

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **927**

February 13, 2007

Authored by Hortman and Dittrich

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

1.1 A bill for an act
1.2 relating to education finance; increasing the equalizing factor on the equity,
1.3 transition, and referendum revenue programs; amending Minnesota Statutes
1.4 2006, sections 126C.10, subdivisions 29, 32; 126C.17, subdivision 6.

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

1.6 Section 1. Minnesota Statutes 2006, section 126C.10, subdivision 29, is amended to
1.7 read:

1.8 Subd. 29. **Equity levy.** To obtain equity revenue for fiscal ~~year~~ years 2005 ~~and~~
1.9 ~~later~~ through 2008, a district may levy an amount not more than the product of its equity
1.10 revenue for the fiscal year times the lesser of one or the ratio of its referendum market
1.11 value per resident marginal cost pupil unit to \$476,000. To obtain equity revenue for fiscal
1.12 year 2009 and later, a district may levy an amount not more than the product of its equity
1.13 revenue for the fiscal year times the lesser of one or the ratio of its referendum market
1.14 value per resident marginal cost pupil unit to \$750,000.

1.15 **EFFECTIVE DATE.** This section is effective for taxes payable in 2007.

1.16 Sec. 2. Minnesota Statutes 2006, section 126C.10, subdivision 32, is amended to read:

1.17 Subd. 32. **Transition levy.** To obtain transition revenue for fiscal ~~year~~ years 2005
1.18 ~~and later~~ through 2008, a district may levy an amount not more than the product of its
1.19 transition revenue for the fiscal year times the lesser of one or the ratio of its referendum
1.20 market value per resident marginal cost pupil unit to \$476,000. To obtain transition
1.21 revenue for fiscal year 2009 and later, a district may levy an amount not more than the
1.22 product of its transition revenue for the fiscal year times the lesser of one or the ratio of its
1.23 referendum market value per resident marginal cost pupil unit to \$750,000.

2.1 **EFFECTIVE DATE.** This section is effective for taxes payable in 2007.

2.2 Sec. 3. Minnesota Statutes 2006, section 126C.17, subdivision 6, is amended to read:

2.3 Subd. 6. **Referendum equalization levy.** (a) For fiscal year 2003 and later,
2.4 a district's referendum equalization levy equals the sum of the first tier referendum
2.5 equalization levy and the second tier referendum equalization levy.

2.6 (b) For fiscal years 2005 through 2008, a district's first tier referendum equalization
2.7 levy equals the district's first tier referendum equalization revenue times the lesser of one
2.8 or the ratio of the district's referendum market value per resident marginal cost pupil unit
2.9 to \$476,000. For fiscal year 2009 and later, a district's first tier referendum equalization
2.10 revenue times the lesser of one or the ratio of the district's referendum market value per
2.11 resident marginal cost pupil unit to \$750,000.

2.12 (c) For fiscal year 2005 and later, a district's second tier referendum equalization
2.13 levy equals the district's second tier referendum equalization revenue times the lesser of
2.14 one or the ratio of the district's referendum market value per resident marginal cost pupil
2.15 unit to \$270,000.

2.16 **EFFECTIVE DATE.** This section is effective for taxes payable in 2007.