

CHAPTER 124A

GENERAL EDUCATION REVENUE

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124A.029 REFERENDUM AND DESEGREGATION REVENUE CONVERSION.

[For text of subs 1 to 3, see M.S.1992]

Subd. 4. **Per pupil revenue option.** A district may, by school board resolution, request that the department convert the levy authority under section 124.912, subdivisions 2 and 3, or its current referendum revenue, excluding authority based on a dollar amount, authorized before July 1, 1993, to an allowance per pupil. The district must adopt a resolution and submit a copy of the resolution to the department by July 1, 1993. The department shall convert a district's revenue for fiscal year 1995 and later years as follows: the revenue allowance equals the amount determined by dividing the district's maximum revenue under section 124A.03 or 124.912, subdivisions 2 and 3, for fiscal year 1994 by the district's 1993-1994 actual pupil units. A district's maximum revenue for all later years for which the revenue is authorized equals the revenue allowance times the district's actual pupil units for that year. If a district has referendum authority under section 124A.03 and levy authority under section 124.912, subdivisions 2 and 3, and the district requests that each be converted, the department shall convert separate revenue allowances for each. However, if a district's referendum revenue is limited to a dollar amount, the maximum revenue under section 124A.03 must not exceed that dollar amount. If the referendum authority of a district is converted according to this subdivision, the authority expires June 30, 1997, unless it is scheduled to expire sooner.

History: 1993 c 224 art 15 s 1

124A.03 REFERENDUM REVENUE.

[For text of subd 1b, see M.S.1992]

Subd. 1c. **Referendum allowance limit.** (a) Notwithstanding subdivision 1b, a district's referendum allowance must not exceed the greater of:

- (1) the district's referendum allowance for fiscal year 1994; or
- (2) 25 percent of the formula allowance for fiscal year 1995 and later.

(b) The allowance calculated in paragraph (a) must be reduced by the amount of the referendum allowance reduction computed in subdivision 3b.

[For text of subs 1d and 1e, see M.S.1992]

Subd. 1f. **Referendum equalization revenue.** A district's referendum equalization revenue equals \$315 times the district's actual pupil units for that year.

Referendum equalization revenue must not exceed a district's total referendum revenue for that year.

Subd. 1g. **Referendum equalization levy.** A district's referendum equalization levy

equals the district's referendum equalization revenue times the lesser of one or the ratio of the district's adjusted net tax capacity per actual pupil unit to 100 percent of the equalizing factor as defined in section 124A.02, subdivision 8.

[For text of subds 1h and 1i, see M.S.1992]

Subd. 2. **Referendum revenue.** (a) The revenue authorized by section 124A.22, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be conducted during the calendar year before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under paragraph (g), the referendum must be held on the first Tuesday after the first Monday in November. The ballot shall state the maximum amount of the increased revenue per actual pupil unit, the estimated referendum tax rate as a percentage of market value in the first year it is to be levied, and that the revenue shall be used to finance school operations. The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot shall designate the specific number of years, not to exceed five, for which the referendum authorization shall apply. The ballot may contain a textual portion with the information required in this subdivision and a question stating substantially the following:

"Shall the increase in the revenue proposed by (petition to) the board of, School District No. ..., be approved?"

If approved, an amount equal to the approved revenue per actual pupil unit times the actual pupil units for the school year beginning in the year after the levy is certified shall be authorized for certification for the number of years approved, if applicable, or until revoked or reduced by the voters of the district at a subsequent referendum.

(b) The school board shall prepare and deliver by first class mail at least 15 days but no more than 30 days prior to the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The school board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice for a referendum may state that an existing referendum levy is expiring and project the anticipated amount of increase over the existing referendum levy, if any, in annual dollars and annual percentage for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

The notice must include the following statement: "Passage of this referendum will result in an increase in your property taxes."

(c) A referendum on the question of revoking or reducing the increased revenue amount authorized pursuant to paragraph (a) may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. A referendum to revoke or reduce the levy amount must be based upon the dollar amount, local tax rate, or amount per actual pupil unit, that was stated to be the basis for the initial authorization. Revenue approved by the voters of the district pursuant to paragraph (a) must be received at least once before it is subject to a referendum

on its revocation or reduction for subsequent years. Only one revocation or reduction referendum may be held to revoke or reduce referendum revenue for any specific year and for years thereafter.

(d) A petition authorized by paragraph (a) or (c) shall be effective if signed by a number of qualified voters in excess of 15 percent of the registered voters of the school district on the day the petition is filed with the school board. A referendum invoked by petition shall be held on the date specified in paragraph (a).

(e) The approval of 50 percent plus one of those voting on the question is required to pass a referendum authorized by this subdivision.

(f) At least 15 days prior to the day of the referendum, the district shall submit a copy of the notice required under paragraph (b) to the commissioner of education. Within 15 days after the results of the referendum have been certified by the school board, or in the case of a recount, the certification of the results of the recount by the canvassing board, the district shall notify the commissioner of education of the results of the referendum.

(g) Any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding paragraph (b) to the contrary, in the case of a referendum conducted by mail under this paragraph, the notice required by paragraph (b) shall be prepared and delivered by first class mail at least 20 days before the referendum.

[For text of subds 2a and 2b, see M.S.1992]

Subd. 3b. Referendum allowance reduction. A district's referendum allowance under subdivision 1c is reduced by the amounts calculated in paragraphs (a), (b), and (c).

(a) The referendum allowance reduction equals the amount by which a district's supplemental revenue reduction exceeds the district's supplemental revenue allowance for fiscal year 1993.

(b) Notwithstanding paragraph (a), if a district's initial referendum allowance is less than ten percent of the formula allowance for that year, the reduction equals the lesser of (1) an amount equal to \$100, or (2) the amount calculated in paragraph (a).

(c) Notwithstanding paragraph (a) or (b), a school district's referendum allowance reduction equals (1) an amount equal to \$100, times (2) one minus the ratio of 20 percent of the formula allowance minus the district's initial referendum allowance limit to 20 percent of the formula allowance for that year if:

(i) the district's adjusted net tax capacity for assessment year 1992 per actual pupil unit for fiscal year 1995 is less than \$3,000;

(ii) the district's net unappropriated operating fund balance as of June 30, 1993, divided by the actual pupil units for fiscal year 1995 is less than \$200;

(iii) the district's supplemental revenue allowance for fiscal year 1993 is equal to zero; and

(iv) the district's initial referendum revenue authority for the current year divided by the district's net tax capacity for assessment year 1992 is greater than ten percent.

History: 1993 c 44 s 1; 1993 c 224 art 1 s 7-10; 1993 c 374 s 1

NOTE: The referendum levy authorized under this section expires July 1, 1997. See Laws 1993, chapter 224, article 1, section 37.

NOTE: The amendment to subdivisions 1c, 1f, and 1g, by Laws 1993, chapter 224, article 1, sections 7, 8, and 9, are effective for revenue for fiscal year 1995. See Laws 1993, chapter 224, article 1, section 43.

NOTE: Subdivision 3b, as added by Laws 1993, chapter 224, article 1, section 10, is effective for revenue for fiscal year 1995. See Laws 1993, chapter 224, article 1, section 43.

124A.036 PAYMENTS TO RESIDENT AND NONRESIDENT DISTRICTS.

[For text of subds 1 to 4, see M.S.1992]

Subd. 5. Alternative attendance programs. The general education aid for districts

must be adjusted for each pupil attending a nonresident district under sections 120.062, 120.075, 120.0751, 120.0752, 124C.45 to 124C.48, and 126.22. The adjustments must be made according to this subdivision.

(a) General education aid paid to a resident district must be reduced by an amount equal to the general education revenue exclusive of compensatory revenue attributable to the pupil in the resident district.

(b) General education aid paid to a district serving a pupil in programs listed in this subdivision shall be increased by an amount equal to the general education revenue exclusive of compensatory revenue attributable to the pupil in the nonresident district.

(c) If the amount of the reduction to be made from the general education aid of the resident district is greater than the amount of general education aid otherwise due the district, the excess reduction must be made from other state aids due the district.

(d) The district of residence shall pay tuition to a district or an area learning center, operated according to paragraph (e), providing special instruction and services to a pupil with a disability, as defined in section 120.03, or a pupil, as defined in section 120.181, who is enrolled in a program listed in this subdivision. The tuition shall be equal to (1) the actual cost of providing special instruction and services to the pupil, including a proportionate amount for debt service and for capital expenditure facilities and equipment, and debt service but not including any amount for transportation, minus (2) the amount of general education aid, the amount of capital expenditure facilities aid and capital expenditure equipment aid received under section 124.245, subdivision 6, and special education aid, attributable to that pupil, that is received by the district providing special instruction and services.

(e) An area learning center operated by an educational cooperative service unit, intermediate district, education district, or a joint powers cooperative may elect through the action of the constituent boards to charge tuition for pupils rather than to calculate general education aid adjustments under paragraph (a), (b), or (c). The tuition must be equal to the greater of the average general education revenue per pupil unit attributable to the pupil, or the actual cost of providing the instruction, excluding transportation costs, if the pupil meets the requirements of section 120.03 or 120.181.

History: 1993 c 224 art 3 s 29

124A.04 TRAINING AND EXPERIENCE INDEX.

[For text of subd 1, see M.S.1992]

Subd. 2. **1993 and later.** The training and experience index must be constructed in the following manner:

(a) The department shall construct a matrix that classifies teachers by the extent of training received in accredited institutions of higher education and by the years of experience that districts take into account in determining teacher salaries.

(b) The average salary for each cell of the matrix must be computed as follows using data from the second year of the previous biennium:

(1) For each school district, multiply the salary paid to full-time equivalent teachers with that combination of training and experience according to the district's teacher salary schedule by the number of actual pupil units in that district.

(2) Add the amounts computed in clause (1) for all districts in the state and divide the resulting sum by the total number of actual pupil units in all districts in the state that employ teachers.

(c) For each cell in the matrix, compute the ratio of the average salary in that cell to the average salary for all teachers in the state.

(d) The index for each district that employs teachers equals the sum of the ratios for each teacher in that district divided by the number of teachers in that district. The index for a district that employs no teachers is zero.

History: 1993 c 224 art 1 s 11

NOTE: The amendment to subdivision 2 by Laws 1993, chapter 224, article 1, section 11, is effective for revenue for fiscal year 1995. See Laws 1993, chapter 224, article 1, section 43.

124A.22 GENERAL EDUCATION REVENUE.

[For text of subd 1, see M.S.1992]

Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance times the actual pupil units for the school year. The formula allowance for fiscal years 1993 and 1994 is \$3,050. The formula allowance for fiscal year 1995 and subsequent fiscal years is \$3,150.

[For text of subds 2a and 3, see M.S.1992]

Subd. 4. **Training and experience revenue.** (a) The previous formula training and experience revenue for each district equals the greater of zero or the result of the following computation:

(1) subtract 1.6 from the training and experience index;

(2) multiply the result in clause (1) by the product of \$700 times the actual pupil units for the school year.

(b) The maximum training and experience revenue for each district equals the greater of zero or the result of the following computation:

(1) subtract .8 from the training and experience index;

(2) multiply the result in clause (1) by the product of \$660 times the actual pupil units for the school year.

(c) For fiscal year 1994, the training and experience revenue for each district equals the district's previous formula training and experience revenue plus one-half of the difference between the district's maximum training and experience revenue and the district's previous formula training and experience revenue.

(d) For fiscal year 1995, the training and experience revenue for each district equals the district's previous formula training and experience revenue plus three-fourths of the difference between the district's maximum training and experience revenue and the district's previous formula training and experience revenue.

(e) For fiscal year 1996 and thereafter, the training and experience revenue for each district equals the district's maximum training and experience revenue.

[For text of subds 4a and 4b, see M.S.1992]

Subd. 5. **Definitions.** The definitions in this subdivision apply only to subdivisions 6 and 6a.

(a) "High school" means a secondary school that has pupils enrolled in at least the 10th, 11th, and 12th grades. If there is no secondary school in the district that has pupils enrolled in at least the 10th, 11th, and 12th grades, and the school is at least 19 miles from the next nearest school, the commissioner shall designate one school in the district as a high school for the purposes of this section.

(b) "Secondary average daily membership" means, for a district that has only one high school, the average daily membership of resident pupils in grades 7 through 12. For a district that has more than one high school, "secondary average daily membership" for each high school means the product of the average daily membership of resident pupils in grades 7 through 12 in the high school, times the ratio of six to the number of grades in the high school.

(c) "Attendance area" means the total surface area of the district, in square miles, divided by the number of high schools in the district. For a district that does not operate a high school and is less than 19 miles from the nearest operating high school, the attendance area equals zero.

(d) "Isolation index" for a high school means the square root of one-half the attendance area plus the distance in miles, according to the usually traveled routes, between the high school and the nearest high school.

(e) "Qualifying high school" means a high school that has an isolation index greater than 23 and that has secondary average daily membership of less than 400.

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(f) "Qualifying elementary school" means an elementary school that is located 19 miles or more from the nearest elementary school or from the nearest elementary school within the district and, in either case, has an elementary average daily membership of an average of 20 or fewer per grade.

(g) "Elementary average daily membership" means, for a district that has only one elementary school, the average daily membership of resident pupils in kindergarten through grade 6. For a district that has more than one elementary school, "average daily membership" for each school means the average daily membership of kindergarten through grade 6 multiplied by the ratio of seven to the number of grades in the elementary school.

Subd. 6. **Secondary sparsity revenue.** (a) A district's secondary sparsity revenue for a school year equals the sum of the results of the following calculation for each qualifying high school in the district:

- (1) the formula allowance for the school year, multiplied by
- (2) the secondary average daily membership of the high school, multiplied by
- (3) the quotient obtained by dividing 400 minus the secondary average daily membership by 400 plus the secondary daily membership, multiplied by
- (4) the lesser of one or the quotient obtained by dividing the isolation index minus 23 by ten.

(b) A newly formed school district that is the result of districts combining under the cooperation and combination program or consolidating under section 122.23 shall receive secondary sparsity revenue equal to the greater of: (1) the amount calculated under paragraph (a) for the combined district; or (2) the sum of the amounts of secondary sparsity revenue the former school districts had in the year prior to consolidation, increased for any subsequent changes in the secondary sparsity formula.

[For text of subd 6a, see M.S.1992]

Subd. 8. **Supplemental revenue.** (a) A district's supplemental revenue allowance for fiscal year 1994 and later fiscal years equals the district's supplemental revenue for fiscal year 1993 divided by the district's 1992-1993 actual pupil units.

(b) A district's supplemental revenue allowance is reduced for fiscal year 1995 and later according to subdivision 9.

(c) A district's supplemental revenue equals the supplemental revenue allowance, if any, times its actual pupil units for that year.

[For text of subsd 8a and 8b, see M.S.1992]

Subd. 9. **Supplemental revenue reduction.**

A district's supplemental revenue allowance is reduced by the sum of:

- (1) the sum of one-fourth of the difference of:
 - (i) the sum of the district's training and experience revenue and compensatory revenue per actual pupil unit for that fiscal year, and
 - (ii) the sum of district's training and experience revenue and compensatory revenue per actual pupil unit for fiscal year 1994; and
- (2) the difference between the formula allowance for the current fiscal year and \$3,050.

A district's supplemental revenue allowance may not be less than zero.

History: 1993 c 224 art 1 s 12-17; 1993 c 374 s 2

NOTE: The amendments to subdivisions 4, 5, 6, and 9 by Laws 1993, chapter 224, article 1, sections 13, 14, 15, and 17, are effective for revenue for fiscal year 1995. See Laws 1993, chapter 224, article 1, section 43.

124A.225 LEARNING AND DEVELOPMENT REVENUE AMOUNT AND USE.

Subdivision 1. **Revenue.** (a) Of a district's general education revenue an amount equal to the sum of the number of elementary pupil units defined in section 124.17,

subdivision 1, clause (f) and kindergarten pupil units as defined in section 124.17, subdivision 1, clause (e), times .03 for fiscal year 1994 and .06 for fiscal year 1995 and thereafter times the formula allowance must be reserved according to this section.

(b) For fiscal year 1995, a district must reserve an additional amount equal to the greater of

(i) \$0, or

(ii) \$100 minus the sum of the reduction for supplemental revenue under section 124A.22, subdivision 9, and the reduction for referendum revenue under section 124A.03, subdivision 3b, times the district's actual pupil units times the ratio of the district's elementary average daily membership to the district's average daily membership according to this section. The revenue must be placed in a learning and development reserved account and may only be used according to this section.

(c) The ratio in paragraph (a) for fiscal year 1995 is adjusted by adding an amount equal to the ratio of the difference between the formula allowance for fiscal year 1995 minus 3,150 to 10,000.

Subd. 2. Instructor defined. Primary instructor means a public employee licensed by the board of teaching whose duties are full-time instruction, excluding a teacher for whom categorical aids are received pursuant to sections 124.273 and 124.32. Except as provided in section 125.230, subdivision 6, instructor does not include supervisory and support personnel, except school social workers as defined in section 125.03. An instructor whose duties are less than full-time instruction must be included as an equivalent only for the number of hours of instruction in grades kindergarten through 6.

Subd. 3. Instruction contact time. Instruction may be provided by a primary instructor, by a team of instructors, or by teacher resident supervised by a primary instructor. The district must maximize instructor to learner average instructional contact time.

Subd. 4. Revenue use. Revenue shall be used to reduce and maintain the district's instructor to learner ratios in kindergarten through grade 6 to a level of 1 to 17 on average. The district must prioritize the use of the revenue to attain this level initially in kindergarten and grade 1 and then through the subsequent grades as revenue is available. The revenue may be used to prepare and use an individualized learning plan for each learner. A district must not increase the district wide instructor-learner ratios in other grades as a result of reducing instructor-learner ratios in kindergarten through grade 6. Revenue may not be used to provide instructor preparation time or to provide the district's share of revenue required under section 124.311. Revenue may be used to continue employment for nonlicensed staff employed in the district on the effective date of Laws 1993, chapter 224, under Minnesota Statutes 1992, section 124.331, subdivision 2.

Subd. 5. Additional revenue use. If the school board of a school district determines that the district has achieved and is maintaining the instructor-learner ratios specified in subdivision 4 and is using individualized learning plans, the school board may use the revenue to purchase material and services or provide staff development needed for reduced instructor-learner ratios. If additional revenue remains, the district must use the revenue to improve program offerings, including programs provided through interactive television, throughout the district or other general education purposes.

History: 1993 c 224 art 1 s 18; 1993 c 374 s 3

124A.23 GENERAL EDUCATION LEVY AND AID.

Subdivision 1. General education tax rate. The commissioner shall establish the general education tax rate by July 1 of each year for levies payable in the following year. The general education tax capacity rate shall be a rate, rounded up to the nearest tenth of a percent, that, when applied to the adjusted net tax capacity for all districts, raises the amount specified in this subdivision. The general education tax rate shall be the rate that raises \$969,800,000 for fiscal year 1994, \$1,044,000,000 for fiscal year 1995 and later fiscal years. The general education tax rate may not be changed due to changes or

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corrections made to a district's adjusted net tax capacity after the tax rate has been established.

[For text of subds 2 to 4, see M.S.1992]

Subd. 5. Uses of revenue. Except as provided in section 124A.225, general education revenue may be used during the regular school year and the summer for general and special school purposes.

History: 1993 c 224 art 1 s 19,20

124A.24 GENERAL EDUCATION LEVY EQUITY.

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapters 124 and 124B, receivable for the same school year, and from other state payments receivable for the same school year authorized in chapter 273. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

- (1) the general education tax rate, according to section 124A.23, times the district's adjusted net tax capacity used to determine the general education aid for the same school year; and
- (2) the district's general education revenue, excluding training and experience revenue and supplemental revenue, for the same school year, according to section 124A.22.

History: 1993 c 224 art 1 s 21

124A.26 REDUCTION TO GENERAL EDUCATION REVENUE.

Subdivision 1. Revenue reduction. A district's general education revenue for a school year shall be reduced if the estimated net unappropriated operating fund balance as of June 30 in the prior school year exceeds 25 percent of the formula allowance for the current fiscal year times the fund balance pupil units in the prior year. For purposes of this subdivision and section 124.243, subdivision 2, fund balance pupil units means the number of resident pupil units in average daily membership, including shared time pupils, according to section 124A.02, subdivision 20, plus

- (1) pupils attending the district for which general education aid adjustments are made according to section 124A.036, subdivision 5; minus
- (2) the sum of the resident pupils attending other districts for which general education aid adjustments are made according to section 124A.036, subdivision 5, plus pupils for whom payment is made according to section 126.22, subdivision 8, or 126.23. The amount of the reduction shall equal the lesser of:

- (1) the amount of the excess, or
- (2) \$250 times the actual pupil units for the school year.

The final adjustment payments made under section 124.195, subdivision 6, must be adjusted to reflect actual net operating fund balances as of June 30 of the prior school year.

[For text of subds 1a to 3, see M.S.1992]

Subd. 4. Allocation among operating funds. The revenue reduction required under this section must be allocated to the transportation fund and the community service fund in the following manner:

- (1) each year, a school district shall calculate the ratio of the transportation net unappropriated operating fund balance and the community service net unappropriated operating fund balance to the total net unappropriated operating fund balance;
- (2) multiply the ratios computed in clause (1) by the total fund balance reduction required under this section;

(3) the school district shall transfer the amounts, if any, calculated in clause (2) from the transportation and community service funds to the general fund.

History: 1993 c 224 art 1 s 22,23

NOTE: The amendment to subdivision 1 and the addition of subdivision 4 by Laws 1993, chapter 224, article 1, sections 22 and 23, are effective for revenue for fiscal year 1995. See Laws 1993, chapter 224, article 1, section 43.

124A.27 RESERVED REVENUE FOR CERTAIN PROGRAMS.

Subdivision 1. [Repealed, 1993 c 224 art 7 s 31]

Subd. 2. [Repealed, 1993 c 224 art 7 s 31]

Subd. 3. [Repealed, 1993 c 224 art 7 s 31]

Subd. 4. [Repealed, 1993 c 224 art 7 s 31]

Subd. 5. [Repealed, 1993 c 224 art 7 s 31]

Subd. 6. [Repealed, 1993 c 224 art 7 s 31]

Subd. 8. [Repealed, 1993 c 224 art 7 s 31]

Subd. 9. [Repealed, 1993 c 224 art 7 s 31]

[For text of subd 11, see M.S.1992]

NOTE: Subdivision 2 was also amended by Laws 1993, chapter 224, article 13, section 43, to read as follows:

"Subd. 2. **State assistance.** The commissioner shall provide assistance to school boards offering the programs enumerated in this section. The commissioner may establish an advisory committee for any program area. Technical assistance shall be provided commensurate with school board and district needs. State board rules apply to all programs or portions of programs offered."

124A.29 RESERVED REVENUE FOR STAFF DEVELOPMENT.

Subdivision 1. **Staff development, and parental involvement revenue.** (a) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to one percent in fiscal year 1994, two percent in fiscal year 1995, and thereafter times the formula allowance times the number of actual pupil units shall be reserved and may be used only to provide staff time for in-service education for programs under section 126.77, subdivision 2, challenging instructional activities and experiences or staff development programs, for the purpose of improving student achievement of education outcomes under section 126.70, subdivisions 1 and 2a. The school board shall initially allocate 50 percent of the revenue to each school site in the district on a per teacher basis. The board may retain 25 percent to be used for district wide staff development efforts. The remaining 25 percent of the revenue shall be used to make grants to school sites that demonstrate exemplary use of allocated staff development revenue. A grant may be used for any purpose determined by the site decision-making team. The site decision-making team must demonstrate to the school board the extent to which staff at the site have met the outcomes of the program. The board may withhold a portion of initial allocation of revenue if the staff development outcomes are not being met.

(b) Of a district's basic revenue under section 124A.22, subdivision 2, an amount equal to \$5 times the number of actual pupil units must be reserved and may be used only to provide parental involvement programs that implement section 126.69. Parental involvement programs may include career teacher programs, programs promoting parental involvement in the PER process, coordination of volunteer services, and programs designed to encourage community involvement.

[For text of subd 2, see M.S.1992]

History: 1993 c 224 art 4 s 33; art 7 s 14

124A.291 RESERVED REVENUE FOR CERTAIN TEACHER PROGRAM.

A district that has a career teacher program or a mentor-teacher program may reserve part of the basic revenue under section 124A.22, subdivision 2, for the district's share, of the portion of the teaching contract that is in addition to the standard teaching contract of the district.

History: 1993 c 224 art 7 s 15

124A.292 STAFF DEVELOPMENT INCENTIVE.

Subdivision 1. **Eligibility.** A school site is eligible for revenue under this section if it has implemented an outplacement program on an ongoing basis to counsel staff and has implemented a program according to section 125.231.

Subd. 2. **Revenue.** Staff development incentive revenue is equal to the number of teachers at the site times \$25.

Subd. 3. **Staff development levy.** A district's levy equals its revenue times the lesser of one or the ratio of the district's adjusted net tax capacity per actual pupil unit for the year before the year the levy is certified to the equalizing factor for the school year to which the levy is attributable.

Subd. 4. **Staff development aid.** A district's aid equals its revenue minus its levy times the ratio of the actual amount levied to the permitted levy.

Subd. 5. **Use.** The revenue must be used at the site for staff development purposes.

History: 1993 c 224 art 7 s 16

124A.698 POLICY.

Financing the education of our children is one of state government's most important functions. In performing this function, the state seeks to provide sufficient funding while encouraging equity, accountability, and incentives toward quality improvement. To help achieve these goals and to help control future spending growth, the state will fund core instruction and related support services, will facilitate improvement in the quality and delivery of programs and services, and will equalize revenues raised locally for discretionary purposes.

History: 1993 c 224 art 1 s 24

124A.70 CORE INSTRUCTIONAL AID.

Subdivision 1. **Basic outcomes.** Basic outcomes are defined as learner outcomes that must be achieved as a requirement for graduation, specified in rule by the state board of education. Basic outcomes are the basic knowledge and skills determined necessary by the board for graduates to become productive employees, parents, and citizens. The board shall review and amend, if necessary, its graduation rule every two years.

Subd. 2. **Aid amount.** Core instructional aid is equal to the cost determined necessary by the legislature to achieve the basic outcomes for each student times the number of actual pupil units for the school year plus support services aid for the district as determined under section 124A.711. The core instructional aid allowance for fiscal year 1998 and thereafter is zero.

Subd. 3. [Repealed by amendment, 1993 c 224 art 1 s 25]

Subd. 3a. **Aid to learning sites.** Each district is encouraged to direct core instructional aid to the learning sites in the district and minimize the core instructional aid used for other programs or services. Each district shall, to the extent possible, facilitate allocation of each learning site's core instructional aid by site management teams consisting of site administrators, teachers, parents, and other interested persons.

Subd. 4. [Repealed by amendment, 1993 c 224 art 1 s 25]

Subd. 5. **Aid uses.** Aid received under this section may only be used to deliver instructional services needed to assure that all pupils in the district achieve the basic outcomes through the following programs and services:

(1) salaries and benefits for licensed and nonlicensed instructional staff used to instruct or direct instructional delivery or provide academic instructional support services;

(2) instructional supplies and resources including, but not limited to, curricular materials, maps, individualized instructional materials, test materials, and other related supplies;

(3) payments to other service providers for direct instruction or instructional materials;

(4) computers, interactive television, and other technologically related equipment used in the direct delivery of instruction;

(5) programs and services related to students' academic and career progression including, but not limited to, community- and work-based learning through mentoring, community service, and youth apprenticeships;

(6) early childhood education programs designed to ensure that students are ready to learn when they enter the education system; and

(7) activities related to measurement of student progress toward basic outcomes.

History: 1993 c 224 art 1 s 25

124A.711 SUPPORT SERVICES AID.

Subdivision 1. **Support services.** "Support services" means services and programs beyond the core instruction considered essential to allow students to achieve the basic outcomes including, but not limited to, the following:

(1) counselors, psychologists, and social workers;

(2) services and programs for students needing special education and handicapped children aged zero to three;

(3) health care, including early childhood screening;

(4) transportation;

(5) nutrition programs;

(6) libraries and other media and information centers;

(7) programs for specialized curricula relating to programs such as violence prevention, AIDS awareness and prevention, and drug abuse prevention; and

(8) programs and services for students judged to be at high risk of not completing their education or otherwise having a social or economic problem in excess of other students.

Subd. 2. **Determination of aid.** The total amount of support services aid shall be determined according to indices for each service recommended by the commissioner of education after consultations with appropriate state agencies, educators, and other interested persons. The commissioner shall recommend indices and aid amounts to the legislature by February 1 of each odd-numbered year. The indices shall reflect the need for each service based on the economic, geographic, demographic, and other appropriate characteristics of each district.

History: 1993 c 224 art 1 s 26