

SF1804 - 0 - School Districts Renewal of Expiring Referendums

Chief Author: **Zach Duckworth**
 Committee: **Education Finance And Policy**
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 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 3/16/2021 6:43:29 PM
Phone: 651-284-6439 **Email:** alyssa.holterman.rosas@lbo.leg.mn

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This legislation will allow school districts to renew expiring referendum by board resolution if the per-pupil amount and the term of the renewal remain the same as the existing referendum.

- A copy of the adopted resolution must be provided to the commissioner of education and the county auditor no later than September 1st of the calendar year in which the levy is certified.
- School boards will be allowed to pass a resolution after holding a meeting and allowing public testimony on the proposed renewal.
- The resolution must be adopted by June 15th of any calendar year and becomes effective 60 days after its adoption.
- The school board may renew an expiring referendum not more than two fiscal years before the referendum expires which is consistent with current legislation.

Assumptions

Most districts seek to renew their expiring referendums, and most referendum renewal elections are successful. Over the past 5 years, all 85 renewal elections for expiring referendums were successful.

To forecast referendum revenue, School Finance forecasts that all expiring referendum authorities are automatically renewed. All of the renewals of expiring referendum authorities are incorporated into February 2021 forecast.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

This would be ongoing.

Local Fiscal Impact

The local impact has already been incorporated into the February 2021 forecast.

By allowing local school boards to pass a resolution to renew expiring authority, school districts will reduce the cost of an election campaign, which includes the need to prepare first class mailing information to be sent to all the property owners in the district and the cost of postage for that mailing.

In addition, many school districts use an attorney to draft ballot language for an election and a financial advisor to prepare a table illustrating the cost to the tax payer based on the referendum market value of their property, and will save on these costs as well.

References/Sources

N/A

Agency Contact: Daley Lehmann 651-582-8817

Agency Fiscal Note Coordinator Signature: Melissa Johnson

Phone: 651-582-8690

Date: 3/16/2021 6:42:30 PM

Email: melissa.r.johnson@state.mn.us