

A bill for an act
relating to local government; authorizing establishment of the White Community
Hospital District; authorizing hospital district to levy property taxes.

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

Section 1. **WHITE COMMUNITY HOSPITAL DISTRICT.**

Subdivision 1. **Authorized.** Notwithstanding the contiguity requirement in
Minnesota Statutes, section 447.31, subdivision 2, any two or more of the following cities
and towns in St. Louis County may establish by resolution of their respective governing
bodies the White Community Hospital District: the cities of Aurora, Biwabik, and Hoyt
Lakes, and the towns of Biwabik, White, and Colvin. The proposed resolution to establish
the hospital district must be published and is subject to referendum as provided in section
447.31, subdivision 2.

Subd. 2. **Powers; may make grants.** (a) Except as otherwise provided in this
section, the White Community Hospital District shall be organized and have the powers
and duties provided in Minnesota Statutes, sections 447.31, except subdivisions 2, 5, and
6; 447.32, subdivisions 5, 7, and 9; 447.345; 447.37; and 447.38.

(b) The hospital district may levy taxes as provided in this section to provide funding
to make grants to the White Community Hospital and any affiliated health care facility or
provider for any purpose authorized for hospital districts in Minnesota Statutes, sections
447.31 to 447.38, except 447.331.

Subd. 3. **Annexation; detachment.** Once the hospital district is established, any
other city, town, or unorganized area in St. Louis County may join the hospital district
in the same manner provided in subdivision 1 for establishment of the hospital district.
A city, town, or unorganized area that is a member of the hospital district may detach

from the district in the same manner as it may join. An annexation to or detachment from the hospital district is effective for taxes payable in the following calendar year if the resolution is adopted, or in the case of an unorganized area the petition submitted to the county auditor, before July 1 of the levy year. A resolution adopted or petition submitted after July 1 of any year is effective for the taxes payable the year following the next levy year.

Subd. 4. **Unorganized areas.** An unorganized area in St. Louis County shall become a member of the hospital district if at least 51 percent of the residents of the unorganized area signed a petition submitted to the hospital district board and the county auditor requesting to participate in the hospital district.

Subd. 5. **Hospital district board.** The hospital district shall be governed by a hospital board composed of one member of each participating city and town's governing body, appointed by the governing body. If the hospital district only has two members, each member city or town shall appoint two board members. The hospital district board must appoint from among its members a chair, clerk, treasurer, and any other officers the board deems necessary or useful. The St. Louis County Board of Commissioners shall appoint a resident of any unorganized area that is participating in the hospital district. All board members serve at the pleasure of the respective appointing authorities.

Subd. 6. **No compensation; expenses.** Board members shall serve without compensation but shall be eligible for per diem and expenses provided by, and at the discretion of, their respective appointing authorities.

Subd. 7. **Operating tax levy.** The hospital district board may levy a tax as provided in Minnesota Statutes, section 447.34, except as provided in this subdivision. If the hospital district board levies it must be a uniform tax rate levied against the net tax capacity of all taxable properties located within each participating city, town, or unorganized area. The maximum amount that may be levied in the hospital district must not exceed 0.066088 percent of the fully taxable market value of all taxable properties located within each participating city, town, or unorganized area.

Any tax levied by the hospital district is in addition to all other taxes levied on the property, including taxes levied for any other hospital purpose by a participating city or town. The levy must be disregarded in the calculation of all other rate or per capita levy limitations imposed by law.

EFFECTIVE DATE; NO LOCAL APPROVAL. This section is effective the day following final enactment without local approval under Minnesota Statutes, section 645.023, subdivision 1, paragraph (a), for taxes levied in 2008, payable in 2009, and thereafter.