

File Number: H.F. 1283
Version: As introduced

Date: March 13, 2017

Authors: Hamilton

Subject: Expands the allowed uses of the Worthington local sales tax revenues

Analyst: Pat Dalton (pat.dalton@house.mn)

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

Overview

Allows the city of Worthington to extend its existing local sales tax to pay for construction of public athletic facilities, subject to a reverse referenda on the projects. Removes the existing limit of \$6 million plus associated bond costs on the amount that may be raised before the tax expires. The tax would now expire when revenues are sufficient to pay off the new and existing projects, including associated bonds costs.

Section

- 1 **Use of revenues.** In addition to currently authorized projects, allows the city of Worthington to use revenues from its existing sales tax to fund costs, including associated bond costs, to construct new athletic facilities, subject to the reverse referendum process described in section 2.
- 2 **Bonding authority.** Removes the \$6 million cap on the bonds that may be issued for the projects. Requires that if the city issues any additional bonds for projects it must go through the following reverse referendum process:
 - the city must publish a notice in the newspaper for two weeks stating its intent to issue debt, along with a proposed hearing date;
 - the city must hold a hearing within two to four weeks of the first published notice;
 - if, after the hearing, the city passes the resolution to issue the additional debt, it must publish notice of the resolution and wait 30 days;

Section

- if, within that 30-day window, voters equal to ten percent of the vote at the last general election petition for a vote, the question must be placed before the voters at a general or special election; and
- if the election requirement is not invoked or the question passes at the election, the bonds may be issued.

3 **Termination of taxes.** Extends the termination of the tax until revenues are sufficient to pay off all projects, including associated bond costs. The city may terminate the tax earlier if desired.