125A.79 SPECIAL EDUCATION EXCESS COST AID.

Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this subdivision apply.

(a) "Unreimbursed old formula special education expenditures" means:

(1) old formula special education expenditures for the prior fiscal year; minus

(2) for fiscal year 2016 and later, the special education initial aid under section 125A.76, subdivision 2a; minus

(3) for fiscal year 2016 and later, the amount of general education revenue, excluding local optional revenue, plus local optional aid and referendum equalization aid for the prior fiscal year attributable to pupils receiving special instruction and services outside the regular classroom for more than 60 percent of the school day for the portion of time the pupils receive special instruction and services outside the regular classroom, excluding portions attributable to district and school administration, district support services, operations and maintenance, capital expenditures, and pupil transportation.

(b) "Unreimbursed nonfederal special education expenditures" means:

(1) nonfederal special education expenditures for the prior fiscal year; minus

(2) special education initial aid under section 125A.76, subdivision 2a; minus

(3) the amount of general education revenue, excluding local optional revenue, plus local optional aid, and referendum equalization aid for the prior fiscal year attributable to pupils receiving special instruction and services outside the regular classroom for more than 60 percent of the school day for the portion of time the pupils receive special instruction and services outside of the regular classroom, excluding portions attributable to district and school administration, district support services, operations and maintenance, capital expenditures, and pupil transportation.

(c) "General revenue" for a school district means the sum of the general education revenue according to section 126C.10, subdivision 1, excluding transportation sparsity revenue, local optional revenue, and total operating capital revenue. "General revenue" for a charter school means the sum of the general education revenue according to section 124E.20, subdivision 1, and transportation revenue according to section 124E.23, excluding referendum equalization aid, transportation sparsity revenue, and operating capital revenue.

Subd. 2. MS 2002 [Repealed, 1Sp2003 c 9 art 3 s 21]

Subd. 3. MS 1998 [Repealed, 1999 c 241 art 2 s 62]

Subd. 4. **Tuition.** Notwithstanding sections 125A.03 to 125A.24 and 125A.65, for children who are nonresidents of Minnesota, receive services under section 125A.76, subdivisions 1 and 2a, and are placed in the serving school district by court action, the serving school district shall submit unreimbursed tuition bills for eligible services to the Department of Education instead of the resident school district. To be eligible for reimbursement, the serving school district, as part of its child intake procedures, must demonstrate good faith effort to obtain from the placing agency a financial commitment to pay tuition costs.

Subd. 5. **Excess cost aid.** For fiscal year 2016 and later, a district's excess cost aid equals the greater of:

(1) 56 percent of the difference between (i) the district's unreimbursed nonfederal special education expenditures and (ii) 7.0 percent of the product of the ratio of $5,831 to the formula allowance for the prior year and the district's general revenue;

(2) 62 percent of the difference between (i) the district's unreimbursed old formula special education expenditures and (ii) 2.5 percent of the product of the ratio of $5,831 to the formula allowance for the prior year and the district's general revenue; or

(3) zero.

Subd. 6. MS 2014 [Repealed, 2013 c 116 art 5 s 32]

Subd. 7. MS 2014 [Repealed, 2013 c 116 art 5 s 32]

Subd. 8. **Out-of-state tuition.** For children who are residents of the state, receive services under section 125A.76, subdivisions 1 and 2a, and are placed in a care and treatment facility by court action in a state that does not have a reciprocity agreement with the commissioner under section 125A.155, the resident school district shall receive special education out-of-state tuition aid equal to the amount of the tuition bills, minus (1) the general education revenue, excluding basic skills revenue and the local optional levy attributable to the pupil, calculated using the resident district's average general education revenue per adjusted pupil unit, (2) the referendum equalization aid attributable to the pupil, calculated using the resident district's referendum equalization aid per adjusted pupil unit, and (3) the special education aid attributable to the pupil.

History: *1993 c 224 art 3 s 23; 1Sp1995 c 3 art 15 s 15-17; 1996 c 412 art 3 s 26,27; 1997 c 7 art 1 s 61; 1Sp1997 c 4 art 2 s 24,25; 1998 c 397 art 2 s 106,164; art 11 s 3; 1998 c 398 art 2 s 28; 1999 c 241 art 2 s 41-46; 2000 c 254 s 36; 2000 c 489 art 3 s 13,14; art 10 s 11; 2003 c 130 s 12; 1Sp2003 c 9 art 3 s 15,16; 1Sp2005 c 5 art 3 s 11,12; 2006 c 263 art 3 s 11; 2007 c 146 art 3 s 17-20; 1Sp2011 c 11 art 1 s 14; 2013 c 116 art 5 s 25-27,32; 2014 c 275 art 1 s 21; 2014 c 312 art 17 s 8-10; 2015 c 21 art 1 s 21,22; 1Sp2015 c 3 art 4 s 10; art 5 s 25,26; 2016 c 158 art 1 s 48; 2016 c 189 art 29 s 13*