

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2122

(SENATE AUTHORS: KIFFMEYER)

DATE
03/15/2017

D-PG
1486 Introduction and first reading
Referred to E-12 Finance

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to education finance; modifying compensatory education revenue;
- 1.3 amending Minnesota Statutes 2016, section 126C.10, subdivision 3.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2016, section 126C.10, subdivision 3, is amended to read:
- 1.6 Subd. 3. **Compensatory education revenue.** (a) ~~For fiscal year 2014, the compensatory~~
- 1.7 ~~education revenue for each building in the district equals the formula allowance minus \$415~~
- 1.8 ~~times the compensation revenue pupil units computed according to section 126C.05,~~
- 1.9 ~~subdivision 3.~~ For fiscal year ~~2015~~ 2018 and later, the compensatory education revenue for
- 1.10 a school district which did not have a pupil unit count that was in the top 20 largest pupil
- 1.11 unit counts on October 1 of the previous fiscal year for each building in the district equals
- 1.12 the formula allowance minus \$839 times the compensation revenue pupil units computed
- 1.13 according to section 126C.05, subdivision 3. Revenue shall be paid to the district and must
- 1.14 be allocated according to section 126C.15, subdivision 2.
- 1.15 (b) The compensatory education revenue for a school district which had a pupil unit
- 1.16 count that was in the top 20 largest pupil unit counts on October 1 of the previous fiscal
- 1.17 year is equal to the greater of:
- 1.18 (1) \$1,400 times the sum of pupils eligible to receive free lunch and one-half of the
- 1.19 pupils eligible to receive reduced-price lunch on October 1 of the previous fiscal year; or
- 1.20 (2) for each building in the district, the formula allowance minus \$415 times the
- 1.21 compensation revenue pupil units computed according to section 126C.05, subdivision 3.

2.1 ~~(b)~~ (c) When the district contracting with an alternative program under section 124D.69
2.2 changes prior to the start of a school year, the compensatory revenue generated by pupils
2.3 attending the program shall be paid to the district contracting with the alternative program
2.4 for the current school year, and shall not be paid to the district contracting with the alternative
2.5 program for the prior school year.

2.6 ~~(e)~~ (d) When the fiscal agent district for an area learning center changes prior to the start
2.7 of a school year, the compensatory revenue shall be paid to the fiscal agent district for the
2.8 current school year, and shall not be paid to the fiscal agent district for the prior school year.

2.9 **EFFECTIVE DATE.** This section is effective for fiscal year 2018 and later.