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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **2163**

04/07/2015 Authored by Barrett, Zerwas, McDonald and Rarick
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; creating a new source of state aid for school
1.3 districts with below average revenue; amending Minnesota Statutes 2014, section
1.4 126C.13, subdivision 4; proposing coding for new law in Minnesota Statutes,
1.5 chapter 126C.

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

1.7 Section 1. **[126C.127] GENERAL EDUCATION DISPARITY AID.**

1.8 A school district or charter school is eligible for general education disparity aid if
1.9 the district's per pupil general education revenue is less than the statewide average per
1.10 pupil general education revenue. For purposes of this section, "district" means a school
1.11 district or a charter school; "general education revenue" means the sum of the district's
1.12 general education revenue under section 126C.10, and its referendum revenue under
1.13 section 126C.17; and "pupil units" means adjusted marginal cost pupil units. For fiscal
1.14 year 2016 and later, a district's general education disparity aid equals the greater of:

1.15 (1) zero; or

1.16 (2) the product of:

1.17 (i) the district's pupil units for that year; and

1.18 (ii) the difference between the statewide average general education revenue per pupil
1.19 unit and the district's general education revenue per pupil unit.

1.20 Sec. 2. Minnesota Statutes 2014, section 126C.13, subdivision 4, is amended to read:

1.21 Subd. 4. **General education aid.** (a) For fiscal years 2013 and 2014 only, a district's
1.22 general education aid is the sum of the following amounts:

1.23 (1) general education revenue, excluding equity revenue, total operating capital
1.24 revenue, alternative teacher compensation revenue, and transition revenue;

- 2.1 (2) operating capital aid under section 126C.10, subdivision 13b;
- 2.2 (3) equity aid under section 126C.10, subdivision 30;
- 2.3 (4) alternative teacher compensation aid under section 126C.10, subdivision 36;
- 2.4 (5) transition aid under section 126C.10, subdivision 33;
- 2.5 (6) shared time aid under section 126C.01, subdivision 7;
- 2.6 (7) referendum aid under section 126C.17, subdivisions 7 and 7a; and
- 2.7 (8) online learning aid according to section 124D.096.
- 2.8 (b) For fiscal year ~~2015~~ 2016 and later, a district's general education aid equals:
- 2.9 (1) general education revenue, excluding operating capital revenue, equity revenue,
- 2.10 local optional revenue, and transition revenue, minus the student achievement levy,
- 2.11 multiplied times the ratio of the actual amount of student achievement levy levied to the
- 2.12 permitted student achievement levy; plus
- 2.13 (2) equity aid under section 126C.10, subdivision 30; plus
- 2.14 (3) transition aid under section 126C.10, subdivision 33; plus
- 2.15 (4) shared time aid under section 126C.10, subdivision 7; plus
- 2.16 (5) referendum aid under section 126C.17, subdivisions 7 and 7a; plus
- 2.17 (6) online learning aid under section 124D.096; plus
- 2.18 (7) local optional aid according to section 126C.10, subdivision 2d, paragraph (d);₂
- 2.19 plus
- 2.20 (8) general education disparity aid under section 126C.127.
- 2.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016
- 2.22 and later.