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**Authors:** Sundin

**Subject:** Modifying the Cloquet Area Fire and Ambulance District

**Analyst:** Steve Hinze (steve.hinze@house.mn)  
Joel Michael (joel.michael@house.mn)

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### Overview

H.F. 958 makes a number of modifications to the law governing the Cloquet Area Fire and Ambulance District. It authorizes the District to issue bonds or capital notes for capital improvements without voter approval, and allows the district to levy for debt service outside of its levy limit.

#### Section

- 1 **Agreement.** Renames the Cloquet Area Fire and Ambulance Special Taxing District.
- 2 **Board.** Cross-reference to the newly-named district in section 1.
- 3 **Tax.** Increases the maximum rate that may be levied in portions of the District that receive ambulance service only. Provides that any levy for debt service does not count against the District's levy rate limit.
- 4 **Debt issuance.** Authorizes the District to issue city capital improvement bonds and to exercise the powers of a statutory city to issue capital notes for equipment purchases. This will permit the District to issue bonds or notes that are subject to reverse referendums, but do not otherwise require them to be submitted for voter approval. Under its current law, the District only has general authority to issue bonds under chapter 475, which would require voter approval for bonds paid with taxes. Also provides that the District will levy the cost of capital improvements related to ambulance service across the entire District and will levy the cost of capital improvements related to fire service across only those portions of the District

**Section**

receiving fire services. Provides that the District will pledge its full faith and credit without limitation for the payment of debt.

- 5**        **Withdrawal.** Provides that a levy on property located in a municipality that wishes to withdraw from the District will remain in effect until the obligations outstanding on the date of withdrawal are satisfied.