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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2540

02/27/2012 Authored by Barrett, Daudt, Quam, Crawford and Ward  
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; creating a new source of state aid for school  
1.3 districts with below average revenue; amending Minnesota Statutes 2010, section  
1.4 126C.13, subdivision 4; proposing coding for new law in Minnesota Statutes,  
1.5 chapter 126C.

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

1.7 Section 1. 126C.127] GENERAL EDUCATION DISPARITY AID.

1.8 A school district or charter school is eligible for general education disparity aid if  
1.9 the district's per pupil general education revenue is less than 87 percent of the statewide  
1.10 average per pupil general education revenue. For purposes of this section, "district" means  
1.11 a school district or a charter school; "general education revenue" means the sum of the  
1.12 district's general education revenue under section 126C.10, and its referendum revenue  
1.13 under section 126C.17; and "pupil units" means adjusted marginal cost pupil units. For  
1.14 fiscal year 2014 and later, a district's general education disparity aid equals the greater of:

- 1.15 (1) zero; or
- 1.16 (2) the product of:
  - 1.17 (i) the district's pupil units for that year; and
  - 1.18 (ii) the difference between 87 percent of the statewide average general education
- 1.19 revenue per pupil unit and the district's general education revenue per pupil unit.

1.20 Sec. 2. Minnesota Statutes 2010, section 126C.13, subdivision 4, is amended to read:

1.21 Subd. 4. **General education aid.** For fiscal ~~years 2007~~ year 2014 and later, a  
1.22 district's general education aid is the sum of the following amounts:

- 1.23 (1) general education revenue, excluding equity revenue, total operating capital  
1.24 revenue, alternative teacher compensation revenue, and transition revenue;

- 2.1 (2) operating capital aid under section 126C.10, subdivision 13b;
- 2.2 (3) equity aid under section 126C.10, subdivision 30;
- 2.3 (4) alternative teacher compensation aid under section 126C.10, subdivision 36;
- 2.4 (5) transition aid under section 126C.10, subdivision 33;
- 2.5 (6) shared time aid under section 126C.01, subdivision 7;
- 2.6 (7) referendum aid under section 126C.17, subdivisions 7 and 7a; ~~and~~
- 2.7 (8) online learning aid according to section 124D.096; and
- 2.8 (9) general education disparity aid under section 126C.127.

2.9 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014

2.10 and later.