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BILL ANALYSIS

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Senate Bill 1053 (as introduced 5-28-96)
Sponsor: Senator Michael J. Bouchard
Committee: Financial Services

Date Completed: 5-28-96

CONTENT

The bill would amend the Metropolitan Council Act to provide for the creation of a metropolitan regional council, and prescribe its powers and duties, including the authority to levy a voter-approved property tax millage; and revise the definition of a metropolitan council under the Act.

Currently, under the Act, a combination of two or more local units of government in a "metropolitan area" (a metropolitan statistical area as defined by the U.S. Commerce Department), with a population under 1 million may form a metropolitan council; the Act prescribes the powers and duties of a metropolitan council, included the authority to levy a voter-approved millage. The bill provides instead for the creation of a "metropolitan area" council, with a population of participating local units of government of under 700,000, and a "metropolitan regional" council, with a population over 700,000. Further, any of the following could form a metropolitan council: a city with at least 900,000 people; a county with at least 700,000 people; a combination of a city and any county as described above; or a combination of two or more local units in a metropolitan area with a total population under 700,000.

Under the bill, a metropolitan *area* council would have the powers and duties currently prescribed under the Act for a metropolitan council. The bill provides that a metropolitan *regional* council:

-- Would have to have a board of directors consisting of four members from each local unit that participated in the council; each member would be appointed by and serve at the pleasure of the local unit's chief executive officer. Members would serve without compensation, except for actual and necessary expenses as approved by the council.
-- Could add a local unit of government to an existing council.
-- Could appoint an executive director.
-- Could, if authorized by law, make appointments to other government agencies.
-- Could establish divisions, bureaus, and committees.
-- Could adopt bylaws for the council's administration.
-- Would have to prepare budgets, as required under the Uniform Budgeting and Accounting Act; and, if it ended a fiscal year in deficit, file a financial plan to correct the deficit.
-- Could provide funding, supplemental to funding received from other sources, for arts and cultural "facilities and programs" located within the metropolitan region that the council served. "Facilities and programs" would be structures, fixtures, and activities provided by a tax exempt entity that had been in existence for at least 18 consecutive months before becoming eligible for funding, and could include zoological, botanical, or other science centers, museums or historical centers, performing arts centers, orchestras, choruses,

chorales, opera theaters, and ballet, dance, and theater companies. Facilities and programs would not include labor organizations, political organizations, libraries, or public, private, or charter schools.

Under the act, a metropolitan council can levy .5 mills on all taxable real and personal property within a council area; the tax must be approved by the voters as provided in the act. The bill provides that a proposal for a tax authorized to be levied by a metropolitan region council could not be placed on the ballot unless the proposal was adopted by a resolution and certified by the council within 70 days before the election to the county clerk of each participating county, and the county in which all or part of a participating city was located, for inclusion on the ballot. The proposal would have to state the amount and duration of the millage and be certified for inclusion on the ballot at the next general election, the State primary immediately preceding the general election, or a special election at a proposed date not within 45 days of a State primary or a general election. A proposed special election date would have to be approved by the county election scheduling committee of the largest county participating in the council. The county election commission would have to provide ballots for an election for a tax proposal for each participating city or part of a participating city located with the county. For cities that participated in a metropolitan regional council, an election for a tax would have to be conducted by the city clerks and election officials of those participating cities. A tax levy could not be authorized for a metropolitan region unless a majority of the votes cast in each participating county and city favored the proposal.

Legislative Analyst: G. Towne

FISCAL IMPACT

Local units in metropolitan statistical areas with a population more than 700,000 people that established a metropolitan regional council could levy up to 0.5 mills if authorized by the majority of the votes cast in each participating county or city. If approved by the metropolitan regions Board of Directors, the metropolitan region's council could be reimbursed for actual and necessary expenses incurred in the performance of the council's official duties.

Fiscal Analyst: R. Ross