

State of Minnesota

H. F. No. **206**

1.1 A bill for an act

1.2 relating to the Cloquet Fire and Ambulance District; modifying its authority to

1.3 incur debt and impose taxes; amending Laws 2009, chapter 88, article 2, section

1.4 46, subdivisions 1, as amended, 2, 3, as amended, 4, 5.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2009, chapter 88, article 2, section 46, subdivision 1, as amended by Laws

1.7 2013, chapter 143, article 4, section 36, is amended to read:

1.8 Subdivision 1. **Agreement.** The city of Cloquet and Perch Lake Township, by resolution

1.9 of each of their governing bodies, may establish the Cloquet Area Fire and Ambulance

1.10 Special Taxing District for the purpose of providing fire or ambulance services, or both,

1.11 throughout the district. In this section, "municipality" means home rule charter and statutory

1.12 cities, towns, and Indian tribes. The district may exercise all the powers relating to fire and

1.13 ambulance services of the municipalities that receive fire or ambulance services, or both,

1.14 from the district. Upon application, any other municipality may join the district with the

1.15 agreement of the municipalities that comprise the district at the time of its application to

1.16 join.

1.17 **EFFECTIVE DATE.** This section is effective upon compliance by the Cloquet Area

1.18 Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021,

1.19 subdivision 3.

1.20 Sec. 2. Laws 2009, chapter 88, article 2, section 46, subdivision 2, is amended to read:

1.21 Subd. 2. **Board.** The Cloquet Area Fire and Ambulance Special Taxing District Board

1.22 is governed by a board made up initially of one or more elected officials of the governing

body of each participating municipality in the proportions set out in the establishing resolution, subject to change as provided in the district's charter, if any, or in the district's bylaws. Each municipality's representatives serve at the pleasure of that municipality's governing body.

EFFECTIVE DATE. This section is effective upon compliance by the Cloquet Area Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 3. Laws 2009, chapter 88, article 2, section 46, subdivision 3, as amended by Laws 2013, chapter 143, article 4, section 37, is amended to read:

Subd. 3. **Tax.** The district board may impose a property tax on taxable property as provided in this subdivision to pay the costs of providing fire or ambulance services, or both, throughout the district. The board shall annually determine the total amount of the levy that is attributable to the cost of providing fire services and the cost of providing ambulance services within the primary service area. For those municipalities that only receive ambulance services, the costs for the provision of ambulance services shall be levied against taxable property within those municipalities at a rate necessary not to exceed ~~0.019~~ 0.048 percent of the estimated market value. For those municipalities that receive both fire and ambulance services, the tax shall be imposed at a rate that does not exceed 0.2835 percent of estimated market value.

When a member municipality opts to receive fire service from the district or an additional municipality becomes a member of the district, the cost of providing fire services to that community shall be determined by the board and added to the maximum levy amount.

Each county auditor of a county that contains a municipality subject to the tax under this section must collect the tax and pay it to the Fire and Ambulance Special Taxing District. The district may also impose other fees or charges as allowed by law for the provision of fire and ambulance services.

EFFECTIVE DATE. This section is effective upon compliance by the Cloquet Area Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 4. Laws 2009, chapter 88, article 2, section 46, subdivision 4, is amended to read:

Subd. 4. **Public indebtedness.** The district may incur debt in the manner provided for in Minnesota Statutes, chapter 475, and the district is a municipality by Minnesota Statutes,

~~chapter 475, when necessary to accomplish its duties,~~ as defined in Minnesota Statutes, sections 475.51, subdivision 2, and 475.521, subdivision 1, paragraph (c), and may issue certificates of indebtedness or capital notes as provided for a city under Minnesota Statutes, section 412.301, when necessary to accomplish its duties. Any tax levied to pay debt of the district must be levied in the amounts required and in accordance with Minnesota Statutes, section 475.61. The debt service for debt, the proceeds of which financed capital costs for ambulance service, must be levied against taxable property within those municipalities in the primary service area. The debt service for debt, the proceeds of which financed capital costs for fire service, must be levied against taxable property within those municipalities receiving fire services.

EFFECTIVE DATE. This section is effective upon compliance by the Cloquet Area Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 5. Laws 2009, chapter 88, article 2, section 46, subdivision 5, is amended to read:

Subd. 5. **Withdrawal.** Notice of intent to withdraw from participation in the district may be given only in the month of January, with a minimum of twelve months notice of intent to withdraw. Withdrawal becomes effective for taxes levied under subdivision 3 in the year when the notice is given. A property tax levied by the district on taxable property located in a withdrawing municipality to make debt service payments for obligations issued by the district under subdivision 4 remains in effect until the obligations outstanding on the date of withdrawal are satisfied, including any property tax levied in connection with a refunding of the obligations. The district and its members may develop and agree upon other continuing obligations after withdrawal of a municipality.

EFFECTIVE DATE. This section is effective upon compliance by the Cloquet Area Fire and Ambulance Special Taxing District Board with Minnesota Statutes, section 645.021, subdivision 3.