

SENATE  
STATE OF MINNESOTA  
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 986

(SENATE AUTHORS: SENJEM)

DATE	D-PG	OFFICIAL STATUS
03/21/2011	609	Introduction and first reading Referred to Capital Investment
03/28/2011	767a	Comm report: To pass as amended and re-refer to Finance

A bill for an act  
relating to capital investment; delaying bond sale authorizations and reducing  
appropriations; requiring the sale and issuance of refunding bonds.  
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **STATE DEBT REFUNDING REQUIRED.**

Subdivision 1. **Refunding.** The commissioner of management and budget must  
issue and sell refunding bonds for state general obligation bonds that are eligible for  
refunding under federal tax laws if the interest rate savings to the state are greater than the  
costs associated with the issuance and sale of the refunding bonds. The commissioner must  
implement this section in a time frame that will reduce the amount of the appropriation  
from the general fund authorized in Minnesota Statutes, section 16A.641, subdivision  
10, in fiscal years 2012 and 2013.

Subd. 2. **Appropriation reduction.** The result of the sale of refunding bonds under  
subdivision 1 is estimated to reduce the appropriation for fiscal years 2012 and 2013 under  
Minnesota Statutes, section 16A.641, subdivision 10, by \$60,000,000.

Subd. 3. **Alternative reduction.** To the extent that the sale of refunding bonds  
in subdivision 1 does not reduce the appropriation from the general fund in Minnesota  
Statutes, section 16A.641, subdivision 10, by \$60,000,000, the commissioner of  
management and budget must delay the issuance of general obligation bonds that have  
been authorized but not yet issued to the extent that these delays, together with the result  
of the refunding in subdivision 1, reduces the appropriation for fiscal years 2012 and 2013  
under Minnesota Statutes, section 16A.641, subdivision 10, by \$60,000,000.

**S.F. No. 986, 1st Engrossment - 87th Legislative Session (2011-2012) [S0986-1]**

2.1            Subd. 4. **Effect of delay.** Any delay in a capital investment project incurred as  
2.2            a result of this section shall not be counted toward the four-year time limits set forth  
2.3            in Minnesota Statutes, section 16A.642.

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