SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2177

1.1 A bill for an act

1.2 relating to economic development; border city development zones; authorizing

1.3 Washington County to designate cities within its jurisdiction as development

1.4 zones; appropriating money.

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

1.6 Section 1. **WASHINGTON COUNTY; BORDER CITY DEVELOPMENT ZONES.**

1.7 Subdivision 1. **Authorization.** The governing body of Washington County may

1.8 designate all or any part of a city within its jurisdiction as a border city development zone.

1.9 Subd. 2. **Application of general law.** (a) Minnesota Statutes, sections 469.1731 to

1.10 469.1735, apply to the border city development zones designated under this section. The

1.11 governing body of Washington County may exercise the powers granted under Minnesota

1.12 Statutes, sections 469.1731 to 469.1735, including powers that apply outside of the zones.

1.13 (b) The allocation under subdivision 3 for purposes of Minnesota Statutes, section

1.14 469.1735, subdivision 2, is appropriated to the commissioner of revenue.

1.15 Subd. 3. **Allocation of state tax reductions.** (a) The cumulative total amount of the

1.16 state portion of the tax reductions for all years of the program under Minnesota Statutes,

1.17 sections 469.1731 to 469.1735, for Washington County, is limited to $250,000.

1.18 (b) This allocation may be used for tax reductions provided in Minnesota Statutes,

1.19 section 469.1732 or 469.1734, or for reimbursements under Minnesota Statutes, section

1.20 469.1735, subdivision 3, but only if the governing body of Washington County determines

1.21 that the tax reduction or offset is necessary to enable a business to expand within the

1.22 designated border city or to attract a business to the designated border city.

2.1   (c) The commissioner of revenue may waive the limit under this subdivision using

2.2   the same rules and standards provided in Minnesota Statutes, section 469.169, subdivision

2.3   12, paragraph (b).

2.4   **EFFECTIVE DATE.** This section is effective upon compliance by the governing

2.5   body of Washington County with the requirements of Minnesota Statutes, section 645.021,

2.6   subdivisions 2 and 3.