

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 3582

(SENATE AUTHORS: DRAHEIM, Koran and Howe)

DATE
02/24/2020

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4895 Introduction and first reading
Referred to Local Government

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to capital improvements; requiring voter approval for capital improvements
1.3 over \$1,000,000; amending Minnesota Statutes 2018, sections 373.40, subdivision
1.4 4; 475.521, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2018, section 373.40, subdivision 4, is amended to read:

1.7 Subd. 4. **Limitations on amount.** (a) A county may not issue bonds under this section
1.8 if the maximum amount of principal and interest to become due in any year on all the
1.9 outstanding bonds issued pursuant to this section (including the bonds to be issued) will
1.10 equal or exceed 0.12 percent of the estimated market value of property in the county.
1.11 Calculation of the limit must be made using the estimated market value for the taxes payable
1.12 year in which the obligations are issued and sold. This section does not limit the authority
1.13 to issue bonds under any other special or general law.

1.14 (b) Capital improvements over \$1,000,000 require the approval of a majority of the
1.15 voters in the county voting on the question of approving the capital improvement.

1.16 Sec. 2. Minnesota Statutes 2018, section 475.521, subdivision 4, is amended to read:

1.17 Subd. 4. **Limitations on amount.** (a) A municipality may not issue bonds under this
1.18 section if the maximum amount of principal and interest to become due in any year on all
1.19 the outstanding bonds issued under this section, including the bonds to be issued, will equal
1.20 or exceed 0.16 percent of the estimated market value of property in the municipality.
1.21 Calculation of the limit must be made using the estimated market value for the taxes payable
1.22 year in which the obligations are issued and sold. In the case of a municipality with a

2.1 population of 2,500 or more, the bonds are subject to the net debt limits under section 475.53.
2.2 In the case of a shared facility in which more than one municipality participates, upon
2.3 compliance by each participating municipality with the requirements of subdivision 2, the
2.4 limitations in this subdivision and the net debt represented by the bonds shall be allocated
2.5 to each participating municipality in proportion to its required financial contribution to the
2.6 financing of the shared facility, as set forth in the joint powers agreement relating to the
2.7 shared facility. This section does not limit the authority to issue bonds under any other
2.8 special or general law.

2.9 (b) Capital improvements over \$1,000,000 require the approval of a majority of the
2.10 voters in the municipality voting on the question of approving the capital improvement.

2.11 Sec. 3. **EFFECTIVE DATE.**

2.12 Sections 1 and 2 are effective for bonds issued after August 1, 2020.