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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4208

03/10/2022 Authored by Davnie
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; modifying local optional revenue to remove obsolete
1.3 language; amending Minnesota Statutes 2021 Supplement, section 126C.10,
1.4 subdivision 2e.

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

1.6 Section 1. Minnesota Statutes 2021 Supplement, section 126C.10, subdivision 2e, is
1.7 amended to read:

1.8 Subd. 2e. Local optional revenue. (a) For fiscal year 2021 and later, Local optional
1.9 revenue for a school district equals the sum of the district's first tier local optional revenue
1.10 and second tier local optional revenue. A district's first tier local optional revenue equals
1.11 \$300 times the adjusted pupil units of the district for that school year. A district's second
1.12 tier local optional revenue equals \$424 times the adjusted pupil units of the district for that
1.13 school year.

1.14 (b) For fiscal year 2021 and later, A district's local optional levy equals the sum of the
1.15 first tier local optional levy and the second tier local optional levy.

1.16 (c) A district's first tier local optional levy equals the district's first tier local optional
1.17 revenue times the lesser of one or the ratio of the district's referendum market value per
1.18 resident pupil unit to \$880,000.

1.19 (d) For fiscal year 2022, a district's second tier local optional levy equals the district's
1.20 second tier local optional revenue times the lesser of one or the ratio of the district's
1.21 referendum market value per resident pupil unit to \$510,000. For fiscal year 2023, a district's
1.22 second tier local optional levy equals the district's second tier local optional revenue times
1.23 the lesser of one or the ratio of the district's referendum market value per resident pupil unit

2.1 to \$548,842. For fiscal year 2024 and later, a district's second tier local optional levy equals
2.2 the district's second tier local optional revenue times the lesser of one or the ratio of the
2.3 district's referendum market value per resident pupil unit to \$510,000.

2.4 (e) The local optional levy must be spread on referendum market value. A district may
2.5 levy less than the permitted amount.

2.6 (f) A district's local optional aid equals its local optional revenue minus its local optional
2.7 levy. If a district's actual levy for first or second tier local optional revenue is less than its
2.8 maximum levy limit for that tier, its aid must be proportionately reduced.