469.053 TAX LEVIES; FISCAL MATTERS.

Subdivision 1. **Obligations.** A port authority must not levy a tax or special assessment, pledge the credit of the state or the state's municipal corporations or other subdivisions, or incur an obligation enforceable on property not owned by the port authority.

Subd. 2. **Budget to city.** Annually, at a time fixed by charter, resolution, or ordinance of the city, a port authority shall send its budget to its city's council. The budget must include a detailed written estimate of the amount of money that the authority expects to need from the city to do authority business during the next fiscal year in excess of any expected receipts from other sources.

Subd. 3. **Fiscal year.** The fiscal year of a port authority must be the same as the fiscal year of its city except that the Seaway Port Authority of Duluth may, by resolution, adopt a fiscal year different from the city of Duluth's fiscal year based on the international shipping season through the St. Lawrence Seaway.

Subd. 4. **Mandatory city levy.** A city shall, at the request of the port authority, levy a tax in any year for the benefit of the port authority. The tax must not exceed 0.01813 percent of estimated market value. The amount levied must be paid by the city treasurer to the treasurer of the port authority, to be spent by the authority. The requirements of section 275.067 apply to a port authority that has not previously certified a levy.

Subd. 4a. **Seaway port authority levy.** A levy made under this subdivision shall replace the mandatory city levy under subdivision 4. A seaway port authority is a special taxing district under section 275.066 and may levy a tax in any year for the benefit of the seaway port authority. The tax must not exceed 0.01813 percent of estimated market value. The county auditor shall distribute the proceeds of the property tax levy to the seaway port authority.

Subd. 5. **Reverse referendum.** A city may increase its levy for port authority purposes under subdivision 4 only as provided in this subdivision. 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 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 election before October 1 of the year for which the levy increase is proposed.

Subd. 6. **Discretionary city levy.** Upon request of a port authority, the port authority's city may levy a tax to be spent by and for its port authority. The tax must enable the port authority to carry out efficiently and in the public interest sections 469.048 to 469.068 to create and develop industrial development districts. The levy must not be more than 0.00282 percent of estimated market value. The county treasurer shall pay the proceeds of the tax to the port authority treasurer. The money may be spent by the authority in performance of its duties to create and develop industrial development districts. In spending the money the authority must judge what best serves the public interest. The levy in this subdivision is in addition to the levy in subdivision 4. The requirements of section 275.067 apply to a port authority that has not previously certified a levy.

Subd. 7. **County levy.** The county board of a county having a port authority city may make an appropriation for the use of the port authority and may levy the amount of the appropriation in its general revenue levy.

Subd. 8. **St. Louis County levy.** After receiving the budget from the seaway port authority, the St. Louis County board may annually levy a tax to raise not more than $50,000 for the port authority for its operations in the next fiscal year. The levy is not subject to county levy limits.

Subd. 9. **Outside budget laws.** Money appropriated to a port authority from county taxes under this section is not subject to a budget law that applies to the county.

Subd. 10. **County payment.** The county treasurer shall pay money appropriated or levied by a county under this section when and in the manner the county board directs to the port authority to be spent by the port authority.

Subd. 11. **Prohibition on use of state funds.** State appropriations or credit of the state must not be used to pay or guarantee the payment of the debt of a port authority.

History: *1987 c 291 s 54; 1988 c 719 art 5 s 84; 1989 c 277 art 4 s 62,63; 1994 c 505 art 2 s 6; 2009 c 88 art 2 s 34; 2013 c 143 art 14 s 77-79; 2023 c 64 art 12 s 9,10*