

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2091

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DATE
03/07/2019

D-PG

Introduction and first reading
Referred to E-12 Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to education finance; including elementary grades under the joint powers
1.3 cooperative facilities program; amending Minnesota Statutes 2018, section
1.4 123A.482.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2018, section 123A.482, is amended to read:

1.7 **123A.482 JOINT POWERS COOPERATIVE FACILITY.**

1.8 Subdivision 1. **Schools may be jointly operated.** Two or more school districts may
1.9 agree to jointly operate a ~~secondary school~~ facility. The districts may choose to operate the
1.10 facility according to a joint powers agreement under section 123A.78 or 471.59.

1.11 Subd. 2. **Expanded program offerings.** A jointly operated ~~secondary school~~ program
1.12 seeking funding under section 123A.485 must demonstrate to the commissioner's satisfaction
1.13 that the jointly operated program provides enhanced learning opportunities and broader
1.14 curriculum offerings to the students attending that program. The commissioner must approve
1.15 or disapprove a cooperative ~~secondary school~~ program within 60 days of receipt of an
1.16 application.

1.17 Subd. 3. **Transfer of employees.** If an employee is transferred between two employer
1.18 members of the joint powers agreement under this section, the employee's length of service
1.19 under section 122A.40, subdivision 5, remains uninterrupted. The employee ~~shall~~ must
1.20 receive credit on the receiving district's salary schedule for the employee's educational
1.21 attainment and years of continuous service in the sending district, or ~~shall~~ must receive a
1.22 comparable salary, whichever is greater. The employee ~~shall~~ must receive credit for accrued

2.1 sick leave and rights to severance benefits as if the employee had been employed by the
2.2 receiving district during the employee's years of employment in the sending district.

2.3 Subd. 4. **Revenue.** An approved secondary program that is jointly operated under this
2.4 section is eligible for aid under section 123A.485 and ~~qualifies~~ all approved school programs
2.5 qualify for a facilities grant under sections 123A.44 to 123A.445.

2.6 Subd. 5. **Duty to maintain elementary and secondary schools met.** A school district
2.7 operating a joint facility under this section meets the requirements of section 123A.64.

2.8 Subd. 6. **Estimated market value limit exclusion.** Bonds for a cooperative facility
2.9 operated under this section issued by a member school district are not subject to the net debt
2.10 limit under section 475.53, subdivision 4.

2.11 Subd. 7. **Allocation of levy authority for joint facility.** For purposes of determining
2.12 each member district's school levy, a jointly operated secondary school program may allocate
2.13 program costs to each member district according to the joint powers agreement and each
2.14 member district may include those costs in its tax levy. The joint powers agreement may
2.15 choose to allocate costs on any basis adopted as part of the joint powers agreement.

2.16 Subd. 8. **Effect of consolidation.** The joint powers agreement may allow member school
2.17 districts that choose to consolidate to continue to certify levies separately based on each
2.18 component district's characteristics.

2.19 Subd. 9. **Bonds.** A joint powers district formed under this section may issue bonds
2.20 according to section 123A.78 or its member districts may issue bonds individually after
2.21 complying with this subdivision. The joint powers board must submit the project for review
2.22 and comment under section 123B.71. The joint powers board must hold a hearing on the
2.23 proposal. If the bonds are not issued under section 123A.78, each member district of the
2.24 joint powers district must submit the question of authorizing borrowing of funds for the
2.25 project to the voters of the district at a special election. The question submitted ~~shall~~ must
2.26 state the total amount of funding needed from that district. The member district may issue
2.27 the bonds according to chapter 475 and certify the levy required by section 475.61 only if
2.28 a majority of those voting on the question in that district vote in the affirmative and only
2.29 after the board has adopted a resolution pledging the full faith and credit of that unit. The
2.30 resolution must irrevocably commit that unit to pay an agreed-upon share of any debt levy
2.31 shortages that, together with other funds available, would allow the member school board
2.32 to pay the principal and interest on the obligations. The clerk of the joint powers board must
2.33 certify the vote of any bond elections to the commissioner. Bonds issued under this section
2.34 first qualify for debt service equalization aid in fiscal year 2018.

3.1 Subd. 10. **Election.** A district entering into a joint powers agreement under this section
3.2 may conduct a referendum seeking approval for a new facility. This election may be held
3.3 separately or at the same time as a bond election under subdivision 9. If the election is held
3.4 at the same time, the questions may be asked separately or as a conjunctive question. The
3.5 question must be approved by a majority of those voting on the question. If asked separately
3.6 and the question fails, a district may not proceed with the sale of bonds according to
3.7 subdivision 9.

3.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.