



S.F. No. 2880 – 2025 Public Finance Bill

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Date: March 31, 2025

SF 2880 is the 2025 Public Finance bill prepared by the Minnesota Institute of Public Finance.

Sections 1, 4, 6, and 9. Harmonizes the period in which the notice of bond issuance, and the date and time of a public hearing to discuss the bond issuance, must be published in an official newspaper of the county or in a newspaper of general circulation in the county.

Section 1. County capital improvement bonds. Shortens the notice requirement from 14 days to 10 days before the public hearing.

Section 4. Housing bonds. Shortens the notice requirement from 15 days to 10 days before the public hearing.

Section 6. Health care, non-profit, exempt facilities. Shortens the notice requirement from 14 days to 10 days before the public hearing.

Section 9. Election requirement. City capital improvement bonds. Shortens the notice requirement from 14 days to 10 days before the public hearing.

Section 2. Definition. Modifies the definition of ‘debt obligation’ for purposes of general obligation bonds issued by counties to include the construction of a court house or justice center, if connected to a jail, correctional facility, or other law enforcement facility. Under current law, bonds issues for jails, correctional facilities, and law enforcement facilities are eligible for the Credit Enhancement Program which provides limited state bond guarantees, often resulting in higher credit ratings for counties and lower interest rates on general obligation bonds.

Section 3. Application. Allows projects in the credit enhancement program to be refinanced at a lower interest rate. Under current law, the credit enhancement program is limited to new projects and refinancing of projects is not allowed.

Section 5. Sections that apply if federal limit applies. Clarifies that the Minnesota Bond Allocation Act applies to bonds issued by economic development authorities that are required by federal law to obtain an allocation of the volume cap.

Section 7. Application for residential rental projects. Clarifies that for residential rental project allocations the period in which an issuer must permanently issue obligations shall be the earlier of: (1) 180 days of the allocation; or (2) the last business day of December.

Section 8. Application for all other types of qualified bonds. Clarifies that for all allocations, other than those issued for residential rental projects, the period in which an issuer must permanently issue obligations shall be the earlier of: (1) 120 days of the allocation; or (2) the last business day of December.

Section 10. Funds, how provided. Clarifies that counties may authorize bond financing for sheriff's offices, law enforcement centers, or courthouses or justice centers attached to a county jail.