (11), has a classification rate  
14.27 of one percent for the first \$500,000 of market value, and 1.25 percent for the remaining  
14.28 market value, (iv) the market value of property described in clause (4) has a classification  
14.29 rate of one percent, (v) the market value of property described in clauses (2), (6), and (10)  
14.30 has a classification rate of 1.25 percent, (vi) that portion of the market value of property in  
14.31 clause (9) qualifying for class 4c property has a classification rate of 1.25 percent, and (vii)  
14.32 property qualifying for classification under clause (3) that is owned or operated by a  
14.33 congressionally chartered veterans organization has a classification rate of one percent. The  
14.34 commissioner of veterans affairs must provide a list of congressionally chartered veterans

15.1 organizations to the commissioner of revenue by June 30, 2017, and by January 1, 2018,  
15.2 and each year thereafter.

15.3 (e) Class 4d property is qualifying low-income rental housing certified to the assessor  
15.4 by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of  
15.5 the units in the building qualify as low-income rental housing units as certified under section  
15.6 273.128, subdivision 3, only the proportion of qualifying units to the total number of units  
15.7 in the building qualify for class 4d. The remaining portion of the building shall be classified  
15.8 by the assessor based upon its use. Class 4d also includes the same proportion of land as  
15.9 the qualifying low-income rental housing units are to the total units in the building. For all  
15.10 properties qualifying as class 4d, the market value determined by the assessor must be based  
15.11 on the normal approach to value using normal unrestricted rents.

15.12 (f) The first tier of market value of class 4d property has a classification rate of 0.75  
15.13 percent. The remaining value of class 4d property has a classification rate of 0.25 percent.  
15.14 For the purposes of this paragraph, the "first tier of market value of class 4d property" means  
15.15 the market value of each housing unit up to the first tier limit. For the purposes of this  
15.16 paragraph, all class 4d property value must be assigned to individual housing units. The  
15.17 first tier limit is ~~\$100,000~~ \$174,000 for assessment year ~~2014~~ 2022 and assessment year  
15.18 2023. For subsequent years, the limit is adjusted each year by the average statewide change  
15.19 in estimated market value of property classified as class 4a and 4d under this section for  
15.20 the previous assessment year, excluding valuation change due to new construction, rounded  
15.21 to the nearest \$1,000, provided, however, that the limit may never be less than \$100,000.  
15.22 Beginning with assessment year 2015, the commissioner of revenue must certify the limit  
15.23 for each assessment year by November 1 of the previous year.

15.24 **EFFECTIVE DATE; APPLICATION.** (a) The amendment to paragraph (d) is effective  
15.25 beginning with property taxes payable in 2023 and thereafter.

15.26 (b) The amendment to paragraph (f) is effective beginning with assessment year 2022.

15.27 Sec. 7. Minnesota Statutes 2020, section 273.13, subdivision 34, is amended to read:

15.28 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a  
15.29 portion of the market value of property owned by a veteran and serving as the veteran's  
15.30 homestead under this section is excluded in determining the property's taxable market value  
15.31 if the veteran has a service-connected disability of 70 percent or more as certified by the  
15.32 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,  
15.33 the veteran must have been honorably discharged from the United States armed forces, as

indicated by United States Government Form DD214 or other official military discharge papers.

(b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded, except as provided in clause (2); and

(2) for a total (100 percent) and permanent disability, \$300,000 of market value is excluded.

(c) If a veteran with a disability qualifying for a valuation exclusion under paragraph (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the spouse holds the legal or beneficial title to the homestead and permanently resides there, the exclusion shall carry over to the benefit of the veteran's spouse until such time as the spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n). Qualification under this paragraph requires an application under paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's marital status, ownership of the property, or use of the property as a permanent residence.

(d) If the spouse of a member of any branch or unit of the United States armed forces who dies due to a service-connected cause while serving honorably in active service, as indicated on United States Government Form DD1300 or DD2064, holds the legal or beneficial title to a homestead and permanently resides there, the spouse is entitled to the benefit described in paragraph (b), clause (2), until such time as the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n).

(e) If a veteran meets the disability criteria of paragraph (a) but does not own property classified as homestead in the state of Minnesota, then the homestead of the veteran's primary family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify for under paragraph (b).

(f) In the case of an agricultural homestead, only the portion of the property consisting of the house and garage and immediately surrounding one acre of land qualifies for the valuation exclusion under this subdivision.

(g) A property qualifying for a valuation exclusion under this subdivision is not eligible for the market value exclusion under subdivision 35, or classification under subdivision 22, paragraph (b).

(h) To qualify for a valuation exclusion under this subdivision a property owner must apply to the assessor by December ~~15~~ 31 of the first assessment year for which the exclusion



17.1 is sought. ~~For an application received after December 15, the exclusion shall become effective~~  
17.2 ~~for the following assessment year.~~ Except as provided in paragraph (c), the owner of a  
17.3 property that has been accepted for a valuation exclusion must notify the assessor if there  
17.4 is a change in ownership of the property or in the use of the property as a homestead.

17.5 (i) A first-time application by a qualifying spouse for the market value exclusion under  
17.6 paragraph (d) must be made any time within two years of the death of the service member.

17.7 (j) For purposes of this subdivision:

17.8 (1) "active service" has the meaning given in section 190.05;

17.9 (2) "own" means that the person's name is present as an owner on the property deed;

17.10 (3) "primary family caregiver" means a person who is approved by the secretary of the  
17.11 United States Department of Veterans Affairs for assistance as the primary provider of  
17.12 personal care services for an eligible veteran under the Program of Comprehensive Assistance  
17.13 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

17.14 (4) "veteran" has the meaning given the term in section 197.447.

17.15 (k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion  
17.16 under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit  
17.17 under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise  
17.18 disposes of the property, except as otherwise provided in paragraph (n), if:

17.19 (1) the spouse files a first-time application within two years of the death of the service  
17.20 member or by June 1, 2019, whichever is later;

17.21 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the  
17.22 homestead and permanently resides there;

17.23 (3) the veteran met the honorable discharge requirements of paragraph (a); and

17.24 (4) the United States Department of Veterans Affairs certifies that:

17.25 (i) the veteran met the total (100 percent) and permanent disability requirement under  
17.26 paragraph (b), clause (2); or

17.27 (ii) the spouse has been awarded dependency and indemnity compensation.

17.28 (l) The purpose of this provision of law providing a level of homestead property tax  
17.29 relief for veterans with a disability, their primary family caregivers, and their surviving  
17.30 spouses is to help ease the burdens of war for those among our state's citizens who bear  
17.31 those burdens most heavily.

(m) By July 1, the county veterans service officer must certify the disability rating and permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

(n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds the legal or beneficial title to the property may continue to receive the exclusion for a property other than the property for which the exclusion was initially granted until the spouse remarries or sells, transfers, or otherwise disposes of the property, provided that:

(1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed under this paragraph;

(2) the spouse holds the legal or beneficial title to the property for which the continuation of the exclusion is sought under this paragraph, and permanently resides there;

(3) the estimated market value of the property for which the exclusion is sought under this paragraph is less than or equal to the estimated market value of the property that first received the exclusion, based on the value of each property on the date of the sale of the property that first received the exclusion; and

(4) the spouse has not previously received the benefit under this paragraph for a property other than the property for which the exclusion is sought.

**EFFECTIVE DATE.** This section is effective beginning with assessments in 2021.

Sec. 8. Minnesota Statutes 2020, section 275.065, subdivision 1, is amended to read:

Subdivision 1. **Proposed levy.** (a) Notwithstanding any law or charter to the contrary, on or before September 30, each county, home rule charter or statutory city, town, and special taxing district, excluding the Metropolitan Council and the Metropolitan Mosquito Control Commission, shall certify to the county auditor the proposed property tax levy for taxes payable in the following year. For towns, the final certified levy shall also be considered the proposed levy.

(b) Each county and city with a population of at least 500 must annually notify the public of its revenue, expenditures, fund balances, and other relevant budget information that is used to establish the proposed property tax levy. Each county and city with a population of at least 500 must hold a public meeting on the budget and proposed levy. The meeting must be held at least seven days prior to the day that the proposed levy under this subdivision is certified, the public must be allowed to speak at the meeting, and the meeting must not begin before 6:00 p.m.

~~(b)~~ (c) Notwithstanding any law or charter to the contrary, on or before September 15, the Metropolitan Council and the Metropolitan Mosquito Control Commission shall adopt and certify to the county auditor a proposed property tax levy for taxes payable in the following year.

~~(e)~~ (d) On or before September 30, each school district that has not mutually agreed with its home county to extend this date shall certify to the county auditor the proposed property tax levy for taxes payable in the following year. Each school district that has agreed with its home county to delay the certification of its proposed property tax levy must certify its proposed property tax levy for the following year no later than October 7. The school district shall certify the proposed levy as:

(1) a specific dollar amount by school district fund, broken down between voter-approved and non-voter-approved levies and between referendum market value and tax capacity levies; or

(2) the maximum levy limitation certified by the commissioner of education according to section 126C.48, subdivision 1.

~~(d)~~ (e) If the board of estimate and taxation or any similar board that establishes maximum tax levies for taxing jurisdictions within a first class city certifies the maximum property tax levies for funds under its jurisdiction by charter to the county auditor by the date specified in paragraph (a), the city shall be deemed to have certified its levies for those taxing jurisdictions.

~~(e)~~ (f) For purposes of this section, "special taxing district" means a special taxing district as defined in section 275.066. Intermediate school districts that levy a tax under chapter 124 or 136D, joint powers boards established under sections 123A.44 to 123A.445, and Common School Districts No. 323, Franconia, and No. 815, Prinsburg, are also special taxing districts for purposes of this section.

~~(f)~~ (g) At the meeting at which a taxing authority, other than a town, adopts its proposed tax levy under this subdivision, the taxing authority shall announce the time and place of any subsequent regularly scheduled meetings at which the budget and levy will be discussed and at which the public will be allowed to speak. The time and place of those meetings must be included in the proceedings or summary of proceedings published in the official newspaper of the taxing authority under section 123B.09, 375.12, or 412.191.

**EFFECTIVE DATE.** This section is effective for property taxes payable in 2022 and thereafter.

Sec. 9. Minnesota Statutes 2020, section 275.065, subdivision 3, is amended to read:

**Subd. 3. Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by ~~electronic mail~~ e-mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each ~~city that has a population over 500, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), and fire protection special taxing districts established under section 299O.01,~~ the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. ~~The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1.~~ The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. The notice must state for each city that has a population over 500, county, and school district, the time and place of the meeting to be held pursuant to subdivision 11. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current

21.1 year as each appears in the records of the county assessor on November 1 of the current  
21.2 year; and, in the case of residential property, whether the property is classified as homestead  
21.3 or nonhomestead. The notice must clearly inform taxpayers of the years to which the market  
21.4 values apply and that the values are final values;

21.5 (2) the items listed below, shown separately by county, city or town, and state general  
21.6 tax, agricultural homestead credit under section 273.1384, school building bond agricultural  
21.7 credit under section 273.1387, voter approved school levy, other local school levy, and the  
21.8 sum of the special taxing districts, and as a total of all taxing authorities:

21.9 (i) the actual tax for taxes payable in the current year; and

21.10 (ii) the proposed tax amount.

21.11 If the county levy under clause (2) includes an amount for a lake improvement district  
21.12 as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose  
21.13 must be separately stated from the remaining county levy amount.

21.14 In the case of a town or the state general tax, the final tax shall also be its proposed tax  
21.15 unless the town changes its levy at a special town meeting under section 365.52. If a school  
21.16 district has certified under section 126C.17, subdivision 9, that a referendum will be held  
21.17 in the school district at the November general election, the county auditor must note next  
21.18 to the school district's proposed amount that a referendum is pending and that, if approved  
21.19 by the voters, the tax amount may be higher than shown on the notice. In the case of the  
21.20 city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately  
21.21 from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for  
21.22 the St. Paul Library Agency must be listed separately from the remaining amount of the  
21.23 city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be  
21.24 listed separately from the remaining amount of the county's levy. In the case of a parcel  
21.25 where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F  
21.26 applies, the proposed tax levy on the captured value or the proposed tax levy on the tax  
21.27 capacity subject to the areawide tax must each be stated separately and not included in the  
21.28 sum of the special taxing districts; and

21.29 (3) the increase or decrease between the total taxes payable in the current year and the  
21.30 total proposed taxes, expressed as a percentage.

21.31 For purposes of this section, the amount of the tax on homesteads qualifying under the  
21.32 senior citizens' property tax deferral program under chapter 290B is the total amount of  
21.33 property tax before subtraction of the deferred property tax amount.

22.1 (e) The notice must clearly state that the proposed or final taxes do not include the  
22.2 following:

22.3 (1) special assessments;

22.4 (2) levies approved by the voters after the date the proposed taxes are certified, including  
22.5 bond referenda and school district levy referenda;

22.6 (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday  
22.7 in November of the levy year as provided under section 275.73;

22.8 (4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring  
22.9 after the date the proposed taxes are certified;

22.10 (5) amounts necessary to pay tort judgments against the taxing authority that become  
22.11 final after the date the proposed taxes are certified; and

22.12 (6) the contamination tax imposed on properties which received market value reductions  
22.13 for contamination.

22.14 (f) Except as provided in subdivision 7, failure of the county auditor to prepare or the  
22.15 county treasurer to deliver the notice as required in this section does not invalidate the  
22.16 proposed or final tax levy or the taxes payable pursuant to the tax levy.

22.17 (g) If the notice the taxpayer receives under this section lists the property as  
22.18 nonhomestead, and satisfactory documentation is provided to the county assessor by the  
22.19 applicable deadline, and the property qualifies for the homestead classification in that  
22.20 assessment year, the assessor shall reclassify the property to homestead for taxes payable  
22.21 in the following year.

22.22 (h) In the case of class 4 residential property used as a residence for lease or rental  
22.23 periods of 30 days or more, the taxpayer must either:

22.24 (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter,  
22.25 or lessee; or

22.26 (2) post a copy of the notice in a conspicuous place on the premises of the property.

22.27 The notice must be mailed or posted by the taxpayer by November 27 or within three  
22.28 days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer  
22.29 of the address of the taxpayer, agent, caretaker, or manager of the premises to which the  
22.30 notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;

(2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and

(3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy.

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

(2) population growth and decline;

(3) state or federal government action; and

(4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

**EFFECTIVE DATE.** This section is effective for property taxes payable in 2022 and thereafter.

24.1 Sec. 10. Minnesota Statutes 2020, section 275.065, is amended by adding a subdivision  
24.2 to read:

24.3 Subd. 3b. **Notice of proposed property taxes required supplemental information.** (a)  
24.4 The county auditor must prepare a separate statement to be delivered with the notice of  
24.5 proposed taxes described in subdivision 3. The statement must fit on one sheet of paper and  
24.6 contain for each parcel:

24.7 (1) for the county, city or township, and school district in which the parcel lies, the  
24.8 certified levy for the current taxes payable year, the proposed levy for taxes payable in the  
24.9 following year, and the increase or decrease between these two amounts, expressed as a  
24.10 percentage;

24.11 (2) summary budget information listed in paragraph (b); and

24.12 (3) information on how to access each taxing authority's website where the taxpayer can  
24.13 find the proposed budget and information on how to participate in person and remotely in  
24.14 the Minnesota Property Taxpayer's Day meetings, held pursuant to subdivision 11.

24.15 (b) Summary budget information must contain budget data from the county, city, and  
24.16 school district that proposes a property tax levy on the parcel for taxes payable the following  
24.17 year. For the school district, the summary budget data must include the information provided  
24.18 to the public under section 123B.10, subdivision 1, paragraph (b), for the current year and  
24.19 following year. For the county and city, the reported summary budget data must contain  
24.20 the same information, in the same categories, and in the same format as provided to the  
24.21 Office of the State Auditor as required by section 6.745. The statement must provide the  
24.22 governmental revenues and current expenditures information in clauses (1) and (2) for the  
24.23 taxing authority's budget for taxes payable the following year and the taxing authority's  
24.24 budget from taxes payable in the current year, as well as the percent change between the  
24.25 two years. The city must provide the county auditor with the summary budget data at the  
24.26 same time as the information required under subdivision 3. Only cities with a population  
24.27 of at least 500 are required to report the data described in this paragraph. If a city with a  
24.28 population over 500 fails to report the required information to the county auditor, the county  
24.29 auditor must list the city as "budget information not reported" on the portion of the statement  
24.30 dedicated to the city's budget information. The statement may take the same format as the  
24.31 annual summary budget report for cities and counties issued by the Office of the State  
24.32 Auditor. The summary budget data must include:

24.33 (1) a governmental revenues category, including and separately stating:



25.1 (i) "property taxes" defined as property taxes levied on an assessed valuation of real  
25.2 property and personal property, if applicable, by the city and county, including fiscal  
25.3 disparities;

25.4 (ii) "special assessments" defined as levies made against certain properties to defray all  
25.5 or part of the costs of a specific improvement, such as new sewer and water mains, deemed  
25.6 to benefit primarily those properties;

25.7 (iii) "state general purpose aid" defined as aid received from the state that has no  
25.8 restrictions on its use, including local government aid, county program aid, and market  
25.9 value credits; and

25.10 (iv) "state categorical aid" defined as revenues received for a specific purpose, such as  
25.11 streets and highways, fire relief, and flood control, including but not limited to police and  
25.12 fire state aid and out-of-home placement aid; and

25.13 (2) a current expenditures category, including and separately stating:

25.14 (i) "general government" defined as administration costs of city or county governments,  
25.15 including salaries of officials and maintenance of buildings;

25.16 (ii) "public safety" defined as costs related to the protection of persons and property,  
25.17 such as police, fire, ambulance services, building inspections, animal control, and flood  
25.18 control;

25.19 (iii) "streets and highways" defined as costs associated with the maintenance and repair  
25.20 of local highways, streets, bridges, and street equipment, such as patching, seal coating,  
25.21 street lighting, street cleaning, and snow removal;

25.22 (iv) "sanitation" defined as costs of refuse collection and disposal, recycling, and weed  
25.23 and pest control;

25.24 (v) "human services" defined as activities designed to provide public assistance and  
25.25 institutional care for individuals economically unable to provide for themselves;

25.26 (vi) "health" defined as costs of the maintenance of vital statistics, restaurant inspection,  
25.27 communicable disease control, and various health services and clinics;

25.28 (vii) "culture and recreation" defined as costs of libraries, park maintenance, mowing,  
25.29 planting, removal of trees, festivals, bands, museums, community centers, cable television,  
25.30 baseball fields, and organized recreation activities;

(viii) "conservation of natural resources" defined as the conservation and development of natural resources, including agricultural and forestry programs and services, weed inspection services, and soil and water conservation services;

(ix) "economic development and housing" defined as costs for development and redevelopment activities in blighted or otherwise economically disadvantaged areas, including low-interest loans, cleanup of hazardous sites, rehabilitation of substandard housing and other physical facilities, and other assistance to those wanting to provide housing and economic opportunity within a disadvantaged area; and

(x) "all other current expenditures" defined as costs not classified elsewhere, such as airport expenditures, cemeteries, unallocated insurance costs, unallocated pension costs, and public transportation costs.

(c) If a taxing authority reporting this data does not have revenues or expenditures in a category listed in paragraph (b), then the taxing authority must designate the amount as "0" for that specific category.

(d) The supplemental statement provided under this subdivision must be sent in electronic form or by e-mail if the taxpayer requests an electronic version the notice of proposed property taxes under subdivision 3, paragraph (a).

**EFFECTIVE DATE.** This section is effective for property taxes payable in 2022 and thereafter.

Sec. 11. Minnesota Statutes 2020, section 275.065, is amended by adding a subdivision to read:

Subd. 11. **Minnesota Property Taxpayer's Day.** (a) Notwithstanding any other provision of law, on the first Wednesday following the first Monday in December, each county, city with a population of at least 500, and each school district must annually hold a meeting to discuss each taxing authority's proposed budget and levy for the upcoming taxes payable year, prior to the final budget and levy determination. The meeting shall be known as "Minnesota Property Taxpayer's Day."

(b) Counties must begin a meeting at 6:00 p.m. and discuss the county's budget and levy. The public must be allowed to speak no later than 20 minutes after the start of the meeting. Cities must begin a meeting to discuss their budget and levy at 7:00 p.m. and must allow the public to speak no later than 20 minutes after the start of the meeting. School districts must begin a meeting to discuss their budget and levy at 8:00 p.m. and must allow the public to speak no later than 20 minutes after the start of the meeting.

27.1 (c) Each taxing jurisdiction must broadcast the meeting virtually and provide a method  
27.2 for the public to participate in person and remotely. Information about the meeting, including  
27.3 instructions on how to participate remotely, must be posted on the website of each taxing  
27.4 jurisdiction required to hold a meeting under this subdivision by November 10.

27.5 **EFFECTIVE DATE.** This section is effective July 1, 2021.

27.6 Sec. 12. Minnesota Statutes 2020, section 275.066, is amended to read:

27.7 **275.066 SPECIAL TAXING DISTRICTS; DEFINITION.**

27.8 For the purposes of property taxation and property tax state aids, the term "special taxing  
27.9 districts" includes the following entities:

- 27.10 (1) watershed districts under chapter 103D;
- 27.11 (2) sanitary districts under sections 442A.01 to 442A.29;
- 27.12 (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- 27.13 (4) regional public library districts under section 134.201;
- 27.14 (5) park districts under chapter 398;
- 27.15 (6) regional railroad authorities under chapter 398A;
- 27.16 (7) hospital districts under sections 447.31 to 447.38;
- 27.17 (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- 27.18 (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- 27.19 (10) regional development commissions under sections 462.381 to 462.398;
- 27.20 (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- 27.21 (12) port authorities under sections 469.048 to 469.068;
- 27.22 (13) economic development authorities under sections 469.090 to 469.1081;
- 27.23 (14) Metropolitan Council under sections 473.123 to 473.549;
- 27.24 (15) Metropolitan Airports Commission under sections 473.601 to 473.679;
- 27.25 (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- 27.26 (17) Morrison County Rural Development Financing Authority under Laws 1982, chapter  
27.27 437, section 1;
- 27.28 (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;

28.1 (19) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections  
28.2 1 to 6;

28.3 (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5,  
28.4 section 39;

28.5 (21) Middle Mississippi River Watershed Management Organization under sections  
28.6 103B.211 and 103B.241;

28.7 (22) emergency medical services special taxing districts under section 144F.01;

28.8 (23) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;

28.9 (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home  
28.10 under Laws 2003, First Special Session chapter 21, article 4, section 12;

28.11 (25) an airport authority created under section 360.0426; ~~and~~

28.12 (26) fire protection special taxing districts under section 299O.01; and

28.13 (27) any other political subdivision of the state of Minnesota, excluding counties, school  
28.14 districts, cities, and towns, that has the power to adopt and certify a property tax levy to the  
28.15 county auditor, as determined by the commissioner of revenue.

28.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.17 Sec. 13. **[299O.01] FIRE PROTECTION SPECIAL TAXING DISTRICTS.**

28.18 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
28.19 the meanings given unless the context clearly indicates otherwise.

28.20 (b) "City" means a statutory or home rule charter city.

28.21 (c) "Governing body" means for a city, the city council; for a county, the county board;  
28.22 and for a town, the board of supervisors.

28.23 (d) "Political subdivision" means a county, city, or township organized to provide town  
28.24 government.

28.25 Subd. 2. Authority to establish. (a) Two or more political subdivisions may establish,  
28.26 by resolution of their governing bodies, a special taxing district to provide fire protection  
28.27 or emergency medical services or both in the area of the district, comprising the jurisdiction  
28.28 of each of the political subdivisions forming the district. For a county that participates in  
28.29 establishing a district, the county's jurisdiction comprises the unorganized territory of the  
28.30 county that it designates in its resolution for inclusion in the district. The area of the special  
28.31 taxing district does not need to be contiguous or its boundaries continuous.

(b) Before establishing a district under this section, the participating political subdivisions must enter an agreement that specifies how any liabilities, other than debt issued under subdivision 6, and assets of the district will be distributed if the district is dissolved. The agreement may also include other terms, including a method for apportioning the levy of the district among participating political subdivisions under subdivision 4, paragraph (b), as the political subdivisions determine appropriate. The agreement must be adopted no later than upon passage of the resolution establishing the district under paragraph (a), but may be later amended by agreement of each of the political subdivisions participating in the district.

**Subd. 3. Board.** The special taxing district established under this section is governed by a board made up initially of representatives of each participating political subdivision in the proportions set out in the establishing resolution, subject to change as provided in the district's charter, if any, or in the district's bylaws. Each participating political subdivision's representative must be an elected member of the governing body of the political subdivision and serves at the pleasure of that participant's governing body.

**Subd. 4. Property tax levy.** (a) The board may levy a tax on the taxable real and personal property in the district. The proceeds of the levy must be used as provided in subdivision 5. The board shall certify the levy at the times provided under section 275.07. The board shall provide the county with whatever information is necessary to identify the property that is located within the district. If the boundaries include a part of a parcel, the entire parcel is included in the district. The county auditor must spread, collect, and distribute the proceeds of the tax at the same time and in the same manner as provided by law for all other property taxes.

(b) As an alternative to paragraph (a), the board may apportion its levy among the political subdivisions that are members of the district under a formula or method, such as population, number of service calls, cost of providing service, the market value of improvements, or other measure or measures, that was approved by the governing body of each of the political subdivisions that is a member of the district. The amount of the levy allocated to each political subdivision must be added to that political subdivision's levy and spread at the same time and in the same manner as provided by law for other taxes. The proceeds of the levy must be collected and remitted to the district and used as provided in subdivision 5.

**Subd. 5. Use of levy proceeds.** The proceeds of property taxes levied under this section must be used to provide fire protection or emergency medical services to residents of the district and property located in the district, as well as to pay debt issued under subdivision

30.1 6. Services may be provided by employees of the district or by contracting for services  
30.2 provided by other governmental or private entities.

30.3 Subd. 6. **Debt.** (a) The district may incur debt under chapter 475 when the board  
30.4 determines doing so is necessary to accomplish its duties.

30.5 (b) In addition, the board of the district may issue certificates of indebtedness or capital  
30.6 notes under section 412.301 to purchase capital equipment. In applying section 412.301,  
30.7 paragraph (e), to the district the following rules apply:

30.8 (1) the taxable property of the entire district must be used to calculate the percent of  
30.9 estimated market value; and

30.10 (2) "the number of voters at the last municipal election" means the sum of the number  
30.11 of voters at the last municipal election for each of the cities that is a member of the district  
30.12 plus the number of registered voters in each town that is a participating member of the  
30.13 district.

30.14 Subd. 7. **Powers.** (a) In addition to authority expressly granted in this section, a special  
30.15 taxing district may exercise any power that may be exercised by any of its participating  
30.16 political subdivisions and that is necessary or reasonable to support the services set out in  
30.17 subdivision 5. The district may only levy the taxes authorized in subdivision 4. These powers  
30.18 include, without limitation, the authority to participate in state programs and to enforce or  
30.19 carry out state laws related to fire protection or emergency medical services, including  
30.20 programs providing state aid, reimbursement or funding of employee benefits, authorizing  
30.21 local enforcement of state standards, and similar, to the extent the special taxing district  
30.22 meets the qualification criteria and requirements of a program. These include but are not  
30.23 limited to fire protection related programs and political subdivision powers or responsibilities  
30.24 under chapters 299A, 424A, and 477B; sections 6.495, 353.64, and 423A.022; and any  
30.25 administrative rules related to the fire code.

30.26 (b) To the extent that the district's authority under this subdivision overlaps with or may  
30.27 conflict with the authority of the participating political subdivision, the agreement under  
30.28 subdivision 2, paragraph (b), must provide for allocation of those powers or responsibilities  
30.29 between the participating political subdivisions and the district and may provide for resolution  
30.30 of conflicts in the exercise of those powers.

30.31 Subd. 8. **Additions and withdrawals.** (a) The board of the district may add additional  
30.32 eligible political subdivisions to a special taxing district under this section. The governing  
30.33 body of the proposed eligible political subdivision must agree to the addition in a resolution  
30.34 of its governing body.

(b) A political subdivision may withdraw from a special taxing district under this section by resolution of its governing body. The political subdivision must notify the board of the special taxing district of the withdrawal by providing a copy of the resolution at least two years in advance of the proposed withdrawal. The taxable property of the withdrawing member is subject to the property tax levy under subdivision 4 for the two taxes payable years following the notice of the withdrawal, unless the board and the withdrawing member agree otherwise by a resolution adopted by each of their governing bodies. If a political subdivision withdraws from a district for which debt was issued under subdivision 6 when the political subdivision was a participating member of the district and which is outstanding when the political subdivision withdraws from the district, the taxable property of the withdrawing political subdivision remains subject to the special taxing district debt levy until that outstanding debt has been paid or defeased. If the district's property levy to repay the debt was apportioned among the political subdivisions under an alternative formula or method under subdivision 4, paragraph (b), the withdrawing political subdivision is subject to the same percentage of the debt levy as applied in the taxes payable year immediately before its withdrawal from the district.

(c) Notwithstanding subdivision 2, a special taxing district comprised of two political subdivisions continues to exist even if one of the political subdivisions withdraws.

**Subd. 9. Dissolution.** The special taxing district may be dissolved by resolution approved by majority vote of the board. If the special taxing district is dissolved, the assets and liabilities may be assigned to a successor entity, if any, or otherwise disposed of for public purposes as provided in the agreement adopted under subdivision 2, paragraph (b), or otherwise agreed to by the participating political subdivisions. A district may not be dissolved until all debt issued under subdivision 6 has been paid or defeased.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 14. Minnesota Statutes 2020, section 429.021, subdivision 1, is amended to read:

Subdivision 1. **Improvements authorized.** The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water, or similar mains to curb lines.

32.1 (2) To acquire, develop, construct, reconstruct, extend, and maintain storm and sanitary  
32.2 sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps,  
32.3 lift stations, service connections, and other appurtenances of a sewer system, within and  
32.4 without the corporate limits.

32.5 (3) To construct, reconstruct, extend, and maintain steam heating mains.

32.6 (4) To install, replace, extend, and maintain street lights and street lighting systems and  
32.7 special lighting systems.

32.8 (5) To acquire, improve, construct, reconstruct, extend, and maintain water works systems,  
32.9 including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks,  
32.10 treatment plants, and other appurtenances of a water works system, within and without the  
32.11 corporate limits.

32.12 (6) To acquire, improve and equip parks, open space areas, playgrounds, and recreational  
32.13 facilities within or without the corporate limits.

32.14 (7) To plant trees on streets and provide for their trimming, care, and removal.

32.15 (8) To abate nuisances and to drain swamps, marshes, and ponds on public or private  
32.16 property and to fill the same.

32.17 (9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

32.18 (10) To construct, reconstruct, extend, and maintain retaining walls and area walls.

32.19 (11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and  
32.20 promote a pedestrian skyway system. Such improvement may be made upon a petition  
32.21 pursuant to section 429.031, subdivision 3.

32.22 (12) To acquire, construct, reconstruct, extend, operate, maintain, and promote  
32.23 underground pedestrian concourses.

32.24 (13) To acquire, construct, improve, alter, extend, operate, maintain, and promote public  
32.25 malls, plazas or courtyards.

32.26 (14) To construct, reconstruct, extend, and maintain district heating systems.

32.27 (15) To construct, reconstruct, alter, extend, operate, maintain, and promote fire protection  
32.28 systems in existing buildings, but only upon a petition pursuant to section 429.031,  
32.29 subdivision 3.

32.30 (16) To acquire, construct, reconstruct, improve, alter, extend, and maintain highway  
32.31 sound barriers.



33.1 (17) To improve, construct, reconstruct, extend, and maintain gas and electric distribution  
33.2 facilities owned by a municipal gas or electric utility.

33.3 (18) To purchase, install, and maintain signs, posts, and other markers for addressing  
33.4 related to the operation of enhanced 911 telephone service.

33.5 (19) To improve, construct, extend, and maintain facilities for Internet access and other  
33.6 communications purposes, if the council finds that:

33.7 (i) the facilities are necessary to make available Internet access or other communications  
33.8 services that are not and will not be available through other providers or the private market  
33.9 in the reasonably foreseeable future; and

33.10 (ii) the service to be provided by the facilities will not compete with service provided  
33.11 by private entities.

33.12 (20) To assess affected property owners for all or a portion of the costs agreed to with  
33.13 an electric utility, telecommunications carrier, or cable system operator to bury or alter a  
33.14 new or existing distribution system within the public right-of-way that exceeds the utility's  
33.15 design and construction standards, or those set by law, tariff, or franchise, but only upon  
33.16 petition under section 429.031, subdivision 3.

33.17 (21) To assess affected property owners for repayment of voluntary energy improvement  
33.18 financings under section 216C.436, subdivision 7, or 216C.437, subdivision 28.

33.19 (22) To construct, reconstruct, alter, extend, operate, maintain, and promote energy  
33.20 improvement projects in existing buildings, provided that:

33.21 (i) a petition for the improvement is made by a property owner under section 429.031,  
33.22 subdivision 3;

33.23 (ii) the municipality funds and administers the energy improvement project;

33.24 (iii) project funds are only used for the installation of improvements to heating,  
33.25 ventilation, and air conditioning equipment and building envelope and for the installation  
33.26 of renewable energy systems;

33.27 (iv) each property owner petitioning for the improvement receives notice that free or  
33.28 low-cost energy improvements may be available under federal, state, or utility programs;

33.29 (v) for energy improvement projects on residential property, only residential property  
33.30 with five or more units may obtain financing for projects under this clause; and

34.1 (vi) prior to financing an energy improvement project or imposing an assessment for a  
34.2 project, written notice is provided to the mortgage lender of any mortgage encumbering or  
34.3 otherwise secured by the property proposed to be improved.

34.4 **EFFECTIVE DATE.** This section is effective for special assessments payable in 2022  
34.5 and thereafter.

34.6 Sec. 15. Minnesota Statutes 2020, section 429.031, subdivision 3, is amended to read:

34.7 Subd. 3. **Petition by all owners.** Whenever all owners of real property abutting upon  
34.8 any street named as the location of any improvement shall petition the council to construct  
34.9 the improvement and to assess the entire cost against their property, the council may, without  
34.10 a public hearing, adopt a resolution determining such fact and ordering the improvement.  
34.11 The validity of the resolution shall not be questioned by any taxpayer or property owner or  
34.12 the municipality unless an action for that purpose is commenced within 30 days after adoption  
34.13 of the resolution as provided in section 429.036. Nothing herein prevents any property  
34.14 owner from questioning the amount or validity of the special assessment against the owner's  
34.15 property pursuant to section 429.081. In the case of a petition for the municipality to own  
34.16 and install a fire protection system, energy improvement projects, a pedestrian skyway  
34.17 system, or on-site water contaminant improvements, the petition must contain or be  
34.18 accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner  
34.19 will grant the municipality the necessary property interest in the building to permit the city  
34.20 to enter upon the property and the building to construct, maintain, and operate the fire  
34.21 protection system, energy improvement projects, pedestrian skyway system, or on-site water  
34.22 contaminant improvements. In the case of a petition for the installation of a privately owned  
34.23 fire protection system, energy improvement projects, a privately owned pedestrian skyway  
34.24 system, or privately owned on-site water contaminant improvements, the petition shall  
34.25 contain the plans and specifications for the improvement, the estimated cost of the  
34.26 improvement and a statement indicating whether the city or the owner will contract for the  
34.27 construction of the improvement. If the owner is contracting for the construction of the  
34.28 improvement, the city shall not approve the petition until it has reviewed and approved the  
34.29 plans, specifications, and cost estimates contained in the petition. The construction cost  
34.30 financed under section 429.091 shall not exceed the amount of the cost estimate contained  
34.31 in the petition. In the case of a petition for the installation of a fire protection system, energy  
34.32 improvement projects, a pedestrian skyway system, or on-site water contaminant  
34.33 improvements, the petitioner may request abandonment of the improvement at any time  
34.34 after it has been ordered pursuant to subdivision 1 and before contracts have been awarded  
34.35 for the construction of the improvement under section 429.041, subdivision 2. If such a

request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.

**EFFECTIVE DATE.** This section is effective for special assessments payable in 2022 and thereafter.

Sec. 16. **REPEALER.**

Minnesota Statutes 2020, sections 327C.01, subdivision 13; and 327C.16, are repealed.

**EFFECTIVE DATE.** This section is effective beginning with property taxes payable in 2023.

## ARTICLE 2

### AIDS AND CREDITS

Section 1. Minnesota Statutes 2020, section 477A.013, subdivision 13, is amended to read:

Subd. 13. **Certified aid adjustments.** ~~(a) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (c), shall have its total aid under subdivision 9 increased by an amount equal to \$150,000 for aids payable in 2014 through 2018.~~

~~(b)~~ (a) A city that received an aid base increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (r), shall have its total aid under subdivision 9 increased by an amount equal to \$160,000 for aids payable in 2014 and thereafter.

~~(c) A city that received a temporary aid increase under Minnesota Statutes 2012, section 477A.011, subdivision 36, paragraph (o), shall have its total aid under subdivision 9 increased by an amount equal to \$1,000,000 for aids payable in 2014 only.~~

(b) The city of Floodwood shall have its total aid under subdivision 9 increased by \$250,000 for aids payable in 2022 through 2026.

(c) The city of Staples shall have its total aid under subdivision 9 increased by \$320,000 for aids payable in 2022 through 2026.

(d) The city of Warren shall have its total aid under subdivision 9 increased by \$320,000 for aids payable in 2022 through 2026.

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2022 and thereafter.

Sec. 2. Minnesota Statutes 2020, section 477A.03, subdivision 2a, is amended to read:

Subd. 2a. **Cities.** ~~For aids payable in 2016 and 2017, the total aid paid under section 477A.013, subdivision 9, is \$519,398,012. For aids payable in 2018 and 2019, the total aid paid under section 477A.013, subdivision 9, is \$534,398,012. For aids payable in 2020, the total aid paid under section 477A.013, subdivision 9, is \$560,398,012. For aids payable in 2021 and thereafter, the total aid payable under section 477A.013, subdivision 9, is \$564,398,012. For aids payable in 2022 through 2026, the total aid payable under section 477A.013, subdivision 9, is \$565,288,012. For aids payable in 2027 and thereafter, the total aid payable under section 477A.013, subdivision 9, is \$564,398,012.~~

**EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2022 and thereafter.

### ARTICLE 3 LOCAL TAXES

Section 1. Laws 2019, First Special Session chapter 6, article 6, section 25, is amended to read:

#### Sec. 25. CITY OF PLYMOUTH; LOCAL LODGING TAX AUTHORIZED.

(a) Notwithstanding Minnesota Statutes, section 477A.016, or any other provision of law, ordinance, or city charter, the city council for the city of Plymouth may impose by ordinance a tax of up to three percent on the gross receipts subject to the lodging tax under Minnesota Statutes, section 469.190. This tax is in addition to any tax imposed under Minnesota Statutes, section 469.190, and the total tax imposed under that section and this provision must not exceed six percent.

(b) Two-thirds of the revenue from the tax imposed under this section must be dedicated and used for capital improvements to public recreational facilities and marketing and promotion of the community, and the remaining one-third of the revenue must be used for the same purposes as a tax imposed under Minnesota Statutes, section 469.190.

(c) The tax imposed under this authority terminates ~~at the earlier of: (1) ten years after the tax is first imposed; or (2) December 31, 2030~~ when the city council determines that the amount received from the tax is sufficient to retire bonds issued before January 1, 2022, for capital improvements under paragraph (b), plus an amount sufficient to pay costs, including interest costs, related to the issuance of the bonds.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 2. Laws 2019, First Special Session chapter 6, article 6, section 27, is amended to read:

**Sec. 27. CITY OF SARTELL; LOCAL TAXES AUTHORIZED.**

Subdivision 1. **Food and beverage tax authorized.** Notwithstanding Minnesota Statutes, section 297A.99 or 477A.016, or any ordinance or other provision of law, and if approved by voters at ~~the November 3, 2020, a general election, or at a special election held before November 3, 2020~~ pursuant to a resolution adopted by its governing body, the city of Sartell may, by ordinance, impose a sales tax of up to 1-1/2 percent on the gross receipts of all food and beverages sold by a restaurant or place of refreshment, as defined by ordinance of the city, that is located within the city. For purposes of this section, "food and beverages" include retail on-sale of intoxicating liquor and fermented malt beverages.

Subd. 2. **Use of proceeds from authorized taxes.** The proceeds of the taxes imposed under subdivision 1 must be used by the city to fund capital or operational costs for new and existing recreational facilities and related amenities within the city. Authorized expenses include securing or paying debt service on bonds or other obligations issued to finance construction and improvement projects.

~~Subd. 3. **Termination of taxes.** The tax imposed under subdivision 1 expires five years after the tax is first imposed.~~

Subd. 4. **Collection, administration, and enforcement.** The city may enter into an agreement with the commissioner of revenue to administer, collect, and enforce the taxes under subdivision 1. If the commissioner agrees to collect the tax, the provisions of Minnesota Statutes, sections 270C.171 and 297A.99, related to collection, administration, and enforcement apply.

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

**Sec. 3. CARLTON COUNTY; LOCAL SALES AND USE TAX AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, sections 297A.99, subdivision 2, paragraph (b), and 477A.016, or any other law or ordinance, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, Carlton County may impose, by ordinance, a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise

provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by Carlton County to pay the costs of collecting and administering the tax, and to finance up to \$60,000,000 for the construction of a new law enforcement center and jail serving a regional female offender program. Authorized costs include related parking, design, construction, reconstruction, mechanical upgrades, and engineering costs, as well as the associated bond costs for any bonds issued under subdivision 3.

Subd. 3. **Bonding authority.** (a) Carlton County may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in subdivision 2. The aggregate principal amount of bonds issued under this subdivision may not exceed \$60,000,000, plus an amount applied to the payment of costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the county, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the county. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) 30 years after the tax is first imposed; or (2) when the county determines that it has received from this tax \$60,000,000 to fund the project listed in subdivision 2, plus an amount sufficient to pay costs, including interest costs, related to the issuance of the bonds authorized in subdivision 3. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the county's general fund. The tax imposed under subdivision 1 may expire at an earlier time if the county determines by ordinance.

**EFFECTIVE DATE.** This section is effective the day after the governing body of Carlton County and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

39.1       Sec. 4. **CITY OF CLOQUET; TAXES AUTHORIZED.**

39.2           Subdivision 1. Sales and use tax authorization. Notwithstanding Minnesota Statutes,  
39.3 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,  
39.4 and if approved by the voters at a general election as required under Minnesota Statutes,  
39.5 section 297A.99, subdivision 3, the city of Cloquet may impose by ordinance a sales and  
39.6 use tax of one-half of one percent for the purposes specified in subdivision 2. Except as  
39.7 otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,  
39.8 govern the imposition, administration, collection, and enforcement of the tax authorized  
39.9 under this subdivision. The tax imposed under this subdivision is in addition to any local  
39.10 sales and use tax imposed under any other special law.

39.11          Subd. 2. Use of sales and use tax revenues. The revenues derived from the tax authorized  
39.12 under subdivision 1 must be used by the city of Cloquet to pay the costs of collecting and  
39.13 administering the tax and the capital and administrative costs of any or all of the projects  
39.14 listed in this subdivision. The amount spent on each project is limited to the amount set  
39.15 forth below plus an amount equal to interest on and the costs of issuing any bonds:

39.16          (1) construction, reconstruction, expansion, or improvement related to the Pine Valley  
39.17 Regional Park Project, including ski jump repairs, chalet replacement, and parking and  
39.18 lighting improvements, in an amount not to exceed \$2,124,700; and

39.19          (2) restoration, repair, and upgrading of the Cloquet Ice Arena in an amount not to exceed  
39.20 \$6,025,500.

39.21          Subd. 3. Bonding authority. (a) The city of Cloquet may issue bonds under Minnesota  
39.22 Statutes, chapter 475, to finance up to \$8,150,200 of the portion of the costs of the facilities  
39.23 authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes,  
39.24 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds  
39.25 issued under this subdivision may not exceed \$8,150,200 plus an amount to be applied to  
39.26 the payment of the costs of issuing the bonds. The bonds may be paid from or secured by  
39.27 any funds available to the city of Cloquet, including the tax authorized under subdivision  
39.28 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections  
39.29 275.60 and 275.61.

39.30          (b) The bonds are not included in computing any debt limitation applicable to the city  
39.31 of Cloquet, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal  
39.32 and interest on the bonds is not subject to any levy limitation. A separate election to approve  
39.33 the bonds under Minnesota Statutes, section 475.58, is not required.

40.1 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
40.2 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 10 years  
40.3 after the tax is first imposed, or (2) when the city council determines that the amount received  
40.4 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
40.5 projects approved by voters as required under Minnesota Statutes, section 297A.99,  
40.6 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
40.7 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
40.8 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
40.9 any funds remaining after payment of the allowed costs due to the timing of the termination  
40.10 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the  
40.11 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time  
40.12 if the city so determines by ordinance.

40.13 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
40.14 city of Cloquet and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
40.15 subdivisions 2 and 3.

40.16 Sec. 5. **CITY OF EDINA; TAXES AUTHORIZED.**

40.17 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
40.18 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,  
40.19 and if approved by the voters at a general election as required under Minnesota Statutes,  
40.20 section 297A.99, subdivision 3, the city of Edina may impose by ordinance a sales and use  
40.21 tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise  
40.22 provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the  
40.23 imposition, administration, collection, and enforcement of the tax authorized under this  
40.24 subdivision. The tax imposed under this subdivision is in addition to any local sales and  
40.25 use tax imposed under any other special law.

40.26 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
40.27 under subdivision 1 must be used by the city of Edina to pay the costs of collecting and  
40.28 administering the tax and paying for the following projects in the city, including securing  
40.29 and paying debt service on bonds issued to finance all or part of the following projects:

40.30 (1) \$17,700,000 plus associated bonding costs for development of Fred Richards Park  
40.31 as identified in the Fred Richards Park Master Plan; and

40.32 (2) \$21,600,000 plus associated bonding costs for improvements to Braemar Park as  
40.33 identified in the Braemar Park Master Plan.



41.1 Subd. 3. **Bonding authority.** (a) The city of Edina may issue bonds under Minnesota  
41.2 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
41.3 subdivision 2 and approved by the voters as required under Minnesota Statutes, section  
41.4 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued  
41.5 under this subdivision may not exceed: (1) \$17,700,000 for the project listed in subdivision  
41.6 2, clause (1), plus an amount to be applied to the payment of the costs of issuing the bonds;  
41.7 and (2) \$21,600,000 for the project listed in subdivision 2, clause (2), plus an amount to be  
41.8 applied to the payment of the costs of issuing the bonds. The bonds may be paid from or  
41.9 secured by any funds available to the city of Edina, including the tax authorized under  
41.10 subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota  
41.11 Statutes, sections 275.60 and 275.61.

41.12 (b) The bonds are not included in computing any debt limitation applicable to the city  
41.13 of Edina, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal  
41.14 and interest on the bonds is not subject to any levy limitation. A separate election to approve  
41.15 the bonds under Minnesota Statutes, section 475.58, is not required.

41.16 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
41.17 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 19 years  
41.18 after the tax is first imposed, or (2) when the city council determines that the amount received  
41.19 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
41.20 projects approved by voters as required under Minnesota Statutes, section 297A.99,  
41.21 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
41.22 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
41.23 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
41.24 any funds remaining after payment of the allowed costs due to the timing of the termination  
41.25 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
41.26 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time  
41.27 if the city so determines by ordinance.

41.28 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
41.29 city of Edina and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
41.30 subdivisions 2 and 3.

41.31 Sec. 6. **CITY OF FERGUS FALLS; TAXES AUTHORIZED.**

41.32 Subdivision 1. **Sales and use tax; authorization.** Notwithstanding Minnesota Statutes,  
41.33 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,  
41.34 the city of Fergus Falls may, if approved by the voters at a general election as required under

Minnesota Statutes, section 297A.99, subdivision 3, impose, by ordinance, a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Fergus Falls to pay the costs of collecting and administering the tax and for the following projects in the city, including securing and paying debt service, on bonds issued to finance all or part of the following projects:

(1) \$7,800,000 for an aquatics center; and

(2) \$5,200,000 for the DeLagoon Improvement Project.

Subd. 3. **Bonding authority.** (a) The city of Fergus Falls may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed:

(1) \$7,800,000 for the project listed in subdivision 2, clause (1), plus an amount needed to pay capitalized interest and an amount to be applied to the payment of the costs of issuing the bonds; and

(2) \$5,200,000 for the project listed in subdivision 2, clause (2), plus an amount needed to pay capitalized interest and an amount to be applied to the payment of the costs of issuing the bonds.

(b) The bonds may be paid from or secured by any funds available to the city of Fergus Falls, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(c) The bonds are not included in computing any debt limitation applicable to the city of Fergus Falls, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) December 31, 2037, or (2) when the city council determines that the amount received from the tax is

sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

**Sec. 7. CITY OF GRAND RAPIDS; TAXES AUTHORIZED.**

**Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Grand Rapids may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

**Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Grand Rapids to pay the costs of collecting and administering the tax including securing and paying debt service on bonds issued and to finance up to \$5,980,000 for reconstruction, remodeling, and upgrades to the Grand Rapids IRA Civic Center. Authorized costs include design, construction, reconstruction, mechanical upgrades, and engineering costs, as well as the associated bond costs for any bonds issued under subdivision 3.

**Subd. 3. Bonding authority.** (a) The city of Grand Rapids may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision 2. The aggregate principal amount of bonds issued under this subdivision may not exceed \$5,980,000, plus an amount to be applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of Grand Rapids, including the tax authorized under subdivision 1. The issuance

of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city of Grand Rapids, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) seven years after the tax is first imposed; or (2) when the city council determines that \$5,980,000, plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds, has been received from the tax to pay the costs of the project authorized under subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3. Any funds remaining after payment of all such costs and retirement or redemption of the bonds shall be placed in the general fund of the city, except for funds required to be retained in the state general fund under Minnesota Statutes, section 297A.99, subdivision 3. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

## Sec. 8. **CITY OF HERMANTOWN; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Hermantown may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Hermantown to pay the costs of collecting and administering the tax and paying for the following projects in the city related to a

Community Recreational Initiative, including securing and paying debt service on bonds issued to finance all or part of the following projects:

(1) \$7,840,000 for an addition of a second ice sheet with locker rooms and other facilities and upgrades to the Hermantown Hockey Arena; and

(2) \$4,570,000 for construction of the Hermantown-Proctor trail running from the Essentia Wellness Center to the border with Proctor and eventually connecting to the Munger Trail.

Subd. 3. **Bonding authority.** (a) The city of Hermantown may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed: (1) \$7,840,000 for the project listed in subdivision 2, clause (1), plus an amount to be applied to the payment of the costs of issuing the bonds; and (2) \$4,570,000 for the project listed in subdivision 2, clause (2), plus an amount to be applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of Hermantown, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city of Hermantown, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 16 years after being first imposed, or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

Sec. 9. **ITASCA COUNTY; TAXES AUTHORIZED.**

**Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law or ordinance and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, Itasca County may impose by ordinance a sales and use tax of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

**Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by Itasca County to pay the costs of collecting and administering the tax and paying for up to \$75,000,000 for new construction of or upgrades to correctional facilities, new construction of or upgrades to court facilities including ancillary support accommodations, and new construction of or upgrades to county offices, plus an amount needed for securing and paying debt service on bonds issued for the project.

**Subd. 3. Bonding authority.** (a) Itasca County may issue bonds under Minnesota Statutes, chapter 475, to finance the costs of the facility authorized in subdivision 2. The aggregate principal amount of bonds issued under this subdivision may not exceed \$75,000,000 for the project listed in subdivision 2, plus an amount to be applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the county, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the county, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

**Subd. 4. Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 30 years after the tax is first imposed, or (2) when the county board determines that the amount received from the tax is sufficient to pay \$75,000,000 in project costs authorized under subdivision 2, plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided

in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the county. The tax imposed under subdivision 1 may expire at an earlier time if the county so determines by ordinance.

**EFFECTIVE DATE.** This section is effective the day after the governing body of Itasca County and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

**Sec. 10. CITY OF LITCHFIELD; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Litchfield may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Litchfield to pay the costs of collecting and administering the tax and for up to \$10,000,000 for the cost of constructing a community wellness/recreation center that will include a gymnasium and general fitness spaces, a dedicated walking section, a community room, and any locker rooms and mechanical equipment needed for future additions to the facility.

Subd. 3. **Bonding authority.** (a) The city of Litchfield may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed \$10,000,000 for the project listed in subdivision 2 plus an amount to be applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of Litchfield, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

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

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 20 years after being first imposed, or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

Sec. 11. **CITY OF LITTLE FALLS; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Little Falls may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Little Falls to pay the costs of collecting and administering the tax and for up to \$17 million for the cost of constructing a community recreational facility that includes a gymnasium with an indoor track, multipurpose rooms for meeting and educational spaces, office and storage space, and outdoor recreational facilities for aquatic recreation with a master plan to incorporate future additions to the facility.



49.1 Subd. 3. **Bonding authority.** (a) The city of Little Falls may issue bonds under Minnesota  
49.2 Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in  
49.3 subdivision 2 and approved by the voters as required under Minnesota Statutes, section  
49.4 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued  
49.5 under this subdivision may not exceed \$17,000,000 for the project listed in subdivision 2  
49.6 plus an amount needed to pay capitalized interest and an amount to be applied to the payment  
49.7 of the costs of issuing the bonds. The bonds may be paid from or secured by any funds  
49.8 available to the city of Little Falls, including the tax authorized under subdivision 1. The  
49.9 issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60  
49.10 and 275.61.

49.11 (b) The bonds are not included in computing any debt limitation applicable to the city  
49.12 of Little Falls, and any levy of taxes under Minnesota Statutes, section 475.61, to pay  
49.13 principal and interest on the bonds is not subject to any levy limitation. A separate election  
49.14 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

49.15 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
49.16 subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 30 years  
49.17 after being first imposed, or (2) when the city council determines that the amount received  
49.18 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for the  
49.19 project if approved by voters as required under Minnesota Statutes, section 297A.99,  
49.20 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
49.21 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
49.22 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
49.23 any funds remaining after payment of the allowed costs due to the timing of the termination  
49.24 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the  
49.25 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time  
49.26 if the city so determines by ordinance.

49.27 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
49.28 city of Little Falls and its chief clerical officer comply with Minnesota Statutes, section  
49.29 645.021, subdivisions 2 and 3.

49.30 Sec. 12. **CITY OF MAPLE GROVE; TAXES AUTHORIZED.**

49.31 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
49.32 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters  
49.33 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,  
49.34 the city of Maple Grove may impose by ordinance a sales and use tax of one-half of one

percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

**Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Maple Grove to pay the costs of collecting and administering the tax, and to finance up to \$90,000,000 for the expansion and renovation of the Maple Grove Community Center, plus an amount needed for securing and paying debt service on bonds issued to finance the project.

**Subd. 3. Bonding authority.** (a) The city of Maple Grove may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed \$90,000,000, plus an amount applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

**Subd. 4. Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) 20 years after the tax is first imposed; or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for the project approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

Sec. 13. **COUNTY OF MILLE LACS; TAXES AUTHORIZED.**

**Subdivision 1. Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 477A.016, or any other law or ordinance, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, Mille Lacs County may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

**Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by Mille Lacs County to pay the costs of collecting and administering the tax, and to finance up to \$10,000,000 for the construction of a public works building in Mille Lacs County, plus an amount needed for securing and paying debt service on bonds issued to finance the project.

**Subd. 3. Bonding authority.** (a) Mille Lacs County may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed \$10,000,000, plus an amount applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the county, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the county. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

**Subd. 4. Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) eight years after the tax is first imposed; or (2) when the county board determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for the project approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient

to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the county. The tax imposed under subdivision 1 may expire at an earlier time if the county so determines by ordinance.

**EFFECTIVE DATE.** This section is effective the day after the governing body of Mille Lacs County and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

**Sec. 14. CITY OF MOORHEAD; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Moorhead may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Moorhead to pay the costs of collecting and administering the tax, and to finance up to \$29,100,000 for the construction of a regional library and community center in the city of Moorhead, plus an amount needed for securing and paying debt service on bonds issued to finance the project.

Subd. 3. **Bonding authority.** (a) The city of Moorhead may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed \$29,100,000, plus an amount applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

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

Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) 22 years after the tax is first imposed; or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for the project approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

Sec. 15. **CITY OF OAKDALE; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 477A.016, or any other ordinance or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Oakdale may impose, by ordinance, a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Oakdale to pay the costs of collecting and administering the tax and paying for the following projects in the city, including securing and paying debt service on bonds issued to finance all or part of the following projects:

(1) \$22,000,000 plus associated bonding costs for construction of a new public works facility; and

(2) \$15,000,000 plus associated bonding costs for expansion of the police department facility.

54.1 Subd. 3. **Bonding authority.** (a) The city of Oakdale may issue bonds under Minnesota  
54.2 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
54.3 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may  
54.4 not exceed: (1) \$22,000,000 for the project listed in subdivision 2, clause (1), plus an amount  
54.5 applied to the payment of costs of issuing the bonds; and (2) \$15,000,000 for the projects  
54.6 listed in subdivision 2, clause (2), plus an amount applied to the payment of costs of issuing  
54.7 the bonds. The bonds may be paid from or secured by any funds available to the city of  
54.8 Oakdale, including the tax authorized under subdivision 1. The issuance of bonds under  
54.9 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

54.10 (b) The bonds are not included in computing any debt limitation applicable to the city.  
54.11 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest  
54.12 on the bonds is not subject to any levy limitation. A separate election to approve the bonds  
54.13 under Minnesota Statutes, section 475.58, is not required.

54.14 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the  
54.15 earlier of: (1) 25 years after the tax is first imposed; or (2) when the city council determines  
54.16 that the city has received from this tax \$37,000,000 to fund the projects listed in subdivision  
54.17 2 plus an amount sufficient to pay costs, including interest costs, related to the issuance of  
54.18 the bonds authorized in subdivision 3. Except as otherwise provided under Minnesota  
54.19 Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment  
54.20 of the allowed costs due to timing of the termination under Minnesota Statutes, section  
54.21 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision 1  
54.22 may expire at an earlier time if the city so determines by ordinance.

54.23 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
54.24 city of Oakdale and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
54.25 subdivisions 2 and 3.

54.26 Sec. 16. **CITY OF ST. CLOUD; TAXES AUTHORIZED.**

54.27 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
54.28 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters  
54.29 at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,  
54.30 the city of St. Cloud may impose, by ordinance, a sales and use tax of one-half of one percent  
54.31 for the purposes specified in subdivision 2. Except as otherwise provided in this section,  
54.32 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,  
54.33 collection, and enforcement of the tax authorized under this subdivision. The tax imposed

55.1 under this subdivision is in addition to any local sales and use tax imposed under any other  
55.2 special law.

55.3 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
55.4 under subdivision 1 must be used by the city of St. Cloud to pay the costs of collecting and  
55.5 administering the tax, including securing and paying debt service on bonds issued, and to  
55.6 finance up to \$21,100,000 plus associated bonding costs for expansion and improvement  
55.7 of St. Cloud's Municipal Athletic Complex.

55.8 Subd. 3. **Bonding authority.** (a) The city of St. Cloud may issue bonds under Minnesota  
55.9 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
55.10 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may  
55.11 not exceed \$21,100,000 plus an amount applied to the payment of costs of issuing the bonds.  
55.12 The bonds may be paid from or secured by any funds available to the city of St. Cloud,  
55.13 including the tax authorized under subdivision 1. The issuance of bonds under this  
55.14 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

55.15 (b) The bonds are not included in computing any debt limitation applicable to the city.  
55.16 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest  
55.17 on the bonds is not subject to any levy limitation. A separate election to approve the bonds  
55.18 under Minnesota Statutes, section 475.58, is not required.

55.19 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the  
55.20 earlier of: (1) five years after the tax is first imposed; or (2) when the city council determines  
55.21 that the amount received from the tax is sufficient to pay for the project costs authorized  
55.22 under subdivision 2, and approved by the voters as required under Minnesota Statutes,  
55.23 section 297A.99, subdivision 3, plus an amount sufficient to pay costs, including interest  
55.24 costs, related to the issuance of the bonds authorized in subdivision 3. Any funds remaining  
55.25 after payment of the allowed costs due to timing of the termination under Minnesota Statutes,  
55.26 section 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision  
55.27 1 may expire at an earlier time if the city so determines by ordinance.

55.28 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
55.29 city of St. Cloud and its chief clerical officer comply with Minnesota Statutes, section  
55.30 645.021, subdivisions 2 and 3.

55.31 Sec. 17. **CITY OF ST. PETER; TAXES AUTHORIZED.**

55.32 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
55.33 section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter,

and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of St. Peter may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of St. Peter to pay the costs of collecting and administering the tax and paying for up to \$9,121,000 for construction of a new fire station, plus an amount needed for securing and paying debt service on bonds issued to finance the project.

Subd. 3. **Bonding authority.** (a) The city of St. Peter may issue bonds under Minnesota Statutes, chapter 475, to finance the costs of the facility authorized in subdivision 2. The aggregate principal amount of bonds issued under this subdivision may not exceed \$9,121,000 for the project listed in subdivision 2, plus an amount to be applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of St. Peter, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city of St. Peter; and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 40 years after the tax is first imposed, or (2) when the city council determines that the amount received from the tax is sufficient to pay for the \$9,121,000 in project costs authorized under subdivision 2, plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.



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

Sec. 18. **CITY OF WADENA; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Wadena may impose, by ordinance, a sales and use tax of one-quarter of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Wadena to pay the costs of collecting and administering the tax and to finance up to \$3,000,000, plus associated bonding costs including securing and paying debt service on bonds issued, for the Wadena Library Rehabilitation Project.

Subd. 3. **Bonding authority.** (a) The city of Wadena may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project authorized in subdivision 2. The aggregate principal amount of bonds issued under this subdivision may not exceed \$3,000,000, plus an amount applied to the payment of costs of issuing the bonds. The bonds may be paid from or secured by any funds available to the city of Wadena, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the earlier of: (1) 20 years after the tax is first imposed; or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2, and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, plus an amount sufficient to pay costs, including interest costs, related to the issuance of the bonds authorized in subdivision 3. Any funds remaining after payment of the allowed costs due to timing of the termination under Minnesota Statutes,

section 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

**Sec. 19. CITY OF WAITE PARK; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 297A.99, subdivision 1, or 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at a general election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Waite Park may impose by ordinance a sales and use tax of one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by the city of Waite Park to pay the costs of collecting and administering the tax and for the following projects in the city, including securing and paying debt service on bonds issued to finance all or part of the following projects:

(1) up to \$7,500,000 plus associated bonding costs for regional trail connections; and

(2) up to \$20,000,000 plus associated bonding costs for construction and equipping of a public safety facility.

Subd. 3. **Bonding authority.** (a) The city of Waite Park may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision 2 and approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed:

(1) \$7,500,000 for the project listed in subdivision 2, clause (1), plus an amount needed to pay capitalized interest and an amount to be applied to the payment of the costs of issuing the bonds; and

(2) \$20,000,000 for the project listed in subdivision 2, clause (2), plus an amount needed to pay capitalized interest and an amount to be applied to the payment of the costs of issuing the bonds.

The bonds may be paid from or secured by any funds available to the city of Waite Park, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the city of Waite Park, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 19 years after the tax is first imposed, or (2) when the city council determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

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

## ARTICLE 4

### TAX INCREMENT FINANCING

Section 1. Minnesota Statutes 2020, section 469.176, is amended by adding a subdivision to read:

Subd. 4n. **Temporary use of increment authorized.** (a) Notwithstanding any other provision of this section or any other law to the contrary, except the requirements to pay bonds to which increments are pledged, the authority may elect by resolution to transfer unobligated increments from a district either (1) to the municipality for deposit into the municipality's general fund upon the request of the municipality, or (2) to provide improvements, loans, interest rate subsidies, or assistance in any form to businesses impacted by COVID-19. The authority may transfer increments under this subdivision after the

60.1 spending plan and public hearing requirements under paragraph (c) are met. The municipality  
60.2 may expend transferred increments under clause (1) for any purpose permitted under the  
60.3 municipality's general fund.

60.4 (b) For each calendar year for which transfers are permitted under this subdivision, the  
60.5 maximum transfer equals the excess of the district's unobligated increments which includes  
60.6 any increment not required for payments of obligations due during the six months following  
60.7 the transfer on outstanding bonds, binding contracts, and other outstanding financial  
60.8 obligations of the district to which the district's increments are pledged.

60.9 (c) The authority may transfer increments permitted under this subdivision after creating  
60.10 a written spending plan that authorizes the authority to take the action described in paragraph  
60.11 (a) and details the use of transferred increments. Additionally, the municipality must approve  
60.12 the authority's spending plan after holding a public hearing. The municipality must publish  
60.13 notice of the hearing in a newspaper of general circulation in the municipality and on the  
60.14 municipality's public website at least ten days, but not more than 30 days, prior to the date  
60.15 of the hearing.

60.16 (d) Increment that is improperly retained, received, spent, or transferred is not eligible  
60.17 for a transfer under this subdivision.

60.18 (e) An authority making a transfer under this subdivision must provide to the Office of  
60.19 the State Auditor a copy of the spending plan approved and signed by the municipality.

60.20 (f) The authority to transfer increments under this subdivision expires on December 31,  
60.21 2022. All transferred increments must be spent by December 31, 2022. If the municipality  
60.22 cannot spend the transferred increments by December 31, 2022, the municipality must adopt  
60.23 a spending plan that details the use of transferred increments, and must provide a copy of  
60.24 this spending plan to the Office of the State Auditor.

60.25 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
60.26 final enactment and applies to increments from any district that are unobligated as of the  
60.27 date of final enactment regardless of when the authority made a request for certification.

60.28 Sec. 2. Minnesota Statutes 2020, section 469.1763, subdivision 2, is amended to read:

60.29 Subd. 2. **Expenditures outside district.** (a) For each tax increment financing district,  
60.30 an amount equal to at least 75 percent of the total revenue derived from tax increments paid  
60.31 by properties in the district must be expended on activities in the district or to pay bonds,  
60.32 to the extent that the proceeds of the bonds were used to finance activities in the district or  
60.33 to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other

than redevelopment districts for which the request for certification was made after June 30, 1995, the in-district percentage for purposes of the preceding sentence is 80 percent. Not more than 25 percent of the total revenue derived from tax increments paid by properties in the district may be expended, through a development fund or otherwise, on activities outside of the district but within the defined geographic area of the project except to pay, or secure payment of, debt service on credit enhanced bonds. For districts, other than redevelopment districts for which the request for certification was made after June 30, 1995, the pooling percentage for purposes of the preceding sentence is 20 percent. The revenues derived from tax increments paid by properties in the district that are expended on costs under section 469.176, subdivision 4h, paragraph (b), may be deducted first before calculating the percentages that must be expended within and without the district.

(b) In the case of a housing district, ~~a housing project, as defined in section 469.174, subdivision 11, is an activity in the district.~~ the following are considered to be activities in the district:

(1) a housing project, as defined in section 469.174, subdivision 11; and

(2) a transfer of increments to an affordable housing trust fund established pursuant to section 462C.16, for expenditures made in conformity with the political subdivision's ordinance and policy establishing the trust fund. Any transfers made pursuant to this clause are not subject to the annual reporting requirements imposed by section 469.175, subdivision 6, except that the amount of any transfer must be reported.

(c) All administrative expenses are for activities outside of the district, except that if the only expenses for activities outside of the district under this subdivision are for the purposes described in paragraph (d), administrative expenses will be considered as expenditures for activities in the district.

(d) The authority may elect, in the tax increment financing plan for the district, to increase by up to ~~ten~~ 25 percentage points the permitted amount of expenditures for activities located outside the geographic area of the district under paragraph (a). As permitted by section 469.176, subdivision 4k, the expenditures, including the permitted expenditures under paragraph (a), need not be made within the geographic area of the project. Expenditures that meet the requirements of this paragraph are legally permitted expenditures of the district, notwithstanding section 469.176, subdivisions 4b, 4c, and 4j. To qualify for the increase under this paragraph, the expenditures must:

62.1 (1) be used ~~exclusively~~ to assist housing that meets the requirement for a qualified  
62.2 low-income building, as that term is used in section 42 of the Internal Revenue Code, or to  
62.3 assist owner-occupied housing that meets the requirements of section 469.1761; and

62.4 (2) not exceed the qualified basis of the housing, as defined under section 42(c) of the  
62.5 Internal Revenue Code, less the amount of any credit allowed under section 42 of the Internal  
62.6 Revenue Code; and

62.7 (3) be used to:

62.8 (i) acquire and prepare the site of the housing;

62.9 (ii) acquire, construct, or rehabilitate the housing; or

62.10 (iii) make public improvements directly related to the housing; or

62.11 (4) be used to develop housing:

62.12 (i) if the market value of the housing does not exceed the lesser of:

62.13 (A) 150 percent of the average market value of single-family homes in that municipality;

62.14 or

62.15 (B) \$200,000 for municipalities located in the metropolitan area, as defined in section  
62.16 473.121, or \$125,000 for all other municipalities; and

62.17 (ii) if the expenditures are used to pay the cost of site acquisition, relocation, demolition  
62.18 of existing structures, site preparation, and pollution abatement on one or more parcels, if  
62.19 the parcel contains a residence containing one to four family dwelling units that has been  
62.20 vacant for six or more months and is in foreclosure as defined in section 325N.10, subdivision  
62.21 7, but without regard to whether the residence is the owner's principal residence, and only  
62.22 after the redemption period has expired.

62.23 (e) The authority under paragraph (d), clause (4), expires on December 31, 2016.

62.24 Increments may continue to be expended under this authority after that date, if they are used  
62.25 to pay bonds or binding contracts that would qualify under subdivision 3, paragraph (a), if  
62.26 December 31, 2016, is considered to be the last date of the five-year period after certification  
62.27 under that provision.

62.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2020, section 469.1763, subdivision 3, is amended to read:

Subd. 3. **Five-year rule.** (a) Revenues derived from tax increments paid by properties in the district are considered to have been expended on an activity within the district under subdivision 2 only if one of the following occurs:

(1) before or within five years after certification of the district, the revenues are actually paid to a third party with respect to the activity;

(2) bonds, the proceeds of which must be used to finance the activity, are issued and sold to a third party before or within five years after certification, the revenues are spent to repay the bonds, and the proceeds of the bonds either are, on the date of issuance, reasonably expected to be spent before the end of the later of (i) the five-year period, or (ii) a reasonable temporary period within the meaning of the use of that term under section 148(c)(1) of the Internal Revenue Code, or are deposited in a reasonably required reserve or replacement fund;

(3) binding contracts with a third party are entered into for performance of the activity before or within five years after certification of the district and the revenues are spent under the contractual obligation;

(4) costs with respect to the activity are paid before or within five years after certification of the district and the revenues are spent to reimburse a party for payment of the costs, including interest on unreimbursed costs; or

(5) expenditures are made for housing purposes as permitted by subdivision 2, paragraphs (b) and (d), or for public infrastructure purposes within a zone as permitted by subdivision 2, paragraph (e).

(b) For purposes of this subdivision, bonds include subsequent refunding bonds if the original refunded bonds meet the requirements of paragraph (a), clause (2).

(c) For a redevelopment district or a renewal and renovation district certified after June 30, 2003, and before April 20, 2009, the five-year periods described in paragraph (a) are extended to ten years after certification of the district. For a redevelopment district certified after April 20, 2009, and before June 30, 2012, the five-year periods described in paragraph (a) are extended to eight years after certification of the district. This extension is provided primarily to accommodate delays in development activities due to unanticipated economic circumstances.

(d) For a redevelopment district that was certified after December 31, 2017, the five-year periods described in paragraph (a) are extended to ten years after certification of the district.

64.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

64.2 Sec. 4. Minnesota Statutes 2020, section 469.1763, subdivision 4, is amended to read:

64.3 Subd. 4. **Use of revenues for decertification.** (a) In each year beginning with the sixth  
64.4 year following certification of the district, or beginning with the 11th year following  
64.5 certification of the district for districts whose five-year rule is extended to ten years under  
64.6 subdivision 3, paragraph (d), if the applicable in-district percent of the revenues derived  
64.7 from tax increments paid by properties in the district exceeds the amount of expenditures  
64.8 that have been made for costs permitted under subdivision 3, an amount equal to the  
64.9 difference between the in-district percent of the revenues derived from tax increments paid  
64.10 by properties in the district and the amount of expenditures that have been made for costs  
64.11 permitted under subdivision 3 must be used and only used to pay or defease the following  
64.12 or be set aside to pay the following:

64.13 (1) outstanding bonds, as defined in subdivision 3, paragraphs (a), clause (2), and (b);

64.14 (2) contracts, as defined in subdivision 3, paragraph (a), clauses (3) and (4);

64.15 (3) credit enhanced bonds to which the revenues derived from tax increments are pledged,  
64.16 but only to the extent that revenues of the district for which the credit enhanced bonds were  
64.17 issued are insufficient to pay the bonds and to the extent that the increments from the  
64.18 applicable pooling percent share for the district are insufficient; or

64.19 (4) the amount provided by the tax increment financing plan to be paid under subdivision  
64.20 2, paragraphs (b), (d), and (e).

64.21 (b) The district must be decertified and the pledge of tax increment discharged when  
64.22 the outstanding bonds have been defeased and when sufficient money has been set aside to  
64.23 pay, based on the increment to be collected through the end of the calendar year, the following  
64.24 amounts:

64.25 (1) contractual obligations as defined in subdivision 3, paragraph (a), clauses (3) and  
64.26 (4);

64.27 (2) the amount specified in the tax increment financing plan for activities qualifying  
64.28 under subdivision 2, paragraph (b), that have not been funded with the proceeds of bonds  
64.29 qualifying under paragraph (a), clause (1); and

64.30 (3) the additional expenditures permitted by the tax increment financing plan for housing  
64.31 activities under an election under subdivision 2, paragraph (d), that have not been funded  
64.32 with the proceeds of bonds qualifying under paragraph (a), clause (1).



**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 5. **CITY OF BLOOMINGTON; TIF AUTHORITY; AMERICAN BOULEVARD.**

**Subdivision 1. Establishment.** Pursuant to the special rules established in subdivision 2, the housing and redevelopment authority of the city of Bloomington or the city of Bloomington may establish a redevelopment district within the city of Bloomington, limited to the following parcels, identified by tax identification numbers, together with adjacent roads and rights-of-way: 04-027-24-11-0032, 04-027-24-11-0033, and 04-027-24-11-0034.

**Subd. 2. Special rules.** If the city or authority establishes a tax increment financing district under this section, the following special rules apply:

(1) the district meets all the requirements of Minnesota Statutes, section 469.174, subdivision 10;

(2) expenditures incurred in connection with the development of the property described in subdivision 1 meet the requirements of Minnesota Statutes, section 469.176, subdivision 4j; and

(3) increments generated from the district may be expended on undergrounding or overhead power lines, transformers, and related utility infrastructure within the project area and all such expenditures are deemed expended on activities within the district for purposes of Minnesota Statutes, section 469.1763.

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

Sec. 6. **CITY OF BLOOMINGTON; TIF AUTHORITY; 98TH & ALDRICH.**

**Subdivision 1. Establishment.** Pursuant to the special rules established in subdivision 2, the housing and redevelopment authority of the city of Bloomington or the city of Bloomington may establish a redevelopment district within the city of Bloomington, limited to the following parcels, identified by tax identification numbers, together with adjacent roads and rights-of-way: 16-027-24-41-0010, 16-027-24-41-0011, and 16-027-24-41-0012.

**Subd. 2. Special rules.** If the city or authority establishes a tax increment financing district under this section, the following special rules apply:

(1) the district meets all the requirements of Minnesota Statutes, section 469.174, subdivision 10; and

(2) expenditures incurred in connection with the development of the property described in subdivision 1 meet the requirements of Minnesota Statutes, section 469.176, subdivision 4j.

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

Sec. 7. **CITY OF BURNSVILLE; TIF AUTHORITY.**

Subdivision 1. **Establishment.** Under the special rules established in subdivision 2, the economic development authority of the city of Burnsville or the city of Burnsville may establish one or more redevelopment districts located wholly within the area of the city of Burnsville, Dakota County, Minnesota, limited to the parcels comprising the Burnsville Center mall together with adjacent roads and rights-of-way.

Subd. 2. **Special rules.** If the city or authority establishes a tax increment financing district under this section, the following special rules apply:

(1) the districts are deemed to meet all the requirements of Minnesota Statutes, section 469.174, subdivision 10;

(2) expenditures incurred in connection with the development of the property described in subdivision 1 are deemed to meet the requirements of Minnesota Statutes, section 469.176, subdivision 4j; and

(3) increments generated from the districts may be expended for the construction and acquisition of property for a bridge, tunnel, or other connector from the property described in subdivision 1 across adjacent roads and rights-of-way and all such expenditures are deemed expended on activities within the district for purposes of Minnesota Statutes, section 469.1763.

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

Sec. 8. **CITY OF FRIDLEY; TAX INCREMENT FINANCING DISTRICT; SPECIAL RULES.**

Subdivision 1. **Housing program uses.** Notwithstanding Minnesota Statutes, section 469.176, subdivision 4j, or 469.1763, subdivision 2, or any law to the contrary, the governing body of the city of Fridley or its development authority may elect to spend tax increments

67.1 from Tax Increment Financing District No. 20 on housing programs outside of the district.

67.2 The authorized housing programs include but are not limited to:

67.3 (1) the revolving rehab loan program;

67.4 (2) the multifamily improvement loan program;

67.5 (3) the mobile home improvement loan program;

67.6 (4) the last resort emergency deferred loan program;

67.7 (5) the senior deferred loan program;

67.8 (6) the down payment assistance loan program;

67.9 (7) the residential major project grant program;

67.10 (8) the residential paint rebate grant program; and

67.11 (9) the front door grant program.

67.12 Subd. 2. **Decertification.** The five-year rule under Minnesota Statutes, section 469.1763,  
67.13 subdivision 3, and the use of revenues for decertification in Minnesota Statutes, section  
67.14 469.1763, subdivision 4, do not apply to Tax Increment Financing District No. 20.

67.15 Subd. 3. **Expiration.** The authority to make the election under this section expires  
67.16 December 31, 2023.

67.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
67.18 city of Fridley and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
67.19 subdivisions 2 and 3.

67.20 Sec. 9. **CITY OF MINNETONKA; USE OF INCREMENT AUTHORIZED.**

67.21 (a) Notwithstanding Minnesota Statutes, section 469.1763, or any law to the contrary,  
67.22 tax increments from any redevelopment tax increment financing district in the city of  
67.23 Minnetonka may be used to assist affordable housing development that meets the  
67.24 requirements of Minnesota Statutes, section 469.1761, subdivision 2 or 3.

67.25 (b) The city of Minnetonka, or its economic development authority, is authorized to  
67.26 transfer tax increments from tax increment districts in the city of Minnetonka to the affordable  
67.27 housing trust fund established by the city of Minnetonka pursuant to Minnesota Statutes,  
67.28 section 462C.16, for expenditures made in conformity with the city ordinance establishing  
67.29 the trust fund. Transfers made pursuant to this paragraph are in addition to tax increment  
67.30 expenditures under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d). Any  
67.31 transfers made pursuant to this paragraph are not subject to the annual reporting requirements

68.1 imposed by Minnesota Statutes, section 469.175, subdivision 6, except that the amount of  
68.2 any transfer must be reported.

68.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
68.4 city of Minnetonka and its chief clerical officer comply with the requirements of Minnesota  
68.5 Statutes, section 645.021, subdivisions 2 and 3.

68.6 Sec. 10. **CITY OF MOUNTAIN LAKE; TIF DISTRICT NO. 1-8; FIVE-YEAR RULE**  
68.7 **EXTENSION.**

68.8 (a) The requirement of Minnesota Statutes, section 469.1763, subdivision 3, that activities  
68.9 must be undertaken within a five-year period from the date of certification of a tax increment  
68.10 financing district, is extended by a five-year period for Tax Increment Financing District  
68.11 No. 1-8, administered by the city of Mountain Lake or its economic development authority.

68.12 (b) The requirement of Minnesota Statutes, section 469.1763, subdivision 4, relating to  
68.13 the use of increment after the expiration of the five-year period in Minnesota Statutes,  
68.14 section 469.1763, subdivision 3, is extended to the district's 11th year.

68.15 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
68.16 city of Mountain Lake and its chief clerical officer comply with Minnesota Statutes, section  
68.17 645.021, subdivisions 2 and 3.

68.18 Sec. 11. **CITY OF RICHFIELD; USE OF TAX INCREMENT AUTHORIZED.**

68.19 (a) Notwithstanding Minnesota Statutes, section 469.1763, or any law to the contrary,  
68.20 tax increments from any tax increment financing district in the city of Richfield may be  
68.21 used to assist affordable housing development that meets the requirements of Minnesota  
68.22 Statutes, section 469.1761, subdivision 2 or 3.

68.23 (b) The city of Richfield, or its housing and redevelopment authority, is authorized to  
68.24 transfer up to 15 percent of tax increments from redevelopment tax increment districts in  
68.25 the city of Richfield, including amounts previously accumulated, to the Affordable Housing  
68.26 Trust Fund established by the city of Richfield pursuant to Minnesota Statutes, section  
68.27 462C.16, for expenditures made in conformity with the city ordinance establishing the trust  
68.28 fund. Transfers made pursuant to this paragraph are in addition to tax increment expenditures  
68.29 under Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d). Any transfers  
68.30 made pursuant to this paragraph are not subject to the annual reporting requirements imposed  
68.31 by Minnesota Statutes, section 469.175, subdivision 6, except that the amount of any transfer  
68.32 must be reported.

(c) The authority to make transfers of tax increments pursuant to this section expires December 31, 2030.

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

**Sec. 12. CITY OF ST. LOUIS PARK; USE OF INCREMENT AUTHORIZED.**

(a) Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d), or any law to the contrary, tax increment from any district for which the economic development authority of St. Louis Park has elected to increase the permitted amount of expenditures for activities located outside the district's area, as allowed by Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d), clause (1), must be used exclusively to assist housing development that meets either the requirements of Minnesota Statutes, section 469.1761, subdivision 2, or Minnesota Statutes, section 469.1763, subdivision 2, paragraph (d), clauses (1) to (3).

(b) The economic development authority of St. Louis Park is authorized to make permanent transfers of tax increments accumulated for housing development pursuant to either Minnesota Statutes, section 469.1763, subdivision 2, paragraph (b) or (d), from the tax increment accounts to the Affordable Housing Trust Fund established by the city of St. Louis Park pursuant to Minnesota Statutes, section 462C.16, for expenditures made in conformity with the city ordinance and policy establishing such trust fund. Any transfers made pursuant to this paragraph are not subject to the annual reporting requirements imposed by Minnesota Statutes, section 469.175, subdivision 6, except that the amount of any transfer must be reported.

**EFFECTIVE DATE.** This section is effective the day after the governing body of the city of St. Louis Park and its chief clerical officer comply with the requirements of Minnesota Statutes, section 645.021, subdivisions 2 and 3.

**Sec. 13. CITY OF WAYZATA; TIF DISTRICT NO. 6.**

Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, the city of Wayzata may expend increments generated from Tax Increment Financing District No. 6 for the design and construction of the lakefront pedestrian walkway and community transient lake public access infrastructure related to the Panoway on Wayzata Bay project, and all such expenditures are deemed expended on activities within the district.

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

Sec. 14. **CITY OF WINDOM; TIF DISTRICT 1-22; FIVE-YEAR RULE EXTENDED.**

(a) The requirement of Minnesota Statutes, section 469.1763, subdivision 3, that activities must be undertaken within a five-year period from the date of certification of a tax increment financing district, is considered to be met for Tax Increment Financing District 1-22, administered by the city of Windom or its economic development authority, if activities are undertaken within ten years of the district's certification.

(b) The requirement of Minnesota Statutes, section 469.1763, subdivision 4, relating to the use of increment after the expiration of the five-year period in Minnesota Statutes, section 469.1763, subdivision 3, is extended to the district's 11th year.

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

Sec. 15. **CITY OF WINDOM; TIF DISTRICT 1-22; DURATION EXTENSION.**

Notwithstanding Minnesota Statutes, section 469.176, subdivision 1b, or any other law to the contrary, the city of Windom or its economic development authority may elect to extend the duration limit of Tax Increment Financing District 1-22 by five years.

**EFFECTIVE DATE.** This section is effective upon compliance by the city of Windom, Cottonwood County, and Independent School District No. 177 with the requirements of Minnesota Statutes, sections 469.1782, subdivision 2, and 645.021, subdivisions 2 and 3.

**ARTICLE 5**  
**PUBLIC FINANCE**

Section 1. Minnesota Statutes 2020, section 297A.993, subdivision 2, is amended to read:

Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated exclusively to: (1) payment of the capital cost of a specific transportation project or improvement; (2) payment of the costs, which may include both capital and operating costs, of a specific transit project or improvement; (3) payment of the capital costs of a safe routes to school program under section 174.40; ~~or~~ (4) payment of transit operating costs; or (5) payment of the capital cost of constructing buildings and other facilities for maintaining

transportation or transit projects or improvements. The transportation or transit project or improvement must be designated by the board of the county, or more than one county acting under a joint powers agreement. Except for taxes for operating costs of a transit project or improvement, or for transit operations, the taxes must terminate when revenues raised are sufficient to finance the project. Nothing in this subdivision prohibits the exclusive dedication of the proceeds of the taxes to payments for more than one project or improvement. After a public hearing a county may, by resolution, dedicate the proceeds of the tax for a new enumerated project.

Sec. 2. Minnesota Statutes 2020, section 453A.04, subdivision 21, is amended to read:

Subd. 21. ~~All other powers~~ **Exercising powers of a municipal power agency.** ~~It may exercise all other powers not inconsistent with the Constitution of the state of Minnesota or the United States Constitution, which powers may be reasonably necessary or appropriate for or incidental to the effectuation of its authorized purposes or to the exercise of any of the powers enumerated in this section, and generally may exercise in connection with its property and affairs, and in connection with property within its control, any and all powers which might be exercised by a natural person or a private corporation in connection with similar property and affairs.~~ It may exercise the powers of a municipal power agency under chapter 453, for the limited purpose of engaging in tax-exempt prepayments and related transactions as described in section 148(b)(4) of the Internal Revenue Code of 1986, as amended, and the Code of Federal Regulations, title 26, part 1, section 1.148-1(e)(2)(iii), both as may be amended from time to time, or as may otherwise be authorized by statute or the Commissioner of Internal Revenue.

Sec. 3. Minnesota Statutes 2020, section 453A.04, is amended by adding a subdivision to read:

Subd. 22. **All other powers.** It may exercise all other powers not inconsistent with the Constitution of the state of Minnesota or the United States Constitution, which powers may be reasonably necessary or appropriate for or incidental to the effectuation of its authorized purposes or to the exercise of any of the powers enumerated in this section, and generally may exercise in connection with its property and affairs, and in connection with property within its control, any and all powers which might be exercised by a natural person or a private corporation in connection with similar property and affairs.

72.1 Sec. 4. Minnesota Statutes 2020, section 465.71, is amended to read:

72.2 **465.71 INSTALLMENT, LEASE PURCHASE; CITY, COUNTY, TOWN,**  
72.3 **SCHOOL.**

72.4 A home rule charter city, statutory city, county, town, or school district may purchase  
72.5 personal property under an installment contract, or lease real or personal property with an  
72.6 option to purchase under a lease-purchase agreement, by which contract or agreement title  
72.7 is retained by the seller or vendor or assigned to a third party as security for the purchase  
72.8 price, including interest, if any, but such purchases are subject to statutory and charter  
72.9 provisions applicable to the purchase of real or personal property. For purposes of the bid  
72.10 requirements contained in section 471.345, "the amount of the contract" shall include the  
72.11 total of all lease payments for the entire term of the lease under a lease-purchase agreement.  
72.12 The obligation created by an installment contract or a lease-purchase agreement for personal  
72.13 property, or an installment contract or a lease-purchase agreement for real property if the  
72.14 amount of the contract for purchase of the real property is less than \$1,000,000, shall not  
72.15 be included in the calculation of net debt for purposes of section 475.53, and shall not  
72.16 constitute debt under any other statutory provision. No election shall be required in  
72.17 connection with the execution of an installment contract or a lease-purchase agreement  
72.18 authorized by this section. The city, county, town, or school district must have the right to  
72.19 terminate a lease-purchase agreement at the end of any fiscal year during its term.

72.20 Sec. 5. Minnesota Statutes 2020, section 475.56, is amended to read:

72.21 **475.56 INTEREST RATE.**

72.22 (a) Any municipality issuing obligations under any law may issue obligations bearing  
72.23 interest at a single rate or at rates varying from year to year which may be lower or higher  
72.24 in later years than in earlier years. ~~Such higher rate for any period prior to maturity may be~~  
72.25 ~~represented in part by separate coupons designated as additional coupons, extra coupons,~~  
72.26 ~~or B coupons, but the~~ The highest aggregate rate of interest contracted to be so paid for any  
72.27 period shall not exceed the maximum rate authorized by law. ~~Such higher rate may also be~~  
72.28 ~~represented in part by the issuance of additional obligations of the same series, over and~~  
72.29 ~~above but not exceeding two percent of the amount otherwise authorized to be issued, and~~  
72.30 ~~the amount of such additional obligations shall not be included in the amount required by~~  
72.31 ~~section 475.59 to be stated in any bond resolution, notice, or ballot, or in the sale price~~  
72.32 ~~required by section 475.60 or any other law to be paid; but if the principal amount of the~~  
72.33 ~~entire series exceeds its cash sale price, such excess shall not, when added to the total amount~~  
72.34 ~~of interest payable on all obligations of the series to their stated maturity dates, cause and~~



the average annual rate of such interest ~~to~~ may not exceed the maximum rate authorized by law. This section does not authorize a provision in any such obligations for the payment of a higher rate of interest after maturity than before.

(b) Any municipality issuing obligations under any law may sell original issue discount ~~or premium obligations having a stated principal amount in excess of the authorized amount and the sale price, provided that:~~ To determine the average annual rate of interest on the obligations, any discount shall be added to, and any premium subtracted from, the total amount of interest on the obligations to their stated maturity dates.

~~(1) the sale price does not exceed by more than two percent the amount of obligations otherwise authorized to be issued;~~

~~(2) the underwriting fee, discount, or other sales or underwriting commission does not exceed two percent of the sale price; and~~

~~(3) the discount rate necessary to present value total principal and interest payments over the term of the issue to the sale price does not exceed the lesser of the maximum rate permitted by law for municipal obligations or ten percent.~~

(c) Any obligation may bear interest at a rate varying periodically at the time or times and on the terms, including convertibility to a fixed rate of interest, determined by the governing body of the municipality, but the rate of interest for any period shall not exceed any maximum rate of interest for the obligations established by law. For purposes of section 475.61, subdivisions 1 and 3, the interest payable on variable rate obligations for their term shall be determined as if their rate of interest is the lesser of the maximum rate of interest payable on the obligations in accordance with their terms or the rate estimated for such purpose by the governing body, but if the interest rate is subsequently converted to a fixed rate the levy may be modified to provide at least five percent in excess of amounts necessary to pay principal of and interest at the fixed rate on the obligations when due. For purposes of computing debt service or interest pursuant to section 475.67, subdivision 12, interest throughout the term of bonds issued pursuant to this subdivision is deemed to accrue at the rate of interest first borne by the bonds. The provisions of this paragraph do not apply to general obligations issued by a statutory or home rule charter city with a population of less than 7,500, as defined in section 477A.011, subdivision 3, or to general obligations that are not rated A or better, or an equivalent subsequently established rating, by Standard and Poor's Corporation, Moody's Investors Service or other similar nationally recognized rating agency, except that any statutory or home rule charter city, regardless of population or bond

rating, may issue variable rate obligations as a participant in a bond pooling program established by the League of Minnesota Cities that meets this bond rating requirement.

Sec. 6. Minnesota Statutes 2020, section 475.58, subdivision 3b, is amended to read:

Subd. 3b. **Street reconstruction and bituminous overlays.** (a) A municipality may, without regard to the election requirement under subdivision 1, issue and sell obligations for street reconstruction or bituminous overlays, if the following conditions are met:

(1) the streets are reconstructed or overlaid under a street reconstruction or overlay plan that describes the street reconstruction or overlay to be financed, the estimated costs, and any planned reconstruction or overlay of other streets in the municipality over the next five years, and the plan and issuance of the obligations has been approved by a vote of a two-thirds majority of the members of the governing body present at the meeting following a public hearing for which notice has been published in the official newspaper at least ten days but not more than 28 days prior to the hearing; and

(2) if a petition requesting a vote on the issuance is signed by voters equal to five percent of the votes cast in the last municipal general election and is filed with the municipal clerk within 30 days of the public hearing, the municipality may issue the bonds only after obtaining the approval of a majority of the voters voting on the question of the issuance of the obligations. If the municipality elects not to submit the question to the voters, the municipality shall not propose the issuance of bonds under this section for the same purpose and in the same amount for a period of 365 days from the date of receipt of the petition. If the question of issuing the bonds is submitted and not approved by the voters, the provisions of section 475.58, subdivision 1a, shall apply.

(b) Obligations issued under this subdivision are subject to the debt limit of the municipality and are not excluded from net debt under section 475.51, subdivision 4.

(c) For purposes of this subdivision, street reconstruction and bituminous overlays ~~includes~~ include but are not limited to: utility replacement and relocation and other activities incidental to the street reconstruction; the addition or reconstruction of turn lanes, bicycle lanes, sidewalks, paths, and other improvements having a substantial public safety function; realignments; and other modifications to intersect with state and county roads; and the local share of state and county road projects. For purposes of this subdivision, "street reconstruction" includes expenditures for street reconstruction that have been incurred by a municipality before approval of a street reconstruction plan, if such expenditures are included in a street reconstruction plan approved on or before the date of the public hearing under paragraph (a), clause (1), regarding issuance of bonds for such expenditures.

(d) Except in the case of turn lanes, bicycle lanes, sidewalks, paths, and other safety improvements; realignments; intersection modifications; and the local share of state and county road projects, street reconstruction and bituminous overlays does not include the portion of project cost allocable to widening a street or adding curbs and gutters where none previously existed.

Sec. 7. Minnesota Statutes 2020, section 475.60, subdivision 1, is amended to read:

Subdivision 1. **Advertisement.** All obligations shall be negotiated and sold by the governing body, except when authority therefor is delegated by the governing body or by the charter of the municipality to a board, department, or officers of the municipality. ~~Except as provided in section 475.56, obligations shall be sold at not less than par value plus accrued interest to date of delivery and not greater than two percent greater than the amount authorized to be issued plus accrued interest.~~ Except as provided in subdivision 2 all obligations shall be sold at competitive sale after notice given as provided in subdivision 3.

Sec. 8. Minnesota Statutes 2020, section 475.67, subdivision 8, is amended to read:

Subd. 8. **Escrow account securities.** Securities purchased for the escrow account shall be limited to:

(1) general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, including but not limited to Resolution Funding Corporation Interest Separate Trading of Registered Interest and Principal of Securities and United States Agency for International Development Bonds, and securities issued by ~~the following agencies of the United States: Banks for Cooperatives,~~ United States government-sponsored enterprises including but not limited to Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal Farm Credit System, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation; or

(2) obligations issued or guaranteed by any state or any political subdivision of a state, which at the date of purchase are rated in the highest or the next highest rating category by Standard and Poor's Corporation, Moody's Investors Service, or a similar nationally recognized rating agency, but not less than the rating on the refunded bonds immediately prior to the refunding.

"Rating category," as used in this subdivision, means a generic securities rating category, without regard in the case of a long-term rating category to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

Sec. 9. REPEALER.

Minnesota Statutes 2020, section 469.055, subdivision 7, is repealed.

ARTICLE 6  
MISCELLANEOUS TAX PROVISIONS

Section 1. Minnesota Statutes 2020, section 290A.04, subdivision 2, is amended to read:

Subd. 2. **Homeowners; homestead credit refund.** A claimant whose property taxes payable are in excess of the percentage of the household income stated below shall pay an amount equal to the percent of income shown for the appropriate household income level along with the percent to be paid by the claimant of the remaining amount of property taxes payable. The state refund equals the amount of property taxes payable that remain, up to the state refund amount shown below.

Household Income	Percent of Income	Percent Paid by Claimant	Maximum State Refund
<del>\$0 to 1,739</del>	<del>1.0 percent</del>	<del>15 percent</del>	<del>\$ 2,770</del>
<del>1,740 to 3,459</del>	<del>1.1 percent</del>	<del>15 percent</del>	<del>\$ 2,770</del>
<del>3,460 to 5,239</del>	<del>1.2 percent</del>	<del>15 percent</del>	<del>\$ 2,770</del>
<del>5,240 to 6,989</del>	<del>1.3 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>6,990 to 8,719</del>	<del>1.4 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>8,720 to 12,219</del>	<del>1.5 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>12,220 to 13,949</del>	<del>1.6 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>13,950 to 15,709</del>	<del>1.7 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>15,710 to 17,449</del>	<del>1.8 percent</del>	<del>20 percent</del>	<del>\$ 2,770</del>
<del>17,450 to 19,179</del>	<del>1.9 percent</del>	<del>25 percent</del>	<del>\$ 2,770</del>
<del>19,180 to 24,429</del>	<del>2.0 percent</del>	<del>25 percent</del>	<del>\$ 2,770</del>
<del>24,430 to 26,169</del>	<del>2.0 percent</del>	<del>30 percent</del>	<del>\$ 2,770</del>
<del>26,170 to 29,669</del>	<del>2.0 percent</del>	<del>30 percent</del>	<del>\$ 2,770</del>
<del>29,670 to 41,859</del>	<del>2.0 percent</del>	<del>35 percent</del>	<del>\$ 2,770</del>
<del>41,860 to 61,049</del>	<del>2.0 percent</del>	<del>35 percent</del>	<del>\$ 2,240</del>
<del>61,050 to 69,769</del>	<del>2.0 percent</del>	<del>40 percent</del>	<del>\$ 1,960</del>
<del>69,770 to 78,499</del>	<del>2.1 percent</del>	<del>40 percent</del>	<del>\$ 1,620</del>
<del>78,500 to 87,219</del>	<del>2.2 percent</del>	<del>40 percent</del>	<del>\$ 1,450</del>

77.1	<del>87,220 to 95,939</del>	<del>2.3 percent</del>	<del>40 percent</del>	<del>\$ 1,270</del>
77.2	<del>95,940 to 101,179</del>	<del>2.4 percent</del>	<del>45 percent</del>	<del>\$ 1,070</del>
77.3	<del>101,180 to 104,689</del>	<del>2.5 percent</del>	<del>45 percent</del>	<del>\$ 890</del>
77.4	<del>104,690 to 108,919</del>	<del>2.5 percent</del>	<del>50 percent</del>	<del>\$ 730</del>
77.5	<del>108,920 to 113,149</del>	<del>2.5 percent</del>	<del>50 percent</del>	<del>\$ 540</del>

77.6				<u>Maximum</u>
77.7			<u>Percent Paid by</u>	<u>State</u>
77.8	<u>Household Income</u>	<u>Percent of Income</u>	<u>Claimant</u>	<u>Refund</u>
77.9	<u>\$0 to 1,820</u>	<u>1.0 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
77.10	<u>1,820 to 3,630</u>	<u>1.1 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
77.11	<u>3,630 to 5,490</u>	<u>1.2 percent</u>	<u>15 percent</u>	<u>\$ 3,150</u>
77.12	<u>5,490 to 7,330</u>	<u>1.3 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.13	<u>7,330 to 9,140</u>	<u>1.4 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.14	<u>9,140 to 12,810</u>	<u>1.5 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.15	<u>12,810 to 14,630</u>	<u>1.6 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.16	<u>14,630 to 16,470</u>	<u>1.7 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.17	<u>16,470 to 18,300</u>	<u>1.8 percent</u>	<u>20 percent</u>	<u>\$ 3,150</u>
77.18	<u>18,300 to 20,110</u>	<u>1.9 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
77.19	<u>20,110 to 25,620</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 3,150</u>
77.20	<u>25,620 to 27,440</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 3,150</u>
77.21	<u>27,440 to 31,110</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 3,150</u>
77.22	<u>31,110 to 43,890</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 3,150</u>
77.23	<u>43,890 to 64,020</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 2,600</u>
77.24	<u>64,020 to 73,160</u>	<u>2.0 percent</u>	<u>40 percent</u>	<u>\$ 2,310</u>
77.25	<u>73,160 to 82,320</u>	<u>2.1 percent</u>	<u>40 percent</u>	<u>\$ 1,950</u>
77.26	<u>82,320 to 91,460</u>	<u>2.2 percent</u>	<u>40 percent</u>	<u>\$ 1,770</u>
77.27	<u>91,460 to 100,600</u>	<u>2.3 percent</u>	<u>40 percent</u>	<u>\$ 1,580</u>
77.28	<u>100,600 to 106,100</u>	<u>2.4 percent</u>	<u>45 percent</u>	<u>\$ 1,320</u>
77.29	<u>106,100 to 109,780</u>	<u>2.5 percent</u>	<u>45 percent</u>	<u>\$ 1,080</u>
77.30	<u>109,780 to 114,210</u>	<u>2.5 percent</u>	<u>50 percent</u>	<u>\$ 870</u>
77.31	<u>114,210 to 118,650</u>	<u>2.5 percent</u>	<u>50 percent</u>	<u>\$ 620</u>

77.32 The payment made to a claimant shall be the amount of the state refund calculated under  
 77.33 this subdivision. No payment is allowed if the claimant's household income is ~~\$113,150~~  
 77.34 \$118,650 or more.

77.35 **EFFECTIVE DATE.** This section is effective for refunds based on property taxes  
 77.36 payable after December 31, 2021.

78.1 Sec. 2. Minnesota Statutes 2020, section 290A.04, subdivision 2a, is amended to read:

78.2 Subd. 2a. **Renters.** A claimant whose rent constituting property taxes exceeds the  
 78.3 percentage of the household income stated below must pay an amount equal to the percent  
 78.4 of income shown for the appropriate household income level along with the percent to be  
 78.5 paid by the claimant of the remaining amount of rent constituting property taxes. The state  
 78.6 refund equals the amount of rent constituting property taxes that remain, up to the maximum  
 78.7 state refund amount shown below.

78.8				Maximum
78.9			Percent Paid by	State
78.10	Household Income	Percent of Income	Claimant	Refund
78.11	\$0 to 5,269	1.0 percent	5 percent	\$ 2,150
78.12	5,270 to 6,999	1.0 percent	10 percent	\$ 2,150
78.13	7,000 to 8,749	1.1 percent	10 percent	\$ 2,090
78.14	8,750 to 12,269	1.2 percent	10 percent	\$ 2,040
78.15	12,270 to 15,779	1.3 percent	15 percent	\$ 1,980
78.16	15,780 to 17,519	1.4 percent	15 percent	\$ 1,930
78.17	17,520 to 19,259	1.4 percent	20 percent	\$ 1,880
78.18	19,260 to 22,779	1.5 percent	20 percent	\$ 1,820
78.19	22,780 to 24,529	1.6 percent	20 percent	\$ 1,770
78.20	24,530 to 26,279	1.7 percent	25 percent	\$ 1,770
78.21	26,280 to 29,789	1.8 percent	25 percent	\$ 1,770
78.22	29,790 to 31,529	1.9 percent	30 percent	\$ 1,770
78.23	31,530 to 36,789	2.0 percent	30 percent	\$ 1,770
78.24	36,790 to 42,039	2.0 percent	35 percent	\$ 1,770
78.25	42,040 to 49,059	2.0 percent	40 percent	\$ 1,770
78.26	49,060 to 50,799	2.0 percent	45 percent	\$ 1,610
78.27	50,800 to 52,559	2.0 percent	45 percent	\$ 1,450
78.28	52,560 to 54,319	2.0 percent	45 percent	\$ 1,230
78.29	54,320 to 56,059	2.0 percent	50 percent	\$ 1,070
78.30	56,060 to 57,819	2.0 percent	50 percent	\$ 970
78.31	57,820 to 59,569	2.0 percent	50 percent	\$ 540
78.32	59,570 to 61,319	2.0 percent	50 percent	\$ 210
78.33				Maximum
78.34			Percent Paid by	State
78.35	Household Income	Percent of Income	Claimant	Refund
78.36	\$0 to 5,530	1.0 percent	5 percent	\$ 2,250
78.37	5,530 to 7,340	1.0 percent	5 percent	\$ 2,250
78.38	7,340 to 9,180	1.1 percent	5 percent	\$ 2,190

79.1	<u>9,180 to 12,870</u>	<u>1.2 percent</u>	<u>5 percent</u>	<u>\$ 2,140</u>
79.2	<u>12,870 to 16,550</u>	<u>1.3 percent</u>	<u>10 percent</u>	<u>\$ 2,080</u>
79.3	<u>16,550 to 18,370</u>	<u>1.4 percent</u>	<u>10 percent</u>	<u>\$ 2,020</u>
79.4	<u>18,370 to 20,200</u>	<u>1.4 percent</u>	<u>15 percent</u>	<u>\$ 1,970</u>
79.5	<u>20,200 to 23,890</u>	<u>1.5 percent</u>	<u>15 percent</u>	<u>\$ 1,910</u>
79.6	<u>23,890 to 25,720</u>	<u>1.6 percent</u>	<u>15 percent</u>	<u>\$ 1,860</u>
79.7	<u>25,720 to 27,560</u>	<u>1.7 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
79.8	<u>27,560 to 31,240</u>	<u>1.8 percent</u>	<u>20 percent</u>	<u>\$ 1,860</u>
79.9	<u>31,240 to 33,060</u>	<u>1.9 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
79.10	<u>33,060 to 38,580</u>	<u>2.0 percent</u>	<u>25 percent</u>	<u>\$ 1,860</u>
79.11	<u>38,580 to 44,080</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
79.12	<u>44,080 to 51,440</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,860</u>
79.13	<u>51,440 to 53,270</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,690</u>
79.14	<u>53,270 to 55,100</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,520</u>
79.15	<u>55,100 to 56,960</u>	<u>2.0 percent</u>	<u>30 percent</u>	<u>\$ 1,290</u>
79.16	<u>56,960 to 58,780</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,120</u>
79.17	<u>58,780 to 60,630</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 1,020</u>
79.18	<u>60,630 to 62,470</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 570</u>
79.19	<u>62,470 to 64,300</u>	<u>2.0 percent</u>	<u>35 percent</u>	<u>\$ 220</u>

79.20 The payment made to a claimant is the amount of the state refund calculated under this  
79.21 subdivision. No payment is allowed if the claimant's household income is ~~\$61,320~~ \$64,300  
79.22 or more.

79.23 **EFFECTIVE DATE.** This section is effective for refunds based on rent paid after  
79.24 December 31, 2020.

79.25 Sec. 3. **[428B.01] DEFINITIONS.**

79.26 Subdivision 1. **Applicability.** As used in sections 428B.01 to 428B.09, the terms in this  
79.27 section have the meanings given them.

79.28 Subd. 2. **Activity.** "Activity" means but is not limited to all of the following:

79.29 (1) promotion of tourism within the district;

79.30 (2) promotion of business activity, including but not limited to tourism, of businesses  
79.31 subject to the service charge within the tourism improvement district;

79.32 (3) marketing, sales, and economic development; and

80.1 (4) other services provided for the purpose of conferring benefits upon businesses located  
80.2 in the tourism improvement district that are subject to the tourism improvement district  
80.3 service charge.

80.4 Subd. 3. **Business.** "Business" means the type or class of lodging business that is  
80.5 described in the municipality's ordinance, which benefits from district activities, adopted  
80.6 under section 428B.02.

80.7 Subd. 4. **Business owner.** "Business owner" means a person recognized by a municipality  
80.8 as the owner of a business.

80.9 Subd. 5. **City.** "City" means a home rule charter or statutory city.

80.10 Subd. 6. **Clerk.** "Clerk" means the chief clerical officer of the municipality.

80.11 Subd. 7. **Governing body.** "Governing body" means, with respect to a city, a city council  
80.12 or other governing body of a city. With respect to a town, governing body means a town  
80.13 board or other governing body of a town. With respect to a county, governing body means  
80.14 a board of commissioners or other governing body of a county.

80.15 Subd. 8. **Impacted business owners.** "Impacted business owners" means a majority of  
80.16 business owners located within a tourism improvement district.

80.17 Subd. 9. **Municipality.** "Municipality" means a county, city, or town.

80.18 Subd. 10. **Tourism improvement association.** "Tourism improvement association"  
80.19 means a new or existing and tax-exempt nonprofit corporation, entity, or agency charged  
80.20 with promoting tourism within the tourism improvement district and that is under contract  
80.21 with the municipality to administer the tourism improvement district and implement the  
80.22 activities and improvements listed in the municipality's ordinance.

80.23 Subd. 11. **Tourism improvement district.** "Tourism improvement district" means a  
80.24 tourism improvement district established under this chapter.

80.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

80.26 Sec. 4. **[428B.02] ESTABLISHMENT OF TOURISM IMPROVEMENT DISTRICT.**

80.27 Subdivision 1. **Ordinance.** (a) Upon a petition by impacted business owners, a governing  
80.28 body of a municipality may adopt an ordinance establishing a tourism improvement district  
80.29 after holding a public hearing on the district. The ordinance must include:



81.1 (1) a map that identifies the tourism improvement district boundaries in sufficient detail  
81.2 to allow a business owner to reasonably determine whether a business is located within the  
81.3 tourism improvement district boundaries;

81.4 (2) the name of the tourism improvement association designated to administer the tourism  
81.5 improvement district and implement the approved activities and improvements;

81.6 (3) a list of the proposed activities and improvements in the tourism improvement district;

81.7 (4) the time and manner of collecting the service charge and any interest and penalties  
81.8 for nonpayment;

81.9 (5) a definition describing the type or class of businesses to be included in the tourism  
81.10 improvement district and subject to the service charge;

81.11 (6) the rate, method, and basis of the service charge for the district, including the portion  
81.12 dedicated to covering expenses listed in subdivision 4, paragraph (b); and

81.13 (7) the number of years the service charge will be in effect.

81.14 (b) If the boundaries of a proposed tourism improvement district overlap with the  
81.15 boundaries of an existing special service district, the tourism improvement district ordinance  
81.16 may list measures to avoid any impediments on the ability of the special service district to  
81.17 continue to provide its services to benefit its property owners.

81.18 Subd. 2. **Notice.** A municipality must provide notice of the hearing by publication in at  
81.19 least two issues of the official newspaper of the municipality. The two publications must  
81.20 be two weeks apart and the municipality must hold the hearing at least three days after the  
81.21 last publication. Not less than ten days before the hearing, the municipality must mail notice  
81.22 to the business owner of each business subject to the proposed service charge by the tourism  
81.23 improvement district. The notice must include:

81.24 (1) a map showing the boundaries of the proposed district;

81.25 (2) the time and place of the public hearing;

81.26 (3) a statement that all interested persons will be given an opportunity to be heard at the  
81.27 hearing regarding the proposed service charge; and

81.28 (4) a brief description of the proposed activities, improvements, and service charge.

81.29 Subd. 3. **Business owner determination.** A business must provide ownership information  
81.30 to the municipality. A municipality has no obligation to obtain other information regarding  
81.31 the ownership of businesses, and its determination of ownership shall be final for the purposes

82.1 of this chapter. If this chapter requires the signature of a business owner, the signature of  
82.2 the authorized representative of a business owner is sufficient.

82.3 Subd. 4. **Service charges; relationship to services.** (a) A municipality may impose a  
82.4 service charge on a business pursuant to this chapter for the purpose of providing activities  
82.5 and improvements that will provide benefits to a business that is located within the tourism  
82.6 improvement district and subject to the tourism improvement district service charge. Each  
82.7 business paying a service charge within a district must benefit directly or indirectly from  
82.8 improvements provided by a tourism improvement association, provided, however, the  
82.9 business need not benefit equally. Service charges must be based on a percent of gross  
82.10 business revenue, a fixed dollar amount per transaction, or any other reasonable method  
82.11 based upon benefit and approved by the municipality.

82.12 (b) Service charges may be used to cover the costs of collections, as well as other  
82.13 administrative costs associated with operating, forming, or maintaining the district.

82.14 Subd. 5. **Public hearing.** At the public hearing regarding the adoption of the ordinance  
82.15 establishing a tourism improvement district, business owners and persons affected by the  
82.16 proposed district may testify on issues relevant to the proposed district. The hearing may  
82.17 be adjourned from time to time. The ordinance establishing the district may be adopted at  
82.18 any time within six months after the date of the conclusion of the hearing by a vote of the  
82.19 majority of the governing body of the municipality.

82.20 Subd. 6. **Appeal to district court.** Within 45 days after the adoption of the ordinance  
82.21 establishing a tourism improvement district, a person aggrieved, who is not precluded by  
82.22 failure to object before or at the public hearing, may appeal to the district court by serving  
82.23 a notice on the clerk of the municipality or governing body. The validity of the tourism  
82.24 improvement district and the service charge imposed under this chapter shall not be contested  
82.25 in an action or proceeding unless the action or proceeding is commenced within 45 days  
82.26 after the adoption of the ordinance establishing a tourism improvement district. The petitioner  
82.27 must file notice with the court administrator of the district court within ten days after its  
82.28 service. The clerk of the municipality must provide the petitioner with a certified copy of  
82.29 the findings and determination of the governing body. The court may affirm the action  
82.30 objected to or, if the petitioner's objections have merit, modify or cancel it. If the petitioner  
82.31 does not prevail on the appeal, the costs incurred shall be taxed to the petitioner by the court  
82.32 and judgment entered for them. All objections shall be deemed waived unless presented on  
82.33 appeal.

82.34 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 5. **[428B.03] SERVICE CHARGE AUTHORITY; NOTICE; HEARING REQUIREMENT.**

**Subdivision 1. Authority.** A municipality may impose service charges authorized under section 428B.02, subdivision 4, to finance an activity or improvement in the tourism improvement district that is provided by the municipality if the activity or improvement is provided in the tourism improvement district at an increased level of service. The service charges may be imposed in the amount needed to pay for the increased level of service provided by the activity or improvement.

**Subd. 2. Annual hearing requirement; notice.** Beginning one year after the establishment of the tourism improvement district, the municipality must hold an annual hearing regarding continuation of the service charges in the tourism improvement district. The municipality must provide notice of the hearing by publication in the official newspaper at least seven days before the hearing. The municipality must mail notice of the hearing to business owners subject to the service charge at least seven days before the hearing. At the public hearing, a person affected by the proposed district may testify on issues relevant to the proposed district. Within six months of the public hearing, the municipality may adopt a resolution to continue imposing service charges within the district not exceeding the amount or rate expressed in the notice. For purposes of this section, the notice must include:

(1) a map showing the boundaries of the district;

(2) the time and place of the public hearing;

(3) a statement that all interested persons will be given an opportunity to be heard at the hearing regarding the proposed service charge;

(4) a brief description of the proposed activities and improvements;

(5) the estimated annual amount of proposed expenditures for activities and improvements;

(6) the rate of the service charge for the district during the year and the nature and character of the proposed activities and improvements for the district during the year in which service charges are collected;

(7) the number of years the service charge will be in effect; and

(8) a statement that the petition requirement of section 428B.07 has either been met or does not apply to the proposed service charge.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

84.1 Sec. 6. **[428B.04] MODIFICATION OF ORDINANCE.**

84.2 **Subdivision 1. Adoption of ordinance; request for modification.** Upon written request  
84.3 of the tourism improvement association, the governing body of a municipality may adopt  
84.4 an ordinance to modify the district after conducting a public hearing on the proposed  
84.5 modifications. If the modification includes a change to the rate, method, and basis of  
84.6 imposing the service charge or the expansion of the tourism improvement district's geographic  
84.7 boundaries, a petition as described in section 428B.07 must be submitted by impacted  
84.8 business owners to initiate proceedings for modification.

84.9 **Subd. 2. Notice of modification.** A municipality must provide notice of the hearing by  
84.10 publication in at least two issues of the municipality's official newspaper. The two  
84.11 publications must be two weeks apart and the municipality must hold a hearing at least three  
84.12 days after the last publication. Not less than ten days before the hearing, the municipality  
84.13 must mail notice to the business owner of each business subject to the service charge by  
84.14 the tourism improvement district. The notice must include:

84.15 (1) a map showing the boundaries of the district;

84.16 (2) the time and place of the public hearing;

84.17 (3) a statement that all interested persons will be given an opportunity to be heard at the  
84.18 hearing regarding the proposed service charge; and

84.19 (4) a brief description of the proposed modification to the ordinance.

84.20 **Subd. 3. Hearing on modification.** At the public hearing regarding modification to the  
84.21 ordinance, a person affected by the proposed modification may testify on issues relevant to  
84.22 the proposed modification. Within six months after the conclusion of the hearing, the  
84.23 municipality may adopt the ordinance modifying the district by a vote of the majority of  
84.24 the governing body in accordance with the request for modification by the tourism  
84.25 improvement association and as described in the notice.

84.26 **Subd. 4. Objection.** If the modification of the ordinance includes the expansion of the  
84.27 tourism improvement district's geographic boundaries, the ordinance modifying the district  
84.28 may be adopted after following the notice and veto requirements in section 428B.08;  
84.29 however, a successful objection will be determined based on a majority of business owners  
84.30 who will pay the service charge in the expanded area of the district. For all other  
84.31 modifications, the ordinance modifying the district may be adopted following the notice  
84.32 and veto requirements in section 428B.08.

84.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

85.1       Sec. 7. **[428B.05] COLLECTION OF SERVICE CHARGES; PENALTIES.**

85.2       The service charges imposed under this chapter may be collected by the municipality,  
85.3 tourism improvement association, or other designated agency or entity. Collection of the  
85.4 service charges must be made at the time and in the manner set forth in the ordinance. The  
85.5 entity collecting the service charges may charge interest and penalties on delinquent payments  
85.6 for service charges imposed under this chapter as set forth in the municipality's ordinance.

85.7       **EFFECTIVE DATE.** This section is effective the day following final enactment.

85.8       Sec. 8. **[428B.06] TOURISM IMPROVEMENT ASSOCIATION.**

85.9       Subdivision 1. **Composition and duties.** The tourism improvement association must  
85.10 be designated in the municipality's ordinance. The tourism improvement association shall  
85.11 appoint a governing board or committee composed of a majority of business owners who  
85.12 pay the tourism improvement district service charge, or the representatives of those business  
85.13 owners. The governing board or committee must manage the funds raised by the tourism  
85.14 improvement district and fulfill the obligations of the tourism improvement district. A  
85.15 tourism improvement association has full discretion to select the specific activities and  
85.16 improvements that are funded with tourism improvement district service charges within the  
85.17 authorized activities and improvements described in the ordinance.

85.18       Subd. 2. **Annual report.** The tourism improvement association must submit to the  
85.19 municipality an annual report for each year in which a service charge is imposed. The report  
85.20 must include a financial statement of revenue raised by the district. The municipality may  
85.21 also, as part of the enabling ordinance, require the submission of other relevant information  
85.22 related to the association.

85.23       **EFFECTIVE DATE.** This section is effective the day following final enactment.

85.24       Sec. 9. **[428B.07] PETITION REQUIRED.**

85.25       A municipality may not establish a tourism improvement district under section 428B.02  
85.26 unless impacted business owners file a petition requesting a public hearing on the proposed  
85.27 action with the clerk of the municipality.

85.28       **EFFECTIVE DATE.** This section is effective the day following final enactment.

85.29       Sec. 10. **[428B.08] VETO POWER OF OWNERS.**

85.30       Subdivision 1. **Notice of right to file objections.** The effective date of an ordinance or  
85.31 resolution adopted under this chapter must be at least 45 days after it is adopted by the

municipality. Within five days after the municipality adopts the ordinance or resolution, the municipality must mail a summary of the ordinance or resolution to each business owner subject to the service charge within the tourism improvement district in the same manner that notice is mailed under section 428B.02. The mailing must include a notice that business owners subject to the service charge have the right to veto, by a simple majority, the ordinance or resolution by filing the required number of objections with the clerk of the municipality before the effective date of the ordinance or resolution and include notice that a copy of the ordinance or resolution is available for public inspection with the clerk of the municipality.

Subd. 2. **Requirements for veto.** If impacted business owners file an objection to the ordinance or resolution before the effective date of the ordinance or resolution, the ordinance or resolution does not become effective.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 11. **[428B.09] DISESTABLISHMENT.**

Subdivision 1. **Procedure for disestablishment.** An ordinance adopted under this chapter must provide a 30-day period each year in which business owners subject to the service charge may request disestablishment of the district. Beginning one year after establishment of the tourism improvement district, an annual 30-day period of disestablishment begins with the anniversary of the date of establishment. Upon submission of a petition from impacted business owners, the municipality may disestablish a tourism improvement district by adopting an ordinance after holding a public hearing on the disestablishment. Prior to the public hearing, the municipality must publish notice of the public hearing on disestablishment in at least two issues of the municipality's official newspaper. The two publications must be two weeks apart and the municipality must hold the hearing at least three days after the last publication. Not less than ten days before the hearing, the municipality must mail notice to the business owner of each business subject to the service charge. The notice must include:

(1) the time and place of the public hearing;

(2) a statement that all interested persons will be given an opportunity to be heard at the hearing regarding disestablishment;

(3) the reason for disestablishment; and

(4) a proposal to dispose of any assets acquired with the revenues of the service charge imposed under the tourism improvement district.

87.1 Subd. 2. **Objection.** An ordinance disestablishing the tourism improvement district  
87.2 becomes effective following the notice and veto requirements in section 428B.08.

87.3 Subd. 3. **Refund to business owners.** (a) Upon the disestablishment of a tourism  
87.4 improvement district, any remaining revenues derived from the service charge, or any  
87.5 revenues derived from the sale of assets acquired with the service charge revenues, shall  
87.6 be refunded to business owners located and operating within the tourism improvement  
87.7 district in which service charges were imposed by applying the same method and basis that  
87.8 was used to calculate the service charges levied in the fiscal year in which the district is  
87.9 disestablished.

87.10 (b) If the disestablishment occurs before the service charge is imposed for the fiscal  
87.11 year, the method and basis that was used to calculate the service charge imposed in the  
87.12 immediate prior fiscal year shall be used to calculate the amount of a refund, if any.

87.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

87.14 Sec. 12. **[428B.10] COORDINATION OF DISTRICTS.**

87.15 If a county establishes a tourism improvement district in a city or town under this chapter,  
87.16 a city or town may not establish a tourism improvement district in the part of the city or  
87.17 town located in the county-established district. If a city or town establishes a tourism  
87.18 improvement district under this chapter, a county may not establish a tourism improvement  
87.19 district in the part of the city or town located in the city- or town-established district.

87.20 Sec. 13. **4D AFFORDABLE HOUSING PROGRAMS REPORT.**

87.21 (a) No later than January 15, 2022, the commissioner of revenue, in consultation with  
87.22 the Minnesota Housing Finance Agency, must produce a report on class 4d property, as  
87.23 defined in Minnesota Statutes, section 273.13, subdivision 25, and on local 4d affordable  
87.24 housing programs. The commissioner must provide a copy of the report to the chairs and  
87.25 ranking minority members of the legislative committees with jurisdiction over property  
87.26 taxation. The report must comply with the requirements of Minnesota Statutes, sections  
87.27 3.195 and 3.197. The report must include the following:

87.28 (1) for properties classified in part or in whole as 4d qualifying under Minnesota Statutes,  
87.29 section 273.128, subdivision 1, clauses (1) to (4), with separate amounts given for properties  
87.30 under each clause:

87.31 (i) the number of units classified as 4d in each property in the previous assessment year  
87.32 as reported by each county;

- 88.1 (ii) the number of units not classified as 4d in each property in the previous assessment  
88.2 year;
- 88.3 (iii) the property tax paid in 2021;
- 88.4 (iv) the property tax reduction in 2021 resulting from the property being classified as  
88.5 4d rather than 4a; and
- 88.6 (v) the total number of 4d units in each of the last ten years; and
- 88.7 (2) for properties classified in part or in whole as 4d qualifying under Minnesota Statutes,  
88.8 section 273.128, subdivision 1, clauses (1) to (4):
- 88.9 (i) the percent change in each political subdivision's net tax capacity if the first-tier class  
88.10 rate of the 4d classification was reduced from 0.75 percent to 0.25 percent;
- 88.11 (ii) the number of 4d properties located within tax increment financing districts, and the  
88.12 impact on increment generation in those districts as a result of these properties being  
88.13 classified as 4d rather than 4a;
- 88.14 (iii) the impact that a 4d class rate reduction from 0.75 percent to 0.25 percent for the  
88.15 entire valuation would have on the property tax burden for homestead property;
- 88.16 (iv) the total number of 4d units whose value qualifies for the second tier in each year  
88.17 since 2019;
- 88.18 (v) the impact that a reduction of the 4d class rate from 0.75 percent to 0.25 percent for  
88.19 the entire valuation would have on property tax refunds received by renters and on property  
88.20 tax refunds received by homeowners in jurisdictions that contain 4d property; and
- 88.21 (vi) a profile of income limits and area median incomes used in Minnesota by the United  
88.22 States Department of Housing and Urban Development to determine the eligibility for  
88.23 assisted housing programs.
- 88.24 (b) Counties must report to the commissioner of revenue any data required by paragraph  
88.25 (a), clauses (1) and (2), by November 1, 2021.
- 88.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.