

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 709

(SENATE AUTHORS: MILLER)

| DATE | D-PG | OFFICIAL STATUS |
|------------|------|---|
| 02/06/2017 | 527 | Introduction and first reading |
| | | Referred to E-12 Finance |
| 02/22/2017 | | Comm report: To pass as amended and re-refer to Taxes |

1.1 A bill for an act

1.2 relating to education finance; authorizing additional early repayments of maximum

1.3 effort capital loans; amending Laws 2011, First Special Session chapter 11, article

1.4 4, section 8, as amended.

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

1.6 Section 1. Laws 2011, First Special Session chapter 11, article 4, section 8, as amended

1.7 by Laws 2016, chapter 189, article 30, section 22, is amended to read:

1.8 Sec. 8. **EARLY REPAYMENT.**

1.9 (a) A school district that received a maximum effort capital loan prior to January 1,

1.10 1997, may repay the full outstanding original principal on its capital loan prior to July 1,

1.11 2012, and the liability of the district on the loan is satisfied and discharged and interest on

1.12 the loan ceases.

1.13 (b) A school district with an outstanding capital loan balance that received a maximum

1.14 effort capital loan prior to January 1, ~~2007~~ 2008, may repay to the commissioner of education

1.15 by ~~November 30, 2016~~ July 1, 2018, the full outstanding original principal on its capital

1.16 loan and the liability of the district on the loan is satisfied and discharged and interest on

1.17 the loan ceases.

1.18 (c) For loans repaid after July 1, 2012, the amount to be repaid equals the full outstanding

1.19 original principal less any interest amounts paid by the school district to the state over the

1.20 course of the loan.

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