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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **2640**

03/08/2016 Authored by Zerwas and Bly

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 2015
1.4 Supplement, section 126C.13, subdivision 4; proposing coding for new law
1.5 in Minnesota Statutes, 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 that is among the largest ten school districts, as measured by
1.9 adjusted marginal cost pupil units, that also has a portion of its district located within the
1.10 seven-county metropolitan area and that has general education revenue per pupil unit less
1.11 than 92 percent of the average of the largest ten school districts, as measured by adjusted
1.12 marginal cost pupil units, excluding general education disparity aid, shall receive general
1.13 education disparity aid equal to five percent of the average general education revenue per
1.14 pupil unit of the largest ten school districts, excluding general education disparity aid.

1.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017
1.16 and later.

1.17 Sec. 2. Minnesota Statutes 2015 Supplement, section 126C.13, subdivision 4, is
1.18 amended to read:

1.19 Subd. 4. **General education aid.** For fiscal year ~~2015~~ 2017 and later, a district's
1.20 general education aid equals:

1.21 (1) general education revenue, excluding operating capital revenue, equity revenue,
1.22 local optional revenue, and transition revenue, minus the student achievement levy,

2.1 multiplied times the ratio of the actual amount of student achievement levy levied to the
2.2 permitted student achievement levy; plus

2.3 (2) operating capital aid under section 126C.10, subdivision 13b;

2.4 (3) equity aid under section 126C.10, subdivision 30; plus

2.5 (4) transition aid under section 126C.10, subdivision 33; plus

2.6 (5) shared time aid under section 126C.10, subdivision 7; plus

2.7 (6) referendum aid under section 126C.17, subdivisions 7 and 7a; plus

2.8 (7) online learning aid under section 124D.096; plus

2.9 (8) local optional aid according to section 126C.10, subdivision 2d, paragraph (d);

2.10 plus

2.11 (9) general education disparity aid under section 126C.127.

2.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017

2.13 and later.