

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 3266

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| DATE | D-PG | OFFICIAL STATUS |
|------------|-------|---|
| 02/21/2022 | 5069 | Introduction and first reading Referred to Finance |
| 03/21/2022 | 5482 | Author added Pratt |
| 05/18/2022 | 8492a | Comm report: To pass as amended |
| | 8493 | Second reading |

1.1 A bill for an act

1.2 relating to state government finance; adjusting the calculation for the stadium

1.3 general reserve account; requiring the commissioner of management and budget

1.4 to notify the legislature before making changes to the stadium general reserve

1.5 account; establishing a stadium refinance fund; transferring money; requiring the

1.6 stadium refinance fund balance be used to redeem or defease the stadium

1.7 appropriation bonds; proposing coding for new law in Minnesota Statutes, chapter

1.8 16A.

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

1.10 Section 1. 16A.728] STADIUM REFINANCE FUND.

1.11 Subdivision 1. Creation of fund. The commissioner of management and budget shall

1.12 establish the stadium refinance fund in the state treasury.

1.13 Subd. 2. Refinance supplement transfer. (a) If on the basis of a final closing balance

1.14 for the general fund for a fiscal year, the amount of the general reserve account under section

1.15 297E.021, subdivision 4, exceeds the greater of the stadium-related expenses under section

1.16 297E.021, subdivision 3, clause (1), or \$44,000,000, the commissioner shall certify a

1.17 refinance supplement in the general reserve account. The refinance supplement is equal to

1.18 the difference between the general reserve account at the final closing of a fiscal year and

1.19 the greater of the stadium-related expenses, or \$44,000,000.

1.20 (b) By October 1 of each year, the commissioner shall transfer the refinance supplement

1.21 computed under paragraph (a) to the stadium refinance fund.

1.22 Subd. 3. Use of fund. (a) After the date that the appropriation bonds under section

1.23 16A.695 become callable, the commissioner must use the amount in the fund to redeem or

1.24 defease outstanding debt for the stadium appropriation bonds under section 16A.965, to the

2.1 extent permitted by the bond contract. The money in the fund is appropriated only for this
 2.2 purpose. Notwithstanding sections 16A.66 and 16A.965, refunding bonds issued after
 2.3 redeeming outstanding debt for the stadium defined in section 473J.03, subdivision 8, that
 2.4 use money from the stadium refinance fund, may be issued without regard to whether the
 2.5 interest to be paid on the bonds is includable in gross income for federal tax purposes.

2.6 (b) After consulting with the Legislative Advisory Commission, the commissioner may
 2.7 transfer balances in the stadium refinance fund to the general fund to offset a shortfall in
 2.8 revenue collected under section 297A.994.

2.9 Subd. 4. **Investment of funds.** The commissioner of management and budget shall
 2.10 coordinate with the State Board of Investment to ensure that the balance in the stadium
 2.11 refinance fund is invested in a manner that does not generate any penalties under section
 2.12 148 of the federal Internal Revenue Code of 1986.

2.13 Subd. 5. **Report.** By October 15, 2022, and each year thereafter, the commissioner of
 2.14 management and budget must analyze and report to the legislature on the use of the money
 2.15 in the stadium refinance fund and the amount of the actual and projected refinance balance
 2.16 transfers from the general reserve account. The report shall analyze when the money in the
 2.17 stadium refinance fund will be used to redeem or defease the outstanding debt on the stadium
 2.18 appropriation bonds under section 16A.965. The report must be provided to the chairs and
 2.19 ranking minority members of the house of representatives Committee on Ways and Means
 2.20 and Taxes Committee, and the chairs and ranking minority members of the senate Finance
 2.21 Committee and Taxes Committee.

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

2.23 Sec. 2. **REFINANCED BONDS; REDUCED PAYMENTS.**

2.24 If the original bonds issued under Minnesota Statutes, section 16A.965, are refunded,
 2.25 the legislature should consult with the commissioner of management and budget and consider
 2.26 reducing payments required by the city of Minneapolis under Minnesota Statutes, section
 2.27 297A.994, subdivision 4, to reflect any reduced payments that the state of Minnesota must
 2.28 make for new bonds issued for the same purpose.

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

3.1 Sec. 3. **CONDITIONAL REPEALER.**

3.2 (a) The commissioner of management and budget shall notify the revisor of statutes
3.3 within 30 days of the certification under paragraph (b), that the bonds under Minnesota
3.4 Statutes, section 16A.965, have been redeemed or defeased.

3.5 (b) Minnesota Statutes, section 16A.727, is repealed 60 days after the commissioner of
3.6 management and budget certifies that the bonds under Minnesota Statutes, section 16A.965,
3.7 have been redeemed or defeased.