

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 3477

(SENATE AUTHORS: LOUREY)

DATE	D-PG	OFFICIAL STATUS
04/07/2016	5729	Introduction and first reading Referred to Taxes

1.1

A bill for an act

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relating to taxation; authorizing the Cromwell Wright Area Fire District as a

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special taxing district.

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

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Section 1. **CROMWELL WRIGHT AREA FIRE DISTRICT.**

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Subdivision 1. **Agreement.** The cities of Cromwell and Wright, and one or more of

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the towns of Corona, Eagle, Lakeview, Progress, Red Clover, and Beseman in Carlton

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County, and the town of Haugen in Aitkin County, may by resolution of their respective

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city councils and town boards establish the Cromwell Wright Area Fire District for the

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provision of cooperative fire services. Each town may provide that only a described part

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of its territory be included within the district. The district shall provide fire protection

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services throughout its territory and may exercise all the powers of the city and towns that

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relate to fire protection anywhere within its territory. Any other contiguous town or home

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rule charter or statutory city may join the district with the agreement of the cities and

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towns that comprise the district at the time of its application to join. Action to join the

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district may be taken by the city council or town board of the city or town.

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Subd. 2. **Board.** The district shall be governed by a board composed of one member

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appointed by the city council or town board of each city and town in the district, whether

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partially or wholly. A district board member may, but is not required to be, a member of

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a city council or town board. Except as provided in this section, members shall serve

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two-year terms ending the first Monday in January and until their successors are appointed

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and qualified. Of the members first appointed, as far as possible, the terms of one-half

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shall expire on the first Monday in January in the first year following their appointment

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and one-half the first Monday in January in the second year. The terms of those initially

appointed shall be determined by lot. If an additional member is added because an additional city or town joins the district, the member's term shall be fixed so that, as far as possible, the terms of one-half of all the members expire on the same date.

**Subd. 3. Tax.** (a) The district may impose a property tax on real property in the district in an amount sufficient to discharge its operating expenses and debt payable in each year. The tax shall be disregarded in the calculation of any levies or limits on levies provided by Minnesota Statutes, chapter 275, or other law. A city or town that joins the district may not incur expenses or debt for fire protection services for territory included in the district and may not impose taxes for that purpose. The applicable county auditor or county auditors shall collect the tax and pay it to the district. The district may impose other fees or charges as allowed under statute for the provision of fire services provided.

(b) The district may also issue certificates of indebtedness subject to debt limits for the district to purchase capital equipment having an expected useful life at least as long as the terms of the certificates. The certificates must be payable in not more than five years and must be issued on the terms and in the manner as the board may determine. Before issuing certificates in an amount exceeding 0.25 percent of the taxable property of the district, the board shall publish a resolution indicating its intent to issue the certificates in a newspaper of general circulation in the district. The certificates may be issued without an election unless within ten days of the publication a petition signed by the sum of at least ten percent of the voters in the member towns voting in the last regular town election and ten percent of the voters of the city voting in the last city general election requesting an election on their issuance is filed with the board. If a petition is filed, the certificates may not be issued unless their issuance is approved by a majority of the voters at a general or special election in which all the residents of the city and member towns are eligible to vote. A tax levy shall be made against all property in the district to pay the principal and interest on the certificates, in accordance with Minnesota Statutes, section 475.61, as in the case of bonds.

**Subd. 4. Indebtedness.** The district may incur debt in the manner provided for a municipality by Minnesota Statutes, chapter 475, when necessary to accomplish its duties.

**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 12 months' notice of intent to withdraw. The district and its members may develop and agree upon certain continuing obligations after withdrawal.

**EFFECTIVE DATE.** This section is effective as to each city or town named in subdivision 1 upon timely compliance by the city council or town board of supervisors and the city's or town's chief clerical officer with Minnesota Statutes, section 645.021, subdivisions 2 and 3.