

**PUBLIC FINANCE
Local Government Debt
Financing Modified**

April 3, 2024

Department of Revenue
Analysis of S.F. 5235 (Rest) / H.F. 5248 (Gomez) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

Fund Impact

	F.Y. 2024	F.Y. 2025	F.Y. 2026	F.Y. 2027
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Assumed effective date of August 1, 2024.

EXPLANATION OF THE BILL

The proposal makes several modifications to local government debt financing. It would expand which educational facility construction projects are exempt from a review and comment period, narrow the types of school construction bonding that require publication and public meetings, narrow which school projects funded through lease purchases are subject to a review and comment period, add construction of a court house or justice center to debt obligations for which the state provides a guarantee, clarify which obligations fall under bond allocation act rules, and adjust the deadline for issuers that receive an allocation from the unified pool to issue obligations.

REVENUE ANALYSIS DETAIL

- There is no assumed impact to the state general fund.

Source: Minnesota Department of Revenue
Property Tax Division – Research Unit
<https://www.revenue.state.mn.us/revenue-analyses>

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