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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 618

01/31/2019 Authored by Runbeck and Hertaus The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to education finance; modifying the calculation of school district equalized
1.3 referendum levies; appropriating money; amending Minnesota Statutes 2018,
1.4 section 126C.17, subdivision 6.

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

1.6 Section 1. Minnesota Statutes 2018, section 126C.17, subdivision 6, is amended to read:

1.7 Subd. 6. Referendum equalization levy. (a) A district's referendum equalization levy
1.8 equals the sum of the first tier referendum equalization levy, the second tier referendum
1.9 equalization levy, and the third tier referendum equalization levy.

1.10 (b) A district's first tier referendum equalization levy equals the district's first tier
1.11 referendum equalization revenue times the lesser of one or the ratio of the district's
1.12 referendum market value per resident pupil unit to \$880,000. For fiscal year 2021 and later,
1.13 a district's first tier referendum equalization levy must not exceed the amount raised by a
1.14 tax rate of 0.03 percent times the referendum market value of the district times the ratio of
1.15 the district's first tier referendum equalization allowance to \$300.

1.16 (c) A district's second tier referendum equalization levy equals the district's second tier
1.17 referendum equalization revenue times the lesser of one or the ratio of the district's
1.18 referendum market value per resident pupil unit to \$510,000. For fiscal year 2021 and later,
1.19 a district's second tier referendum equalization levy must not exceed the amount raised by
1.20 a tax rate of 0.08 percent times the referendum market value of the district times the ratio
1.21 of the district's second tier referendum equalization allowance to \$460.

1.22 (d) A district's third tier referendum equalization levy equals the district's third tier
1.23 referendum equalization revenue times the lesser of one or the ratio of the district's

2.1 referendum market value per resident pupil unit to \$290,000. For fiscal year 2021 and later,
 2.2 a district's third tier referendum equalization levy must not exceed the amount raised by a
 2.3 tax rate of 0.15 percent times the referendum market value of the district times the ratio of
 2.4 the district's third tier referendum equalization allowance to an amount equal to 25 percent
 2.5 of the formula allowance minus \$760.

2.6 **EFFECTIVE DATE.** This section is effective for taxes payable in 2020 and later.

2.7 Sec. 2. **APPROPRIATION.**

2.8 \$..... in fiscal year 2021 is appropriated from the general fund to the commissioner of
 2.9 education for additional general education aid.