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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 326

02/04/2013 Authored by Nornes
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 the city of Fergus Falls; authorizing the city of Fergus Falls to establish
1.3 and exercise border city development zone powers; appropriating money.

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

1.5 Section 1. **CITY OF FERGUS FALLS; BORDER CITY DEVELOPMENT ZONE.**

1.6 Subdivision 1. Authorization. The governing body of the city of Fergus Falls may
1.7 designate all or any part of the city as a border city development zone.

1.8 Subd. 2. Application of general law. (a) Minnesota Statutes, sections 469.1731 to
1.9 469.1735, apply to the border city development zones designated under this section. The
1.10 governing body of the city may exercise the powers granted under Minnesota Statutes,
1.11 sections 469.1731 to 469.1735, including powers that apply outside of the zones.

1.12 (b) The allocation under subdivision 3 for purposes of Minnesota Statutes, section
1.13 469.1735, subdivision 2, is appropriated to the commissioner of revenue.

1.14 Subd. 3. Allocation of state tax reductions. (a) The cumulative total amount of the
1.15 state portion of the tax reductions for all years of the program under Minnesota Statutes,
1.16 sections 469.1731 to 469.1735, for the city of Fergus Falls, is limited to \$

1.17 (b) This allocation may be used for tax reductions provided in Minnesota Statutes,
1.18 section 469.1732 or 469.1734, or for reimbursements under Minnesota Statutes, section
1.19 469.1735, subdivision 3, but only if the governing body of the city of Fergus Falls
1.20 determines that the tax reduction or offset is necessary to enable a business to expand
1.21 within the city or to attract a business to the city.

1.22 (c) The commissioner of revenue may waive the limit under this subdivision using
1.23 the same rules and standards provided in Minnesota Statutes, section 469.169, subdivision
1.24 12, paragraph (b).

- 2.1 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective upon
- 2.2 approval by the governing body of the city of Fergus Falls and upon timely compliance by
- 2.3 the city with Minnesota Statutes, section 645.021.