

This Document can be made available in alternative formats upon request

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1937

02/25/2014 Authored by Kresha; Woodard; Erickson, S., and Myhra  
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; granting school boards authority to reallocate  
1.3 general education revenue; amending Minnesota Statutes 2013 Supplement,  
1.4 section 126C.10, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 1, is  
1.7 amended to read:

1.8 Subdivision 1. **General education revenue.** (a) Notwithstanding any other law to  
1.9 the contrary, a school board in any school year may hold a formal hearing to declare an  
1.10 urgent educational need for that school year and resolve to reallocate the district revenue  
1.11 under this section to provide more effective education programs and services and improve  
1.12 the educational outcomes of all students enrolled in the district. A board action under this  
1.13 paragraph must not increase state aid obligations to the district, result in additional property  
1.14 tax authority for the district, or interfere with federally mandated laws or court orders.

1.15 (b) For fiscal years 2013 and 2014, the general education revenue for each district  
1.16 equals the sum of the district's basic revenue, extended time revenue, gifted and talented  
1.17 revenue, small schools revenue, basic skills revenue, secondary sparsity revenue,  
1.18 elementary sparsity revenue, transportation sparsity revenue, total operating capital  
1.19 revenue, equity revenue, alternative teacher compensation revenue, and transition revenue.

1.20 (c) For fiscal year 2015 and later, the general education revenue for each  
1.21 district equals the sum of the district's basic revenue, extended time revenue, gifted and  
1.22 talented revenue, declining enrollment revenue, location equity revenue, small schools  
1.23 revenue, basic skills revenue, secondary sparsity revenue, elementary sparsity revenue,

2.1 transportation sparsity revenue, total operating capital revenue, equity revenue, pension  
2.2 adjustment revenue, and transition revenue.

2.3 **EFFECTIVE DATE.** This section is effective for fiscal year 2015 and later.