

1.1 moves to amend H.F. No. 3485 as follows:

1.2 Page 1, line 11, delete "A school"

1.3 Page 1, delete line 12

1.4 Page 1, line 13, delete the new language

1.5 Page 1, line 20, reinstate the stricken language and delete the new language

1.6 Page 2, after line 23, insert:

1.7 "Sec. Minnesota Statutes 2020, section 124D.19, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 11a. **Preschool care.** In addition to other authority, a school district that offers a
1.10 licensed child care program serving children age 33 months or older or a program exempt
1.11 from licensure under section 245A.03, subdivision 2, clause (5), may offer, as part of a
1.12 community education program, a preschool care program for the portion of the day a child
1.13 is not enrolled in one of the following programs: early childhood special education; voluntary
1.14 prekindergarten; school readiness plus; or school readiness.

1.15 Sec. Minnesota Statutes 2020, section 124D.20, subdivision 8, is amended to read:

1.16 Subd. 8. **Uses of general revenue.** (a) General community education revenue may be
1.17 used for:

1.18 (1) nonvocational, recreational, and leisure time activities and programs;

1.19 (2) programs for adults with disabilities, if the programs and budgets are approved by
1.20 the department;

1.21 (3) adult basic education programs, according to section 124D.52;

1.22 (4) summer programs for elementary and secondary pupils;

- 2.1 (5) implementation of a youth development plan;
- 2.2 (6) implementation of a youth service program;
- 2.3 (7) early childhood family education programs, according to section 124D.13;
- 2.4 (8) school readiness programs, according to section 124D.15; ~~and~~
- 2.5 (9) school-age care programs, according to section 124D.19, subdivision 11; and
- 2.6 (10) preschool care programs, according to section 124D.19, subdivision 11a.

2.7 (b) In addition to money from other sources, a district may use up to ten percent of its
 2.8 community education revenue for equipment that is used exclusively in community education
 2.9 programs. This revenue may be used only for the following purposes:

- 2.10 (1) to purchase or lease computers and related materials;
- 2.11 (2) to purchase or lease equipment for instructional programs; and
- 2.12 (3) to purchase textbooks and library books.

2.13 (c) General community education revenue must not be used to subsidize the direct activity
 2.14 costs for adult enrichment programs. Direct activity costs include, but are not limited to,
 2.15 the cost of the activity leader or instructor, cost of materials, or transportation costs."

2.16 Page 2, delete section 2 and insert:

2.17 "Sec. Minnesota Statutes 2020, section 124D.22, is amended to read:

2.18 **124D.22 SCHOOL-AGE WRAP-AROUND CARE REVENUE.**

2.19 Subdivision 1. **Eligibility.** A district that offers a school-age care program according to
 2.20 section 124D.19, subdivision 11, or a preschool care program according to section 124D.19,
 2.21 subdivision 11a, is eligible for school-age wrap-around care revenue for the additional costs
 2.22 of providing services to children with disabilities or to children experiencing family or
 2.23 related problems of a temporary nature who participate in the school-age care program or
 2.24 the preschool care program.

2.25 Subd. 2. **School-age Wrap-around care revenue.** The school-age wrap-around care
 2.26 revenue for an eligible district equals the approved additional cost of providing services to
 2.27 children with disabilities or children experiencing family or related problems of a temporary
 2.28 nature who participate in the school-age care program or the preschool care program.

2.29 Subd. 3. **School-age Wrap-around care levy.** For fiscal year 2023 and later, to obtain
 2.30 school-age wrap-around care revenue, a school district may levy an amount equal to the

3.1 district's ~~school-age~~ wrap-around care revenue as defined in subdivision 2 multiplied by
 3.2 the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity
 3.3 of the district for the year before the year the levy is certified by the resident pupil units in
 3.4 the district for the school year to which the levy is attributable, to ~~\$2,318~~ \$15,747.

3.5 Subd. 4. **School-age Wrap-around care aid.** A district's ~~school-age~~ wrap-around care
 3.6 aid is the difference between its ~~school-age~~ wrap-around care revenue and its ~~school-age~~
 3.7 wrap-around care levy. If a district does not levy the entire amount permitted, ~~school-age~~
 3.8 wrap-around care aid must be reduced in proportion to the actual amount levied.

3.9 Sec. Minnesota Statutes 2020, section 127A.49, subdivision 2, is amended to read:

3.10 Subd. 2. **Abatements.** Whenever by virtue of chapter 278, sections 270C.86, 375.192,
 3.11 or otherwise, the net tax capacity or referendum market value of any district for any taxable
 3.12 year is changed after the taxes for that year have been spread by the county auditor and the
 3.13 local tax rate as determined by the county auditor based upon the original net tax capacity
 3.14 is applied upon the changed net tax capacities, the county auditor must, prior to February
 3.15 1 of each year, certify to the commissioner of education the amount of any resulting net
 3.16 revenue loss that accrued to the district during the preceding year. Each year, the
 3.17 commissioner must pay an abatement adjustment to the district in an amount calculated
 3.18 according to the provisions of this subdivision. This amount must be deducted from the
 3.19 amount of the levy authorized by section 126C.46. The amount of the abatement adjustment
 3.20 must be the product of:

3.21 (1) the net revenue loss as certified by the county auditor, times

3.22 (2) the ratio of:

3.23 (i) the sum of the amounts of the district's certified levy in the third preceding year
 3.24 according to the following:

3.25 (A) section 123B.595, if the district received long-term facilities maintenance aid
 3.26 according to that section for the second preceding year;

3.27 (B) section 124D.20, if the district received aid for community education programs
 3.28 according to that section for the second preceding year;

3.29 (C) section 124D.135, subdivision 3, if the district received early childhood family
 3.30 education aid according to section 124D.135 for the second preceding year;

3.31 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
 3.32 according to that section for the second preceding year;

4.1 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
 4.2 according to section 126C.10, subdivision 13b, in the second preceding year;

4.3 (F) section 126C.10, subdivision 29, if the district received equity aid according to
 4.4 section 126C.10, subdivision 30, in the second preceding year;

4.5 (G) section 126C.10, subdivision 32, if the district received transition aid according to
 4.6 section 126C.10, subdivision 33, in the second preceding year;

4.7 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
 4.8 according to section 123B.53, subdivision 6, in the second preceding year;

4.9 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
 4.10 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;

4.11 (J) section 124D.22, subdivision 3, if the district received ~~school-age~~ wrap-around care
 4.12 aid according to section 124D.22, subdivision 4, in the second preceding year;

4.13 (K) section 126C.10, subdivision 2e, paragraph (b), if the district received local optional
 4.14 aid according to section 126C.10, subdivision 2e, paragraph (c), in the second preceding
 4.15 year; and

4.16 (L) section 122A.415, subdivision 5, if the district received alternative teacher
 4.17 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
 4.18 in the second preceding year; to

4.19 (ii) the total amount of the district's certified levy in the third preceding December, plus
 4.20 or minus auditor's adjustments.

4.21 Sec. Minnesota Statutes 2021 Supplement, section 127A.49, subdivision 3, is amended
 4.22 to read:

4.23 Subd. 3. **Excess tax increment.** (a) If a return of excess tax increment is made to a
 4.24 district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon
 4.25 decertification of a tax increment district, the school district's aid and levy limitations must
 4.26 be adjusted for the fiscal year in which the excess tax increment is paid under the provisions
 4.27 of this subdivision.

4.28 (b) An amount must be subtracted from the district's aid for the current fiscal year equal
 4.29 to the product of:

4.30 (1) the amount of the payment of excess tax increment to the district in the preceding
 4.31 year, times

- 5.1 (2) the ratio of:
- 5.2 (i) the sum of the amounts of the district's certified levy in the third preceding year
- 5.3 according to the following:
- 5.4 (A) section 123B.57, if the district received health and safety aid according to that section
- 5.5 for the second preceding year;
- 5.6 (B) section 124D.20, if the district received aid for community education programs
- 5.7 according to that section for the second preceding year;
- 5.8 (C) section 124D.135, subdivision 3, if the district received early childhood family
- 5.9 education aid according to section 124D.135 for the second preceding year;
- 5.10 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
- 5.11 according to that section for the second preceding year;
- 5.12 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
- 5.13 according to section 126C.10, subdivision 13b, in the second preceding year;
- 5.14 (F) section 126C.10, subdivision 29, if the district received equity aid according to
- 5.15 section 126C.10, subdivision 30, in the second preceding year;
- 5.16 (G) section 126C.10, subdivision 32, if the district received transition aid according to
- 5.17 section 126C.10, subdivision 33, in the second preceding year;
- 5.18 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
- 5.19 according to section 123B.53, subdivision 6, in the second preceding year;
- 5.20 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
- 5.21 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;
- 5.22 (J) section 124D.22, subdivision 3, if the district received ~~school-age~~ wrap-around care
- 5.23 aid according to section 124D.22, subdivision 4, in the second preceding year; and
- 5.24 (K) section 122A.415, subdivision 5, if the district received alternative teacher
- 5.25 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
- 5.26 in the second preceding year; to
- 5.27 (ii) the total amount of the district's certified levy in the third preceding year, plus or
- 5.28 minus auditor's adjustments.
- 5.29 (c) An amount must be subtracted from the school district's levy limitation for the next
- 5.30 levy certified equal to the difference between:
- 5.31 (1) the amount of the distribution of excess increment; and

6.1 (2) the amount subtracted from aid pursuant to clause (a).

6.2 If the aid and levy reductions required by this subdivision cannot be made to the aid for
6.3 the fiscal year specified or to the levy specified, the reductions must be made from aid for
6.4 subsequent fiscal years, and from subsequent levies. The school district must use the payment
6.5 of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

6.6 (d) This subdivision applies only to the total amount of excess increments received by
6.7 a district for a calendar year that exceeds \$25,000."

6.8 Page 3, line 3, strike "School-age" and insert "Wrap-around" and strike "school-age"
6.9 and insert "wrap-around"

6.10 Renumber the sections in sequence and correct the internal references

6.11 Amend the title accordingly