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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4037

03/07/2022 Authored by Igo
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; authorizing Independent School District No. 318,
1.3 Grand Rapids, to transfer levy authority from long-term facilities maintenance
1.4 revenue to the debt redemption fund; requiring a report; authorizing the sale and
1.5 issuance of state bonds.

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

1.7 Section 1. SCHOOL BUILDING EFFICIENCIES; GRAND RAPIDS SCHOOL
1.8 DISTRICT.

1.9 Subdivision 1. Plan. (a) Independent School District No. 318, Grand Rapids, must
1.10 develop a plan to reduce facility lease costs. The plan must document the current operating
1.11 costs of the facility and the expected maintenance costs for the facility over the next 20
1.12 years and describe the cost savings for moving programs and staff to Southwest Elementary
1.13 School.

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

1.15 (1) constructing, remodeling, or adding new administrative space, including a board
1.16 room, training rooms, and other offices;

1.17 (2) constructing, remodeling, or adding a new area learning center; and

1.18 (3) constructing, remodeling, or adding a new early childhood program space.

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.

2.1 (d) The commissioner must examine the plan, and if the commissioner determines that
2.2 the plan will yield financial, student, and staff efficiencies for the district, must approve the
2.3 plan.

2.4 Subd. 2. **Public hearing.** At least 30 days prior to submitting for review and comment
2.5 the plan developed under subdivision 1 documenting potential building projects, the school
2.6 board must hold a public hearing on the plan and the building projects. The school board
2.7 must allow public testimony on the proposal.

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

2.11 Subd. 4. **Bond authorization.** (a) Independent School District No. 318, Grand Rapids,
2.12 may issue general obligation bonds in an amount not to exceed \$5,000,000 under this section
2.13 to finance the school facility plan approved by the district and the commissioner of education
2.14 under subdivision 1. The district must comply with Minnesota Statutes, chapter 475, except
2.15 Minnesota Statutes, sections 475.58 and 475.59. The authority to issue bonds under this
2.16 section is in addition to any other bonding authority granted to the district.

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

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

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

2.25 Subd. 6. **Report.** By February 15 of each even-numbered year, Independent School
2.26 District No. 318, Grand Rapids, must submit a report to the commissioner of education and
2.27 to the chairs and ranking minority members of the legislative committees having jurisdiction
2.28 over education finance detailing the outcomes and efficiencies achieved under this section.

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