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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 175

01/14/2015 Authored by Lucero, Erickson, Peppin, Urdahl, Barrett and others
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; modifying certain equity formulas; amending
1.3 Minnesota Statutes 2014, section 126C.10, subdivision 24.

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

1.5 Section 1. Minnesota Statutes 2014, section 126C.10, subdivision 24, is amended to
1.6 read:

1.7 Subd. 24. **Equity revenue.** (a) A school district qualifies for equity revenue if:

1.8 (1) the school district's adjusted pupil unit amount of basic revenue, transition
1.9 revenue, and referendum revenue is less than the value of the school district at or
1.10 immediately above the 95th percentile of school districts in its equity region for those
1.11 revenue categories; and

1.12 (2) the school district's administrative offices are not located in a city of the first
1.13 class on July 1, 1999.

1.14 (b) Equity revenue for a qualifying district that receives referendum revenue under
1.15 section 126C.17, subdivision 4, equals the product of (1) the district's adjusted pupil
1.16 units for that year; times (2) the sum of (i) \$14, plus (ii) \$80, times the school district's
1.17 equity index computed under subdivision 27.

1.18 (c) Equity revenue for a qualifying district that does not receive referendum revenue
1.19 under section 126C.17, subdivision 4, equals the product of the district's adjusted pupil
1.20 units for that year times \$14.

1.21 (d) A school district's equity revenue is increased by the greater of zero or an amount
1.22 equal to the district's adjusted pupil units times the difference between ten percent of the
1.23 statewide average amount of referendum revenue per adjusted pupil unit for that year and

2.1 the district's referendum revenue per adjusted pupil unit. A school district's revenue under
2.2 this paragraph must not exceed \$100,000 for that year.

2.3 (e) A school district's equity revenue for a school district located in the metro equity
2.4 region or a school district with any of its area located in any Minnesota county in the
2.5 Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area delineated in 2009 by
2.6 the United States Census Bureau equals the amount computed in paragraphs (b), (c),
2.7 and (d) multiplied by 1.25.

2.8 (f) A school district's additional equity revenue equals \$50 times its adjusted pupil
2.9 units.

2.10 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016
2.11 and later.