123B.60 BUILDING BONDS FOR CALAMITIES.

Subdivision 1. **Bonds.** When a building owned by a district is substantially damaged by an act of God or other means beyond the control of the district, the district may issue general obligation bonds without an election to provide money immediately to carry out its adopted health and safety program. Each year the district must pledge an attributable share of its health and safety revenue to the repayment of principal and interest on the bonds. The pledged revenue must be transferred to the debt redemption fund of the district. The district must submit to the department the repayment schedule for any bonds issued under this section. The district must deposit in the debt redemption fund all proceeds received for specific costs for which the bonds were issued, including but not limited to:

(1) insurance proceeds;

(2) restitution proceeds; and

(3) proceeds of litigation or settlement of a lawsuit.

Before bonds are issued, the district must submit a combined application to the commissioner for health and safety revenue, according to section 123B.57, and requesting review and comment, according to section 123B.71, subdivisions 8, 9, 11, and 12. The commissioner shall complete all procedures concerning the combined application within 20 days of receiving the application. The publication provisions of section 123B.71, subdivision 12, do not apply to bonds issued under this section.

Subd. 2. **Health and safety revenue.** For any fiscal year where the total amount of health and safety revenue is limited, the commissioner must award highest priority to health and safety revenue pledged to repay building bonds issued under subdivision 1.

History: *1989 c 70 s 1; 1994 c 647 art 14 s 1; 1Sp1995 c 3 art 16 s 13; 1998 c 397 art 7 s 36,164; art 11 s 3*