

1.1 Senator moves to amend S.F. No. 5252 as follows:

1.2 Page 24, after line 23, insert:

1.3 "Section 1. Minnesota Statutes 2022, section 123B.71, subdivision 8, is amended to read:

1.4 Subd. 8. **Review and comment.** A school district, a special education cooperative, or
1.5 a cooperative unit of government, as defined in section 123A.24, subdivision 2, must not
1.6 ~~initiate~~ enter into an installment contract for purchase or a lease agreement, hold a referendum
1.7 for bonds, nor solicit bids for new construction, expansion, or remodeling of an educational
1.8 facility that requires an expenditure in excess of \$500,000 per school site if it has a capital
1.9 loan outstanding, or \$2,000,000 per school site if it does not have a capital loan outstanding,
1.10 prior to review and comment by the commissioner. ~~A facility addition, maintenance project,~~
1.11 ~~or remodeling project~~ New construction, expansion, or remodeling of an educational facility
1.12 funded only with general education revenue, lease levy proceeds from an additional capital
1.13 expenditure levy under section 126C.40, subdivision 1, capital facilities bond proceeds, or
1.14 long-term facilities maintenance revenue is exempt from this provision. A capital project
1.15 under section 123B.63 addressing only technology is exempt from this provision if the
1.16 district submits a school board resolution stating that funds approved by the voters will be
1.17 used only as authorized in section 126C.10, subdivision 14. A school board shall not separate
1.18 portions of a single project into components to avoid the requirements of this subdivision.

1.19 Sec. 2. Minnesota Statutes 2023 Supplement, section 123B.71, subdivision 12, is amended
1.20 to read:

1.21 Subd. 12. **Publication.** (a) At least 48 days but not more than ~~60~~ 88 days before a
1.22 referendum for bonds under chapter 475 or solicitation of bids for a project that has received
1.23 a positive or unfavorable review and comment under section 123B.70, the school board
1.24 shall publish a summary of the commissioner's review and comment of that project in the
1.25 legal newspaper of the district. The school board must hold a public meeting to discuss the
1.26 commissioner's review and comment before ~~the~~ such a referendum for bonds. Supplementary
1.27 information shall be available to the public. Where no such referendum for bonds is required,
1.28 the publication and public meeting requirements of this subdivision shall not apply.

1.29 (b) The publication requirement in paragraph (a) does not apply to alternative facilities
1.30 projects approved under section 123B.595.

2.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 126C.40, subdivision 6, is amended
2.2 to read:

2.3 Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by,
2.4 the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs
2.5 (a) and (b), a district, as defined in this subdivision, may:

2.6 (1) purchase real or personal property under an installment contract or may lease real
2.7 or personal property with an option to purchase under a lease purchase agreement, by which
2.8 installment contract or lease purchase agreement title is kept by the seller or vendor or
2.9 assigned to a third party as security for the purchase price, including interest, if any; and

2.10 (2) annually levy the amounts necessary to pay the district's obligations under the
2.11 installment contract or lease purchase agreement.

2.12 (b) The obligation created by the installment contract or the lease purchase agreement
2.13 must not be included in the calculation of net debt for purposes of section 475.53, and does
2.14 not constitute debt under other law. An election is not required in connection with the
2.15 execution of the installment contract or the lease purchase agreement.

2.16 (c) The proceeds of the levy authorized by this subdivision must not be used to acquire
2.17 a facility to be primarily used for athletic or school administration purposes.

2.18 (d) For the purposes of this subdivision, "district" means:

2.19 (1) Special School District No. 1, Minneapolis, Independent School District No. 625,
2.20 St. Paul, Independent School District No. 709, Duluth, or Independent School District No.
2.21 535, Rochester, if the district's desegregation plan has been determined by the commissioner
2.22 to be in compliance with Department of Education rules relating to equality of educational
2.23 opportunity and where the acquisition of property under this subdivision is determined by
2.24 the commissioner to contribute to the implementation of the desegregation plan; or

2.25 (2) other districts eligible for revenue under section 124D.862 if the facility acquired
2.26 under this subdivision is to be primarily used for a joint program for interdistrict
2.27 desegregation and the commissioner determines that the joint programs are being undertaken
2.28 to implement the districts' desegregation plan.

2.29 (e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease
2.30 or rent a district-owned building to itself does not apply to levies otherwise authorized by
2.31 this subdivision.

2.32 (f) For the purposes of this subdivision, any references in subdivision 1 to building or
2.33 land shall include personal property.

3.1 (g) Projects funded under this subdivision that require an expenditure in excess of
3.2 \$500,000 per school site if the school district has a capital loan outstanding, or \$2,000,000
3.3 per school site if the school district does not have a capital loan outstanding, are subject to
3.4 review and comment under section 123B.71, subdivision 8, in the same manner as other
3.5 school construction projects."

3.6 Renumber the sections in sequence and correct the internal references

3.7 Amend the title accordingly