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S.F. No. 4184 – Local Optional Revenue and Referendum Revenue Modifications

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Section 1. Local optional revenue. For fiscal year 2025, increases a school district's local optional revenue authority from \$724 per pupil to \$920 per pupil. For fiscal year 2026 and later, provides that a school district's local optional revenue authority equals the sum of:

- (1) \$920 per pupil, adjusted for inflationary increases in the formula allowance;
- (2) the district's total unemployment insurance costs for the previous fiscal year; and
- (3) the district's required paid family and medical leave costs for the previous fiscal year.

Strikes other language that is recodified in modified form later in the bill.

Sec. 2. Local optional levy. Beginning in fiscal year 2026, establishes a single unspecified equalizing factor applicable to the district's local optional revenue. Under current law, a district's local optional revenue is allocated into two equalized tiers with different equalizing factors. Recodifies other language stricken in section 1.

Sec. 3. Local optional aid. Recodifies language stricken in section 1 and makes technical changes to conform to the calculation of the local optional levy under section 2.

Sec. 4. Referendum allowance. Simplifies the calculation of a district's referendum allowance and strikes obsolete language.

Sec. 5. Referendum equalization revenue. Provides that the full amount of a district's referendum revenue is potentially eligible for equalization. (Under current law, a district's referendum revenue is allocated into two equalized tiers with different equalizing factors and one unequalized tier.)

Sec. 6. Referendum equalization levy. Establishes a single unspecified equalizing factor applicable to the district's referendum equalization revenue.

Sec. 7. Referendum equalization aid. Makes technical changes to conform to the simplified levy equalization formula under section 6.

Sec. 8. General education aid. Increases the general education aid appropriation by an unspecified amount to pay for the increased local optional levy equalization and referendum levy equalization under the bill.

Sec. 9. Repealer. Repeals language made obsolete by the changes to referendum equalization revenue under section 5. Repeals the unemployment insurance aid reimbursement program and account in the special revenue fund and the school district unemployment insurance levy for fiscal year 2026 and later.