House Research

- Bill Summary :

File Number: H.F. 659 **Date:** March 13, 2017

Version: As introduced

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Subject: Expands the allowed uses of the New Ulm local sales tax revenues

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Overview

Allows the city of New Ulm to use its existing local sales tax to pay for several additional projects including associated bond costs. The voters approved this at the 2016 general election. The city is authorized to bond for up to an additional \$14.8 million for the projects without an additional vote. The tax would expire when revenues are sufficient to pay off the new and existing bonds.

Section

- 1 Use of revenues. Allows the city to use revenues from its existing sales tax to fund costs, including associated bond costs for the following additional projects:
 - constructing an indoor waterpark and improving the existing pool;
 - constructing an indoor playground, wellness center, and gymnastics facility;
 - constructing a multipurpose winter dome;
 - improving Johnson Park Grandstand; and
 - improving the entrance road and parking at Herman Heights Park.
- **Bonding authority; additional use and extension of the tax.** The city is authorized to bond for up to an additional \$14.8 million for the new projects without an additional vote. The bonds are not included in calculating any debt or levy limits for the city.

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Termination of taxes. Extends the termination of the tax until revenues are sufficient to pay off both the existing and newly authorized bonds. The city may terminate the tax earlier if desired.