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## State of Minnesota

## HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2535

02/27/2012 Authored by O'Driscoll, Gottwalt, Banaian, Hosch and Davids  
The bill was read for the first time and referred to the Committee on Taxes

- 1.1 A bill for an act  
1.2 relating to taxation; sales and use; local government; modifying local sales and  
1.3 use tax for St. Cloud area cities; amending Laws 2005, First Special Session  
1.4 chapter 3, article 5, section 37, subdivisions 2, 4.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Laws 2005, First Special Session chapter 3, article 5, section 37, subdivision  
1.7 2, is amended to read:
- 1.8 Subd. 2. **Use of revenues.** (a) Revenues received from the tax authorized by  
1.9 subdivision 1 by the city of St. Cloud must be used for the cost of collecting and  
1.10 administering the tax and to pay all or part of the capital or administrative costs of the  
1.11 development, acquisition, construction, improvement, and securing and paying debt  
1.12 service on bonds or other obligations issued to finance the following regional projects as  
1.13 approved by the voters and specifically detailed in the referendum authorizing the tax or  
1.14 extending the tax:
- 1.15 (1) St. Cloud Regional Airport;  
1.16 (2) regional transportation improvements;  
1.17 (3) regional community and aquatics centers and facilities;  
1.18 (4) regional public libraries; and  
1.19 (5) acquisition and improvement of regional park land and open space.
- 1.20 (b) Revenues received from the tax authorized by subdivision 1 by the cities of St.  
1.21 Joseph, Waite Park, Sartell, Sauk Rapids, and St. Augusta must be used for the cost of  
1.22 collecting and administering the tax and to pay all or part of the capital or administrative  
1.23 costs of the development, acquisition, construction, improvement, and securing and paying  
1.24 debt service on bonds or other obligations issued to fund the projects specifically approved

by the voters at the referendum authorizing the tax or extending the tax. The portion of revenues from the city going to fund the regional airport or regional library located in the city of St. Cloud will be as required under the applicable joint powers agreement.

(c) The use of revenues received from the taxes authorized in subdivision 1 for projects allowed under paragraphs (a) and (b) are limited to the amount authorized for each project under the enabling referendum.

Sec. 2. Laws 2005, First Special Session chapter 3, article 5, section 37, subdivision 4, is amended to read:

Subd. 4. **Termination of tax.** The tax imposed in the cities of St. Joseph, St. Cloud, St. Augusta, Sartell, Sauk Rapids, and Waite Park under subdivision 1 expires when the city council determines that sufficient funds have been collected from the tax to retire or redeem the bonds and obligations authorized under subdivision 2, paragraph (a), but no later than December 31, 2018. Notwithstanding Minnesota Statutes, section 297A.99, subdivision 3, a city may extend the tax imposed under subdivision 1 through December 31, 2038, if approved under the referendum authorizing the tax under subdivision 1 or if approved by voters of the city at a general election held no later than November 6, 2018.

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 are effective for the city that approves them the day after compliance by the governing body of each city with Minnesota Statutes, section 645.021, subdivision 3.