

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2385

(SENATE AUTHORS: WIGER, Clausen, Kent, Torres Ray and Cwodzinski)
DATE 03/13/2019 D-PG 857 OFFICIAL STATUS Introduction and first reading Referred to E-12 Finance and Policy

1.1 A bill for an act
1.2 relating to education finance; modifying the calculation of school district abatement
1.3 aid; amending Minnesota Statutes 2018, section 127A.49, subdivision 2.

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

1.5 Section 1. Minnesota Statutes 2018, section 127A.49, subdivision 2, is amended to read:

1.6 Subd. 2. **Abatements.** Whenever by virtue of chapter 278, sections 270C.86, 375.192,
1.7 or otherwise, the net tax capacity or referendum market value of any district for any taxable
1.8 year is changed after the taxes for that year have been spread by the county auditor and the
1.9 local tax rate as determined by the county auditor based upon the original net tax capacity
1.10 is applied upon the changed net tax capacities, the county auditor ~~shall~~ must, prior to February
1.11 1 of each year, certify to the commissioner of education the amount of any resulting net
1.12 revenue loss that accrued to the district during the preceding year. Each year, the
1.13 commissioner ~~shall~~ must pay an abatement adjustment to the district in an amount calculated
1.14 according to the provisions of this subdivision. This amount ~~shall~~ must be deducted from
1.15 the amount of the levy authorized by section 126C.46. The amount of the abatement
1.16 adjustment must be the product of:

1.17 (1) the net revenue loss as certified by the county auditor, times

1.18 (2) the ratio of:

1.19 (i) the sum of the amounts of the district's certified levy in the third preceding year
1.20 according to the following:

1.21 (A) section ~~123B.57~~ 123B.595, if the district received ~~health and safety long-term~~
1.22 facilities maintenance aid according to that section for the second preceding year;

2.1 (B) section 124D.20, if the district received aid for community education programs
2.2 according to that section for the second preceding year;

2.3 (C) section 124D.135, subdivision 3, if the district received early childhood family
2.4 education aid according to section 124D.135 for the second preceding year;

2.5 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
2.6 according to that section for the second preceding year;

2.7 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
2.8 according to section 126C.10, subdivision 13b, in the second preceding year;

2.9 (F) section 126C.10, subdivision 29, if the district received equity aid according to
2.10 section 126C.10, subdivision 30, in the second preceding year;

2.11 (G) section 126C.10, subdivision 32, if the district received transition aid according to
2.12 section 126C.10, subdivision 33, in the second preceding year;

2.13 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
2.14 according to section 123B.53, subdivision 6, in the second preceding year;

2.15 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
2.16 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;

2.17 (J) section 124D.22, subdivision 3, if the district received school-age care aid according
2.18 to section 124D.22, subdivision 4, in the second preceding year;

2.19 (K) section ~~123B.591, subdivision 3~~ 126C.10, subdivision 2e, paragraph (b), if the district
2.20 received ~~deferred maintenance local optional~~ aid according to section ~~123B.591, subdivision~~
2.21 4 126C.10, subdivision 2e, paragraph (c), in the second preceding year; and

2.22 (L) section 122A.415, subdivision 5, if the district received alternative teacher
2.23 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
2.24 in the second preceding year; to

2.25 (ii) the total amount of the district's certified levy in the third preceding December, plus
2.26 or minus auditor's adjustments.