

S.F. No. 1182 – Nonstate funding and capital project submission requirements for projects requesting state assistance modification

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Current law precludes the state share of the cost of a capital project for a political subdivision to be more than half of the total cost. This requirement has been waived routinely for some or all of the appropriations in the omnibus bonding bill. (For the past several omnibus bonding bills, the waiver was placed in the preamble of the bill as a practical way to make sure that necessary waivers were include.) Sections 1 and 3 of SF 1192 eliminate the 50% nonstate match as a statutory requirement and replaces the requirement with an “intention” that the state share be no more than 50%.

Incidentally, another requirement, the “full funding” requirement, requires that a project be fully funded – from whatever sources – before an appropriation of bond proceeds will be released for the project. This bill does not alter that requirement.

Section 1 [Nonstate Contributions to Capital Projects] states an intention that the state share of a capital project for a political subdivision be no more than half the total cost of the project.

Section 2 [Information provided] clarifies and modifies the information required in a local government’s submission to MMB requesting state funding for a capital project, regarding the local government to identify the percentage of the total cost of the project that is secured from nonstate sources.

Section 3 [Repealer] repeals the requirement that the state’s share of a capital project be no more than 50% of the total cost without the legislature or the governor having a compelling reason for providing or recommending a higher state share.