

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 583

DATE: April 8, 2003

Version: As introduced

Authors: Nornes and others

Subject: Higher Education Finance Authority bonding authority increased

Analyst: Kathy Novak 651-296-9253

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

The higher education finance authority is established in statute to finance facilities at nonprofit, private higher education institutions in Minnesota. The authority consists of eight members appointed by the governor, a representative of the Higher Education Services Office and a nonvoting representative of the private colleges council. Certain projects of public two-year colleges may be financed through the authority. The authority uses revenue bonds, subject to a statutory cap, to finance projects at participating institutions. The cap was last increased in 2000 from \$500 million to \$650 million. This bill increases the cap on the principal of the outstanding revenue bonds to \$800 million.

Section

- 1 Bonding authority.** Increases the aggregate bonding authority of the higher education finance authority from \$650 million to \$800 million. Bonds may be issued under this authority to acquire, construct, remodel, renovate, furnish, or improve projects at nonprofit higher education institutions. Two-year public colleges may be considered for the financing of childcare and parking facilities.