A bill for an act
relating to education finance; modifying distribution of permanent school fund payments; setting growth in permanent school fund revenue aside for school technology purposes; amending Minnesota Statutes 2006, section 126C.21, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 127A.

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

Section 1. Minnesota Statutes 2006, section 126C.21, subdivision 1, is amended to read:

Subdivision 1. **Permanent school fund.** ~~The~~ An amount of money equal to $36 times the district's pupils in average daily membership received by a district as income from the permanent school fund for any year must be deducted from the general education aid earned by the district for the same year or from aid earned from other state sources.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2012.

Sec. 2. **[127A.331] SCHOOL ENDOWMENT FUND; USE OF REVENUE.**

A school that receives school endowment fund revenue under section 127A.33 in excess of $36 per pupil in average daily membership may use that revenue only for the following purposes:

(1) to purchase or lease computers and related materials, copying machines, telecommunications equipment, and other noninstructional equipment;

(2) to purchase or lease assistive technology or equipment for instructional programs;

(3) to purchase new and replacement library media resources or technology;

(4) to pay for ongoing or recurring telecommunications/Internet access costs associated with Internet access, data lines, and video links; and

(5) to pay for service provider installation fees for installation of new telecommunications lines or increased bandwidth.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2012.