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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 2013

March 12, 2007

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The bill was read for the first time and referred to the Committee on E-12 Education

1.1 A bill for an act
1.2 relating to education; eliminating certain reserve accounts in a school district
1.3 general fund; amending Minnesota Statutes 2006, section 123B.79, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2006, section 123B.79, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 9. Elimination of reserve accounts. A school board shall eliminate all
1.9 reserve accounts established in the school district's general fund under Minnesota Statutes
1.10 before July 1, 2006, for which no specific authority remains in statute as of June 30,
1.11 2007. Any balance in the district's reserved for bus purchases account as of June 30,
1.12 2007, shall be transferred to the reserved account for operating capital in the school
1.13 district's general fund. Any balance in other reserved accounts established in the school
1.14 district's general fund under Minnesota Statutes before July 1, 2006, for which no specific
1.15 authority remains in statute as of June 30, 2007, shall be transferred to the school district's
1.16 unreserved general fund balance. A school board may, upon adoption of a resolution by
1.17 the school board, establish a designated account for any program for which a reserved
1.18 account has been eliminated.

1.19 **EFFECTIVE DATE.** This section is effective June 30, 2007.