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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 4399

03/11/2020 Authored by Gruenhagen, Davnie and Urdahl The bill was read for the first time and referred to the Education Finance Division

1.1 A bill for an act
1.2 relating to education finance; modifying the declining enrollment revenue formula;
1.3 amending Minnesota Statutes 2019 Supplement, section 126C.10, subdivision 2d.

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

1.5 Section 1. Minnesota Statutes 2019 Supplement, section 126C.10, subdivision 2d, is
1.6 amended to read:

1.7 Subd. 2d. **Declining enrollment revenue.** (a) A school district's declining enrollment
1.8 revenue equals the greater of zero or the product of: (1) ~~28~~ 35 percent of the formula
1.9 allowance for that year and (2) the difference between the adjusted pupil units for the
1.10 preceding year and the adjusted pupil units for the current year.

1.11 (b) Notwithstanding paragraph (a), for fiscal year 2022 only, prekindergarten pupil units
1.12 under section 126C.05, subdivision 1, paragraph (d), must be excluded from the calculation
1.13 of declining enrollment revenue.

1.14 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2022 and later.