A bill for an act

relating to capital improvements; appropriating money for construction and renovation of facilities in Independent School District No. 38, Red Lake; authorizing the sale and issuance of state bonds.

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

Section 1. **INDEPENDENT SCHOOL DISTRICT NO. 38, RED LAKE.**

Subdivision 1. **Appropriation.** $5,780,000 is appropriated from the maximum effort school loan fund for a capital loan to Independent School District No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, furnish, and equip renovation of existing facilities and construction of new facilities.

The project paid for with this appropriation includes a portion of the renovation and construction identified in the review and comment performed by the commissioner of education under the capital loan provisions of Minnesota Statutes, section 126C.69. This portion includes renovation and construction of a single kitchen and cafeteria to serve the high school and middle school, a receiving area and dock and adjacent drives, utilities, and grading.

Before any capital loan contract is approved under this authorization, the district must provide documentation acceptable to the commissioner on how the capital loan will be used. If any portion of the appropriation remains after completion of the identified project components, the district may, with the commissioner's approval, use the money for other items identified in the review and comment submission.

Subd. 2. **Bond sale.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to $5,780,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

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