SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 1159

1.1   A bill for an act

1.2   relating to local taxes; authorizing Stearns County to impose a local sales and use

1.3   tax.

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

1.5   Section 1. **STEARNS COUNTY; TAXES AUTHORIZED.**

1.6   Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,

1.7   section 297A.99, subdivision 1, or 477A.016, or any other law or ordinance, and if approved

1.8   by the voters at a general election as required under Minnesota Statutes, section 297A.99,

1.9   subdivision 3, Stearns County may impose by ordinance a sales and use tax of three-eighths

1.10   of one percent for the purpose specified in subdivision 2. Except as otherwise provided in

1.11   this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,

1.12   administration, collection, and enforcement of the tax authorized under this subdivision.

1.13   The tax imposed under this subdivision is in addition to any local sales and use tax imposed

1.14   under any other special law.

1.15   Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized

1.16   under subdivision 1 must be used by Stearns County to pay the costs of collecting and

1.17   administering the tax, and to finance up to $325,000,000 for the construction of a new

1.18   Stearns County Justice Center consisting of a law enforcement center, judicial center, and

1.19   jail. Authorized costs include the associated bond costs for any bonds issued under

1.20   subdivision 3.

1.21   Subd. 3. **Bonding authority.** (a) Stearns County may issue bonds under Minnesota

1.22   Statutes, chapter 475, to finance the costs of the facility authorized in subdivision 2. The

1.23   aggregate principal amount of bonds issued under this subdivision may not exceed

2.1 $325,000,000 for the project listed in subdivision 2, plus an amount to be applied to the

2.2   payment of the costs of issuing the bonds. The bonds may be paid from or secured by any

2.3   funds available to the county, including the tax authorized under subdivision 1. The issuance

2.4   of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and

2.5   275.61.

2.6   (b) The bonds are not included in computing any debt limitation applicable to the county,

2.7   and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest

2.8   on the bonds is not subject to any levy limitation. A separate election to approve the bonds

2.9   under Minnesota Statutes, section 475.58, is not required.

2.10   Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,

2.11   subdivision 12, the tax imposed under subdivision 1 expires at the earlier of: (1) 30 years

2.12   after the tax is first imposed; or (2) when the county board determines that the amount

2.13   received from the tax is sufficient to pay $325,000,000 in project costs authorized under

2.14   subdivision 2, plus an amount sufficient to pay the costs related to issuance of any bonds

2.15   authorized under subdivision 3, including interest on the bonds. Except as otherwise provided

2.16   in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining

2.17   after payment of the allowed costs due to the timing of the termination of the tax under

2.18   Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general fund of

2.19   the county. The tax imposed under subdivision 1 may expire at an earlier time if the county

2.20   so determines by ordinance.

2.21   **EFFECTIVE DATE.** This section is effective the day after the governing body of

2.22   Stearns County and its chief clerical officer comply with Minnesota Statutes, section 645.021,

2.23   subdivisions 2 and 3.