



4/25/2022

Members of the Senate Tax Committee,

On behalf of the 837 members of the League of Minnesota Cities, I would like to express the League's support for the referendum date clarification in Section 3 of SF3191. This provision would clarify that a referendum on a local sales tax could be held on "the first Tuesday after the first Monday in November" which would replace the existing and somewhat ambiguous existing "at a general election" reference.

This issue was raised by several cities after the passage of the 2021 special session tax bill where three counties and 16 cities received the authority to take the next step and conduct a referendum. Cities contacted the League to ask if "a general election" meant any November election or if it had to be a November election where the city had a position on the ballot.

The League reached out to several non-partisan attorneys at the Legislature and they suggested that without a precise definition of general election in Minn. Stat. § 297A.99 or in Minn. Stat. § 645, it is not entirely clear what "at a general election" was intended to define. Minn. Stat. § 200.02 does define "general election" to be *an election held at regular intervals on a day determined by law or charter at which the voters of the state or any of its subdivisions choose by ballot public officials or presidential electors*. Legislative staff also suggested the term may have been intended to prohibit conducting a referendum at a special election held at a time other than a November general election.

Last year, due in part to the ambiguity in the statute, the only city to go to the voters for approval of a local sales tax was the city of St. Peter which is a city that conducts odd-year elections. The other 18 jurisdictions chose to wait or planned to wait the roughly 17 months until this coming November to conduct their referendum. Now, due in part to the prolonged referendum delay, you are now considering several bills that would amend the projects authorized last year due to rising construction costs and interest rates.

The committee might consider modifying the effective date of section 3 to allow any of the current jurisdictions requesting local sales taxes that are approved this year to conduct a referendum this November. This would immediately allow odd-year election cities (Bloomington and Golden Valley) the option to conduct their referendum this November.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Gary N. Carlson".

Gary Carlson  
League of Minnesota Cities