

Subject MAXIS improvements lease-purchase financing.

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Overview

This bill authorizes the commissioner of management and budget to enter into a lease-purchase agreement and sell and issue certificates of participation to fund the development, acquisition, installation, and implementation of a modernization plan or replacement of the state's MAXIS system, which is used by the state and counties to determine eligibility for public assistance and health care. \$10,000,000 annually in fiscal years 2027 to 2036 is appropriated from the general fund to make payments under the lease-purchase agreement.

Summary

| Section | Description |
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| 1 | <p>[16A.83] MAXIS improvements lease-purchase financing.</p> <p>Subd. 1. Definitions. Defines the following terms for the purposes of the section: "lease-purchase agreement," "MAXIS lease-purchase guidelines," and "MAXIS project."</p> <p>Subd. 2. Lease-purchase financing. Authorizes the commissioner of management and budget to enter into a lease-purchase agreement to fund the MAXIS project. Authorizes the commissioner to sell and issue certificates of participation, subject to certain criteria.</p> <p>Subd. 3. Covenants. Authorizes the commissioner to covenant certain terms and provisions in a lease-purchase agreement.</p> <p>Subd. 4. Credit and appropriation of proceeds. Requires the proceeds, and net income on the proceeds, of the lease-purchase agreement and certificates of participation to be credited to the appropriate accounts in the state treasury. Appropriates money in the MAXIS lease project fund for the purposes of the MAXIS project.</p> |
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Section **Description**

Subd. 5. Transfer of funds. Authorizes the commissioner to transfer funds between the MAXIS lease project fund and general fund.

Subd. 6. Administrative expenses. Appropriates lease-purchase proceeds for certain administrative expenses associated with the lease-purchase agreement and certificates of participation.

Subd. 7. Treatment of MAXIS lease project fund. Requires lease-purchase proceeds remaining in the MAXIS lease project fund after the project is completed or abandoned to be transferred to the general fund.

Subd. 8. Lease-purchase not public debt. Clarifies that a lease-purchase agreement is not a general or moral obligation or indebtedness of the state.

Subd. 9. Tax treatment. Exempts property purchased subject to the lease-purchase agreement from certain taxes.

Subd. 10. Refunding certificates. Authorizes the commissioner to take certain refinancing actions in relation to the lease-purchase agreement and certificates of participation.

2 **[16A.835] MAXIS lease-purchase appropriation.**

Appropriates \$10,000,000 annually in fiscal years 2027 to 2036 from the general fund to make payments for development, acquisition, installation, and implementation of a modernization plan or replacement of the state's MAXIS system.



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