

**Sec. 55. REPEALER.**

Minnesota Statutes 1998, sections 62A.285, subdivision 4; 62A.651; and 65B.13, are repealed.

**Sec. 56. EFFECTIVE DATE.**

Sections 1, 2, 3, 5, 7 to 9, 11 to 13, 15 to 18, 22, 24, 36, 37, 38, 40 to 44, 47, and 50 to 55 are effective the day following enactment. Section 19 is effective January 1, 2001.

Presented to the governor May 11, 2000

Signed by the governor May 15, 2000, 10:47 a.m.

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**CHAPTER 484—H.F.No. 2591**

*An act relating to government; creating the Koochiching county economic development commission and changing the allocation of certain money to go to it; authorizing Yellow Medicine county to establish an economic development authority; changing economic development authority of certain nonmetropolitan counties; establishing a legislative commission on Minnesota-Ontario matters; appropriating money; amending Minnesota Statutes 1998, section 298.17; proposing coding for new law in Minnesota Statutes, chapters 3; and 469.*

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

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**ARTICLE 1**

Section 1. Minnesota Statutes 1998, section 298.17, is amended to read:

**298.17 OCCUPATION TAXES TO BE APPORTIONED.**

All occupation taxes paid by persons, copartnerships, companies, joint stock companies, corporations, and associations, however or for whatever purpose organized, engaged in the business of mining or producing iron ore or other ores, when collected shall be apportioned and distributed in accordance with the Constitution of the state of Minnesota, article X, section 3, in the manner following: 90 percent shall be deposited in the state treasury and credited to the general fund of which four-ninths shall be used for the support of elementary and secondary schools; and ten percent of the proceeds of the tax imposed by this section shall be deposited in the state treasury and credited to the general fund for the general support of the university. Of the moneys apportioned to the general fund by this section there is annually appropriated and credited to the iron range resources and rehabilitation board account in the special revenue fund an amount equal to that which would have been generated by a 1.5 cent tax imposed by section 298.24 on each taxable ton produced in the preceding calendar year, to be expended for the purposes of section 298.22. The money appropriated pursuant to this section shall be used (1) to provide environmental development grants

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to local governments located within any county in region 3 as defined in governor's executive order number 60, issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134 or (2) to provide economic development loans or grants to businesses located within any such county, provided that the county board or an advisory group appointed by the county board to provide recommendations on economic development shall make recommendations to the iron range resources and rehabilitation board regarding the loans. Payment to the iron range resources and rehabilitation board account shall be made by May 15 annually.

Of the money allocated to Koochiching county, one-third must be paid to the small business development center/economic development office currently located at the Rainy River community college for its operations Koochiching county economic development commission.

## Sec. 2. **ECONOMIC DEVELOPMENT COMMISSION.**

Subdivision 1. CREATION. The Koochiching county economic development commission consists of:

(1) two Koochiching county commissioners, appointed by the chair of the commission;

(2) two members of the International Falls city council, appointed by the mayor;

(3) two residents of Koochiching county, appointed by the other members of the commission;

(4) one state legislator representing Koochiching county, appointed by the other members of the board.

Members serve at the pleasure of the appointing authority.

Subd. 2. DUTIES. The commission shall:

(1) hire economic development staff;

(2) establish economic development priorities for Koochiching county; and

(3) approve economic development projects for Koochiching county.

Subd. 3. CLOSED MEETINGS; RECORDING. The commission may, by a majority vote in a public meeting, decide to hold a closed meeting for purposes of discussing data described in subdivision 4 or security information, trade secret information, or labor relations information, as defined in Minnesota Statutes, section 13.37, subdivision 1. The time and place of the closed meeting must be announced at the public meeting. A written roll of members present at the closed meeting must be made available to the public after the closed meeting. The proceedings of a closed meeting must be tape recorded. The data on the tape are nonpublic data or private data on individuals as defined in Minnesota Statutes, section 13.02, subdivision 9 or 12, whichever is applicable.

Subd. 4. APPLICATION AND INVESTIGATIVE DATA. Financial data, statistics, and information furnished to the commission in connection with assistance

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or proposed assistance, including credit reports; financial statements; statements of net worth; income tax returns, either personal or corporate; and any other business and personal financial records, are private data with regard to data on individuals under Minnesota Statutes, section 13.02, subdivision 12, or nonpublic data with regard to data not on individuals under Minnesota Statutes, section 13.02, subdivision 9.

**Sec. 3. YELLOW MEDICINE COUNTY; ECONOMIC DEVELOPMENT AUTHORITY; ESTABLISHMENT AND POWERS.**

Subdivision 1. ESTABLISHMENT. The board of county commissioners of Yellow Medicine county may establish an economic development authority in the manner provided in Minnesota Statutes, sections 469.090 to 469.1081, and may impose limits on the authority enumerated in Minnesota Statutes, section 469.092. The economic development authority has all of the powers and duties granted to or imposed upon economic development authorities under Minnesota Statutes, sections 469.090 to 469.1081. The county economic development authority may create and define the boundaries of economic development districts at any place or places within the county, provided that a project as recommended by the county authority that is to be located within the corporate limits of a city may not be commenced without the approval of the governing body of the city. Minnesota Statutes, section 469.174, subdivision 10, and the contiguity requirement specified under Minnesota Statutes, section 469.101, subdivision 1, do not apply to limit the areas that may be designated as county economic development districts.

Subd. 2. POWERS. If an economic development authority is established as provided in subdivision 1, the county may exercise all of the powers relating to an economic development authority granted to a city under Minnesota Statutes, sections 469.090 to 469.1081, or other law, including the power to levy a tax to support the activities of the authority.

**Sec. 4. [469.1082] COUNTY ECONOMIC DEVELOPMENT SERVICE PROVIDER; NONMETRO ALTERNATIVE CREATION.**

Subdivision 1. AUTHORITY TO CREATE. A county located outside the metropolitan area may form a county economic development authority or grant a housing and redevelopment authority the powers specified in subdivision 4, clause (2), if it receives a recommendation to do so from a committee formed under subdivision 2. An economic development authority established under this section has all the powers and rights of an authority under sections 469.090 to 469.1081, except the authority granted under section 469.094 if so limited under subdivision 4. This section is in addition to any other authority to create a county economic development authority or service provider.

Subd. 2. LOCAL COMMITTEES. Upon notice to all local government units and development agencies within the county, a county may adopt a resolution to create a committee to recommend options for a county economic development service provider.

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The committee shall consist of no fewer than 11 and no more than 15 members appointed by the county board. At least one city official, at least one housing and redevelopment official, and at least one township official from the county to be served by the county economic service provider shall be included on the committee. Members may also represent school districts, political subdivisions that currently provide services under sections 469.001 to 469.047 and 469.090 to 469.1081, nonprofit or for-profit housing and economic development organizations, business, and labor organizations located within the county. Political subdivision representatives must be selected by their local governments and must constitute at least 50 percent of the total committee membership. The county may appoint no more than two county commissioners. The committee shall select a chair at its initial meeting.

Subd. 3. COMMITTEE REPORT. The committee shall issue its report within 90 days of its initial meeting. The committee may request one 60-day extension from the county board. The report must contain the committee's recommendation for the preferred organizational option for a county economic development service provider, including the distance of the radius of the extraterritorial parcel that may be controlled by each affected city in subdivision 5. This extraterritorial parcel may not exceed two miles from the city boundary. The report must contain written findings on issues considered by the committee including, but not limited to, the following:

(1) identification of the current level of economic development, housing, and community development programs and services provided by existing agencies, any existing gaps in programs and services, and the capacity and ability of those agencies to expand their activities; and

(2) the recommended organizational option for providing needed economic development, housing, and community development services in the most efficient, effective manner.

Subd. 4. ORGANIZATIONAL OPTIONS. The committee may only recommend:

(1) establishment of a county economic development authority to operate under sections 469.090 to 469.1081, except that the county shall not have the powers of section 469.094 without the consent of an existing county housing and redevelopment authority operating within that county. For the purposes of a county economic development authority's operation, the county is considered to be the city and the county board is considered to be the city council;

(2) requiring an existing county housing and redevelopment authority or multi-county housing and redevelopment authority to operate under sections 469.090 to 469.1081;

(3) that the county pursue special legislation; or

(4) no change in the existing structure.

Subd. 5. AREA OF OPERATION. The area of operation of a county economic development service provider created under this section shall include all cities within

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a county that have adopted resolutions electing to participate. A city may adopt a resolution electing to withdraw participation. The withdrawal election may be made every fifth year following adoption of the resolution electing participation. The withdrawal election is effective on the anniversary date of the original resolution provided notice is given to the county economic development authority not less than 90 nor more than 180 days prior to that anniversary date. The city electing to withdraw retains any rights, obligations, and liabilities it obtained or incurred during its participation. Any city within the county shall have the option to adopt a resolution to prohibit the county economic development service provider created under this section from operating within its boundaries and (1) within an agreed upon urban service area, or (2) within the boundary approved in the committee report referenced in subdivision 3. If a city prohibits a county economic development service provider created under this section from operating within its boundaries, the city's property taxpayers shall not be subject to the property tax levied for the county economic development service provider.

Subd. 6. CITY ECONOMIC DEVELOPMENT AUTHORITIES. If a county economic development service provider has been established under this section, existing city economic development authorities shall continue to function and operate under sections 469.090 to 469.1081. Additional city economic development authorities may be created within the area of operation of the county economic development service provider created under this section without the explicit concurrence of the county economic development service provider.

Subd. 7. CONTINUATION OF EXISTING COUNTY AND MULTI-COUNTY HOUSING AND REDEVELOPMENT AUTHORITIES. Existing county and multicounty housing and redevelopment authorities shall continue to function and operate under the provisions of sections 469.001 to 469.047.

#### **Sec. 5. EFFECTIVE DATE.**

(a) Section 2 is effective upon approval of the Koochiching county board and compliance with Minnesota Statutes, section 645.021, subdivision 3.

(b) Section 3 is effective the day after the governing body of Yellow Medicine county and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

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## **ARTICLE 2**

### **Section 1. [3.884] LEGISLATIVE COMMISSION ON MINNESOTA-ONTARIO MATTERS.**

Subdivision 1. ESTABLISHMENT. A legislative advisory commission on Minnesota-Ontario matters is established. The commission is made up of 12 Minnesota members appointed as provided in subdivision 2, with the intent of meeting with a like commission of Ontario citizens appointed as provided by the appropriate government

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authority of Ontario for the purpose of making recommendations regarding Minnesota-Ontario issues of mutual interest involving natural resources, transportation, economic development, and social matters. A report and appropriate recommendations must be made annually to the appointing bodies.

Subd. 2. MINNESOTA APPOINTEES. Six of the Minnesota members must be appointed by the speaker of the house, three from among the members of the house of representatives and three from Minnesota citizens with interest in and knowledge of Minnesota-Ontario issues; and six members appointed by the subcommittee on committees of the committee on rules and administration of the senate, three from among the members of the senate and three from Minnesota citizens with an interest in and knowledge of Minnesota-Ontario issues. The most senior house member shall convene the first meeting of the commission.

Subd. 3. TERMS. Minnesota legislative members shall serve for the term of the legislative office to which they were elected. The terms, compensation, and removal of the nonlegislative members of the commission shall be as provided in section 15.059. Notwithstanding section 15.059, subdivision 5, the commission shall continue to exist.

Subd. 4. OFFICERS. (a) There must be cochair of the commission. The Ontario section must have a chair and the Minnesota section must have a chair. The Ontario chair must conduct meetings held in Canada and the Minnesota chair must conduct meetings held in the United States.

(b) There must be vice-chairs of the respective sections. There must be elected one secretary from the commission at large.

(c) Officers shall be elected by the respective contingent.

(d) The Minnesota chair shall alternate every two years between house and senate appointees.

Subd. 5. STAFF. The commission may hire the staff necessary to carry out its duties.

## **Sec. 2. APPROPRIATION.**

\$100,000 is appropriated from the general fund to the Minnesota contingent of the legislative commission on Minnesota-Ontario matters established in section 1 for expenses of the Minnesota members of the commission established in section 1. The money is available until expended.

## **Sec. 3. EFFECTIVE DATE; CONTINGENCY.**

Sections 1 and 2 are effective the day after a like commission is authorized by the appropriate authority of the government of Ontario.

Presented to the governor May 11, 2000

Signed by the governor May 15, 2000, 10:28 a.m.

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