

**PUBLIC FINANCE  
St. Paul Bonding Authority  
Extended and Increased**

March 6, 2023

Department of Revenue  
Analysis of H.F. 2089 (Her) / S.F. 1815 (Murphy) as introduced

	Yes	No
DOR Administrative Costs/Savings		X

**Fund Impact**

	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

**EXPLANATION OF THE BILL**

Under current law, the city of St. Paul is authorized to issue bonds for capital improvements in the aggregate principal amount of \$20 million each year through 2024.

The proposal would increase the bonding authority to \$30 million for each year and extend the authority through 2035.

**REVENUE ANALYSIS DETAIL**

- The expanded bonding authority for St. Paul is assumed to have no impact on the state general fund. The city has the option to levy for the cost of the financing in the overall city levy under current law.

**PROPERTY TAX BENCHMARKS (Minn. Stat. § 270C.991)**

<i>Transparency, Understandability, Simplicity &amp; Accountability</i>	Neutral
<i>Efficiency &amp; Compliance</i>	Neutral
<i>Equity (Vertical &amp; Horizontal)</i>	Neutral
<i>Stability &amp; Predictability</i>	Neutral
<i>Competitiveness for Businesses</i>	Neutral
<i>Responsiveness to Economic Conditions</i>	Neutral

*The bill is scored on a three-point scale (decrease, neutral, increase) for each principle in comparison to current law.*

Source: Minnesota Department of Revenue  
Property Tax Division – Research Unit  
<https://www.revenue.state.mn.us/revenue-analyses>