

SENATE

STATE OF MINNESOTA

NINETY-THIRD SESSION

S.F. No. 5121

(SENATE AUTHORS: PHA)

DATE	D-PG	OFFICIAL STATUS
03/20/2024	12450	Introduction and first reading Referred to Education Finance

1.1

A bill for an act

1.2

relating to education finance; amending the allowed uses of long-term facilities

1.3

maintenance revenue; amending Minnesota Statutes 2022, section 123B.595, by

1.4

adding a subdivision; Minnesota Statutes 2023 Supplement, section 123B.595,

1.5

subdivisions 4, 10, 11.

1.6

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

1.7

Section 1. Minnesota Statutes 2023 Supplement, section 123B.595, subdivision 4, is

1.8

amended to read:

1.9

Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school district

1.10

or intermediate district, not including a charter school, must have a ten-year facility plan

1.11

adopted by the school board and approved by the commissioner. The plan must include

1.12

provisions for implementing a health and safety program that complies with health, safety,

1.13

and environmental regulations and best practices, including indoor air quality management

1.14

and remediation of lead hazards. The plan may include provisions for enhancing school

1.15

safety through physical modifications to school facilities as described in subdivision 4a.

1.16

For planning purposes, the plan must also address provisions for providing a gender-neutral

1.17

single-user restroom at each school site.

1.18

(b) The district must annually update the plan, submit the plan to the commissioner for

1.19

approval by July 31, and indicate whether the district will issue bonds to finance the plan

1.20

or levy for the costs.

1.21

(c) For school districts issuing bonds to finance the plan, the plan must include a debt

1.22

service schedule demonstrating that the debt service revenue required to pay the principal

2.1 and interest on the bonds each year will not exceed the projected long-term facilities revenue  
2.2 for that year.

2.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

2.4 Sec. 2. Minnesota Statutes 2022, section 123B.595, is amended by adding a subdivision  
2.5 to read:

2.6 Subd. 4a. **School safety facility enhancements.** A school district may include in its  
2.7 facilities plan a school safety facilities plan. School safety projects may include remodeling  
2.8 and new construction for school security enhancements and equipment and facility  
2.9 modifications related to violence prevention and facility security. Projects authorized may  
2.10 be included in the plan until the projects are complete.

2.11 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

2.12 Sec. 3. Minnesota Statutes 2023 Supplement, section 123B.595, subdivision 10, is amended  
2.13 to read:

2.14 Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** (a) A district  
2.15 may use revenue under this section for any of the following:

2.16 (1) deferred capital expenditures and maintenance projects necessary to prevent further  
2.17 erosion of facilities;

2.18 (2) increasing accessibility of school facilities;

2.19 (3) health and safety capital projects under section 123B.57;

2.20 (4) school safety facility enhancements authorized under subdivision 4a;

2.21 (5) remodeling or constructing a gender-neutral single-user restroom at each school site;

2.22 or

2.23 ~~(5)~~ (6) by board resolution, to transfer money from the general fund reserve for long-term  
2.24 facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when  
2.25 due, principal and interest on general obligation bonds issued under subdivision 5.

2.26 (b) A charter school may use revenue under this section for any purpose related to the  
2.27 school.

2.28 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

3.1 Sec. 4. Minnesota Statutes 2023 Supplement, section 123B.595, subdivision 11, is amended  
3.2 to read:

3.3 Subd. 11. **Restrictions on long-term facilities maintenance revenue.** Notwithstanding  
3.4 subdivision 10, long-term facilities maintenance revenue may not be used:

3.5 (1) for the construction of new facilities, remodeling of existing facilities, or the purchase  
3.6 of portable classrooms, except for the costs associated with constructing or remodeling  
3.7 existing facilities to include at least one gender-neutral single-user restroom authorized  
3.8 under subdivision 10;

3.9 (2) to finance a lease purchase agreement, installment purchase agreement, or other  
3.10 deferred payments agreement;

3.11 (3) for energy-efficiency projects under section 123B.65, for a building or property or  
3.12 part of a building or property used for postsecondary instruction or administration, or for a  
3.13 purpose unrelated to elementary and secondary education; or

3.14 (4) for ~~violence prevention and facility security~~, ergonomics, or emergency  
3.15 communication devices.

3.16 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.