SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1985

(SENATE AUTHORS: LOUREY)

DATE	D-PG	OFFICIAL STATUS
02/20/2012	3859	Introduction and first reading Referred to Education

A bill for an act

relating to education finance; authorizing early repayment of maximum effort debt service loans.

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

Section 1. **MAXIMUM EFFORT DEBT SERVICE LOANS; EARLY REPAYMENT AUTHORIZED.**

(a) A school district that received a maximum effort debt service loan prior to January 1, 1997, may repay the full outstanding original principal on its debt service loan prior to July 1, 2013, and the liability of the district on the debt service loan is satisfied and discharged and interest on the loan ceases.

(b) A school district making a payment under this section may transfer any remaining excess balance from its debt redemption fund to the building construction fund prior to July 1, 2013.

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