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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **1692**

March 5, 2007

Authored by Davnie, Demmer, Lesch, Tillberry and Lanning  
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; modifying the notice to taxpayers that appears on  
1.3 the ballot question when an operating referendum is being renewed; amending  
1.4 Minnesota Statutes 2006, section 126C.17, subdivision 9.

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

1.6 Section 1. Minnesota Statutes 2006, section 126C.17, subdivision 9, is amended to read:

1.7 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,  
1.8 subdivision 1, may be increased in the amount approved by the voters of the district at a  
1.9 referendum called for the purpose. The referendum may be called by the board or shall be  
1.10 called by the board upon written petition of qualified voters of the district. The referendum  
1.11 must be conducted one or two calendar years before the increased levy authority, if  
1.12 approved, first becomes payable. Only one election to approve an increase may be held  
1.13 in a calendar year. Unless the referendum is conducted by mail under paragraph (g), the  
1.14 referendum must be held on the first Tuesday after the first Monday in November. The  
1.15 ballot must state the maximum amount of the increased revenue per resident marginal cost  
1.16 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue  
1.17 per resident marginal cost pupil unit that differs from year to year over the number of  
1.18 years for which the increased revenue is authorized or may state that the amount shall  
1.19 increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the  
1.20 annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may  
1.21 state that existing referendum levy authority is expiring. In this case, the ballot may also  
1.22 compare the proposed levy authority to the existing expiring levy authority, and express  
1.23 the proposed increase as the amount, if any, over the expiring referendum levy authority.  
1.24 The ballot must designate the specific number of years, not to exceed ten, for which the

2.1 referendum authorization applies. The ballot, including a ballot on the question to revoke  
 2.2 or reduce the increased revenue amount under paragraph (c), must abbreviate the term  
 2.3 "per resident marginal cost pupil unit" as "per pupil." The notice required under section  
 2.4 275.60 may be modified to read, in cases of renewing existing levies:

2.5 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ~~MAY BE~~  
 2.6 ~~VOTING FOR A PROPERTY TAX INCREASE~~ ARE RENEWING AN  
 2.7 EXISTING REFERENDUM. YOU ARE NOT RAISING YOUR OPERATING  
 2.8 REFERENDUM TAX RATE FROM ITS LEVEL IN THE PREVIOUS YEAR."

2.9 The ballot may contain a textual portion with the information required in this  
 2.10 subdivision and a question stating substantially the following:

2.11 "Shall the increase in the revenue proposed by (petition to) the board of .....,  
 2.12 School District No. ..., be approved?"

2.13 If approved, an amount equal to the approved revenue per resident marginal cost  
 2.14 pupil unit times the resident marginal cost pupil units for the school year beginning in  
 2.15 the year after the levy is certified shall be authorized for certification for the number of  
 2.16 years approved, if applicable, or until revoked or reduced by the voters of the district at a  
 2.17 subsequent referendum.

2.18 (b) The board must prepare and deliver by first class mail at least 15 days but no more  
 2.19 than 30 days before the day of the referendum to each taxpayer a notice of the referendum  
 2.20 and the proposed revenue increase. The board need not mail more than one notice to any  
 2.21 taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be  
 2.22 those shown to be owners on the records of the county auditor or, in any county where  
 2.23 tax statements are mailed by the county treasurer, on the records of the county treasurer.  
 2.24 Every property owner whose name does not appear on the records of the county auditor  
 2.25 or the county treasurer is deemed to have waived this mailed notice unless the owner  
 2.26 has requested in writing that the county auditor or county treasurer, as the case may be,  
 2.27 include the name on the records for this purpose. The notice must project the anticipated  
 2.28 amount of tax increase in annual dollars for typical residential homesteads, agricultural  
 2.29 homesteads, apartments, and commercial-industrial property within the school district.

2.30 The notice for a referendum may state that an existing referendum levy is expiring  
 2.31 and project the anticipated amount of increase over the existing referendum levy in  
 2.32 the first year, if any, in annual dollars for typical residential homesteads, agricultural  
 2.33 homesteads, apartments, and commercial-industrial property within the district.

2.34 The notice must include the following statement: "Passage of this referendum will  
 2.35 result in an increase in your property taxes." However, in cases of renewing existing

3.1 levies, the notice may include the following statement: "Passage of this referendum may  
3.2 result in an increase in your property taxes."

3.3 (c) A referendum on the question of revoking or reducing the increased revenue  
3.4 amount authorized pursuant to paragraph (a) may be called by the board and shall be called  
3.5 by the board upon the written petition of qualified voters of the district. A referendum to  
3.6 revoke or reduce the revenue amount must state the amount per resident marginal cost  
3.7 pupil unit by which the authority is to be reduced. Revenue authority approved by the  
3.8 voters of the district pursuant to paragraph (a) must be available to the school district at  
3.9 least once before it is subject to a referendum on its revocation or reduction for subsequent  
3.10 years. Only one revocation or reduction referendum may be held to revoke or reduce  
3.11 referendum revenue for any specific year and for years thereafter.

3.12 (d) A petition authorized by paragraph (a) or (c) is effective if signed by a number of  
3.13 qualified voters in excess of 15 percent of the registered voters of the district on the day  
3.14 the petition is filed with the board. A referendum invoked by petition must be held on the  
3.15 date specified in paragraph (a).

3.16 (e) The approval of 50 percent plus one of those voting on the question is required to  
3.17 pass a referendum authorized by this subdivision.

3.18 (f) At least 15 days before the day of the referendum, the district must submit a  
3.19 copy of the notice required under paragraph (b) to the commissioner and to the county  
3.20 auditor of each county in which the district is located. Within 15 days after the results  
3.21 of the referendum have been certified by the board, or in the case of a recount, the  
3.22 certification of the results of the recount by the canvassing board, the district must notify  
3.23 the commissioner of the results of the referendum.

3.24 **EFFECTIVE DATE.** This section is effective for elections conducted on or after  
3.25 July 1, 2007.