

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-FIRST SESSION**

**S.F. No. 3725**

(SENATE AUTHORS: WIGER, Clausen and Hoffman)

DATE  
02/27/2020

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Introduction and first reading  
Referred to E-12 Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to education finance; increasing the formula allowance by one percent;

1.3 providing inflationary increases in general education revenue beginning in fiscal

1.4 year 2022; amending Minnesota Statutes 2019 Supplement, section 126C.10,

1.5 subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2019 Supplement, section 126C.10, subdivision 2, is amended

1.8 to read:

1.9 Subd. 2. **Basic revenue.** (a) The basic revenue for each district equals the formula

1.10 allowance times the adjusted pupil units for the school year.

1.11 (b) The formula allowance for fiscal year 2019 is \$6,312. The formula allowance for

1.12 fiscal year 2020 is \$6,438. The formula allowance for fiscal year 2021 ~~and later is \$6,567~~

1.13 \$6,633.

1.14 (c) For fiscal year 2022 and later, the formula allowance equals the formula allowance

1.15 for fiscal year 2021 times the inflationary increase for that year.

1.16 (d) For purposes of this subdivision, "inflationary increase" means one plus the percentage

1.17 change in the Consumer Price Index for urban consumers, as prepared by the United States

1.18 Bureau of Labor Standards, from the current fiscal year to fiscal year 2021.

1.19 **EFFECTIVE DATE.** This section is effective for fiscal year 2021 and later.