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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1311

02/18/2021 Authored by Youakim
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; property; allowing for energy improvement project special
1.3 assessments; amending Minnesota Statutes 2020, sections 429.011, by adding a
1.4 subdivision; 429.021, subdivision 1; 429.031, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2020, section 429.011, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 17. Energy improvement projects. "Energy improvement projects" has the
1.9 meaning given in section 216C.42, subdivision 2.

1.10 EFFECTIVE DATE. This section is effective for special assessments payable in 2022
1.11 and thereafter.

1.12 Sec. 2. Minnesota Statutes 2020, section 429.021, subdivision 1, is amended to read:

1.13 Subdivision 1. Improvements authorized. The council of a municipality shall have
1.14 power to make the following improvements:

1.15 (1) To acquire, open, and widen any street, and to improve the same by constructing,
1.16 reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking
1.17 strips of any material, or by grading, graveling, oiling, or otherwise improving the same,
1.18 including the beautification thereof and including storm sewers or other street drainage and
1.19 connections from sewer, water, or similar mains to curb lines.

1.20 (2) To acquire, develop, construct, reconstruct, extend, and maintain storm and sanitary
1.21 sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps,

2.1 lift stations, service connections, and other appurtenances of a sewer system, within and
2.2 without the corporate limits.

2.3 (3) To construct, reconstruct, extend, and maintain steam heating mains.

2.4 (4) To install, replace, extend, and maintain street lights and street lighting systems and
2.5 special lighting systems.

2.6 (5) To acquire, improve, construct, reconstruct, extend, and maintain water works systems,
2.7 including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks,
2.8 treatment plants, and other appurtenances of a water works system, within and without the
2.9 corporate limits.

2.10 (6) To acquire, improve and equip parks, open space areas, playgrounds, and recreational
2.11 facilities within or without the corporate limits.

2.12 (7) To plant trees on streets and provide for their trimming, care, and removal.

2.13 (8) To abate nuisances and to drain swamps, marshes, and ponds on public or private
2.14 property and to fill the same.

2.15 (9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

2.16 (10) To construct, reconstruct, extend, and maintain retaining walls and area walls.

2.17 (11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and
2.18 promote a pedestrian skyway system. Such improvement may be made upon a petition
2.19 pursuant to section 429.031, subdivision 3.

2.20 (12) To acquire, construct, reconstruct, extend, operate, maintain, and promote
2.21 underground pedestrian concourses.

2.22 (13) To acquire, construct, improve, alter, extend, operate, maintain, and promote public
2.23 malls, plazas or courtyards.

2.24 (14) To construct, reconstruct, extend, and maintain district heating systems.

2.25 (15) To construct, reconstruct, alter, extend, operate, maintain, and promote fire protection
2.26 systems in existing buildings, but only upon a petition pursuant to section 429.031,
2.27 subdivision 3.

2.28 (16) To acquire, construct, reconstruct, improve, alter, extend, and maintain highway
2.29 sound barriers.

2.30 (17) To improve, construct, reconstruct, extend, and maintain gas and electric distribution
2.31 facilities owned by a municipal gas or electric utility.

3.1 (18) To purchase, install, and maintain signs, posts, and other markers for addressing
3.2 related to the operation of enhanced 911 telephone service.

3.3 (19) To improve, construct, extend, and maintain facilities for Internet access and other
3.4 communications purposes, if the council finds that:

3.5 (i) the facilities are necessary to make available Internet access or other communications
3.6 services that are not and will not be available through other providers or the private market
3.7 in the reasonably foreseeable future; and

3.8 (ii) the service to be provided by the facilities will not compete with service provided
3.9 by private entities.

3.10 (20) To assess affected property owners for all or a portion of the costs agreed to with
3.11 an electric utility, telecommunications carrier, or cable system operator to bury or alter a
3.12 new or existing distribution system within the public right-of-way that exceeds the utility's
3.13 design and construction standards, or those set by law, tariff, or franchise, but only upon
3.14 petition under section 429.031, subdivision 3.

3.15 (21) To assess affected property owners for repayment of voluntary energy improvement
3.16 financings under section 216C.436, subdivision 7, or 216C.437, subdivision 28.

3.17 (22) To construct, reconstruct, alter, extend, operate, maintain, and promote energy
3.18 improvement projects in existing buildings, but only upon a petition pursuant to section
3.19 429.031, subdivision 3.

3.20 **EFFECTIVE DATE.** This section is effective for special assessments payable in 2022
3.21 and thereafter.

3.22 Sec. 3. Minnesota Statutes 2020, section 429.031, subdivision 3, is amended to read:

3.23 Subd. 3. **Petition by all owners.** Whenever all owners of real property abutting upon
3.24 any street named as the location of any improvement shall petition the council to construct
3.25 the improvement and to assess the entire cost against their property, the council may, without
3.26 a public hearing, adopt a resolution determining such fact and ordering the improvement.
3.27 The validity of the resolution shall not be questioned by any taxpayer or property owner or
3.28 the municipality unless an action for that purpose is commenced within 30 days after adoption
3.29 of the resolution as provided in section 429.036. Nothing herein prevents any property
3.30 owner from questioning the amount or validity of the special assessment against the owner's
3.31 property pursuant to section 429.081. In the case of a petition for the municipality to own
3.32 and install a fire protection system, energy improvement projects, a pedestrian skyway
3.33 system, or on-site water contaminant improvements, the petition must contain or be

4.1 accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner
4.2 will grant the municipality the necessary property interest in the building to permit the city
4.3 to enter upon the property and the building to construct, maintain, and operate the fire
4.4 protection system, energy improvement projects, pedestrian skyway system, or on-site water
4.5 contaminant improvements. In the case of a petition for the installation of a privately owned
4.6 fire protection system, energy improvement projects, a privately owned pedestrian skyway
4.7 system, or privately owned on-site water contaminant improvements, the petition shall
4.8 contain the plans and specifications for the improvement, the estimated cost of the
4.9 improvement and a statement indicating whether the city or the owner will contract for the
4.10 construction of the improvement. If the owner is contracting for the construction of the
4.11 improvement, the city shall not approve the petition until it has reviewed and approved the
4.12 plans, specifications, and cost estimates contained in the petition. The construction cost
4.13 financed under section 429.091 shall not exceed the amount of the cost estimate contained
4.14 in the petition. In the case of a petition for the installation of a fire protection system, energy
4.15 improvement projects, a pedestrian skyway system, or on-site water contaminant
4.16 improvements, the petitioner may request abandonment of the improvement at any time
4.17 after it has been ordered pursuant to subdivision 1 and before contracts have been awarded
4.18 for the construction of the improvement under section 429.041, subdivision 2. If such a
4.19 request is received, the city council shall abandon the proceedings but in such case the
4.20 petitioner shall reimburse the city for any and all expenses incurred by the city in connection
4.21 with the improvement.

4.22 **EFFECTIVE DATE.** This section is effective for special assessments payable in 2022
4.23 and thereafter.