

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **3116**

03/17/2014 Authored by Anzele
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; minerals; modifying the prior distribution of taconite
1.3 production taxes; amending Laws 2008, chapter 366, article 10, section 15.
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Laws 2008, chapter 366, article 10, section 15, is amended to read:

1.6 Sec. 15. **2008 DISTRIBUTIONS ONLY.**

1.7 For distribution in 2008 only, a special fund is established to receive 11.4 cents per ton
1.8 that otherwise would be allocated under Minnesota Statutes, section 298.28, subdivision 6.
1.9 If sufficient funds are not available under Minnesota Statutes, section 298.28, subdivision
1.10 6, to make the payments required under this section and under Minnesota Statutes, section
1.11 298.28, subdivision 6, the remaining amount needed to total 11.4 cents per ton may be
1.12 taken from funds available under Minnesota Statutes, section 298.28, subdivision 9. If
1.13 2008 H.F. No. 1812 is enacted and includes a provision that distributes funds that would
1.14 otherwise be allocated under Minnesota Statutes, section 298.28, subdivision 6, in a
1.15 manner different from the distribution required in this section, the distribution in this
1.16 section supersedes the distribution set in 2008 H.F. No. 1812 notwithstanding Minnesota
1.17 Statutes, section 645.26. The following amounts are allocated to St. Louis County acting
1.18 as the fiscal agent for the recipients for the following specified purposes:

1.19 (1) two cents per ton must be paid to the Hibbing Economic Development Authority
1.20 to retire bonds and for economic development purposes;

1.21 (2) one cent per ton must be divided among and paid in equal shares to each of the
1.22 board of St. Louis County School District No. 2142, the board of Ely School District No.
1.23 696, the board of Mountain Iron-Buhl School District No. 712, and the board of Virginia

2.1 School District No. 706 for each to study the potential for and impact of consolidation
2.2 and streamlining the operations of their school districts;

2.3 (3) 0.25 cent per ton must be paid to the city of Grand Rapids, for industrial park work;

2.4 (4) 0.65 cent per ton must be paid to the city of Aitkin, for ~~sewer and water for~~
2.5 housing economic development projects;

2.6 (5) 0.5 cent per ton must be paid to the city of Crosby, for well and water tower
2.7 infrastructure;

2.8 (6) 0.5 cent per ton must be paid to the city of Two Harbors, for well and water
2.9 tower infrastructure;

2.10 (7) 1.5 cents per ton must be paid to the city of Silver Bay to pay for health and
2.11 safety and maintenance improvements at a former elementary school building that is
2.12 currently owned by the city, to be used for economic development purposes;

2.13 (8) 1.5 cents per ton must be paid to St. Louis County to extend water and sewer
2.14 lines from the city of Chisholm to the St. Louis County fairgrounds;

2.15 (9) 1.5 cents per ton must be paid to the White Community Hospital for debt
2.16 restructuring;

2.17 (10) 0.5 cent per ton must be paid to the city of Keewatin for street, sewer, and
2.18 water improvements;

2.19 (11) 0.5 cent per ton must be paid to the city of Calumet for street, sewer, and water
2.20 improvements; and

2.21 (12) one cent per ton must be paid to Breitung township for sewer and water
2.22 extensions associated with the development of a state park, provided that if a new state
2.23 park is not established in Breitung township by July 1, 2009, the money provided in
2.24 this clause must be transferred to the northeast Minnesota economic development fund
2.25 established in Minnesota Statutes, section 298.2213.

2.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.27 Upon enactment, the city of Aitkin must release all funds under this section to St. Louis
2.28 County acting as fiscal agent by July 1, 2014.