

2.1 ~~(5)~~ (2) for a district not listed in clause (1), ~~(2)~~, ~~(3)~~, or ~~(4)~~, that is required to
2.2 implement a plan according to the requirements of Minnesota Rules, parts 3535.0100 to
2.3 3535.0180, the lesser of:

2.4 (i) the actual cost of implementing the plan during the fiscal year minus the aid
2.5 received under subdivision 6₂; or

2.6 (ii) \$92 times the adjusted pupil units for the school year; and

2.7 ~~Any money received by districts in clauses (1) to (3) which exceeds the amount~~
2.8 ~~received in fiscal year 2000 shall be subject to the budget requirements in subdivision~~
2.9 ~~1a; and~~

2.10 ~~(6)~~ (3) for a member district of a multidistrict integration collaborative that files a
2.11 plan with the commissioner, but is not contiguous to a racially isolated district, integration
2.12 revenue equals the amount defined in clause ~~(5)~~ (2).

2.13 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.

2.14 Sec. 2. **[126C.09] EDUCATION FUNDING POLICY.**

2.15 **Subdivision 1. Policy.** It is the policy of the legislature to prioritize the basic revenue
2.16 component of general education revenue and to minimize differences in total per student
2.17 general education revenue funding statewide.

2.18 **Subd. 2. Additional state aid.** In any fiscal year that the formulas determining state
2.19 appropriations for elementary and secondary education are being increased compared to
2.20 the previous fiscal year, no less than 90 percent of the increase shall be used to raise the
2.21 basic revenue formula allowance.

2.22 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.

2.23 Sec. 3. Minnesota Statutes 2010, section 126C.10, subdivision 3, is amended to read:

2.24 Subd. 3. **Compensatory education revenue.** (a) The compensatory education
2.25 revenue for each building in the district equals ~~the formula allowance~~ \$5,124 minus \$415
2.26 times the compensation revenue pupil units computed according to section 126C.05,
2.27 subdivision 3. Revenue shall be paid to the district and must be allocated according to
2.28 section 126C.15, subdivision 2.

2.29 (b) When the district contracting with an alternative program under section 124D.69
2.30 changes prior to the start of a school year, the compensatory revenue generated by pupils
2.31 attending the program shall be paid to the district contracting with the alternative program
2.32 for the current school year, and shall not be paid to the district contracting with the
2.33 alternative program for the prior school year.

3.1 (c) When the fiscal agent district for an area learning center changes prior to the start
3.2 of a school year, the compensatory revenue shall be paid to the fiscal agent district for the
3.3 current school year, and shall not be paid to the fiscal agent district for the prior school year.

3.4 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.

3.5 Sec. 4. Minnesota Statutes 2010, section 126C.10, subdivision 7, is amended to read:

3.6 Subd. 7. **Secondary sparsity revenue.** (a) A district's secondary sparsity revenue
3.7 for a school year equals the sum of the results of the following calculation for each
3.8 qualifying high school in the district:

3.9 (1) ~~the formula allowance for the school year, \$5,124~~ multiplied by

3.10 (2) the secondary average daily membership of pupils served in the high school,
3.11 multiplied by

3.12 (3) the quotient obtained by dividing 400 minus the secondary average daily
3.13 membership by 400 plus the secondary daily membership, multiplied by

3.14 (4) the lesser of 1.5 or the quotient obtained by dividing the isolation index minus
3.15 23 by ten.

3.16 (b) A newly formed district that is the result of districts combining under the
3.17 cooperation and combination program or consolidating under section 123A.48 must
3.18 receive secondary sparsity revenue equal to the greater of: (1) the amount calculated
3.19 under paragraph (a) for the combined district; or (2) the sum of the amounts of secondary
3.20 sparsity revenue the former districts had in the year prior to consolidation, increased for
3.21 any subsequent changes in the secondary sparsity formula.

3.22 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.

3.23 Sec. 5. Minnesota Statutes 2010, section 126C.10, subdivision 8, is amended to read:

3.24 Subd. 8. **Elementary sparsity revenue.** A district's elementary sparsity revenue
3.25 equals the sum of the following amounts for each qualifying elementary school in the
3.26 district:

3.27 (1) ~~the formula allowance for the year, \$5,124~~ multiplied by

3.28 (2) the elementary average daily membership of pupils served in the school,
3.29 multiplied by

3.30 (3) the quotient obtained by dividing 140 minus the elementary average daily
3.31 membership by 140 plus the average daily membership.

3.32 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.

S.F. No. 422, as introduced - 87th Legislative Session (2011-2012) [11-1852]

4.1 Sec. 6. Minnesota Statutes 2010, section 126C.10, subdivision 18, is amended to read:

4.2 Subd. 18. **Transportation sparsity revenue allowance.** (a) A district's
4.3 transportation sparsity allowance equals the greater of zero or the result of the following
4.4 computation:

4.5 ~~(i) (1) multiply the formula allowance according to subdivision 2, \$5,124 by .1469;~~

4.6 ~~(ii) (2) multiply the result in clause ~~(i) (1)~~ by the district's sparsity index raised to~~
4.7 ~~the 26/100 power;~~

4.8 ~~(iii) (3) multiply the result in clause ~~(ii) (2)~~ by the district's density index raised to~~
4.9 ~~the 13/100 power;~~

4.10 ~~(iv) (4) multiply the formula allowance according to subdivision 2, \$5,124 by~~
4.11 ~~.0485; and~~

4.12 ~~(v) (5) subtract the result in clause ~~(iv) (4)~~ from the result in clause ~~(iii) (3)~~.~~

4.13 (b) Transportation sparsity revenue is equal to the transportation sparsity allowance
4.14 times the adjusted marginal cost pupil units.

4.15 **EFFECTIVE DATE.** This section is effective for fiscal year 2013 and later.