

MINNESOTA • REVENUE

PROPERTY TAX Public Safety Radio Bonds

April 23, 2003

Department of Revenue
Analysis of S.F. 1104 (Kelley)/ H.F. 756 (Rhodes)

	Yes	No
Separate Official Fiscal Note Requested		X
Fiscal Impact		
DOR Administrative Costs/Savings		X

	Revenue Gain or (Loss)			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
	(000's)			
General fund	\$0	\$0	\$0	\$0

Effective upon local approval.

EXPLANATION OF THE BILL

Current Law: A 2002 law authorized 23 counties to issue capital improvement bonds or capital notes with a term of ten years for the cost of designing, constructing, and acquiring public safety communication system infrastructure and equipment. The 2002 law established a public safety radio system planning committee to develop a plan for a statewide, shared, trunked public safety radio communications system. The 2002 law also specified that the public safety radio system planning committee must review and approve all local planning initiatives, including issue of bonds for public safety radio purposes.

Proposed Law: The provision limiting public safety radio bonding to 23 counties is eliminated so all counties are authorized to issue debt obligations for public safety radio purposes.

REVENUE ANALYSIS DETAIL

- Although the expansion of the law to include all counties could increase county debt service levies, the amount of such levies is not known, and any effect on homeowner property tax refunds cannot be calculated.

Number of Taxpayers Affected: Unknown

Source: Minnesota Department of Revenue
Tax Research Division
<http://www.taxes.state.mn.us/polic.html#analyses>

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