

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 726

DATE: March 19, 2003

Version: As Introduced

Authors: Hackbarth

Subject: Redirecting the proceeds from the sale of land for the St. Francis school district

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Overview

Independent school district No. 15, St. Francis, is home to two large residential treatment programs. In 1992, the state legislature granted the St. Francis school district the authority to issue up to \$4 million in general obligation bonds without voter approval in order to build a suitable education facility for the students at the residential treatment programs. The district used this authority to build the Crossroads school and vocational center. The portion of the annual bond repayments that is not covered by debt service equalization aid is billed back in tuition to the district of residence of each student placed at Bar None and the Sheriff's ranch.

Under current law, a school district is required to deposit the proceeds of the sale of any school land in the district's debt redemption fund. H.F. 726 allows the St. Francis school district to redirect these funds into the district's operating capital account and requires the funds to be used to improve the safety of pupils walking to school. Since the district bills the debt redemption amounts back to the students' districts of residence, the bill primarily affects the tuition charged back to the resident school districts.

Section

- 1 Property sale; St. Francis School District.** Authorizes independent school district No. 15, St. Francis, to deposit the proceeds from the sale of land that was initially purchased in 1992 with funds from specially authorized bonds in the district's reserved for operating capital account instead of in the district's debt redemption fund.