

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1406  
**Version:** As introduced

**DATE:** March 14, 2013

**Authors:** Radinovich and others

**Subject:** Creating Education Advancement Revenue as a New Component of General Education Revenue for School Districts

**Analyst:** Tim Strom

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### Overview

This bill creates a new category of general education revenue called education advancement revenue. Sets the revenue amount equal to \$300 per pupil unit, and provides the revenue through a mix of aid and levy with the levy calculated on adjusted net tax capacity as the statewide uniform rate that raises \$100 million per year.

The bill reduces each district's referendum allowance by lesser of its current referendum allowance or \$300 per pupil unit. The bill also disallows additional operating referendum elections during calendar year 2013 only.

### Section

- 1** **General education revenue.** Creates a new component of general education revenue called education advancement revenue and adds it to the definition of general education revenue.
- 2** **Education advancement revenue.** Creates a new component of general education revenue called education advancement revenue. Sets the revenue equal to \$300 per resident marginal cost pupil unit beginning in fiscal year 2015.
- 3** **Education advancement rate.** Requires the commissioner of education to set a uniform tax rate for the education advancement levy each year. Sets the rate equal to the amount that raises \$100 million per year.
- 4** **Education advancement levy.** Sets the education advancement levy equal to the lesser of the district's education advancement revenue or the amount raised by applying the education

**Section**

advancement rate against the district's adjusted net tax capacity for the previous year.

- 5**      **Education advancement aid.** Establishes education advancement aid equal to the difference between the district's education advancement revenue and its education advancement levy. Proportionately reduces the aid if the district chooses to under levy.
- 6**      **General education aid.** Expands the definition of general education aid to include education advancement aid beginning in fiscal year 2015.
- 7**      **Referendum allowance.** Reduces each district's referendum revenue allowance by the lesser of its current referendum allowance or \$300 per resident marginal cost pupil unit.
- 8**      **Referendum allowance limit.** Reduces the maximum referendum allowance a district may have by \$300 per pupil unit.
- 9**      **Direction to the commissioner.** Requires the commissioner of education to adjust each district's referendum authority from oldest to newest in order to reduce referendum authority by \$300 per pupil unit.
- 10**     **Operating referendum freeze; fiscal year 2015.** Disallows any operating referendum elections in calendar 2013 unless the election is solely to renew an expiring referendum, in which case it may be renewed at its current amount less \$300 per pupil unit.