

1.1 moves to amend H.F. No. 4248 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Laws 1993, chapter 375, article 9, section 46, subdivision 2, as amended by
1.4 Laws 1997, chapter 231, article 7, section 40, Laws 1998, chapter 389, article 8, section 30,
1.5 Laws 2003, First Special Session chapter 21, article 8, section 13, Laws 2005, First Special
1.6 Session chapter 3, article 5, section 26, Laws 2009, chapter 88, article 4, section 15, and
1.7 Laws 2013, chapter 143, article 8, section 44, is amended to read:

1.8 Subd. 2. **Use of revenues.** Revenues received from the tax authorized by subdivision 1
1.9 may only be used by the city to pay the cost of collecting the tax, and, except as provided
1.10 in paragraph (e), to pay for the following projects or to secure or pay any principal, premium,
1.11 or interest on bonds issued in accordance with subdivision 3 for the following projects.

1.12 (a) To pay all or a portion of the capital expenses of construction, equipment and
1.13 acquisition costs for the expansion and remodeling of the St. Paul Civic Center complex,
1.14 including the ~~demolition of the existing arena and the construction, renovation, betterment,~~
1.15 and equipping of ~~a new~~ the existing arena.

1.16 (b) Except as provided in ~~paragraphs~~ paragraph (e) ~~and (f)~~, the remainder of the funds
1.17 must be spent for:

1.18 (1) capital projects to further residential, cultural, commercial, and economic development
1.19 in both downtown St. Paul and St. Paul neighborhoods; and

1.20 (2) capital and operating expenses of cultural organizations in the city, provided that the
1.21 amount spent under this clause must equal ten percent of the total amount spent under this
1.22 paragraph in any year.

1.23 (c) The amount apportioned under paragraph (b) shall be no less than 60 percent of the
1.24 revenues derived from the tax each year, except to the extent that a portion of that amount

2.1 is required to pay debt service on (1) bonds issued for the purposes of paragraph (a) prior
2.2 to March 1, 1998; or (2) bonds issued for the purposes of paragraph (a) after March 1, 1998,
2.3 but only if the city council determines that 40 percent of the revenues derived from the tax
2.4 together with other revenues pledged to the payment of the bonds, including the proceeds
2.5 of definitive bonds, is expected to exceed the annual debt service on the bonds.

2.6 (d) If in any year more than 40 percent of the revenue derived from the tax authorized
2.7 by subdivision 1 is used to pay debt service on the bonds issued for the purposes of paragraph
2.8 (a) and to fund a reserve for the bonds, the amount of the debt service payment that exceeds
2.9 40 percent of the revenue must be determined for that year. In any year when 40 percent of
2.10 the revenue produced by the sales tax exceeds the amount required to pay debt service on
2.11 the bonds and to fund a reserve for the bonds under paragraph (a), the amount of the excess
2.12 must be made available for capital projects to further residential, cultural, commercial, and
2.13 economic development in the neighborhoods and downtown until the cumulative amounts
2.14 determined for all years under the preceding sentence have been made available under this
2.15 sentence. The amount made available as reimbursement in the preceding sentence is not
2.16 included in the 60 percent determined under paragraph (c).

2.17 (e) If the amount necessary to meet obligations under paragraphs (a) and (d) are less
2.18 than 40 percent of the revenue from the tax in any year, the city may place the difference
2.19 between 40 percent of the revenue and the amounts allocated under paragraphs (a) and (d)
2.20 in an economic development fund to be used for any economic development purposes.

2.21 ~~(f) By January 15 of each year, the mayor and the city council must report to the~~
2.22 ~~legislature on the use of sales tax revenues during the preceding one-year period.~~

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

2.26 Sec. 2. Laws 1993, chapter 375, article 9, section 46, subdivision 3, as amended by Laws
2.27 1998, chapter 389, article 8, section 31, and Laws 2005, First Special Session chapter 3,
2.28 article 5, section 27, is amended to read:

2.29 Subd. 3. **Bonds.** The city may issue general obligation bonds or special revenue bonds
2.30 to finance all or a portion of the cost for projects authorized in subdivision 2, paragraph (a)
2.31 or (b). The debt represented by the bonds shall not be included in computing any debt
2.32 limitations applicable to the city. The bonds may be paid from or secured by any funds
2.33 available to the city, including the tax authorized under subdivision 1, any revenues derived
2.34 from the project, tax increments from the tax increment district that includes the project,

3.1 and revenue from any lodging tax imposed under Laws 1982, chapter 523, article 25, section
3.2 1. The bonds may be issued in one or more series and sold without election on the question
3.3 of issuance of the bonds or a property tax to pay them. Except as otherwise provided in this
3.4 section, the bonds must be issued, sold, and secured in the manner provided in Minnesota
3.5 Statutes, chapter 475. The aggregate principal amount of bonds issued under this subdivision
3.6 for projects authorized in subdivision 2, paragraph (a), may not exceed ~~\$65~~ \$275 million,
3.7 provided that the city may issue additional bonds under this subdivision for projects
3.8 authorized in subdivision 2, paragraph (a), as long as the total principal amount of the
3.9 additional bonds together with the outstanding principal amount of the bonds previously
3.10 issued under this subdivision for projects authorized in subdivision 2, paragraph (a), does
3.11 not exceed ~~\$130~~ \$325 million. The bonds authorized by this subdivision shall not be included
3.12 in local general obligation debt as defined in Laws 1971, chapter 773, as amended, including
3.13 Laws 1992, chapter 511, and shall not affect the amount of capital improvement bonds
3.14 authorized to be issued by the city of St. Paul. Bonds to pay for projects authorized in
3.15 subdivision 2, paragraph (b), may be issued if the city council first determines that 20 percent
3.16 of the revenues derived from the tax authorized under section 1 together with other revenues
3.17 pledged to payment of the bonds, including the proceeds of definitive bonds, is expected
3.18 to exceed the annual debt service on the bonds.

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

3.22 Sec. 3. Laws 1993, chapter 375, article 9, section 46, subdivision 5, as amended by Laws
3.23 1998, chapter 389, article 8, section 32, Laws 2013, chapter 143, article 8, section 45, and
3.24 Laws 2023, chapter 64, article 10, section 5, is amended to read:

3.25 Subd. 5. **Expiration of taxing authority.** (a) The authority granted by subdivision 1 to
3.26 the city to impose a sales tax shall expire on December 31, ~~2042~~ 2061, or at an earlier time
3.27 as the city shall, by ordinance, determine. Any funds remaining after completion of projects
3.28 approved under subdivision 2, paragraph (a) and retirement or redemption of any bonds or
3.29 other obligations may be placed in the general fund of the city.

3.30 (b) The tax imposed under subdivision 1a expires at the earlier of (1) 20 years after the
3.31 tax is first imposed, or (2) when the city council determines that the amount of revenues
3.32 received from the tax is sufficient to pay for the project costs authorized under subdivision
3.33 2b for projects approved by the voters as required under Minnesota Statutes, section 297A.99,
3.34 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance

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

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

4.10 Sec. 4. Laws 1998, chapter 389, article 8, section 36, is amended to read:

4.11 Sec. 36. **CITY OF ST. PAUL; USE OF SALES TAX REVENUES.**

4.12 The revenue derived from the sales tax imposed by the city of St. Paul under Laws 1993,
4.13 chapter 375, article 9, section 46, as amended by Laws 1997, chapter 231, article 7, section
4.14 40, that is distributed to the city's cultural STAR program must be awarded through a grant
4.15 or loan review process as provided in this section. Eighty percent of the revenue collected
4.16 annually must be ~~annually~~ awarded to nonprofit arts organizations, libraries, and museums
4.17 that are located in the designated cultural district of downtown St. Paul, and the remaining
4.18 20 percent may be awarded to businesses in the cultural district for projects which enhance
4.19 visitor enjoyment of the district, or to nonprofit arts organizations, libraries, and museums
4.20 located in St. Paul but outside of the cultural district. Grants or loans may be used for capital
4.21 improvements. The restrictions in this section apply to all STAR cultural funds expended
4.22 for projects approved after June 30, 1998.

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

4.26 Sec. 5. Laws 1998, chapter 389, article 8, section 37, subdivision 2, as amended by Laws
4.27 2002, chapter 377, article 3, section 21, is amended to read:

4.28 Subd. 2. **Appointment of members.** ~~The citizen review panel consists of three residents~~
4.29 ~~from each of the seven city council wards, for a total of 21 members.~~ The mayor must
4.30 appoint the members, and the appointments are subject to confirmation by a majority vote
4.31 of the city council. Members serve for a term of four years. Elected officials and employees
4.32 of the city are ineligible to serve as members of the panel.

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

5.4 Sec. 6. **MODIFICATIONS ALLOWED.**

5.5 The amendments to Laws 1993, chapter 375, article 9, section 40, as amended, are
5.6 allowed notwithstanding Minnesota Statutes, section 297A.99, subdivisions 2, paragraphs
5.7 (a) and (b), and 3, paragraph (a).

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

5.11 Delete the title and insert:

5.12 "A bill for an act
5.13 relating to taxation; sales and use; modifying the city of St. Paul local sales tax;
5.14 amending Laws 1993, chapter 375, article 9, section 46, subdivisions 2, as amended,
5.15 3, as amended, 5, as amended; Laws 1998, chapter 389, article 8, sections 36; 37,
5.16 subdivision 2, as amended."