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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **557**

02/02/2015 Authored by Bly
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; making charter schools and the Crosswinds
1.3 Integration Magnet School eligible to generate small schools revenue; amending
1.4 Minnesota Statutes 2014, sections 124D.11, subdivision 1; 126C.10, subdivision
1.5 2c.

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

1.7 Section 1. Minnesota Statutes 2014, section 124D.11, subdivision 1, is amended to read:

1.8 Subdivision 1. **General education revenue.** General education revenue must be
1.9 paid to a charter school as though it were a district. The general education revenue for each
1.10 adjusted pupil unit is the state average general education revenue per pupil unit, plus the
1.11 referendum equalization aid allowance in the pupil's district of residence, minus an amount
1.12 equal to the product of the formula allowance according to section 126C.10, subdivision
1.13 2, times .0466, calculated without small schools revenue, declining enrollment revenue,
1.14 local optional revenue, basic skills revenue, extended time revenue, pension adjustment
1.15 revenue, transition revenue, and transportation sparsity revenue, plus small schools
1.16 revenue, declining enrollment revenue, basic skills revenue, extended time revenue,
1.17 pension adjustment revenue, and transition revenue as though the school were a school
1.18 district. The general education revenue for each extended time pupil unit equals \$4,794.

1.19 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2016 and
1.20 later.

1.21 Sec. 2. Minnesota Statutes 2014, section 126C.10, subdivision 2c, is amended to read:

2.1 Subd. 2c. **Small schools revenue.** (a) A school district, ~~not including a charter~~
2.2 ~~school~~, is eligible for small schools revenue equal to the greater of the calculation under
2.3 paragraph (b) or (d).

2.4 (b) The product of:

2.5 (1) \$544;

2.6 (2) the district's adjusted pupil units for that year; and

2.7 (3) the greater of zero or the ratio of (i) ~~960~~ the small schools threshold less the
2.8 district's adjusted pupil units for that year, to (ii) ~~960~~ the small schools threshold.

2.9 (c) For the purpose of revenue calculated under paragraph (d), "district" includes a
2.10 qualifying high school under subdivision 6 that is located in a district with at least two
2.11 high schools.

2.12 (d) The product of:

2.13 (1) \$544;

2.14 (2) the district's adjusted pupil units for that year; and

2.15 (3) the greater of zero or the ratio of (i) ~~960~~ the small schools threshold less the
2.16 district's adjusted pupil units for that year, to (ii) ~~960~~ the small schools threshold.

2.17 (e) The small schools threshold equals 960 for a school district and 200 for a charter
2.18 school or the Crosswinds Integration Magnet School.

2.19 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2016 and
2.20 later.