

S.F. No. 2405 – 2023 Public Finance Bill (as proposed to be amended by A-1)

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SF 2405 is the annual public finance bill.

Section 1. Time deposits. Authorizes public funds of a government entity to be invested in time deposits that are fully insured by the National Association of Credit Unions.

Section 2. Purchase of capital equipment; school district. Extends, from ten to twenty years, the duration limit of certificates or notes issued by a school district.

Section 3. Certificates of indebtedness; towns. Extends, from ten to twenty years, the duration limit for certificates of indebtedness issued by a town.

Section 4. Capital notes; county. Extends, from ten to twenty years, the duration limit for capital notes issued by a county, and modifies the definition of ‘capital equipment’ to include projects that eliminate R-22 refrigerant.

Section 5. Equipment acquisition; capital notes; Hennepin County. Extends, from ten to twenty years, the duration limit for capital notes issued by Hennepin County.

Section 6. Cities may issue capital notes for capital equipment; home rule charter city. Extends, from ten to twenty years, the duration limit for capital notes issued by a home rule charter city, and modifies the definition of ‘capital equipment’ to include projects that eliminate R-22 refrigerant.

Section 7. Financing purchase of certain equipment; statutory city. Extends, from ten to twenty years, the duration limit for certificates of indebtedness or capital notes issued by a statutory city, and modifies the definition of ‘capital equipment’ to include projects that eliminate R-22 refrigerant.

Section 8. Operation area as taxing district; special tax; housing and redevelopment authority. Provides a reference to the special taxing district levy certification process for housing and redevelopment authorities.

Section 9. Mandatory city levy; port authority. Provides a reference to the special taxing district levy certification process for port authorities.

Section 10. Discretionary city levy; port authority. Provides a reference to the special taxing district levy certification process for port authorities.

Section 11. City tax levy; economic development authorities. Provides a reference to the special taxing district levy certification process for economic development authorities.

Section 12. Public facilities project. Eliminates the requirement that public facilities funded by tax-exempt bonds be publicly owned, or be a facility used for district heated or cooling.

Section 13. Qualified bonds. Eliminates specific projects that can be financed with public facility bonds so that the federal tax rules apply.

Section 14. In installments; exception; annual limit. Eliminates ambiguity concerning whether both municipal water and wastewater treatment systems and essential community facilities must be financed or guaranteed by the United States Department of Agriculture in order to qualify for the longer, 40-year maturity limit.