

marketability of the bonds, the completion of the facilities, the segregation of the revenues or rentals and any other funds pledged, and the sufficiency thereof for the prompt and full payment of all bonds and interest. Such bonds shall be authorized, issued, and sold in accordance with the provisions of Minnesota Statutes, Chapter 475, relating to obligations payable wholly from the income of revenue producing public conveniences.

Sec. 2. This act shall become effective upon approval by resolution adopted by a majority vote of all members of the hospital board of the Chisago Lakes Hospital District, and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 21, 1967.

CHAPTER 213—S. F. No. 1224

[Not Coded]

An act authorizing the county of Freeborn to establish subordinate service areas in order to provide and finance governmental services.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Freeborn county; subordinate service areas; purpose.** It is the purpose of this act to provide a means by which the county of Freeborn as a unit of general local government can effectively provide and finance various governmental services for its residents.

Sec. 2. **Definition.** "Subordinate service area" means an area within the county in which one or more governmental services or additions to countywide services are provided by the county and financed from revenues secured from within that area.

Sec. 3. **Establishment of service areas.** Notwithstanding any provision of law requiring uniform property tax rates on real or personal property within the county, the county of Freeborn may establish subordinate service areas to provide and finance any governmental service or function which it is otherwise authorized to undertake.

Sec. 4. **Creation by county board.** The county board of commissioners of the county of Freeborn may initiate proceedings to establish a subordinate service area in a portion of the county by

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adoption of an appropriate resolution. The resolution shall specify the service or services to be provided within the subordinate taxing area and shall specify the territorial boundaries of the area. The initiating resolution shall also specify a date within 30 days of adoption of the resolution, for public hearing on the question of whether or not such subordinate service area shall be established, and the board shall thereafter proceed as in the case of initiation by petition as set forth in section 5.

Sec. 5. Creation by petition. Subdivision 1. A petition signed by five percent of the qualified voters within any portion of the county may be submitted to the county board requesting the establishment of a subordinate county service area to provide any service or services which the county is otherwise authorized by law to provide. The petition shall include the territorial boundaries of the proposed service area and shall specify the types of services to be provided therein.

Subd. 2. Upon receipt of the petition, and verification of the signatures thereon by the county auditor, the county board shall, within 30 days following verification, hold a public hearing on the question of whether or not the requested subordinate service area shall be established.

Subd. 3. Within 30 days following the holding of a public hearing, the county board, by resolution, shall approve or disapprove the establishment of the requested subordinate county service area. A resolution approving the creation of the subordinate service area may contain amendments or modifications of the area's boundaries of functions as set forth in the petition. Where the proceeding was initiated by resolution of the county board, the resolution of approval, as provided for in this subdivision, shall require a four-fifths vote of the membership of the board for adoption.

Sec. 6. Publication and effective date. Upon passage of a resolution authorizing the creation of a subordinate county service area, the county board shall cause to be published once in the official newspapers the resolution. The resolution shall include a general description of the territory to be included within the area, the type of service or services to be undertaken in the area, a statement of the means by which the service or services will be financed, and a designation of the county agency or officer who will be responsible for supervising the provision of the service or services. The service area shall be deemed established 30 days after publication or at such later date as may be specified in the resolution.

Sec. 7. Referendum. Subdivision 1. Upon receipt of a

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petition signed by five percent of the qualified voters within the territory of the proposed service area prior to the effective date of its creation as specified in section 6, the creation shall be held in abeyance pending referendum vote of all qualified electors residing within the boundaries of the proposed service area.

Subd. 2. The county board shall make arrangements for the holding of a special election not less than 30 nor more than 90 days after receipt of such petition within the boundaries of the proposed taxing area. The question to be submitted and voted upon by the qualified voters within the territory of the proposed service area shall be phrased substantially as follows:

Shall a subordinate service area be established in order to provide (service or services to be provided) financed by (revenue sources)?

If a majority of those voting on the question favor creation of the proposed subordinate service area, the area shall be deemed created upon certification of the vote by the county auditor. The county auditor shall administer the election.

Sec. 8. Expansion of the boundaries of a subordinate service area. The county board, on its own motion or pursuant to petition, may enlarge any existing subordinate county service area pursuant to the procedures specified in sections 4 through 7. Only qualified voters residing in the area to be added shall be eligible to participate in the election; provided, that, if five percent of the qualified voters residing in the existing service area petition to participate therein, all qualified voters residing in the proposed service area shall be eligible.

Sec. 9. Financing. Upon adoption of the next annual budget following the creation of a subordinate county service area the county board shall include in such budget appropriate provisions for the operation of the subordinate service area including, as appropriate, a property tax levied only on property within the boundaries of the subordinate taxing area or by levy of a service charge against the users of such service within the area, or by any combination thereof.

Sec. 10. Effective date. This act shall become effective upon approval by the county board of Freeborn county and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 21, 1967.

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