

A bill for an act
relating to local government; authorizing counties to make joint purchases
of energy and energy generation projects; authorizing a tax levy; amending
Minnesota Statutes 2008, section 373.48, by adding a subdivision.

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

Section 1. Minnesota Statutes 2008, section 373.48, is amended by adding a
subdivision to read:

**Subd. 3. Joint purchase of energy and acquisition of generation projects;
financing.** (a) A county may enter into agreements under section 471.59 with other
counties for joint purchase of energy or joint acquisition of interests in projects. A county
may annually levy an ad valorem tax for the purpose of paying the cost of energy purchased
or acquiring interests in projects in an amount not exceeding 0.015 percent of the market
value of taxable property in the county. A county that enters into a multiyear agreement
for purchase of energy or acquires an interest in a project, including C-BED projects
pursuant to section 216B.1612, subdivision 9, may finance the estimated cost of the energy
to be purchased during the term of the agreement or the cost to the county of the interest in
the project by the issuance of general obligation bonds of the county, provided that the
annual debt service on all bonds issued under this section, together with the amounts to be
paid by the county in any year for the purchase of energy under agreements entered into
under this section, must not exceed the amount of taxes authorized by this section.

(b) An agreement entered into under section 471.59 as provided by this section
may provide that:

(1) each county shall issue bonds to pay their respective shares of the cost of the
projects;

2.1 (2) one of the counties shall issue bonds to pay the full costs of the project and that
2.2 the other participating counties shall levy the tax authorized under this subdivision and
2.3 pledge the collections of the tax to the county that issues the bonds; or

2.4 (3) the joint powers board shall issue revenue bonds to pay the full costs of
2.5 the project and that the participating counties shall levy the tax authorized under this
2.6 subdivision and pledge the collections of the tax to the joint powers entity for payment of
2.7 the revenue bonds.

2.8 (c) Bonds issued under this section may be issued without an election and shall not
2.9 constitute net debt of any participating county.