

**Subject** School District Operating Referenda Renewal by Board Action

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## Overview

Under current law, a school board may conduct an election to approve additional operating revenue. 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. An amount per pupil, not to exceed the statewide referendum cap, may be approved by the voters and added to the district's general education revenue. The term of an operating referendum may not exceed 10 years.

An operating referendum is a partially equalized aid and levy. For the 2022-2023 school year, 233 school districts have an approved referendum raising a total of \$849 million, with about \$23 million paid in state equalization aid while the remaining \$826 million comes from local property taxes. The levy share is calculated and shared on referendum market value, which is a tax base that excludes agricultural lands and seasonal recreational properties.

H.F. 535 proposes to allow expiring referendum authority to be renewed by school board action as long as the per pupil authority is not increased and the term of renewal is no longer than the current term.

## Summary

Section	Description
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1	<b>Renewal by school board.</b>
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Authorizes a school district to renew an existing operating referendum by action of the school board. In order to do so, four conditions must be met:

- the per pupil dollar amount of authority renewed must be no more than the existing referendum authority;

**Section** **Description**

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- the term of the referendum must not exceed the term of the initial referendum;
- the board must hold a hearing on the proposed renewal and allow for public comment at the hearing; and
- the board must take action by adopting a written resolution authorizing the renewal.



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