

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 1399**

(SENATE AUTHORS: TOMASSONI, Saxhaug and Bakk)

DATE	D-PG	OFFICIAL STATUS
03/14/2013	1025	Introduction and first reading Referred to Finance

1.1 A bill for an act  
 1.2 relating to capital investment; appropriating money for school buildings and  
 1.3 facilities renovation in Hibbing; authorizing the sale and issuance of school bonds.

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

1.5 Section 1. **HIBBING SCHOOL DISTRICT NO. 701.**

1.6 Subdivision 1. **Authorization.** Independent School District No. 701, Hibbing, may  
 1.7 issue bonds in an aggregate principal amount not exceeding \$9,800,000, in addition to any  
 1.8 bonds already issued or authorized, to provide funds to design, construct, equip, furnish,  
 1.9 remodel, rehabilitate, and acquire land for school facilities and buildings, or to abate,  
 1.10 remove, and dispose of asbestos, polychlorinated biphenyls, or petroleum as defined  
 1.11 in Minnesota Statutes, section 115C.02, and to make repairs related to the abatement,  
 1.12 removal, or disposal of these substances. The board may spend the proceeds of the bond  
 1.13 sale for those purposes and any architect, engineer, and legal fees incidental to those  
 1.14 purposes or the sale. The bond shall be authorized, issued, sold, executed, and delivered  
 1.15 in the manner provided by Minnesota Statutes, chapter 475, including submission of the  
 1.16 proposition to the electors under Minnesota Statutes, section 475.58. After authorization  
 1.17 by the electors under Minnesota Statutes, section 475.58, a resolution of the board  
 1.18 levying taxes for the payment of bonds and interest on them and pledging the proceeds  
 1.19 of the levies for the payment of the bonds and interest on them shall be deemed to be in  
 1.20 compliance with the provisions of Minnesota Statutes, chapter 475, with respect to the  
 1.21 levying of taxes for their payment.

1.22 Subd. 2. **Appropriation.** There is annually appropriated from the distribution of  
 1.23 taconite production tax revenues to the taconite environmental protection fund pursuant  
 1.24 to Minnesota Statutes, section 298.28, subdivision 11, and to the northeast Minnesota

2.1 economic protection trust pursuant to Minnesota Statutes, section 298.28, subdivisions 9  
2.2 and 11, in equal shares, an amount sufficient to pay when due 80 percent of the principal  
2.3 and interest on the bonds issued pursuant to subdivision 1. If the annual distribution to the  
2.4 northeast Minnesota economic protection trust is insufficient to pay its share after fulfilling  
2.5 any obligations of the trust under Minnesota Statutes, section 298.225 or 298.293, the  
2.6 deficiency shall be appropriated from the taconite environmental protection fund.

2.7 Subd. 3. **District obligations.** Bonds issued under authority of this section shall  
2.8 be the general obligations of the school district, for which its full faith and credit and  
2.9 unlimited taxing powers shall be pledged. If there are any deficiencies in the amount  
2.10 received pursuant to subdivision 2, they shall be made good by general levies, not subject  
2.11 to limit, on all taxable properties in the district in accordance with Minnesota Statutes,  
2.12 section 475.64. If any deficiency levies are necessary, the school board may effect a  
2.13 temporary loan or loans on certificates of indebtedness issued in anticipation of the levies  
2.14 to meet payments of principal or interest on the bonds due or about to become due.

2.15 Subd. 4. **District levy.** The school board shall by resolution levy on all property in  
2.16 the school district subject to the general ad valorem school tax levies, and not subject to  
2.17 taxation under Minnesota Statutes, sections 298.23 to 298.28, a direct annual ad valorem  
2.18 tax for each year of the term of the bonds in amounts that, if collected in full, will produce  
2.19 the amounts needed to meet when due 20 percent of the principal and interest payments on  
2.20 the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended,  
2.21 assessed, collected, and remitted in accordance with Minnesota Statutes, section 475.61.

2.22 Subd. 5. **Levy limitations.** Taxes levied pursuant to this section shall be disregarded  
2.23 in the calculation of any other tax levies or limits on tax levies provided by other law.

2.24 Subd. 6. **Bonding limitations.** Bonds may be issued under authority of this section  
2.25 notwithstanding any limitations upon the indebtedness of a district, and those amounts  
2.26 shall not be included in computing the indebtedness of a district for any purpose, including  
2.27 the issuance of subsequent bonds and the incurring of subsequent indebtedness.

2.28 Subd. 7. **Termination of appropriation.** The appropriation authorized in  
2.29 subdivision 2 shall terminate upon payment or maturity of the last of those bonds.

2.30 **Sec. 2. LOCAL APPROVAL; EFFECTIVE DATE.**

2.31 This section is effective upon approval by the Independent School District No. 701  
2.32 school board and compliance with Minnesota Statutes, section 645.021.