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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3992

- 03/02/2020 Authored by Murphy, Kresha and Olson
- The bill was read for the first time and referred to the Committee on Education Policy
- 04/14/2020 Adoption of Report: Re-referred to the Education Finance Division
- 04/30/2020 Adoption of Report: Re-referred to the Committee on Ways and Means
- Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
- 05/04/2020 Adoption of Report: Re-referred to the Committee on Ways and Means
- Joint Rule 2.03 has been waived for any subsequent committee action on this bill

1.1 A bill for an act

1.2 relating to education finance; authorizing Independent School District No. 709,

1.3 Duluth, to transfer levy authority from the long-term facilities maintenance revenue

1.4 program to the debt redemption fund; requiring a report; authorizing the sale of

1.5 bonds.

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

1.7 Section 1. SCHOOL BUILDING EFFICIENCIES; DULUTH SCHOOL DISTRICT.

1.8 Subdivision 1. Plan. (a) Independent School District No. 709, Duluth, must develop a

1.9 plan to sell Historic Old Central High School to another party. The plan must document the

1.10 current operating costs of the facility, the expected maintenance costs for the facility over

1.11 the next 20 years, and describe the alternatives for the programs and staff currently located

1.12 at Historic Old Central High School.

1.13 (b) The plan must also document potential building projects, which may include:

1.14 (1) constructing or acquiring new administrative space;

1.15 (2) adding transportation maintenance and bus storage facilities;

1.16 (3) improving roads and infrastructure; and

1.17 (4) preparing sites for building or demolishing the Duluth Central High School facility

1.18 constructed in 1971.

1.19 (c) The plan must be submitted by the school board to the commissioner of education

1.20 after the hearing required in subdivision 2.

1.21 (d) The commissioner must examine the plan, and if the commissioner concludes that

1.22 the plan will yield financial, student, and staff efficiencies for the district, approve the plan.

2.1 Subd. 2. **Public hearing.** At least 30 days prior to submitting the projects listed in the
2.2 plan developed under subdivision 1 for review and comment, the school board must hold
2.3 a public hearing on the plan and the building projects. The school board must allow public
2.4 testimony on the proposal.

2.5 Subd. 3. **Review and comment.** The district must submit the projects included in the
2.6 plan to the commissioner of education for review and comment under Minnesota Statutes,
2.7 section 123B.71.

2.8 Subd. 4. **Bond authorization.** (a) Independent School District No. 709, Duluth, may
2.9 issue general obligation bonds in an amount not to exceed \$31,500,000 under this section
2.10 to finance the school facility plan approved by the district and the commissioner of education
2.11 under subdivision 1. The district must comply with Minnesota Statutes, chapter 475, except
2.12 Minnesota Statutes, sections 475.58 and 475.59. The authority to issue bonds under this
2.13 section is in addition to any other bonding authority granted to the district.

2.14 (b) At least 20 days before the issuance of bonds or the final certification of levies under
2.15 this section, the district must publish notice of the intended projects, the amount of the bonds
2.16 to be issued, and the total amount of the district's debt.

2.17 (c) The debt service required by the bonds issued is debt service revenue under Minnesota
2.18 Statutes, section 123B.53.

2.19 Subd. 5. **Long-term facilities maintenance revenue.** The commissioner of education
2.20 must ensure that the district's long-term facilities maintenance plan under Minnesota Statutes,
2.21 section 123B.595 reflects the savings outlined in the plan developed in subdivision 1.

2.22 Subd. 6. **Report.** On February 15 of each even-numbered year, Independent School
2.23 District No. 709, Duluth, must submit a report on the outcomes and efficiencies achieved
2.24 under this section to the commissioner of education and to the chairs and ranking minority
2.25 members of the legislative committees having jurisdiction over education finance.

2.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.