

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 1590**

(SENATE AUTHORS: CHAMBERLAIN)

DATE  
03/01/2017

D-PG  
919 Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to taxes; allowing a reverse referendum for property tax levies under certain

1.3 circumstances; modifying dates for local referenda related to spending; amending

1.4 Minnesota Statutes 2016, sections 123B.63, subdivision 3; 126C.17, subdivision

1.5 9; 205.10, subdivision 1; 205A.05, subdivision 1; 216B.46; 237.19; 275.065,

1.6 subdivision 3; 275.07, subdivision 1; 275.60; 276.04, subdivisions 1, 2; 412.221,

1.7 subdivision 2; 412.301; 426.19, subdivision 2; 447.045, subdivisions 2, 3, 4, 6, 7;

1.8 452.11; 455.24; 455.29; 459.06, subdivision 1; 469.053, subdivision 5; 469.107,

1.9 subdivision 2; 469.190, subdivisions 1, 5; 471.57, subdivision 3; 471.571,

1.10 subdivision 3; 471.572, subdivisions 2, 4; 475.59; proposing coding for new law

1.11 in Minnesota Statutes, chapter 275; repealing Minnesota Statutes 2016, section

1.12 205.10, subdivision 3.

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

1.14 Section 1. Minnesota Statutes 2016, section 123B.63, subdivision 3, is amended to read:

1.15 Subd. 3. **Capital project levy referendum.** (a) A district may levy the local tax rate

1.16 approved by a majority of the electors voting on the question to provide funds for an approved

1.17 project. The election must take place no more than five years before the estimated date of

1.18 commencement of the project. The referendum ~~must~~ may be ~~held on a date set~~ called by

1.19 the board and, except as provided in paragraph (g), must be held on the first Tuesday after

1.20 the first Monday in November in either an even-numbered or odd-numbered year. A district

1.21 must meet the requirements of section 123B.71 for projects funded under this section. If a

1.22 review and comment is required under section 123B.71, subdivision 8, a referendum for a

1.23 project not receiving a positive review and comment by the commissioner must be approved

1.24 by at least 60 percent of the voters at the election.

1.25 (b) ~~The A~~ A referendum ~~may be called by the school board and~~ under this subdivision may

1.26 be held:

(1) separately, before an election for the issuance of obligations for the project under chapter 475; or

(2) in conjunction with an election for the issuance of obligations for the project under chapter 475; or

(3) notwithstanding section 475.59, as a conjunctive question authorizing both the capital project levy and the issuance of obligations for the project under chapter 475. Any obligations authorized for a project may be issued within five years of the date of the election.

(c) The ballot must provide a general description of the proposed project, state the estimated total cost of the project, state whether the project has received a positive or negative review and comment from the commissioner, state the maximum amount of the capital project levy as a percentage of net tax capacity, state the amount that will be raised by that local tax rate in the first year it is to be levied, and state the maximum number of years that the levy authorization will apply.

The ballot must contain a textual portion with the information required in this section and a question stating substantially the following:

"Shall the capital project levy proposed by the board of ..... School District No. .... be approved?"

If approved, the amount provided by the approved local tax rate applied to the net tax capacity for the year preceding the year the levy is certified may be certified for the number of years, not to exceed ten, approved.

(d) If the district proposes a new capital project to begin at the time the existing capital project expires and at the same maximum tax rate, the general description on the ballot may state that the capital project levy is being renewed and that the tax rate is not being increased from the previous year's rate. An election to renew authority under this paragraph may be called at any time that is otherwise authorized by this subdivision. The ballot notice required under section 275.60 may be modified to read:

"BY VOTING YES ON THIS BALLOT QUESTION, YOU ARE VOTING TO RENEW AN EXISTING CAPITAL PROJECTS REFERENDUM THAT IS SCHEDULED TO EXPIRE."

(e) In the event a conjunctive question proposes to authorize both the capital project levy and the issuance of obligations for the project, appropriate language authorizing the issuance of obligations must also be included in the question.

(f) The district must notify the commissioner of the results of the referendum.

(g) Notwithstanding paragraph (a), a referendum to levy the amount needed to finance a district's response to a disaster or emergency may be held on a date set by the board. "Disaster" means a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment. "Emergency" means an unforeseen combination of circumstances that calls for immediate action to prevent a disaster, identified in the referendum, from developing or occurring.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 2. Minnesota Statutes 2016, section 126C.17, subdivision 9, is amended to read:

Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the board. The referendum must be conducted one or two calendar years before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under subdivision 11, paragraph (a), the referendum must be held on the first Tuesday after the first Monday in November. The ballot must state the maximum amount of the increased revenue per adjusted pupil unit. The ballot may state a schedule, determined by the board, of increased revenue per adjusted pupil unit that differs from year to year over the number of years for which the increased revenue is authorized or may state that the amount shall increase annually by the rate of inflation. The ballot must state the cumulative amount per pupil of any local optional revenue, board-approved referendum authority, and previous voter-approved referendum authority, if any, that the board expects to certify for the next school year. For this purpose, the rate of inflation shall be the annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot must designate the specific number of years, not to exceed ten, for which the referendum authorization applies. The ballot, including a ballot on the question to revoke or reduce the increased revenue amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per pupil." The notice required under section 275.60 may be modified to read, in cases of renewing existing levies at the same amount per pupil as in the previous year:

4.1 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO  
4.2 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED  
4.3 TO EXPIRE."

4.4 The ballot may contain a textual portion with the information required in this subdivision  
4.5 and a question stating substantially the following:

4.6 "Shall the increase in the revenue proposed by (petition to) the board of ....., School  
4.7 District No. ..., be approved?"

4.8 If approved, an amount equal to the approved revenue per adjusted pupil unit times the  
4.9 adjusted pupil units for the school year beginning in the year after the levy is certified shall  
4.10 be authorized for certification for the number of years approved, if applicable, or until  
4.11 revoked or reduced by the voters of the district at a subsequent referendum.

4.12 (b) The board must prepare and deliver by first class mail at least 15 days but no more  
4.13 than 30 days before the day of the referendum to each taxpayer a notice of the referendum  
4.14 and the proposed revenue increase. The board need not mail more than one notice to any  
4.15 taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be  
4.16 those shown to be owners on the records of the county auditor or, in any county where tax  
4.17 statements are mailed by the county treasurer, on the records of the county treasurer. Every  
4.18 property owner whose name does not appear on the records of the county auditor or the  
4.19 county treasurer is deemed to have waived this mailed notice unless the owner has requested  
4.20 in writing that the county auditor or county treasurer, as the case may be, include the name  
4.21 on the records for this purpose. The notice must project the anticipated amount of tax increase  
4.22 in annual dollars for typical residential homesteads, agricultural homesteads, apartments,  
4.23 and commercial-industrial property within the school district.

4.24 The notice must state the cumulative and individual amounts per pupil of any local  
4.25 optional revenue, board-approved referendum authority, and voter-approved referendum  
4.26 authority, if any, that the board expects to certify for the next school year.

4.27 The notice for a referendum may state that an existing referendum levy is expiring and  
4.28 project the anticipated amount of increase over the existing referendum levy in the first  
4.29 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,  
4.30 apartments, and commercial-industrial property within the district.

4.31 The notice must include the following statement: "Passage of this referendum will result  
4.32 in an increase in your property taxes." However, in cases of renewing existing levies, the  
4.33 notice may include the following statement: "Passage of this referendum extends an existing  
4.34 operating referendum at the same amount per pupil as in the previous year."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke or reduce the revenue amount must state the amount per adjusted pupil unit by which the authority is to be reduced. Revenue authority approved by the voters of the district pursuant to paragraph (a) must be available to the school district at least once before it is subject to a referendum on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(e) At least 15 days before the day of the referendum, the district must submit a copy of the notice required under paragraph (b) to the commissioner and to the county auditor of each county in which the district is located. Within 15 days after the results of the referendum have been certified by the board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district must notify the commissioner of the results of the referendum.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 3. Minnesota Statutes 2016, section 205.10, subdivision 1, is amended to read:

Subdivision 1. **Questions.** Special elections may be held in a city or town on a question on which the voters are authorized by law or charter to pass judgment. A special election on a question may only be held on the first Tuesday after the first Monday in November in either an even-numbered or odd-numbered year. A special election may be ordered by the governing body of the municipality on its own motion or, on a question that has not been submitted to the voters in an election within the previous six months, upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last municipal general election. A question is carried only with the majority in its favor required by law or charter. The election officials for a special election shall be the same as for the most recent municipal general election unless changed according to law. Otherwise special elections shall be conducted and the returns made in the manner provided for the municipal general election.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

6.1 Sec. 4. Minnesota Statutes 2016, section 205A.05, subdivision 1, is amended to read:

6.2 Subdivision 1. **Questions.** ~~(a)~~ Special elections must be held for a school district on a  
6.3 question on which the voters are authorized by law to pass judgment. The special election  
6.4 on a question may only be held on the first Tuesday after the first Monday in November of  
6.5 either an even-numbered or odd-numbered year. The school board may on its own motion  
6.6 call a special election to vote on any matter requiring approval of the voters of a district.  
6.7 Upon petition filed with the school board of 50 or more voters of the school district or five  
6.8 percent of the number of voters voting at the preceding school district general election,  
6.9 whichever is greater, the school board shall by resolution call a special election to vote on  
6.10 any matter requiring approval of the voters of a district. A question is carried only with the  
6.11 majority in its favor required by law. The election officials for a special election are the  
6.12 same as for the most recent school district general election unless changed according to  
6.13 law. Otherwise, special elections must be conducted and the returns made in the manner  
6.14 provided for the school district general election.

6.15 ~~(b) A special election may not be held:~~

6.16 ~~(1) during the 56 days before and the 56 days after a regularly scheduled primary or~~  
6.17 ~~general election conducted wholly or partially within the school district;~~

6.18 ~~(2) on the date of a regularly scheduled town election or annual meeting in March~~  
6.19 ~~conducted wholly or partially within the school district; or~~

6.20 ~~(3) during the 30 days before or the 30 days after a regularly scheduled town election~~  
6.21 ~~in March conducted wholly or partially within the school district.~~

6.22 ~~(c) Notwithstanding any other law to the contrary, the time period in which a special~~  
6.23 ~~election must be conducted under any other law may be extended by the school board to~~  
6.24 ~~conform with the requirements of this subdivision.~~

6.25 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
6.26 referendum authorized on or after that date.

6.27 Sec. 5. Minnesota Statutes 2016, section 216B.46, is amended to read:

6.28 **216B.46 MUNICIPAL ACQUISITION PROCEDURES; NOTICE; ELECTION.**

6.29 Any municipality which desires to acquire the property of a public utility as authorized  
6.30 under the provisions of section 216B.45 may determine to do so by resolution of the  
6.31 governing body of the municipality taken after a public hearing of which at least 30 days'  
6.32 published notice shall be given as determined by the governing body. The determination

shall become effective when ratified by a majority of the qualified electors voting on the question at a special election to be held for that purpose, ~~not less than 60 nor more than 120 days after the resolution of the governing body of the municipality~~ on the first Tuesday after the first Monday in November in either an even-numbered or odd-numbered year.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 6. Minnesota Statutes 2016, section 237.19, is amended to read:

**237.19 MUNICIPAL TELECOMMUNICATIONS SERVICES.**

Any municipality shall have the right to own and operate a telephone exchange within its own borders, subject to the provisions of this chapter. It may construct such plant, or purchase an existing plant by agreement with the owner, or where it cannot agree with the owner on price, it may acquire an existing plant by condemnation, as hereinafter provided, but in no case shall a municipality construct or purchase such a plant or proceed to acquire an existing plant by condemnation until such action by it is authorized by a majority of the electors voting upon the proposition at ~~a general~~ an election ~~or a special election called for that purpose~~ held on the first Tuesday after the first Monday in November in either an even-numbered or odd-numbered year, and if the proposal is to construct a new exchange where an exchange already exists, it shall not be authorized to do so unless 65 percent of those voting thereon vote in favor of the undertaking. A municipality that owns and operates a telephone exchange may enter into a joint venture as a partner or shareholder with a telecommunications organization to provide telecommunications services within its service area.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 7. Minnesota Statutes 2016, section 275.065, subdivision 3, is amended to read:

Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each city that has a population over 500, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, agricultural homestead credit under section 273.1384, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

(i) the actual tax for taxes payable in the current year; and

(ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.



9.1 In the case of a town or the state general tax, the final tax shall also be its proposed tax  
9.2 unless the town changes its levy at a special town meeting under section 365.52. If a school  
9.3 district has certified under section 126C.17, subdivision 9, that a referendum will be held  
9.4 in the school district at the November general election, the county auditor must note next  
9.5 to the school district's proposed amount that a referendum is pending and that, if approved  
9.6 by the voters, the tax amount may be higher than shown on the notice. In the case of the  
9.7 city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately  
9.8 from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for  
9.9 the St. Paul Library Agency must be listed separately from the remaining amount of the  
9.10 city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be  
9.11 listed separately from the remaining amount of the county's levy. In the case of a parcel  
9.12 where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F  
9.13 applies, the proposed tax levy on the captured value or the proposed tax levy on the tax  
9.14 capacity subject to the areawide tax must each be stated separately and not included in the  
9.15 sum of the special taxing districts; ~~and~~

9.16 (3) the increase or decrease between the total taxes payable in the current year and the  
9.17 total proposed taxes, expressed as a percentage; and

9.18 (4) a statement at the top of the notice stating the following: if a county's or city's  
9.19 proposed levy for next year is greater than its actual levy for the current year, the voters  
9.20 may have the right to petition for a referendum on next year's levy certification, according  
9.21 to Minnesota Statutes, section 275.80, provided that the final levy that the local government  
9.22 certifies in December of this year is also greater than its levy for the current year.

9.23 For purposes of this section, the amount of the tax on homesteads qualifying under the  
9.24 senior citizens' property tax deferral program under chapter 290B is the total amount of  
9.25 property tax before subtraction of the deferred property tax amount.

9.26 (e) The notice must clearly state that the proposed or final taxes do not include the  
9.27 following:

9.28 (1) special assessments;

9.29 (2) levies approved by the voters after the date the proposed taxes are certified, including  
9.30 bond referenda and school district levy referenda;

9.31 (3) a levy limit increase approved by the voters by the first Tuesday after the first Monday  
9.32 in November of the levy year as provided under section 275.73;

(4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;

(5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(6) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;

(2) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and

(3) Metropolitan Mosquito Control Commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy.

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

(2) population growth and decline;

(3) state or federal government action; and

(4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and thereafter.

Sec. 8. Minnesota Statutes 2016, section 275.07, subdivision 1, is amended to read:

Subdivision 1. **Certification of levy.** (a) Except as provided under paragraph (b), the taxes voted by cities, counties, school districts, and special districts shall be certified by the proper authorities to the county auditor on or before five working days after December 20 in each year. A town must certify the levy adopted by the town board to the county auditor by September 15 each year. If the town board modifies the levy at a special town meeting after September 15, the town board must recertify its levy to the county auditor on or before five working days after December 20. If a city or county levy is subject to a referendum under section 275.80 and the referendum was approved by the voters, the maximum levy certified under this section is the proposed levy certified under section 275.065. If the referendum was not approved, the maximum amount of levy that a city or county may approve under this section is the maximum alternative levy allowed in section 275.80,

12.1 subdivision 2. The city or county may choose to certify a levy less than the allowed maximum  
12.2 amount. If a city, town, county, school district, or special district fails to certify its levy by  
12.3 that date, its levy shall be the amount levied by it for the preceding year.

12.4 (b)(i) The taxes voted by counties under sections 103B.241, 103B.245, and 103B.251  
12.5 shall be separately certified by the county to the county auditor on or before five working  
12.6 days after December 20 in each year. The taxes certified shall not be reduced by the county  
12.7 auditor by the aid received under section 273.1398, subdivision 3. If a county fails to certify  
12.8 its levy by that date, its levy shall be the amount levied by it for the preceding year.

12.9 (ii) For purposes of the proposed property tax notice under section 275.065 and the  
12.10 property tax statement under section 276.04, for the first year in which the county implements  
12.11 the provisions of this paragraph, the county auditor shall reduce the county's levy for the  
12.12 preceding year to reflect any amount levied for water management purposes under clause  
12.13 (i) included in the county's levy.

12.14 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and thereafter.

12.15 Sec. 9. Minnesota Statutes 2016, section 275.60, is amended to read:

12.16 **275.60 LEVY OR BOND REFERENDUM; BALLOT NOTICE.**

12.17 (a) Notwithstanding any general or special law or any charter provisions, but subject to  
12.18 section 126C.17, subdivision 9, any question submitted to the voters by any local  
12.19 governmental subdivision at a ~~general or special~~ an election after ~~June 8, 1995~~ June 30,  
12.20 2017, authorizing a property tax levy or tax rate increase, including the issuance of debt  
12.21 obligations payable in whole or in part from property taxes, must include on the ballot the  
12.22 following notice in boldface type:

12.23 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A  
12.24 PROPERTY TAX INCREASE."

12.25 (b) For purposes of this section and section 275.61, "local governmental subdivision"  
12.26 includes counties, home rule and statutory cities, towns, school districts, and all special  
12.27 taxing districts. This statement is in addition to any general or special laws or any charter  
12.28 provisions that govern the contents of a ballot question and, in the case of a question on the  
12.29 issuance of debt obligations, may be supplemented by a description of revenues pledged to  
12.30 payment of the obligations that are intended as the primary source of payment.

12.31 (c) An election under this section must be held on the first Tuesday after the first Monday  
12.32 in November of either an even-numbered or odd-numbered year. This paragraph does not  
12.33 apply to an election on levying a tax or issuing debt obligations to finance the local

government's response to a disaster or emergency. An election for these purposes may be held on a date set by the governing body. "Disaster" means a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment. "Emergency" means an unforeseen combination of circumstances that calls for immediate action to prevent a disaster, identified in the referendum, from developing or occurring.

~~(e)~~ (d) This section does not apply to a school district bond election if the debt service payments are to be made entirely from transfers of revenue from the capital fund to the debt service fund.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 10. **[275.80] LEVY INCREASE; REVERSE REFERENDUM AUTHORIZED.**

Subdivision 1. Citation. This section shall be known as the "Property Tax Payers' Empowerment Act."

Subd. 2. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "General levy" means the total levy certified under section 275.07 by the local governmental unit, excluding any levy that was approved by the voters at a general or special election.

(c) "Local governmental unit" means a county or a statutory or home rule charter city with a population of 500 or greater.

(d) "Maximum alternative levy" for taxes levied in a current year by a local governmental unit means the sum of (1) its nondebt levy certified two years previous to the current year, and (2) the amount of its proposed levy for the current year levied for the purposes listed in section 275.70, subdivision 5, clauses (1) to (5).

(e) "Nondebt levy" means the total levy certified under section 275.07 by the local governmental unit, minus any amount levied for the purposes listed in section 275.70, subdivision 5, clauses (1) to (5).

Subd. 3. Levy increase; reverse referendum authority. If the certified general levy exceeds the general levy in the previous year, the voters may petition for a referendum on the levy to be certified for the following year. The county auditor must publish information on the right to petition for a referendum as provided in section 276.04, subdivisions 1 and

2. If by June 30, a petition signed by the voters equal in number to ten percent of the votes cast in the last general election requesting a vote on the levy is filed with the county auditor, a question on the levy to be certified for the current year must be placed on the ballot at either the general election or at a special election held on the first Tuesday after the first Monday in November of the current calendar year.

**Subd. 4. Prohibition against new debt before the election.** Notwithstanding any other provision of law, ordinance, or local charter provision, a county or city must not issue any new debt or obligation from the time the petition for referendum is filed with the county auditor under subdivision 3 until the day after the referendum required under this section is held, except as allowed in this subdivision. Refunding bonds and bonds that have already received voter approval are exempt from the prohibition in this subdivision. For purposes of this subdivision, "obligation" has the meaning given in section 475.51, subdivision 3.

**Subd. 5. Ballot question; consequence of vote.** (a) The question submitted to the voters as required under subdivision 3 shall take the following form:

"The governing body of ..... has imposed the following property tax levy in the last two years and is proposing the following maximum levy increase for the coming year:

<u>(previous payable year)</u>	<u>(current payable year)</u>	<u>(coming payable year)</u>
<u>Total levy</u>	<u>Total levy</u>	<u>Maximum proposed levy</u>
<u>\$.....</u>	<u>\$.....</u>	<u>\$.....</u>

Shall the governing body of ..... be allowed to impose the maximum proposed levy listed above?

Yes .....

No .....

If the majority of votes cast are "no," its maximum allowed property tax levy for the coming year will be reduced to its maximum alternative levy of ....."

(b) If a city is subject to this provision, it will provide the county auditor with information on its proposed levy by September 30 necessary to calculate the maximum alternative levy under subdivision 2.

(c) If the majority of votes cast on this question are in the affirmative, the levy certified by the local governmental unit under section 275.07 must be less than or equal to its proposed levy under section 275.065. If the question does not receive sufficient affirmative votes, the levy amount that the local governmental unit certifies under section 275.07 in the current year must be less than or equal to its maximum alternative levy as defined in subdivision 2.

15.1 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and thereafter.

15.2 Sec. 11. Minnesota Statutes 2016, section 276.04, subdivision 1, is amended to read:

15.3 Subdivision 1. **Auditor to publish rates.** On receiving the tax lists from the county  
15.4 auditor, the county treasurer shall, if directed by the county board, give three weeks' published  
15.5 notice in a newspaper specifying the rates of taxation for all general purposes and the  
15.6 amounts raised for each specific purpose. If a city or county is subject to a petition of the  
15.7 voters due to a general levy increase as provided in section 275.80, the published notice  
15.8 must also include the general levy for the current year and the previous year for that city or  
15.9 county along with the following statement:

15.10 "Because the governing body of ..... increased its nonvoter-approved levy in the current  
15.11 year, the voters in that jurisdiction have the right to petition for a referendum under Minnesota  
15.12 Statutes, section 275.80, on that jurisdiction's levy amount. To invoke the referendum, a  
15.13 petition signed by voters equal to ten percent of the votes cast in the last general election  
15.14 must be filed with the county auditor by June 30 of the current year."

15.15 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and thereafter.

15.16 Sec. 12. Minnesota Statutes 2016, section 276.04, subdivision 2, is amended to read:

15.17 Subd. 2. **Contents of tax statements.** (a) The treasurer shall provide for the printing of  
15.18 the tax statements. The commissioner of revenue shall prescribe the form of the property  
15.19 tax statement and its contents. The tax statement must not state or imply that property tax  
15.20 credits are paid by the state of Minnesota. The statement must contain a tabulated statement  
15.21 of the dollar amount due to each taxing authority and the amount of the state tax from the  
15.22 parcel of real property for which a particular tax statement is prepared. The dollar amounts  
15.23 attributable to the county, the state tax, the voter approved school tax, the other local school  
15.24 tax, the township or municipality, and the total of the metropolitan special taxing districts  
15.25 as defined in section 275.065, subdivision 3, paragraph (i), must be separately stated. The  
15.26 amounts due all other special taxing districts, if any, may be aggregated except that any  
15.27 levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin,  
15.28 Ramsey, Scott, or Washington under chapter 398A shall be listed on a separate line directly  
15.29 under the appropriate county's levy. If the county levy under this paragraph includes an  
15.30 amount for a lake improvement district as defined under sections 103B.501 to 103B.581,  
15.31 the amount attributable for that purpose must be separately stated from the remaining county  
15.32 levy amount. In the case of Ramsey County, if the county levy under this paragraph includes  
15.33 an amount for public library service under section 134.07, the amount attributable for that

purpose may be separated from the remaining county levy amount. The amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount. The amount of the tax on contamination value imposed under sections 270.91 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The amount of market value excluded under section 273.11, subdivision 16, if any, must also be listed on the tax statement.

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

(1) the property's estimated market value under section 273.11, subdivision 1;

(2) the property's homestead market value exclusion under section 273.13, subdivision 35;

(3) the property's taxable market value under section 272.03, subdivision 15;

(4) the property's gross tax, before credits;

(5) for homestead agricultural properties, the credit under section 273.1384;

(6) any credits received under sections 273.119; 273.1234 or 273.1235; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as "taconite tax relief"; and

(7) the net tax payable in the manner required in paragraph (a).

(d) If a city or county is subject to a petition of the voters due to a general levy increase as provided in section 275.80, the tax statement must also include the general levy for the current year and the previous year for that city or county along with the following statement:

"Because the governing body of ..... increased its nonvoter-approved levy in the current year, the voters in that jurisdiction have the right to petition for a referendum on that



17.1 jurisdiction's levy amount under Minnesota Statutes, section 275.80. To invoke the  
17.2 referendum, a petition signed by voters equal to ten percent of the votes cast in the last  
17.3 general election on this issue must be filed with the county auditor by June 30 of the current  
17.4 year."

17.5 ~~(d)~~ (e) If the county uses envelopes for mailing property tax statements and if the county  
17.6 agrees, a taxing district may include a notice with the property tax statement notifying  
17.7 taxpayers when the taxing district will begin its budget deliberations for the current year,  
17.8 and encouraging taxpayers to attend the hearings. If the county allows notices to be included  
17.9 in the envelope containing the property tax statement, and if more than one taxing district  
17.10 relative to a given property decides to include a notice with the tax statement, the county  
17.11 treasurer or auditor must coordinate the process and may combine the information on a  
17.12 single announcement.

17.13 **EFFECTIVE DATE.** This section is effective for taxes payable in 2018 and thereafter.

17.14 Sec. 13. Minnesota Statutes 2016, section 412.221, subdivision 2, is amended to read:

17.15 Subd. 2. **Contracts.** The council shall have power to make such contracts as may be  
17.16 deemed necessary or desirable to make effective any power possessed by the council. The  
17.17 city may purchase personal property through a conditional sales contract and real property  
17.18 through a contract for deed under which contracts the seller is confined to the remedy of  
17.19 recovery of the property in case of nonpayment of all or part of the purchase price, which  
17.20 shall be payable over a period of not to exceed five years. When the contract price of property  
17.21 to be purchased by contract for deed or conditional sales contract exceeds 0.24177 percent  
17.22 of the estimated market value of the city, the city may not enter into such a contract for at  
17.23 least ten days after publication in the official newspaper of a council resolution determining  
17.24 to purchase property by such a contract; and, if before the end of that time a petition asking  
17.25 for an election on the proposition signed by voters equal to ten percent of the number of  
17.26 voters at the last regular city election is filed with the clerk, the city may not enter into such  
17.27 a contract until the proposition has been approved by a majority of the votes cast on the  
17.28 question at ~~a regular or special~~ an election held on the first Tuesday after the first Monday  
17.29 in November of either an even-numbered or odd-numbered year.

17.30 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
17.31 referendum authorized on or after that date.

17.32 Sec. 14. Minnesota Statutes 2016, section 412.301, is amended to read:

17.33 **412.301 FINANCING PURCHASE OF CERTAIN EQUIPMENT.**

(a) The council may issue certificates of indebtedness or capital notes subject to the city debt limits to purchase capital equipment.

(b) For purposes of this section, "capital equipment" means:

(1) public safety equipment, ambulance and other medical equipment, road construction and maintenance equipment, and other capital equipment; and

(2) computer hardware and software, whether bundled with machinery or equipment or unbundled, together with application development services and training related to the use of the computer hardware or software.

(c) The equipment or software must have an expected useful life at least as long as the terms of the certificates or notes.

(d) Such certificates or notes shall be payable in not more than ten years and shall be issued on such terms and in such manner as the council may determine.

(e) If the amount of the certificates or notes to be issued to finance any such purchase exceeds 0.25 percent of the estimated market value of taxable property in the city, they shall not be issued for at least ten days after publication in the official newspaper of a council resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election is filed with the clerk, such certificates or notes shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at ~~a regular or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year.

(f) A tax levy shall be made for the payment of the principal and interest on such certificates or notes, in accordance with section 475.61, as in the case of bonds.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 15. Minnesota Statutes 2016, section 426.19, subdivision 2, is amended to read:

Subd. 2. **Referendum in certain cases.** Before the pledge of any such revenues to the payment of any such bonds, warrants or certificates of indebtedness, except bonds, warrants or certificates of indebtedness to construct, reconstruct, enlarge or equip a municipal liquor store shall be made, the governing body shall submit to the voters of the city the question of whether such revenues shall be so pledged and such pledge shall not be binding on the city until it shall have been approved by a majority of the voters voting on the question at

19.1 ~~either a general~~ an election or special election called for that purpose held on the first Tuesday  
19.2 after the first Monday in November of either an even-numbered or odd-numbered year. No  
19.3 election shall be required for pledge of such revenues for payment of bonds, warrants or  
19.4 certificates of indebtedness to construct, reconstruct, enlarge or equip a municipal liquor  
19.5 store.

19.6 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
19.7 referendum authorized on or after that date.

19.8 Sec. 16. Minnesota Statutes 2016, section 447.045, subdivision 2, is amended to read:

19.9 Subd. 2. **Statutory city; on-sale and off-sale store.** If the voters of a statutory city  
19.10 operating an on-sale and off-sale municipal liquor store, at a ~~general or special~~ an election  
19.11 held on the first Tuesday after the first Monday in November of either an even-numbered  
19.12 or odd-numbered year, vote in favor of contributing from its liquor dispensary fund toward  
19.13 the construction of a community hospital, the city council may appropriate not more than  
19.14 \$60,000 from the fund to any incorporated nonprofit hospital association to build a  
19.15 community hospital in the statutory city. The hospital must be governed by a board including  
19.16 two or more members of the statutory city council and be open to all residents of the statutory  
19.17 city on equal terms. This appropriation must not exceed one-half the total cost of construction  
19.18 of the hospital. The council must not appropriate the money unless the average net earnings  
19.19 of the on-sale and off-sale municipal liquor store have been at least \$10,000 for the last five  
19.20 completed fiscal years before the date of the appropriation.

19.21 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
19.22 referendum authorized on or after that date.

19.23 Sec. 17. Minnesota Statutes 2016, section 447.045, subdivision 3, is amended to read:

19.24 Subd. 3. **Statutory city; off-sale or on- and off-sale store.** (a) If a statutory city operates  
19.25 an off-sale, or an on- and off-sale municipal liquor store it may provide for a vote at a ~~general~~  
19.26 ~~or special~~ an election held on the first Tuesday after the first Monday in November of either  
19.27 an even-numbered or odd-numbered year on the question of contributing from the city liquor  
19.28 dispensary fund to build, maintain, and operate a community hospital. If the vote is in favor,  
19.29 the city council may appropriate money from the fund to an incorporated hospital association  
19.30 for a period of four years. The appropriation must be from the net profits or proceeds of the  
19.31 municipal liquor store. It must not exceed \$4,000 a year for hospital construction and  
19.32 maintenance or \$1,000 a year for operation. The hospital must be open to all residents of  
19.33 the community on equal terms.

(b) The council must not appropriate the money unless the average net earnings of the off-sale, or on- and off-sale municipal liquor store have been at least \$8,000 for the last two completed years before the date of the appropriation.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 18. Minnesota Statutes 2016, section 447.045, subdivision 4, is amended to read:

Subd. 4. **Fourth class city operating store.** If a city of the fourth class operates a municipal liquor store, it may provide for a vote at ~~a general or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year on the question of contributing from the profit in the city liquor dispensary fund to build, equip, and maintain a community hospital within the city limits. If the vote is in favor, the city council may appropriate not more than \$200,000 from profits in the fund for the purpose. The hospital must be open to all residents of the city on equal terms.

The city may issue certificates of indebtedness in anticipation of and payable only from profits from the operation of municipal liquor stores.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 19. Minnesota Statutes 2016, section 447.045, subdivision 6, is amended to read:

Subd. 6. **Statutory city; fourth class.** If a fourth class statutory city operates a municipal liquor store, it may provide for a vote at ~~a general or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year on the question of contributing from the city liquor dispensary fund not more than \$15,000 a year for five years to build and maintain a community hospital. If the vote is in favor the council may appropriate the money from the fund to an incorporated community hospital association in the city.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 20. Minnesota Statutes 2016, section 447.045, subdivision 7, is amended to read:

Subd. 7. **Statutory city; any store.** If a statutory city operates a municipal liquor store, it may provide for a vote at ~~a general or special~~ an election held on the first Tuesday after

21.1 the first Monday in November of either an even-numbered or odd-numbered year on the  
 21.2 question of contributing from the statutory city liquor dispensary fund toward the acquisition,  
 21.3 construction, improvement, maintenance, and operation of a community hospital. If the  
 21.4 vote is in favor, the council may appropriate money from time to time out of the net profits  
 21.5 or proceeds of the municipal liquor store to an incorporated nonprofit hospital association  
 21.6 in the statutory city. The hospital association must be governed by a board of directors  
 21.7 elected by donors of \$50 or more, who each have one vote. The hospital must be open to  
 21.8 all residents of the community on equal terms.

21.9 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
 21.10 referendum authorized on or after that date.

21.11 Sec. 21. Minnesota Statutes 2016, section 452.11, is amended to read:

21.12 **452.11 SUBMISSION TO VOTERS.**

21.13 No city of the first class shall acquire or construct any public utility under the terms of  
 21.14 sections 452.08 to 452.13 unless the proposition to acquire or construct same has first been  
 21.15 submitted to the qualified electors of the city at a ~~general~~ city election ~~or at a special election~~  
 21.16 ~~called for that purpose,~~ held on the first Tuesday after the first Monday in November of  
 21.17 either an even-numbered or odd-numbered year and has been approved by a majority vote  
 21.18 of all electors voting upon the proposition.

21.19 The question of issuing public utility certificates as provided in section 452.09 may, at  
 21.20 the option of the council, be submitted at the same election as the question of the acquisition  
 21.21 or construction of the public utility.

21.22 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
 21.23 referendum authorized on or after that date.

21.24 Sec. 22. Minnesota Statutes 2016, section 455.24, is amended to read:

21.25 **455.24 SUBMISSION TO VOTERS.**

21.26 Before incurring any expense under the powers conferred by section 455.23, the approval  
 21.27 of the voters of the city shall first be had at a ~~general or special~~ an election held ~~therein on~~  
 21.28 the first Tuesday after the first Monday in November of either an even-numbered or  
 21.29 odd-numbered year. If a majority of the voters of the city participating at the election shall  
 21.30 vote in favor of the construction of the system of poles, wires and cables herein authorized  
 21.31 to be made, the council shall proceed with the construction.

22.1 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
22.2 referendum authorized on or after that date.

22.3 Sec. 23. Minnesota Statutes 2016, section 455.29, is amended to read:

22.4 **455.29 MUNICIPALITIES MAY EXTEND ELECTRIC SERVICE.**

22.5 Except as otherwise restricted by chapter 216B, the governing body, or the commission  
22.6 or board charged with the operation of the public utilities, if one exists therein, of any  
22.7 municipality in the state owning and operating an electric light and power plant for the  
22.8 purpose of the manufacture and sale of electrical power or for the purchase and redistribution  
22.9 of electrical power, may, upon a two-thirds vote of the governing body, or the commission  
22.10 or board, in addition to all other powers now possessed by such municipality, sell electricity  
22.11 to customers, singly or collectively, outside of such municipality, within the state but not  
22.12 to exceed a distance of 30 miles from the corporate limits of the municipality. Before any  
22.13 municipality shall have the power to extend its lines and sell electricity outside of the  
22.14 municipality as provided by sections 455.29 and 455.30, the governing body shall first  
22.15 submit to the voters of the municipality, at a ~~general or special~~ an election held on the first  
22.16 Tuesday after the first Monday in November of either an even-numbered or odd-numbered  
22.17 year, the general principle of going outside the municipality and fixing the maximum amount  
22.18 of contemplated expenditures reasonably expected to be made for any and all extensions  
22.19 then or thereafter contemplated. Three weeks' published notice shall be given of such election  
22.20 as required by law, and if a majority of those voting upon the proposition favors the same,  
22.21 then the municipality shall thereafter be considered as having chosen to enter the general  
22.22 business of extending its electric light and power facilities beyond the corporate limits of  
22.23 the municipality. It shall not be necessary to submit to a vote of the people the question of  
22.24 any specific enlargement, extension, or improvement of any outside lines; provided the  
22.25 voters of the municipality have generally elected to exercise the privileges afforded by  
22.26 sections 455.29 and 455.30, and, provided, that each and any specific extension, enlargement,  
22.27 or improvement project is within the limit of the maximum expenditure authorized at the  
22.28 election. In cities operating under a home rule charter, where a vote of the people is not  
22.29 now required in order to extend electric light and power lines, no election shall be required  
22.30 under the provisions of any act. At any election held to determine the attitude of the voters  
22.31 upon this principle, the question shall be simply stated upon the ballot provided therefor,  
22.32 and shall be substantially in the following form: "Shall the city of ..... undertake  
22.33 the general proposition of extending its electric light and power lines beyond the limits of  
22.34 the municipality, and limit the maximum expenditures for any and all future extensions to  
22.35 the sum of \$.....?" For this purpose every municipality is authorized and empowered

23.1 to extend the lines, wires, and fixtures of its plant to such customers and may issue certificates  
23.2 of indebtedness therefor in an amount not to exceed the actual cost of the extensions and  
23.3 for a term not to exceed the reasonable life of the extensions. These certificates of  
23.4 indebtedness shall in no case be made a charge against the municipality, but shall be payable  
23.5 and paid out of current revenues of the plant other than taxes.

23.6 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
23.7 referendum authorized on or after that date.

23.8 Sec. 24. Minnesota Statutes 2016, section 459.06, subdivision 1, is amended to read:

23.9 Subdivision 1. **Accept donations.** Any county, city, or town may by resolution of its  
23.10 governing body accept donations of land that the governing body deems to be better adapted  
23.11 for the production of timber and wood than for any other purpose, for a forest, and may  
23.12 manage it on forestry principles. The donor of not less than 100 acres of any such land shall  
23.13 be entitled to have the land perpetually bear the donor's name. The governing body of any  
23.14 city or town, when funds are available or have been levied therefor, may, when authorized  
23.15 by a majority vote by ballot of the voters voting at any ~~general or special~~ city election held  
23.16 on the first Tuesday after the first Monday in November of either an even-numbered or  
23.17 odd-numbered year or the annual town meeting where the question is properly submitted,  
23.18 purchase or obtain by condemnation proceedings, and preferably at the sources of streams,  
23.19 any tract of land for a forest which is better adapted for the production of timber and wood  
23.20 than for any other purpose, and which is conveniently located for the purpose, and manage  
23.21 it on forestry principles. The city or town may annually levy a tax on all taxable property  
23.22 within its boundaries to procure and maintain such forests.

23.23 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
23.24 referendum authorized on or after that date.

23.25 Sec. 25. Minnesota Statutes 2016, section 469.053, subdivision 5, is amended to read:

23.26 Subd. 5. **Reverse referendum.** A city may increase its levy for port authority purposes  
23.27 under subdivision 4 only as provided in this subdivision. Its city council must first pass a  
23.28 resolution stating the proposed amount of levy increase. The city must then publish the  
23.29 resolution together with a notice of public hearing on the resolution for two successive  
23.30 weeks in its official newspaper or, if none exists, in a newspaper of general circulation in  
23.31 the city. The hearing must be held two to four weeks after the first publication. After the  
23.32 hearing, the city council may decide to take no action or may adopt a resolution authorizing  
23.33 the proposed increase or a lesser increase. A resolution authorizing an increase must be

published in the city's official newspaper or, if none exists, in a newspaper of general circulation in the city. The resolution is not effective if a petition requesting a referendum on the resolution is filed with the city clerk within 30 days of publication of the resolution. The petition must be signed by voters equaling five percent of the votes cast in the city in the last general election. The resolution is effective if approved by a majority of those voting on the question. The commissioner of revenue shall prepare a suggested form of referendum question. The referendum must be held at ~~a special or general~~ an election ~~before October 1 of the year for which the levy increase is proposed~~ conducted on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. If approved by the voters, the levy increase may take effect no sooner than the next calendar year.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 26. Minnesota Statutes 2016, section 469.107, subdivision 2, is amended to read:

Subd. 2. **Reverse referendum.** A city may increase its levy for economic development authority purposes under subdivision 1 in the following way. Its city council must first pass a resolution stating the proposed amount of levy increase. The city must then publish the resolution together with a notice of public hearing on the resolution for two successive weeks in its official newspaper or if none exists in a newspaper of general circulation in the city. The hearing must be held two to four weeks after the first publication. After the hearing, the city council may decide to take no action or may adopt a resolution authorizing the proposed increase or a lesser increase. A resolution authorizing an increase must be published in the city's official newspaper or if none exists in a newspaper of general circulation in the city. The resolution is not effective if a petition requesting a referendum on the resolution is filed with the city clerk within 30 days of publication of the resolution. The petition must be signed by voters equaling five percent of the votes cast in the city in the last general election. The ~~election~~ referendum must be held at ~~a general or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. Notice of the election must be given in the manner required by law. The notice must state the purpose and amount of the levy.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.



25.1 Sec. 27. Minnesota Statutes 2016, section 469.190, subdivision 1, is amended to read:

25.2 Subdivision 1. **Authorization.** Notwithstanding section 477A.016 or any other law, a  
25.3 statutory or home rule charter city may by ordinance, and a town may by the affirmative  
25.4 vote of the electors at the annual town meeting, ~~or at a special town meeting,~~ impose a tax  
25.5 of up to three percent on the gross receipts from the furnishing for consideration of lodging  
25.6 at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing  
25.7 of it for a continuous period of 30 days or more. A statutory or home rule charter city may  
25.8 by ordinance impose the tax authorized under this subdivision on the camping site receipts  
25.9 of a municipal campground.

25.10 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
25.11 referendum authorized on or after that date.

25.12 Sec. 28. Minnesota Statutes 2016, section 469.190, subdivision 5, is amended to read:

25.13 Subd. 5. **Reverse referendum.** If the county board passes a resolution under subdivision  
25.14 4 to impose the tax, the resolution must be published for two successive weeks in a newspaper  
25.15 of general circulation within the unorganized territory, together with a notice fixing a date  
25.16 for a public hearing on the proposed tax.

25.17 The hearing must be held not less than two weeks nor more than four weeks after the  
25.18 first publication of the notice. After the public hearing, the county board may determine to  
25.19 take no further action, or may adopt a resolution authorizing the tax as originally proposed  
25.20 or approving a lesser rate of tax. The resolution must be published in a newspaper of general  
25.21 circulation within the unorganized territory. The voters of the unorganized territory may  
25.22 request a referendum on the proposed tax by filing a petition with the county auditor within  
25.23 30 days after the resolution is published. The petition must be signed by voters who reside  
25.24 in the unorganized territory. The number of signatures must equal at least five percent of  
25.25 the number of persons voting in the unorganized territory in the last general election. If such  
25.26 a petition is timely filed, the resolution is not effective until it has been submitted to the  
25.27 voters residing in the unorganized territory at ~~a general or special~~ an election held on the  
25.28 first Tuesday after the first Monday in November of either an even-numbered or  
25.29 odd-numbered year and a majority of votes cast on the question of approving the resolution  
25.30 are in the affirmative. The commissioner of revenue shall prepare a suggested form of  
25.31 question to be presented at the referendum.

25.32 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any  
25.33 referendum authorized on or after that date.

Sec. 29. Minnesota Statutes 2016, section 471.57, subdivision 3, is amended to read:

Subd. 3. **May use fund for other purposes upon vote.** The council of any municipality which has established a public works reserve fund by an ordinance designating the specific improvement or type of capital improvement for which the fund may be used may submit to the voters of the municipality at ~~any regular or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year the question of using the fund for some other purpose. If a majority of the votes cast on the question are in favor of such diversion from the original purpose of the fund, it may be used for any purpose so approved by the voters.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 30. Minnesota Statutes 2016, section 471.571, subdivision 3, is amended to read:

Subd. 3. **Expenditure from fund, limitation.** No expenditure for any one project in excess of 60 percent of one year's levy or \$25,000, whichever is greater, may be made from such permanent improvement or replacement fund in any year without first obtaining the approval of a majority of the voters voting at a ~~general or special~~ municipal election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year at which the question of making such expenditure has been submitted. In submitting any proposal to the voters for approval, the amount proposed to be spent and the purpose thereof shall be stated in the proposal submitted. The proceeds of such levies may be pledged for the payment of any bonds issued pursuant to law for any purposes authorized hereby and annual payments upon such bonds or interest may be made without additional authorization.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 31. Minnesota Statutes 2016, section 471.572, subdivision 2, is amended to read:

Subd. 2. **Tax levy.** The governing body of a city may establish, by a two-thirds vote of all its members, by ordinance or resolution a reserve fund and may annually levy a property tax for the support of the fund. The proceeds of taxes levied for its support must be paid into the reserve fund. Any other revenue from a source not required by law to be paid into another fund for purposes other than those provided for the use of the reserve fund may be paid into the fund. Before a tax is levied under this section, the city must publish in the official newspaper of the city an initial resolution authorizing the tax levy. If within ten

days after the publication a petition is filed with the city clerk requesting an election on the tax levy signed by a number of qualified voters greater than ten percent of the number who voted in the city at the last general election, the tax may not be levied until the levy has been approved by a majority of the votes cast on it at ~~a regular or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 32. Minnesota Statutes 2016, section 471.572, subdivision 4, is amended to read:

Subd. 4. **Use of fund for a specific purpose.** If the city has established a reserve fund, it may submit to the voters at ~~a regular or special~~ an election held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year the question of whether use of the fund should be restricted to a specific improvement or type of capital improvement. If a majority of the votes cast on the question are in favor of the limitation on the use of the reserve fund, it may be used only for the purpose approved by the voters.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

Sec. 33. Minnesota Statutes 2016, section 475.59, is amended to read:

**475.59 MANNER OF SUBMISSION; NOTICE.**

Subdivision 1. **Generally; notice.** When the governing body of a municipality resolves to issue bonds for any purpose requiring the approval of the electors, it shall provide for submission of the proposition of their issuance at a general or special election or town or school district meeting. Notice of such election or meeting shall be given in the manner required by law and shall state the maximum amount and the purpose of the proposed issue. In any school district, the school board or board of education may, according to its judgment and discretion, submit as a single ballot question or as two or more separate questions in the notice of election and ballots the proposition of their issuance for any one or more of the following, stated conjunctively or in the alternative: acquisition or enlargement of sites, acquisition, betterment, erection, furnishing, equipping of one or more new schoolhouses, remodeling, repairing, improving, adding to, betterment, furnishing, equipping of one or more existing schoolhouses. In any city, town, or county, the governing body may, according to its judgment and discretion, submit as a single ballot question or as two or more separate questions in the notice of election and ballots the proposition of their issuance, stated

conjunctively or in the alternative, for the acquisition, construction, or improvement of any facilities at one or more locations.

**Subd. 2. Election date.** An election to approve issuance of bonds under this section held by a municipality other than a town must be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year. An election under this section held by a town may be held on the same day as the annual town meeting or on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year.

**Subd. 3. Special laws.** If a referendum on the issuance of bonds or other debt obligations authorized in a special law is required, it must be held on a date as provided in subdivision 2, notwithstanding any provision in the special law authorizing the referendum to be held at any other time.

**Subd. 4. Exception for disaster or emergency.** Subdivisions 2 and 3, and any other law requiring an election to approve issuance of bonds or other debt obligations to be held on the first Tuesday after the first Monday in November of either an even-numbered or odd-numbered year, do not apply to issuance of bonds or other debt obligations to finance the municipality's response to an emergency or disaster. "Disaster" means a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment. "Emergency" means an unforeseen combination of circumstances that calls for immediate action to prevent a disaster, identified in the referendum, from developing or occurring.

**EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to any referendum authorized on or after that date.

**Sec. 34. REPEALER.**

Minnesota Statutes 2016, section 205.10, subdivision 3, is repealed.

**EFFECTIVE DATE.** This section is effective August 1, 2017.

APPENDIX  
Repealed Minnesota Statutes: 17-2038

**205.10 MUNICIPAL SPECIAL ELECTIONS.**

Subd. 3. **Prohibition.** No special election authorized under subdivision 1 may be held within 56 days after the state general election.