

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2747

(SENATE AUTHORS: REINERT)

DATE	D-PG	OFFICIAL STATUS
03/17/2014	6285	Introduction and first reading Referred to Finance

1.1 A bill for an act
 1.2 relating to education finance; modifying the location equity revenue formula;
 1.3 amending Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 2e.

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

1.5 Section 1. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 2e,
 1.6 is amended to read:

1.7 Subd. 2e. **Location equity revenue.** (a) Location equity revenue equals \$424 times
 1.8 the adjusted pupil units for a school district with:

1.9 (1) any of its area located within the seven-county metropolitan area, location equity
 1.10 revenue equals \$424 times the adjusted pupil units of the district for that school year; or

1.11 (2) more than 7,000 pupils in adjusted average daily membership.

1.12 (b) For all other school districts ~~with more than 2,000 pupils in adjusted average~~
 1.13 ~~daily membership for the fiscal year ending in the year before the levy is certified,~~ location
 1.14 equity revenue equals \$212 times the adjusted pupil units of the district for that year.

1.15 (c) A district's location equity levy equals its location equity revenue times the lesser
 1.16 of one or the ratio of its referendum market value per resident pupil unit to \$510,000. The
 1.17 location equity revenue levy must be spread on referendum market value.

1.18 (d) A district's location equity aid equals its location equity revenue less its location
 1.19 equity levy, times the ratio of the actual amount levied to the permitted levy.

1.20 (e) A school district may elect not to participate in the location equity revenue
 1.21 program by a board vote taken prior to September 1 of the fiscal year before the fiscal year
 1.22 for which the decision not to participate becomes effective. The board resolution must
 1.23 state which fiscal years the district will not participate. A copy of the board resolution
 1.24 to not participate must be submitted to the commissioner.

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