

1.1 Senator moves to amend S.F. No. 866 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2022, section 126C.10, subdivision 2e, is amended to read:

1.4 Subd. 2e. **Local optional revenue.** (a) For fiscal year ~~2021 and later~~ 2024, local optional
1.5 revenue for a school district equals the sum of the district's first tier local optional revenue
1.6 and second tier local optional revenue. A district's first tier local optional revenue equals
1.7 \$300 times the adjusted pupil units of the district for that school year. A district's second
1.8 tier local optional revenue equals \$424 times the adjusted pupil units of the district for that
1.9 school year. For fiscal year 2025 and later, a district's local optional revenue equals the local
1.10 optional allowance times the district's adjusted pupil units for that school year.

1.11 (b) For fiscal year ~~2021 and later~~ 2024, a district's local optional levy equals the sum of
1.12 the first tier local optional levy and the second tier local optional levy.

1.13 (c) For fiscal year 2024, a district's first tier local optional levy equals the district's first
1.14 tier local optional revenue times the lesser of one or the ratio of the district's referendum
1.15 market value per resident pupil unit to \$880,000.

1.16 (d) ~~For fiscal year 2022, a district's second tier local optional levy equals the district's~~
1.17 ~~second tier local optional revenue times the lesser of one or the ratio of the district's~~
1.18 ~~referendum market value per resident pupil unit to \$510,000.~~ For fiscal year 2023, a district's
1.19 second tier local optional levy equals the district's second tier local optional revenue times
1.20 the lesser of one or the ratio of the district's referendum market value per resident pupil unit
1.21 to \$548,842. For fiscal year 2024 and later, a district's second tier local optional levy equals
1.22 the district's second tier local optional revenue times the lesser of one or the ratio of the
1.23 district's referendum market value per resident pupil unit to \$510,000. For fiscal year 2025
1.24 and later, a district's local optional levy equals the district's local optional revenue times the
1.25 greater of (1) zero or (2) one minus the ratio of its referendum market value per resident
1.26 pupil unit in the year preceding the levy is certified to 116 percent of the state average
1.27 referendum market value per resident pupil unit for all school districts in the year preceding
1.28 the year the levy is certified. For fiscal year 2026 and later, the commissioner must calculate
1.29 the percentage used in this subdivision to create an equalization factor that calculates a local
1.30 optional levy to the closest approximate whole percentage point without increasing the
1.31 overall statewide local optional levy from the preceding year.

1.32 (e) The local optional levy must be spread on referendum market value. A district may
1.33 levy less than the permitted amount.

2.1 (f) A district's local optional aid equals its local optional revenue minus its local optional
 2.2 levy. If a district's actual levy for ~~first or second tier~~ its local optional revenue is less than
 2.3 its maximum levy limit ~~for that tier~~, its aid must be proportionately reduced.

2.4 (g) The local optional allowance for fiscal year 2025 and later equals \$840. The local
 2.5 optional revenue for fiscal year 2026 and later equals the local optional revenue allowance
 2.6 for the previous year times the ratio of the general education basic formula allowance for
 2.7 the current year to the general education basic formula allowance for the previous year.

2.8 **EFFECTIVE DATE.** This section is effective for fiscal year 2024 and later.

2.9 Sec. 2. **APPROPRIATION; DEPARTMENT OF EDUCATION.**

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

2.13 Subd. 2. General education aid. For general education aid for local optional aid
 2.14 according to Minnesota Statutes, section 126C.10, subdivision 2e:

2.15 \$ 2024
 2.16 \$ 2025"

2.17 Amend the title accordingly