

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1501

**DATE:** March 26, 2009

**Version:** First engrossment

**Authors:** Westrom

**Subject:** Central Lakes Region Sanitary District dissolution

**Analyst:** Deborah A. Dyson

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

### Overview

The Central Lakes Region Sanitary District was authorized in 2003. The enabling legislation does not address how to dissolve the district and at this time, the district intends to dissolve. This bill adds provisions requested by the district to facilitate dissolution. It requires approval of all the member townships to take effect.

#### Section

- 1 Clarification, no election required for local bonds for district disposal system.** Clarifies that bonds issued for the district disposal system are not subject to election, whether issued by the district or a member unit of government.
- 2 Special charges authorized.** Permits a member unit of government to impose charges on property in the district in order to pay costs allocated to that unit of government by the district.
- 3 Town board may levy.** Clarifies that for a town, “governing body” means the town board of supervisors.
- 4 Central Lakes Region Sanitary District; dissolution.**
  - Subd. 1. Application.** Provides that this section and the next apply to the district and that the definitions in the original 2003 enabling law apply.
  - Subd. 2. Resolution of intent to dissolve; publication; cessation of business.** Requires a two-thirds vote of the district board to adopt a resolution of intent to dissolve. Requires the resolution to justify the dissolution and state the plan. Requires the board to publish and provide specific notice to property owners.
- 5 Central Lakes Region Sanitary Sewer Board; resolution of dissolution; disposition of assets and claims.**

**Subd. 1. Winding up of district.**

**Subd. 2. Collection, payment.** Directs the board to collect and pay or make provision for payment of all debts and to give creditors and claimants notice of intent to dissolve.

**Subd. 3. Valuation, disposition of assets.** Directs the board to identify and dispose of assets of the district. Permits the assets to be used to pay debts and obligations or to preserve the interest of a local unit of government in the asset.

**Subd. 4. Distribution.** Direct the board to distribute any remaining assets, after payment of debts, to be distributed to the townships on an equitable basis determined by the board.

**Subd. 5. Notice to creditors and claimants.** Requires notice to each creditor and claimant against the district by publication and by specific written notice to known creditors. Specifies content of notice.

**Subd. 6. Claims.** Gives the district 40 days from receipt of a claim to accept or reject it, or request additional information. Sets time deadlines for appealing.

**Subd. 7. Resolution of dissolution; when filed; contents; effective date.** Requires a two-thirds vote of the board to adopt the resolution of dissolution. Requires the resolution to be filed with the Secretary of State after the period for claims and appeals of claims is past. Specifies the content of the resolution. Provides that when the resolution is filed, the district is dissolved.

**6 Effective date.** Makes the act effective after all the townships of Brandon, Carlos, LaGrand, Leaf Valley, Miliona, and Moe, have completed local approval.