

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 733
Version: As Introduced

DATE: March 2, 2015

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Subject: Operating Referendum Adjustment; Owatonna School District

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Overview

The referendum revenue program, often referred to as the operating referendum levy or the excess levy referendum, is a mechanism that allows a school district to obtain voter approval to increase its revenue beyond the limits set in statute. The district does this by specifying a per pupil dollar amount on the ballot to be approved by the voters. Operating referendum revenue is a mix of aid and levy. The 2013 Legislature made a number of significant changes to the operating referendum program, including:

- ▶ changing the allowance from an amount per resident pupil to an amount per pupil served and changing the pupil grade-level weights;
- ▶ allowing a district to implement the first \$300 per pupil of referendum authority by board action;
- ▶ creating a new category of general education revenue called local optional revenue and converting a portion of each district's referendum authority to local optional revenue;
- ▶ enhancing referendum equalization aid; and
- ▶ modifying the referendum revenue cap.

The changes were helpful to many districts but also created some confusion regarding the amount of the per pupil allowance that should be specified on the ballot. After the conversions and offsets, the Owatonna school district's actual referendum question resulted in a different revenue amount than the district intended. This bill adjusts the Owatonna school district's per pupil referendum amount to the amount that the district had expected and communicated to its voters when it placed a dollar amount on the ballot.

Section

- 1** **Owatonna school district; referendum revenue authorization.** Sets the Owatonna operating referendum allowance at \$1,082.70 per pupil, subject to annual inflationary increases to reflect the new revenue intended by the school board when the referendum amount was placed on the ballot during the November 2013 election.