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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3584

02/12/2024 Authored by Lee, F.; Hansen, R., and Xiong
The bill was referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to capital investment; requiring the reporting of debt capacity by political
1.3 subdivisions in capital budget submissions; amending Minnesota Statutes 2022,
1.4 section 16A.86, subdivision 3a.

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

1.6 Section 1. Minnesota Statutes 2022, section 16A.86, subdivision 3a, is amended to read:

1.7 Subd. 3a. Information provided. All requests for state assistance under this section
1.8 must include the following information:

1.9 (1) the name of the political subdivision that will own the capital project for which state
1.10 assistance is being requested;

1.11 (2) the public purpose of the project;

1.12 (3) the extent to which the political subdivision has or expects to provide local, private,
1.13 user financing, or other nonstate funding for the project;

1.14 (4) a list of the bondable activities that the project encompasses; examples of bondable
1.15 activities are public improvements of a capital nature for land acquisition, predesign, design,
1.16 construction, and furnishing and equipping for occupancy;

1.17 (5) whether the project will require new or additional state operating subsidies;

1.18 (6) whether the governing body of the political subdivision requesting the project has
1.19 passed a resolution in support of the project and has established priorities for all projects
1.20 within its jurisdiction for which bonding appropriations are requested when submitting
1.21 multiple requests;

2.1 (7) if the project requires a predesign under section 16B.335, whether the predesign has
 2.2 been completed at the time the capital project request is submitted, and whether the political
 2.3 subdivision has submitted the project predesign to the commissioner of administration for
 2.4 review and approval; ~~and~~

2.5 (8) the debt capacity of the political subdivision, calculated as the difference between
 2.6 the maximum net debt that the political subdivision may incur under chapter 475 or other
 2.7 applicable law and the debt the political subdivision has incurred by the date of the
 2.8 submission of information under this subdivision; and

2.9 ~~(8)~~ (9) if applicable, the information required under section 473.4485, subdivision 1a.

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