A bill for an act

relating to taxation; redefining transit taxing district; authorizing tax levy outside existing transit taxing district; amending Minnesota Statutes 2006, section 473.446, subdivisions 2, 8; repealing Minnesota Statutes 2006, section 473.4461.

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

Section 1. Minnesota Statutes 2006, section 473.446, subdivision 2, is amended to read:

Subd. 2. **Transit taxing district.** The metropolitan transit taxing district ~~is hereby designated as that portion of the metropolitan transit area lying within the following named cities, towns, or unorganized territory within the counties indicated:~~

~~(a) Anoka County. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;~~

~~(b) Carver County. Chanhassen, the city of Chaska;~~

~~(c) Dakota County. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;~~

~~(d) Ramsey County. All of the territory within Ramsey County;~~

~~(e) Hennepin County. Bloomington, Brooklyn Center, Brooklyn Park, Champlin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin County;~~

~~(f) Scott County. Prior Lake, Savage, Shakopee;~~

~~(g) Washington County. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport,~~

~~Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury~~ means the metropolitan area.

The Metropolitan Council in its sole discretion may provide transit service by contract ~~beyond the boundaries of the metropolitan transit taxing district or~~ to cities and towns ~~within the taxing district~~ which are receiving financial assistance under section 473.388, upon petition therefor by an interested city, township or political subdivision within the metropolitan transit area. The Metropolitan Council may establish such terms and conditions as it deems necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as will compensate the council for the full capital and operating cost of the service and the related administrative activities of the council. The amount of the levy made by any municipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made, provided that cities and towns receiving financial assistance under section 473.388 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section 473.388. The council shall not be obligated to extend service ~~beyond the boundaries of the taxing district, or~~ to cities and towns within the taxing district which are receiving financial assistance under section 473.388, under any law or contract unless or until payment therefor is received.

Sec. 2. Minnesota Statutes 2006, section 473.446, subdivision 8, is amended to read:

Subd. 8. **State review.** The commissioner of revenue shall certify the council's levy limitation under this section to the council by August 1 of the levy year. The council must certify its proposed property tax levy under this section to the commissioner of revenue by September 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for transit purposes certified by the council for levy following the adoption of its proposed budget is within the levy limitation imposed by ~~subdivisions~~ subdivision 1 ~~and 1b~~. ~~The commissioner shall also annually determine whether the transit tax imposed on all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district is within the levy limitation imposed by subdivision 1a.~~ The determination must be completed prior to September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculations.

Sec. 3. **REPEALER.**

Minnesota Statutes 2006, section 473.4461, is repealed.