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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4493

03/21/2022 Authored by Huot The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; increasing career and technical revenue; appropriating
1.3 money; amending Minnesota Statutes 2020, section 124D.4531, subdivisions 1,
1.4 1a, 1b; Laws 2021, First Special Session chapter 13, article 1, section 10,
1.5 subdivision 9; repealing Minnesota Statutes 2020, section 124D.4531, subdivision
1.6 3a.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2020, section 124D.4531, subdivision 1, is amended to
1.9 read:

1.10 Subdivision 1. Career and technical revenue. (a) A district with a career and technical
1.11 program approved under this section for the fiscal year in which the levy is certified is
1.12 eligible for career and technical revenue equal to ~~35~~ 50 percent of approved expenditures
1.13 in the fiscal year in which the levy is certified for the following:

1.14 (1) salaries paid to essential, licensed personnel providing direct instructional services
1.15 to students in that fiscal year, including extended contracts, for services rendered in the
1.16 district's approved career and technical education programs, excluding salaries reimbursed
1.17 by another school district under clause (2);

1.18 (2) amounts paid to another Minnesota school district for salaries of essential, licensed
1.19 personnel providing direct instructional services to students in that fiscal year for services
1.20 rendered in the district's approved career and technical education programs;

1.21 (3) contracted services provided by a public or private agency other than a Minnesota
1.22 school district or cooperative center under chapter 123A or 136D;

2.1 (4) necessary travel between instructional sites by licensed career and technical education
 2.2 personnel, and student travel, as directed by the school district, between an instructional
 2.3 site and a job placement site in a state approved work-based learning program;

2.4 (5) necessary travel by licensed career and technical education personnel for ~~vocational~~
 2.5 career and technical student organization activities held within the state for instructional
 2.6 purposes;

2.7 (6) curriculum development activities that are part of a five-year plan for improvement
 2.8 based on program assessment;

2.9 (7) necessary travel by licensed career and technical education personnel for noncollegiate
 2.10 credit-bearing professional development; and

2.11 (8) specialized ~~vocational~~ career and technical instructional supplies.

2.12 (b) The district must recognize the full amount of this levy as revenue for the fiscal year
 2.13 in which it is certified.

2.14 ~~(c) The amount of the revenue calculated under this subdivision may not exceed~~
 2.15 ~~\$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and~~
 2.16 ~~\$20,657,000 for taxes payable in 2014.~~

2.17 ~~(d) If the estimated revenue exceeds the amount in paragraph (c), the commissioner must~~
 2.18 ~~reduce the percentage in paragraph (a) until the estimated revenue no longer exceeds the~~
 2.19 ~~limit in paragraph (c).~~

2.20 **EFFECTIVE DATE.** The section is effective for revenue for fiscal year 2023 and later.

2.21 Sec. 2. Minnesota Statutes 2020, section 124D.4531, subdivision 1a, is amended to read:

2.22 Subd. 1a. **Career and technical levy.** ~~(a) For fiscal year 2014 only, a district may levy~~
 2.23 ~~an amount not more than the product of its career and technical revenue times the lesser of~~
 2.24 ~~one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal year in~~
 2.25 ~~which the levy is certified to the career and technical revenue equalizing factor. The career~~
 2.26 ~~and technical revenue equalizing factor for fiscal year 2014 equals \$7,612.~~

2.27 ~~(b) For fiscal year 2015 and later, A district may levy an amount not more than the~~
 2.28 ~~product of its career and technical revenue times the lesser of one or the ratio of its adjusted~~
 2.29 ~~net tax capacity per adjusted pupil unit in the fiscal year in which the levy is certified to the~~
 2.30 ~~career and technical revenue equalizing factor. The career and technical revenue equalizing~~
 2.31 ~~factor for fiscal year 2015~~ 2023 and later equals ~~\$7,612~~ \$13,388.

2.32 **EFFECTIVE DATE.** The section is effective for revenue for fiscal year 2023 and later.

3.1 Sec. 3. Minnesota Statutes 2020, section 124D.4531, subdivision 1b, is amended to read:

3.2 Subd. 1b. **Career and technical aid.** ~~For fiscal year 2014 and later,~~ A district's career
3.3 and technical aid equals its career and technical revenue less its career and technical levy.
3.4 If the district levy is less than the permitted levy, the district's career and technical aid shall
3.5 be reduced proportionately.

3.6 **EFFECTIVE DATE.** The section is effective for revenue for fiscal year 2023 and later.

3.7 Sec. 4. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 9,
3.8 is amended to read:

3.9 Subd. 9. **Career and technical aid** For career and technical aid under Minnesota Statutes,
3.10 section 124D.4531, subdivision 1b:

3.11	\$	2,668,000	2022
3.12		2,279,000		
3.13	\$	<u>13,380,000</u>	2023

3.14 The 2022 appropriation includes \$323,000 for 2021 and \$2,345,000 for 2022.

3.15 The 2023 appropriation includes \$260,000 for 2022 and ~~\$2,019,000~~ \$13,120,000 for
3.16 2023.

3.17 **EFFECTIVE DATE.** The section is effective for revenue for fiscal year 2023 and later.

3.18 Sec. 5. **REPEALER.**

3.19 Minnesota Statutes 2020, section 124D.4531, subdivision 3a, is repealed.

124D.4531 CAREER AND TECHNICAL REVENUE.

Subd. 3a. **Revenue adjustments.** Notwithstanding subdivisions 1, 1a, and 3, for taxes payable in 2012 to 2014 only, the department must calculate the career and technical revenue for each district according to Minnesota Statutes 2010, section 124D.4531, and adjust the revenue for each district proportionately to meet the statewide revenue target under subdivision 1, paragraph (c). For purposes of calculating the revenue guarantee under subdivision 3, the career and technical education revenue for the previous fiscal year is the revenue according to Minnesota Statutes 2010, section 124D.4531, before adjustments to meet the statewide revenue target.