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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3408

02/17/2020 Authored by Bennett, Poston, Daniels and Runbeck
The bill was read for the first time and referred to the Education Finance Division

1.1 A bill for an act
1.2 relating to education finance; modifying the calculation of career and technical
1.3 revenue to include programs offered outside the regular school day; amending
1.4 Minnesota Statutes 2018, section 124D.4531, subdivisions 1, 1a, 1b; repealing
1.5 Minnesota Statutes 2018, section 124D.4531, subdivision 3a.

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

1.7 Section 1. Minnesota Statutes 2018, section 124D.4531, subdivision 1, is amended to
1.8 read:

1.9 Subdivision 1. Career and technical revenue. (a) A district with a career and technical
1.10 program approved under this section for the fiscal year in which the levy is certified is
1.11 eligible for career and technical revenue equal to 35 percent of approved expenditures in
1.12 the fiscal year in which the levy is certified for the following:

1.13 (1) salaries paid to essential, licensed personnel providing direct instructional services
1.14 to students in that fiscal year, including extended contracts, for services rendered in the
1.15 district's approved career and technical education programs, excluding salaries reimbursed
1.16 by another school district under clause (2);

1.17 (2) amounts paid to another Minnesota school district for salaries of essential, licensed
1.18 personnel providing direct instructional services to students in that fiscal year for services
1.19 rendered in the district's approved career and technical education programs;

1.20 (3) contracted services provided by a public or private agency other than a Minnesota
1.21 school district or cooperative center under chapter 123A or 136D;

1.22 (4) necessary travel between instructional sites by licensed career and technical education
1.23 personnel;

2.1 (5) necessary travel by licensed career and technical education personnel for ~~vocational~~
 2.2 career and technical student organization activities held within the state for instructional
 2.3 purposes;

2.4 (6) curriculum development activities that are part of a five-year plan for improvement
 2.5 based on program assessment;

2.6 (7) necessary travel by licensed career and technical education personnel for noncollegiate
 2.7 credit-bearing professional development; and

2.8 (8) specialized ~~vocational~~ career and technical instructional supplies.

2.9 (b) For fiscal year 2021 and later, the career and technical revenue for a district that
 2.10 offers a career and technical education course outside of the regular school day is increased
 2.11 by an amount equal to the product of:

2.12 (1) \$7.57;

2.13 (2) the number of students enrolled in each course; and

2.14 (3) the number of instructional hours per course.

2.15 For purposes of this paragraph, career and technical education courses include welding,
 2.16 manufacturing, construction trades, automotive and small engines, plumbing, masonry, and
 2.17 electrical.

2.18 (c) The district must recognize the full amount of this levy as revenue for the fiscal year
 2.19 in which it is certified.

2.20 (e) ~~The amount of the revenue calculated under this subdivision may not exceed~~
 2.21 ~~\$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and~~
 2.22 ~~\$20,657,000 for taxes payable in 2014.~~

2.23 (d) ~~If the estimated revenue exceeds the amount in paragraph (e), the commissioner must~~
 2.24 ~~reduce the percentage in paragraph (a) until the estimated revenue no longer exceeds the~~
 2.25 ~~limit in paragraph (e).~~

2.26 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

2.27 Sec. 2. Minnesota Statutes 2018, section 124D.4531, subdivision 1a, is amended to read:

2.28 Subd. 1a. **Career and technical levy.** ~~(a) For fiscal year 2014 only, a district may levy~~
 2.29 ~~an amount not more than the product of its career and technical revenue times the lesser of~~
 2.30 ~~one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal year in~~

3.1 ~~which the levy is certified to the career and technical revenue equalizing factor. The career~~
 3.2 ~~and technical revenue equalizing factor for fiscal year 2014 equals \$7,612.~~

3.3 ~~(b) For fiscal year 2015 and later, A district may levy an amount not more than the~~
 3.4 ~~product of its career and technical revenue under subdivision 1, paragraph (a), times the~~
 3.5 ~~lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal~~
 3.6 ~~year in which the levy is certified to the career and technical revenue equalizing factor. The~~
 3.7 ~~career and technical revenue equalizing factor for fiscal year 2015 and later equals \$7,612.~~

3.8 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

3.9 Sec. 3. Minnesota Statutes 2018, section 124D.4531, subdivision 1b, is amended to read:

3.10 Subd. 1b. **Career and technical aid.** For fiscal year ~~2014~~ 2021 and later, a district's
 3.11 career and technical aid equals its career and technical revenue under subdivision 1, paragraph
 3.12 (a), less its career and technical levy, plus its career and technical revenue under subdivision
 3.13 1, paragraph (b). If the district levy is less than the permitted levy, the district's career and
 3.14 technical aid, excluding the amount under subdivision 1, paragraph (b), shall be reduced
 3.15 proportionately.

3.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

3.17 Sec. 4. **REPEALER.**

3.18 Minnesota Statutes 2018, section 124D.4531, subdivision 3a, is repealed.

3.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

APPENDIX
Repealed Minnesota Statutes: 20-6596

124D.4531 CAREER AND TECHNICAL REVENUE.

Subd. 3a. **Revenue adjustments.** Notwithstanding subdivisions 1, 1a, and 3, for taxes payable in 2012 to 2014 only, the department must calculate the career and technical revenue for each district according to Minnesota Statutes 2010, section 124D.4531, and adjust the revenue for each district proportionately to meet the statewide revenue target under subdivision 1, paragraph (c). For purposes of calculating the revenue guarantee under subdivision 3, the career and technical education revenue for the previous fiscal year is the revenue according to Minnesota Statutes 2010, section 124D.4531, before adjustments to meet the statewide revenue target.