

1.1 A bill for an act
1.2 relating to education finance; increasing the general education basic formula
1.3 allowance by three percent per year; amending Minnesota Statutes 2006, section
1.4 126C.10, subdivision 2.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 126C.10, subdivision 2, is amended to read:

1.7 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula
1.8 allowance times the adjusted marginal cost pupil units for the school year. ~~The formula~~
1.9 ~~allowance for fiscal year 2005 is \$4,601. The formula allowance for fiscal year 2006 is~~
1.10 ~~\$4,783. The formula allowance for fiscal year 2007 is \$4,974. The formula allowance for~~
1.11 ~~fiscal year 2008 is \$5,123. The formula allowance for fiscal year 2009 and subsequent~~
1.12 years is ~~\$4,974~~ \$5,277.

1.13 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.