

## CHAPTER 373

## COUNTIES; POWERS, DUTIES, PRIVILEGES

373.01 Powers.  
373.40 Capital improvement bonds.

373.45 State may guarantee county building debt; repayment.

**373.01 POWERS.**

*[For text of subs 1 and 2, see M.S.2004]*

Subd. 3. **Capital notes.** (a) A county board may, by resolution and without referendum, issue capital notes subject to the county debt limit to purchase capital equipment useful for county purposes that has an expected useful life at least equal to the term of the notes. The notes shall be payable in not more than ten years and shall be issued on terms and in a manner the board determines. A tax levy shall be made for payment of the principal and interest on the notes, in accordance with section 475.61, as in the case of bonds.

(b) For purposes of this subdivision, "capital equipment" means:

(1) public safety, ambulance, road construction or maintenance, and medical equipment; and

(2) computer hardware and software, whether bundled with machinery or equipment or unbundled. The authority to issue capital notes for software expires on July 1, 2007.

*[For text of subd 4, see M.S.2004]*

**History:** 2005 c 152 art 1 s 6

**373.40 CAPITAL IMPROVEMENT BONDS.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Bonds" means an obligation as defined under section 475.51.

(b) "Capital improvement" means acquisition or betterment of public lands, buildings, or other improvements within the county for the purpose of a county courthouse, administrative building, health or social service facility, correctional facility, jail, law enforcement center, hospital, morgue, library, park, qualified indoor ice arena, roads and bridges, and the acquisition of development rights in the form of conservation easements under chapter 84C. An improvement must have an expected useful life of five years or more to qualify. "Capital improvement" does not include light rail transit or any activity related to it or a recreation or sports facility building (such as, but not limited to, a gymnasium, ice arena, racquet sports facility, swimming pool, exercise room or health spa), unless the building is part of an outdoor park facility and is incidental to the primary purpose of outdoor recreation.

(c) "Metropolitan county" means a county located in the seven-county metropolitan area as defined in section 473.121 or a county with a population of 90,000 or more.

(d) "Population" means the population established by the most recent of the following (determined as of the date the resolution authorizing the bonds was adopted):

(1) the federal decennial census,

(2) a special census conducted under contract by the United States Bureau of the Census, or

(3) a population estimate made either by the Metropolitan Council or by the state demographer under section 4A.02.

(e) "Qualified indoor ice arena" means a facility that meets the requirements of section 373.43.

(f) "Tax capacity" means total taxable market value, but does not include captured market value.

*[For text of subd 2, see M.S.2004]*

**Subd. 3. Capital improvement plan.** (a) A county may adopt a capital improvement plan. The plan must cover at least the five-year period beginning with the date of its adoption. The plan must set forth the estimated schedule, timing, and details of specific capital improvements by year, together with the estimated cost, the need for the improvement, and sources of revenues to pay for the improvement. In preparing the capital improvement plan, the county board must consider for each project and for the overall plan:

- (1) the condition of the county's existing infrastructure, including the projected need for repair or replacement;
- (2) the likely demand for the improvement;
- (3) the estimated cost of the improvement;
- (4) the available public resources;
- (5) the level of overlapping debt in the county;
- (6) the relative benefits and costs of alternative uses of the funds;
- (7) operating costs of the proposed improvements; and
- (8) alternatives for providing services more efficiently through shared facilities with other counties or local government units.

(b) The capital improvement plan and annual amendments to it are not effective until approved by the county board after public hearing.

*[For text of subds 4 and 5, see M.S.2004]*

**History:** 2005 c 152 art 1 s 7; 1Sp2005 c 1 art 4 s 101,102

### **373.45 STATE MAY GUARANTEE COUNTY BUILDING DEBT; REPAYMENT.**

*[For text of subds 1 to 6, see M.S.2004]*

**Subd. 7. Aid reduction for repayment.** (a) Except as provided in paragraph (b), the commissioner may reduce, by the amount paid by the state under this section on behalf of the county, plus the interest due on the state payments, the county program aid under section 477A.0124. The amount of any aid reduction reverts from the appropriate account to the state general fund.

(b) If, after review of the financial situation of the county, the authority advises the commissioner that a total reduction of the aids would cause an undue hardship on the county, the authority, with the approval of the commissioner, may establish a different schedule for reduction of aids to repay the state. The amount of aids to be reduced are decreased by any amounts repaid to the state by the county from other revenue sources.

*[For text of subds 8 to 10, see M.S.2004]*

**History:** 2005 c 151 art 5 s 41