

State of Minnesota

H. F. No. **1161**

1.1 A bill for an act

1.2 relating to education finance; establishing school district seasonal tax base

1.3 replacement aid; appropriating money; amending Minnesota Statutes 2024, sections

1.4 126C.13, subdivision 4; 126C.17, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2024, section 126C.13, subdivision 4, is amended to read:

1.7 Subd. 4. **General education aid.** ~~For fiscal year 2015 and later,~~ A district's general

1.8 education aid equals:

1.9 (1) general education revenue, excluding operating capital revenue, equity revenue, local

1.10 optional revenue, and transition revenue; plus

1.11 (2) operating capital aid under section 126C.10, subdivision 13b;

1.12 (3) equity aid under section 126C.10, subdivision 30; plus

1.13 (4) transition aid under section 126C.10, subdivision 33; plus

1.14 (5) shared time aid under section 126C.01, subdivision 7; plus

1.15 (6) referendum aid under section 126C.17, subdivisions 7 ~~and~~ 7a, and 7c; plus

1.16 (7) online learning aid under section 124D.096; plus

1.17 (8) local optional aid according to section 126C.10, subdivision 2e, paragraph (f).

1.18 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2027 and later.

Sec. 2. Minnesota Statutes 2024, section 126C.17, is amended by adding a subdivision to read:

Subd. 7c. **Seasonal tax base replacement aid.** (a) A district's seasonal tax base replacement aid equals the product of (1) one minus the seasonal tax base adjustment factor, and (2) the district's referendum equalization levy calculated under subdivision 6.

(b) A district's seasonal tax base adjustment factor equals the ratio of (1) the referendum market value for the district, to (2) the sum of the referendum market value and the seasonal market value for the district. The seasonal tax base adjustment factor may not be greater than one or less than 0.5. For the purposes of this paragraph, "seasonal market value" means the market value of all taxable property classified as class 4c(12) under section 273.13.

(c) The amount calculated under paragraph (a) must be used to reduce the district's referendum levy determined after the adjustments under subdivisions 7a and 7b, except that the district's referendum levy must not be less than zero after the subtraction under this subdivision.

EFFECTIVE DATE. This section is effective for taxes payable in 2026 and later.

Sec. 3. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. **General education aid.** (a) For general education aid under Minnesota Statutes, section 126C.13, subdivision 4:

\$ 2026

\$ 2027

(b) The 2026 appropriation includes \$..... for 2025 and \$..... for 2026.

(c) The 2027 appropriation includes \$..... for 2026 and \$..... for 2027.