

Subject University of Minnesota Clinical Research Facility financing

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Overview

This bill would allow the existing state general fund appropriation to the University of Minnesota that pays debt service on 75 percent of the university bonds issued for the biomedical science research facilities also to be used to pay debt service on university bonds issued for the Clinical Research Facility (CRF).

Design, land acquisition, site preparation, and preconstruction services for the CRF project are estimated to cost \$27 million and the university's request for state general obligation bond funding for two-thirds of that (\$18 million) was not included in the governor's bonding recommendations for 2020.

Summary

Section	Description
1	Purpose. Adds funding the design, land acquisition, site preparation, and preconstruction services for the CRF as a purpose of the law that originally funded the biomedical science research facilities.
2	Biomedical science research facility. Adds CRF to the definition of biomedical science research facility.
3	Clinical Research Facility. Specifies that the CRF is a facility on the Twin Cities campus of the university and it is to provide a consolidated home for the Clinical Translational Science Institute and related programs that support education, research, clinical training, and patient care.
4	Biomedical science research facilities funding program. Provides that appropriations for the CRF are for 100 percent of stated project costs.

Section	Description
5	<p>Conditions for payments to the university.</p> <p>Subd. 1. Certifications. Provides that the annual payment for the CRF is to pay debt service on university bonds issued to finance 100 percent of the costs. (The state appropriation to pay debt service on university bonds issued for the biomedical science research facilities covers 75 percent of project costs.)</p> <p>Subd. 2. Payments. Technical.</p> <p>Subd. 3. Appropriations. Updates the annual amount appropriated from the state general fund to the university to reflect current actual payments.</p> <p>Subd. 4. Report to legislature. No change.</p> <p>Subd. 5. Reinvestment. No change.</p> <p>Subd. 6. Services to individuals and firms. No change.</p> <p>Subd. 7. Refunding of bonds; allocation of savings realized. Allows the university to refinance the bonds issued for the biomedical science research facilities. Provides that the annual appropriation from the state general fund that is not needed to pay debt service on the refinanced university bonds may be used to pay debt service on bonds issued for design, land acquisition, site preparation, and preconstruction services for the CRF. Provides that in any year the amount needed is less than the appropriation, the excess cancels to the state general fund.</p>



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