

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 739

(SENATE AUTHORS: JOHNSON)

DATE
02/09/2017

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543 Introduction and first reading
Referred to Capital Investment

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to capital investment; appropriating money for Northland Community and
1.3 Technical College in East Grand Forks; authorizing the sale and issuance of state
1.4 bonds.

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

1.6 Section 1. **NORTHLAND COMMUNITY AND TECHNICAL COLLEGE; EAST**
1.7 **GRAND FORKS.**

1.8 Subdivision 1. **Appropriation.** \$826,000 is appropriated from the bond proceeds fund
1.9 to the Board of Trustees of the Minnesota State Colleges and Universities to design, renovate,
1.10 furnish, and equip science and radiological lab space on the East Grand Forks campus.

1.11 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
1.12 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
1.13 the state in an amount up to \$826,000 in the manner, upon the terms, and with the effect
1.14 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
1.15 Constitution, article XI, sections 4 to 7.

1.16 Subd. 3. **Debt service.** (a) The board of trustees shall pay the debt service on one-third
1.17 of the principal amount of state bonds sold to finance the project authorized by this section.
1.18 After each sale of general obligation bonds, the commissioner of management of budget
1.19 shall notify the board of the amounts assessed for each year for the life of the bonds.

1.20 (b) The commissioner of management and budget shall reduce the board's assessment
1.21 each year by one-third of the net income from investment of general obligation bond proceeds
1.22 in proportion to the amount of principal and interest otherwise required to be paid by the
1.23 board. The board shall pay its resulting net assessment to the commissioner of management

- 2.1 and budget by December 1 of each year. If the board fails to make a payment when due,
2.2 the commissioner of management and budget shall reduce allotments for appropriations
2.3 from the general fund otherwise available to the board and apply the amount of the reduction
2.4 to cover the missed debt service payment. The commissioner of management and budget
2.5 shall credit the payments received from the board to the bond debt service account in the
2.6 state bond fund each December 1 before money is transferred from the general fund under
2.7 Minnesota Statutes, section 16A.641, subdivision 10.
- 2.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.