

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1936

02/25/2014 Authored by Woodard; Erickson, S., and Myhra

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

1.1 A bill for an act  
1.2 relating to education finance; authorizing a reverse referendum for  
1.3 board-approved referendum revenue authority and for location equity revenue;  
1.4 amending Minnesota Statutes 2013 Supplement, sections 126C.10, subdivision  
1.5 2e; 126C.17, subdivision 9a, by adding a subdivision.

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

1.7 Section 1. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 2e,  
1.8 is amended to read:

1.9 Subd. 2e. **Location equity revenue.** (a) For a school district with any of its area  
1.10 located within the seven-county metropolitan area, location equity revenue equals \$424  
1.11 times the adjusted pupil units of the district for that school year.

1.12 (b) For all other school districts with more than 2,000 pupils in adjusted average  
1.13 daily membership for the fiscal year ending in the year before the levy is certified, location  
1.14 equity revenue equals \$212 times the adjusted pupil units of the district for that year.

1.15 (c) A district's location equity levy equals its location equity revenue times the lesser  
1.16 of one or the ratio of its referendum market value per resident pupil unit to \$510,000. The  
1.17 location equity revenue levy must be spread on referendum market value.

1.18 (d) A district's location equity aid equals its location equity revenue less its location  
1.19 equity levy, times the ratio of the actual amount levied to the permitted levy.

1.20 (e) A school district may elect not to participate in the location equity revenue  
1.21 program by a board vote taken prior to September 1 of the fiscal year before the fiscal year  
1.22 for which the decision not to participate becomes effective. The board resolution must  
1.23 state which fiscal years the district will not participate. A copy of the board resolution  
1.24 to not participate must be submitted to the commissioner.

(f) A district's decision to participate in the location equity revenue program is subject to a reverse referendum under section 126C.17, subdivision 14.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2013 Supplement, section 126C.17, subdivision 9a, is amended to read:

Subd. 9a. **Board-approved referendum allowance.** Notwithstanding subdivision 9, a school district may convert up to \$300 per adjusted pupil unit of referendum authority from voter approved to board approved by a board vote subject to a reverse referendum under section 126C.17, subdivision 14. A district with less than \$300 per adjusted pupil unit of referendum authority may authorize new referendum authority up to the difference between \$300 per adjusted pupil unit and the district's referendum authority. The board may authorize this levy for up to five years and may subsequently reauthorize that authority in increments of up to five years.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2013 Supplement, section 126C.17, is amended by adding a subdivision to read:

Subd. 14. **Reverse referendum.** (a) A referendum on the question of revoking location equity revenue under section 126C.10, subdivision 2e, or board-approved referendum authority under subdivision 9a, shall be called by the board upon written petition of qualified voters of the district. A referendum to revoke a district's location equity revenue or board-approved referendum authority must state the authority to be revoked in total and per pupil unit. A revocation referendum may be held to revoke location equity revenue or board-approved referendum revenue for the following fiscal year and for years thereafter.

(b) A petition authorized by this subdivision is effective if: (1) signed by a number of qualified voters in excess of 15 percent of the registered voters of the district on the day the petition is filed with the board; and (2) filed with the board by June 1 of that year. A referendum invoked by petition must be held on the date required in subdivision 9.

(c) The approval of 50 percent plus one of those voting on the question is required to revoke location equity revenue or board-approved referendum authority.

**EFFECTIVE DATE.** This section is effective the day following final enactment.