

EXTRA SESSION

CHAPTER 1—H. F. No. 1

An act relating to school aids; amending Minnesota Statutes 1953, Section 128.081, Subdivision 3 and Section 128.082, Subdivisions 1 and 6.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1953, Section 128.081, Subdivision 3, is amended to read:

Subd. 3. **Basic aids.** Basic aid is the sum required to be paid to a school district which, when added to the sum paid to the district as apportionment shall total a sum equal to \$70 multiplied by the total number of pupil units of the district, provided, however, that for each year of the biennium beginning July 1, 1955, only, such aggregate sum shall be \$82 multiplied by the total number of pupil units of the district.

Sec. 2. Minnesota Statutes 1953, Section 128.082, Subdivision 1, is amended to read:

Subdivision 1. **128.082 Equalization aid formulae.** *Equalization aid shall be computed according to the following formulae:*

Formula 1

When the assessed valuation, as reported by the county auditor, of all taxable property of a district is less than \$2,300 for every resident pupil unit in average daily attendance of the district, the state shall pay equalization aid for each resident pupil unit in average daily attendance in accordance with the following schedule:

| Assessed Value of District Per Resident Pupil Unit in Average Daily Attendance | Equalization Aid Per Resident Pupil Unit in Average Daily Attendance |
|---|---|
| \$2,300 or over | \$00.00 |
| 2,200 to 2,300 | 3.65 |
| 2,100 to 2,200 | 7.30 |
| 2,000 to 2,100 | 10.95 |
| 1,900 to 2,000 | 14.60 |
| 1,800 to 1,900 | 18.25 |
| 1,700 to 1,800 | 21.90 |
| 1,600 to 1,700 | 25.55 |
| 1,500 to 1,600 | 29.20 |
| 1,400 to 1,500 | 32.85 |
| 1,300 to 1,400 | 36.50 |

| | |
|-----------------------|-------|
| 1,200 to 1,300 | 40.15 |
| 1,100 to 1,200 | 43.80 |
| 1,000 to 1,100 | 47.45 |
| 900 to 1,000 | 51.10 |
| 800 to 900 | 54.75 |
| 700 to 800 | 58.40 |
| 600 to 700 | 62.05 |
| 500 to 600 | 65.70 |
| 400 to 500 | 69.35 |
| 300 to 400 | 73.00 |
| 200 to 300 | 76.65 |
| 100 to 200 | 80.30 |
| less than \$100 | 83.95 |

Formula 2

(a) *The state shall determine equalization aid on the basis of every resident pupil unit in average daily attendance of the district in accordance with the following schedule: \$200 per pupil unit in average daily attendance minus the sum of basic aid and an amount equal to an 18 mill levy on the assessed valuation determined by the equalization aid review committee as indicated in section 128.082, subdivision 1 (b).*

The distribution of equalization aid in the school year 1955-1956 for each school district entitled to share therein shall be computed as follows:

(1) *Determine the amount of equalization aid the school district would receive according to formula 1.*

(2) *Determine the amount of equalization aid the school district would receive according to formula 2.*

(3) *If the amount determined by formula 1 is larger than the amount determined by formula 2, then the equalization aid paid to the school district shall be the amount determined by formula 1 less 20 per cent of the difference between formulae 1 and 2. If the amount determined by formula 1 is smaller than the amount determined by formula 2, then the equalization aid paid to the district shall be the amount determined by formula 2. The distribution of equalization aid in the school years 1956-1957 and 1957-1958 shall be computed in the same manner as for the school year 1955-1956 except that for the year 1956-1957 wherever the figure 20 percent is used, the figure 50 percent shall be substituted, and for the year 1957-1958 wherever the figure 20 percent is used the figure 100 percent shall be substituted.*

In the case where the actual cost of maintaining and operating a school district shall be less than \$175 per pupil unit in

average daily attendance, the aggregate amount of the basic aid and the equalization aid paid to such district shall be reduced so that such aggregate amount shall bear the same relationship to the actual cost of maintaining and operating the district as the actual cost of maintaining and operating the school district bears to \$175 per pupil unit in average daily attendance; provided that in no case shall such aggregate amount be reduced to less than \$82 per pupil unit in average daily attendance.

Notwithstanding the foregoing, no school district shall be eligible for equalization aid unless it shall make a levy for maintenance and operation in an amount no less than would be produced by a levy of 18 mills on the total assessed valuation as reported the preceding year by the county auditor to the state department of education.

The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, and the commissioner of taxation, is hereby continued until July 1, 1957. The duty of this committee shall be to review the assessed valuation of the school districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any school district furnished by any county auditor is not the true valuation of taxable property in such school districts, then said committee shall call upon the department of taxation to ascertain the correct full and true value of such property, and adjust such values as required by law to determine the correct assessed valuation. The department of taxation shall take such steps as it may consider necessary in the performance of that duty and may incur such expense as is necessary therefor. When so ascertained, but not later than March 1 of each year, the department of taxation shall submit its report to said committee for approval or rejection and, if approved, such report shall be filed with the commissioner of education and shall replace, for the following school year, the valuation figure for the calculation of equalization aids and gross earnings aid under Minnesota Statutes 1953, Sections 128.22 and 128.082, provided by any county auditor. A copy of this report shall be sent to the clerk of each school district involved and to the county auditor and county assessor or supervisor of assessments of the county or counties in which each such school district is located.

Should any district show the Equalization Aid Review Committee that an error has been made in the determination of its correct full and true valuation, and the committee agrees that such error has been made, the committee shall redetermine the correct full and true value of such property, and

adjust such values as required by law to determine the correct assessed valuation of said district and file such redetermination with the commissioner of education. For such purposes, the committee may call upon the department of taxation to assist it in determining whether error has, in fact, been made.

Sec. 3. Minnesota Statutes 1953, Section 128.082, Subdivision 6, is amended to read:

Subd. 6. Every school district which provides instruction in other districts and which receives basic aid, and the county as provided in section 128.088, subdivisions 2 and 3, shall pay to the district furnishing elementary and secondary or area vocational-technical school instruction on account of such instruction, the actual cost thereof chargeable to maintenance exclusive of transportation costs.

There shall also be paid for capital outlay and debt service to the school district providing such instruction \$10 per pupil unit in average daily attendance for each non-resident pupil unit, *except that every school district educating non-resident pupils may charge and include in its tuition, for capital outlay and debt service, an amount per pupil unit in average daily attendance based on the amount that the average expenditure for capital outlay and debt service determined by dividing such annual expenditure by the total number of pupil units in average daily attendance in the district exceeds \$10 per pupil unit. If the district has no capital outlay or debt service the school district receiving such funds may use them for any purpose for which it is authorized to spend money.*

Approved April 27, 1955.

EXTRA SESSION

CHAPTER 2—H. F. No. 2

[Coded in Part]

An act relating to the taxation of insurance companies; the occupation tax upon the business of mining and producing iron ore or other ores and providing for labor credits and imposing an additional tax thereon; royalty taxes and an additional tax thereon; and taxes on and measured by net income, by imposing an additional privilege and income tax on individuals, trusts, estates and corporations; amending Minnesota Statutes 1953, Sections 60.63, Subdivision 2, 298.01, 298.02, Subdivision 1, and 299.01, and amending Minnesota Statutes 1953, Chapter 290 by adding new sections thereto; and relating