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### Overview

Requires elections on city, county, and school district referenda questions related to spending to be conducted on the first Tuesday after the first Monday in November of even- or odd-numbered years, to coincide with the annual general election date. This bill does not affect elections of persons to office and provides an exception for a referendum to finance a local government's response to a disaster or emergency. Section 33 of the bill amends the general law provision. The other sections of the bill amend specific statutes that allow for special elections at other times.

Establishes the Property Tax Payers' Empowerment Act which provides that if a county or city with a population of 500 or more increases its property tax levy in any year, the citizens may, through a reverse referendum, petition to vote on the levy increase for the following year at the general election. See section 10.

### Section

- 1 Capital project levy referendum (schools).** Requires an election in the law authorizing a school district to levy for a capital project to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year instead of a date set by the school board. Provides an exception for a referendum to finance a district's response to a disaster or emergency. Effective August 1, 2017, and applies to any referendum authorized on or after that date.

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- 2 **Referendum revenue (schools).** Requires a school district to state on both its referendum ballot and on its notice to taxpayers the amounts of any board-approved local optional revenue and board-approved referendum authority. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 3 **Questions (election law).** Requires a special election on a ballot question in a city or town be held only on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 4 **Questions (schools).** Requires a special election on a ballot question in a school district to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Strikes language saying when a special election cannot be held. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 5 **Municipal acquisition procedures; notice; election (cities).** Requires a special election on the decision of a city to acquire property of a public utility to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Under current law, the special election is held between 60 and 120 days after the resolution of the governing body is adopted. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 6 **Municipal telecommunications services (cities).** Strikes option for a special election on decision of a city to establish a telephone exchange and specifies that an election be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 7 **Notice of proposed property taxes.** Requires the Truth in Taxation notices mailed to taxpayers to include a statement at the top informing taxpayers that if the county's or city's final levy is greater than last year's levy, they have the right to petition for a referendum on the next year's levy. Effective beginning with taxes payable in 2018.
- 8 **Certification of levy.** Provides for the maximum levy amount depending on the outcome of a referendum required under section 10. If the referendum on the proposed Truth in Taxation levy passes the maximum levy is the proposed levy amount. If it fails, the maximum allowed levy is the maximum alternative levy (equal to the county's nondebt levy from two years earlier plus its current proposed debt levy). Effective beginning with taxes payable in 2018.
- 9 **Levy or bond referendum; ballot notice.** Strikes the option for a special election on a ballot question that will result in higher property taxes and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Provides an exception for a referendum to finance a local government's response to a disaster or emergency. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 10 **Levy increase; reverse referendum authorized.** Provides for a future reverse referendum if a county or city increases its property tax levy.

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**Subd. 1. Citation.** Names this section the Property Tax Payers' Empowerment Act.

**Subd. 2. Definitions.** Defines the local governments subject to this provision to be counties, and all home rule charter and statutory cities with a population of 500 or more. Also defines the maximum alternative levy allowed if a referendum fails, to be the local government's nondebt levy from two years ago plus its proposed debt levy for the coming year.

**Subd. 3. Levy increase; reverse referendum authority.** Allows a reverse referendum if a city or county increases its levy over the previous year. The referendum occurs if a petition for referendum, signed by 10 percent of the voters in the last general election is filed with the county auditor by June 30. The referendum must be held at the general election or at a special election on the first Tuesday after the first Monday in November.

**Subd. 4. Prohibition against new debt before the election.** Prohibits a local government from issuing new debt from the time a petition is filed until after the referendum is held.

**Subd. 5. Ballot question; consequence of the vote.** Lays out the format for the referendum question on the ballot; including the maximum levy if the referendum fails.

Effective beginning with taxes payable in 2018.

- 11 **Auditor (county) to publish rates.** Requires the newspaper notice of tax rates to include notice if a city or county raised its general property tax levy and is therefore subject to a reverse referendum on its next proposed levy. Effective beginning with taxes payable in 2018.
- 12 **Contents of tax statements.** Requires that the current tax statements include notice if a city or county raised its general property tax levy and is therefore subject to a reverse referendum on its next proposed levy. Effective beginning with taxes payable in 2018.
- 13 **Contracts (cities).** Strikes the option for a special election held in response to a petition requesting a referendum relating to a contract for deed that the city proposes to enter into and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 14 **Financing purchase of certain equipment (cities).** Strikes the option for a special election in response to a petition for an election (reverse referendum) on authorizing a city to issue certificates of indebtedness or capital notes, and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 15 **Referendum in certain cases (municipal liquor stores).** Strikes the option for a special election on whether to issue debt backed by liquor store profits for projects of the city other than projects for the liquor store and requires the election to be held on the first Tuesday after

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the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.

- 16 **Statutory city; on-sale and off-sale store; (liquor dispensary fund, community hospital appropriation).** Strikes the option for a special election on whether to use the liquor dispensary fund to contribute to the community hospital and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 17 **Statutory city; off-sale or on- and off-sale store; (liquor dispensary fund, community hospital appropriation).** Strikes the option for a special election on whether to use the liquor dispensary fund to contribute to the community hospital and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 18 **Fourth class city operating store (liquor dispensary fund, community hospital appropriation).** Strikes the option for a special election on whether to use the liquor dispensary fund to contribute to the community hospital and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 19 **Statutory city; fourth class (liquor dispensary fund, community hospital appropriation).** Strikes the option for a special election on whether to use the liquor dispensary fund to contribute to the community hospital and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 20 **Statutory city; any store (liquor dispensary fund, community hospital appropriation).** Strikes the option for a special election on whether to use the liquor dispensary fund to contribute to the community hospital and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 21 **Submission to voters (public utility).** Strikes the option for a special election on the question of acquiring property for the public utility and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017 and applies to any referendum authorized on or after that date.
- 22 **Submission to voters (electric utility).** Strikes the option for a special election on the question of acquiring property for the public utility and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017 and applies to any referendum authorized on or after that date.

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- 23 Municipalities may extend electric service.** Strikes the option for a special election on the question of extending service outside the municipality and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 24 Accept donations (forests).** Strikes the option for a special election or special town meeting on the question of acquiring real property for production of timber and wood and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year or as part of the annual town meeting. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 25 Reverse referendum (port authorities).** Strikes the option for a special election held pursuant to a petition (reverse referendum) on whether the city will increase its levy for the port authority and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. An approved levy increase may not take effect until the next calendar year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 26 Reverse referendum (economic development authority).** Strikes the option for a special election held pursuant to a petition (reverse referendum) on whether the city will increase its levy for the economic development authority and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 27 Authorization (local lodging tax).** Strikes the option for a special town meeting on whether the town will impose a local lodging tax. The vote of the electors may only be at the annual town meeting. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 28 Reverse referendum (local lodging tax).** Strikes the option for a special election in the unorganized territory of the county held pursuant to a petition (reverse referendum) on whether the county will impose a local lodging tax and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 29 May use fund for other purposes upon vote (public works reserve fund).** Strikes the option for a special election on the question of whether the city may use the public works reserve fund for another purpose and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 30 Expenditure from fund, limitations (permanent or replacement fund).** This section applies to each city in which the net tax capacity of real and personal property consists in part of iron ore or lands containing taconite or semitaconite and in which the total estimated market value of real and personal property exceeds \$2,500,000. Strikes the option for a

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special election and requires the election on the question of whether to exceed the statutory limit for expenditure from the fund for one project to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.

- 31 Tax levy (infrastructure replacement reserve fund).** Strikes the option for a special election held pursuant to a petition (reverse referendum) on whether the city will levy for an infrastructure replacement reserve fund and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 32 Use of fund for a specific purpose (infrastructure replacement reserve fund).** Strikes the option for a special election on whether use of the infrastructure replacement reserve fund should be restricted to a specific improvement or type of capital improvement and requires the election to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 33 Manner of submission; notice (general law on municipal debt).** Provides that a special election held by a city, county, or school district on issuing debt must be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Allows a town to pose the question at an election held on the same day as the annual town meeting or on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Overrides special laws authorizing an election on issuing debt to be held at any other time. Provides an exception for a referendum to finance a local government's response to a disaster or emergency. Effective August 1, 2017, and applies to any referendum authorized on or after that date.
- 34 Repealer.** Repeals § 205.10, subd. 3 – an election law provision limiting when special elections on ballot questions may be held relative to the general election. Effective August 1, 2017, and applies to any referendum authorized on or after that date.