

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 741**

(SENATE AUTHORS: SAXHAUG, Bakk and Stumpf)

| DATE       | D-PG | OFFICIAL STATUS                                       |
|------------|------|---|
| 02/12/2015 | 266  | Introduction and first reading<br>Referred to Finance |
| 02/16/2015 | 316  | Author stricken Skoe                                  |

1.1 A bill for an act  
1.2 relating to education finance; modifying the transportation sparsity formula;  
1.3 amending Minnesota Statutes 2014, section 126C.10, subdivision 18.

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

1.5 Section 1. Minnesota Statutes 2014, section 126C.10, subdivision 18, is amended to  
1.6 read:

1.7 Subd. 18. **Transportation sparsity revenue allowance.** (a) A district's  
1.8 transportation sparsity allowance equals the greater of zero or the result of the following  
1.9 computation:

1.10 (i) Multiply the formula allowance according to subdivision 2, by .141.

1.11 (ii) Multiply the result in clause (i) by the district's sparsity index raised to the  
1.12  $26/100$  power.

1.13 (iii) Multiply the result in clause (ii) by the district's density index raised to the  
1.14  $13/100$  power.

1.15 (iv) Multiply the formula allowance according to subdivision 2, by .0466.

1.16 (v) Subtract the result in clause (iv) from the result in clause (iii).

1.17 (vi) Multiply the result in clause (v) by the greater of (1) one or (2) the ratio of the  
1.18 square mile area of the district to 3,000.

1.19 (vii) For a district that does not qualify for secondary sparsity revenue under  
1.20 subdivision 7 or elementary sparsity revenue under subdivision 8, multiply the result in  
1.21 clause (vi) by the greater of (1) one or (2) the ratio of the square mile area of the district to  
1.22 525.

1.23 (b) Transportation sparsity revenue is equal to the transportation sparsity allowance  
1.24 times the adjusted pupil units.

2.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2016 and  
2.2 later.