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Subject: Cromwell Wright area special taxing district authorized

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Overview

HF 497 authorizes the cities of Cromwell and Wright, along with the towns of Corona, Eagle, Lakeview, Progress, Red Clover, Besemen, and Haugen, and other contiguous cities, to establish a fire district for the provision of cooperative fire services. This bill establishes a governing board for the district, authorizes the district to impose a property tax and issue debt, and establishes a procedure for a city or town to withdraw from the district.

Section

1 Special taxing districts; definitions. Adds the proposed Cromwell Wright area fire district to the definition of special taxing district.

2 Cromwell Wright area fire district.

Subdivision 1. Agreement. Authorizes the cities of Cromwell and Wright, along with other towns in Carlton and Aitkin Counties, to create a fire district. Allows other contiguous cities and towns to join the district with the consent of the cities and towns in the district at the time of application.

Subd. 2. Board. Establishes the board that will govern the district. The board must be composed of one member from each city or town as appointed by the city council or town board. Sets staggered, two-year terms for the members.

Subd. 3. Tax. Authorizes the district to impose a tax and issue certificates of indebtedness. Paragraph (a) allows the district to impose a property tax for operating expenses and debt, and requires that a city or town in the district must not incur expenses or debt for fire services themselves. Paragraph (b) allows the district to issue certificates of indebtedness, payable in

Section

five years or less, to purchase capital equipment. If the certificates exceed .25 percent of the taxable property of the district, the board must publish its intent to issue them. Ten percent of the voters voting in the last election in the cities or towns in the district may sign a petition to subject the issuance of the certificates to a vote.

Subd. 4. Indebtedness. Authorizes the district to issue debt in the manner authorized for municipalities, if necessary to accomplish its duties.

Subd. 5. Withdrawal. Allows a city or town to withdraw from the district if the city or town provides 12 months' notice.

Effective date. Effective with local approval by the city council or town boards of the cities and towns listed in subdivision 1.