

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2792

03/08/2016 Authored by Runbeck and Erickson

The bill was read for the first time and referred to the Committee on Education Innovation Policy

1.1 A bill for an act
1.2 relating to education finance; requiring public testimony before a school board
1.3 reauthorizes board-approved referendum revenue authority; requiring school
1.4 board approval of local optional revenue; amending Minnesota Statutes 2014,
1.5 sections 126C.10, subdivision 2e; 126C.17, subdivision 9a.

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

1.7 Section 1. Minnesota Statutes 2014, section 126C.10, subdivision 2e, is amended to
1.8 read:

1.9 Subd. 2e. **Local optional revenue.** (a) Local optional revenue for a school district
1.10 with a board-approved plan equals \$424 times the adjusted pupil units of the district
1.11 for that school year.

1.12 (b) A district's local optional levy equals its local optional revenue times the lesser
1.13 of one or the ratio of its referendum market value per resident pupil unit to \$510,000.

1.14 The local optional revenue levy must be spread on referendum market value. A district
1.15 may levy less than the permitted amount.

1.16 (c) A district's local optional aid equals its local optional revenue less its local
1.17 optional levy, times the ratio of the actual amount levied to the permitted levy.

1.18 (d) Beginning with revenue for the 2017-2018 school year, a school district is
1.19 eligible for local optional revenue under this subdivision only after the school board has
1.20 asked for public testimony and adopted a written plan describing the proposed uses of
1.21 the local optional revenue. A board-approved plan may be in place for no more than five
1.22 fiscal years, after which time a new plan must be adopted.

1.23 Sec. 2. Minnesota Statutes 2014, section 126C.17, subdivision 9a, is amended to read:

2.1 Subd. 9a. **Board-approved referendum allowance.** Notwithstanding subdivision
2.2 9, a school district may convert up to \$300 per adjusted pupil unit of referendum authority
2.3 from voter approved to board approved by a board vote. A district with less than \$300 per
2.4 adjusted pupil unit of referendum authority after the local optional revenue subtraction
2.5 under subdivision 1 may authorize new referendum authority up to the difference between
2.6 \$300 per adjusted pupil unit and the district's referendum authority. The board may
2.7 authorize this levy for up to five years ~~and~~. The board may subsequently reauthorize that
2.8 authority in increments of up to only after allowing public testimony on the authority and
2.9 adopting a written resolution extending the authority for a specified number of years,
2.10 not to exceed five years.

2.11 **EFFECTIVE DATE.** This section is effective July 1, 2016.