

A bill for an act

relating to education finance; authorizing a school district with a low fund balance to hold a referendum election at a time other than November; amending Minnesota Statutes 2006, section 126C.17, subdivision 11.

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

Section 1. Minnesota Statutes 2006, section 126C.17, subdivision 11, is amended to read:

Subd. 11. **Referendum date.** (a) Except for a referendum held under paragraph (b), any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding subdivision 9, paragraph (b), to the contrary, in the case of a referendum conducted by mail under this paragraph, the notice required by subdivision 9, paragraph (b), must be prepared and delivered by first-class mail at least 20 days before the referendum.

(b) In addition to the referenda allowed in subdivision 9, clause (a), the commissioner may grant authority to a district to hold a referendum on a different day if: (1) the district's unreserved general fund balance calculated as of June 30 of each year in accordance with the Uniform Financial Accounting and Reporting Standards for Minnesota school districts is less than 2.5 percent of the most recent year's expenditure amount for the same funds; or (2) the district is in statutory operating debt and has an approved plan or has received an extension from the department to file a plan to eliminate the statutory operating debt.

(c) The commissioner must approve, deny, or modify each district's request for a referendum levy on a different day within 60 days of receiving the request from a district.

2.1 **EFFECTIVE DATE.** This section is effective for elections held on or after July

2.2 1, 2008.