SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4455

(SENATE AUTHORS: DRAZKOWSKI)

DATE	D-PG	OFFICIAL STATUS
03/17/2026	6737	Introduction and first reading
		Referred to State and Local Government
03/23/2026	6879a	Comm report: To pass as amended and re-refer to Jobs and Economic Development
	6921	Withdrawn
	6921	Second reading
04/15/2026	8082a	Special Order: Amended
	8083	Third reading Passed as amended
		See HF2438

A bill for an act

relating to local government; modifying public utilities commission procedures; modifying the port authority powers of the city of Lake City; changing the length of terms for appointees to the Red Wing Port Authority; amending Minnesota Statutes 2024, sections 469.0773; 469.081, subdivision 3a; Minnesota Statutes 2025 Supplement, section 412.341, subdivision 3.

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

Section 1. Minnesota Statutes 2025 Supplement, section 412.341, subdivision 3, is amended to read:

Subd. 3. **Change in membership; procedures.** (a) The number of commission members may be increased or decreased by ordinance within the permitted number of commissioner members as provided in subdivision 1, paragraph (a). The ordinance ~~changing~~ modifying the number of commission members must include a provision for maintaining staggered terms for commission members, provided that if the number of members is reduced, the reduction must be effected in such a manner that all incumbent members are permitted to serve their full terms. An ordinance adopted under this subdivision must not be effective until at least 45 days after its adoption.

(b) An ordinance ~~reducing~~ modifying the size of the commission shall not take effect and the question of whether to ~~reduce~~ modify the size of the commission must be placed on the ballot at the next general or special election if: (1) within 45 days of the ordinance's adoption by the city council, a petition is filed with the city clerk requesting that a referendum be held on ~~reducing~~ modifying the size of the commission; and (2) the petition is signed by a number of eligible voters equal to at least 15 percent of the number of electors voting at the most recent general election. The ballot question shall be substantially stated as follows:

"Shall the size of the public utilities commission be reduced (increased) from ..... members to.....members?"

The question shall be followed by the words "Yes" and "No" with an appropriate oval or similar target shape before each in which a voter may record a choice. If a majority of the votes cast on the question are in favor of ~~reducing~~ modifying the size of the commission, the ordinance shall be considered approved and shall be effective immediately. If the majority of votes cast on the question are against ~~reducing~~ modifying the size of the commission, the ordinance shall not take effect.

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

Sec. 2. Minnesota Statutes 2024, section 469.0773, is amended to read:

469.0773 LAKE CITY.

Subdivision 1. **Establishment.** The city of Lake City may establish a port authority commission that has the same powers as a port authority established under section 469.049 or other law, except that the port authority shall have no power to issue debt or bonds of any kind or exercise powers of eminent domain. The port authority may request the city of Lake City to levy a tax for the benefit of the port authority. Notwithstanding section 469.053, subdivision 4, the city of Lake City may grant or deny the request to levy a tax. If the city establishes a port authority commission, the city shall exercise all the powers relating to the port authority granted to a city by sections 469.048 to 469.068 or other law. Notwithstanding any law to the contrary, the city may choose the name of the commission.

Subd. 2. **Municipal housing and redevelopment authority.** If the city of Lake City establishes a port authority commission under subdivision 1, the commission may exercise the same powers as a municipal housing and redevelopment authority established under sections 469.001 to 469.047 or other law, except that the port authority shall have no power to levy taxes, issue debt or bonds of any kind, or exercise powers of eminent domain. The city shall then exercise all the powers relating to the municipal housing and redevelopment authority granted to a city by sections 469.001 to 469.047 or other law.

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

Sec. 3. Minnesota Statutes 2024, section 469.081, subdivision 3a, is amended to read:

Subd. 3a. **Terms of members.** Notwithstanding the enabling resolution or section 469.050, subdivision 4, the term length for an appointee to the Red Wing Port Authority for a term beginning on or after January 1, 2011, shall be ~~three~~ six years.

EFFECTIVE DATE. This section is effective the day after the governing body of the city of Red Wing and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 4. **CITY OF LAKE CITY; VALIDATION OF PRIOR ACT.**

Notwithstanding the time limits in Minnesota Statutes, section 645.021, the city of Lake City may approve, by resolution, Laws 2021, chapter 19, section 1, and file its approval with the secretary of state by January 1, 2027. If approved under this paragraph, actions undertaken by the city in accordance with Laws 2021, chapter 19, section 1, and Minnesota Statutes, section 469.0773, are validated.

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