477A.09 MAXIMUM EFFORT LOAN AID.

(a) For fiscal years 2018 to 2022, each school district with a maximum effort loan under sections 126C.61 to 126C.72, outstanding as of June 30, 2016, is eligible for an aid payment equal to one-fifth of the amount of interest that was paid on the loan between December 1, 1990, and June 30, 2016. A school district with a maximum effort capital loan outstanding as of June 30, 2017, is eligible for an annual aid payment equal to one-fifth of the estimated amount of interest that will be paid by the district on the loan between June 30, 2017, and June 30, 2021. Aid payments under this section must be used to reduce current year property taxes levied on net tax capacity within the district or to reduce future years' tax levies by:

(1) retaining payments made under this section in the district's debt redemption fund for up to 20 years, notwithstanding the two-year limit under section 475.61, subdivision 3; or

(2) financing a defeasance of any future payments on outstanding bonded debt.

(b) Aid under this section must be paid in fiscal years 2018 to 2022. An amount sufficient to make aid payments under this section is annually appropriated from the general fund to the commissioner of education.

History: *1Sp2017 c 1 art 4 s 21*