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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 288

01/11/2023 Authored by Nelson, M.; Daudt and Nash

The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to state government finance; directing the commissioner of management
1.3 and budget to make a determination on use of general reserve account in connection
1.4 with refunding or prepayment of stadium appropriation bonds; amending Minnesota
1.5 Statutes 2022, section 297E.021, subdivision 4.

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

1.7 Section 1. Minnesota Statutes 2022, section 297E.021, subdivision 4, is amended to read:

1.8 Subd. 4. **Appropriation; general reserve account.** (a) To the extent the commissioner
1.9 determines that revenues are available under subdivision 3 for the fiscal year, those amounts
1.10 are appropriated from the general fund for deposit in a general reserve account established
1.11 by order of the commissioner of management and budget. Amounts in this reserve are
1.12 appropriated as necessary for application against any shortfall in the amounts deposited to
1.13 the general fund under section 297A.994 or, after consultation with the Legislative Advisory
1.14 Commission on Planning and Fiscal Policy, amounts in this reserve are appropriated to the
1.15 commissioner of management and budget for other uses related to the stadium authorized
1.16 under section 473J.03, subdivision 8, that the commissioner of management and budget
1.17 deems financially prudent including but not limited to reimbursements for capital and
1.18 operating costs relating to the stadium, refundings, and prepayment of debt. In no event,
1.19 shall available revenues be pledged, nor shall the appropriations of available revenues made
1.20 by this section constitute a pledge of available revenues as security for the prepayment of
1.21 principal and interest on the appropriation bonds under section 16A.965.

1.22 (b) If the balance in the general reserve account exceeds the greater of an amount equal
1.23 to the stadium-related expenses calculated under subdivision 3, clause (1), in the last budget
1.24 and economic forecast or \$44,000,000 at the time the commissioner is seeking to refund

2.1 bonds issued under section 16A.965, the commissioner of management and budget must
2.2 analyze the financial benefit to the state of applying the excess amount to the refunding
2.3 transaction to defease and prepay bonds. The analysis shall compare the estimated level of
2.4 savings that could be achieved by applying the excess general reserve account balance to
2.5 a bond prepayment to the estimated level of savings that would be achieved without the use
2.6 of the general reserve account. The commissioner must use this analysis to make a final
2.7 determination on use of the general reserve account in connection with a bond refunding
2.8 or prepayment. The commissioner must consult with the Legislative Advisory Commission
2.9 before making a final determination under this paragraph.

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

2.11 **Sec. 2. CONDITIONAL REPEALER.**

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

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