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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 882

02/07/2019 Authored by Sandstede, Urdahl, Her and Kunesh-Podein
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to education finance; increasing general education basic formula allowance
1.3 by three percentage points per year; linking future increases in general education
1.4 basic formula allowance to rate of inflation; appropriating money; amending
1.5 Minnesota Statutes 2018, section 126C.10, subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2018, section 126C.10, subdivision 2, is amended to read:

1.8 Subd. 2. Basic revenue. (a) The basic revenue for each district equals the formula
1.9 allowance times the adjusted pupil units for the school year. The formula allowance for
1.10 fiscal year 2017 is \$6,067. The formula allowance for fiscal year 2018 is \$6,188.

1.11 (b) The formula allowance for fiscal year 2019 and later is \$6,312. The formula allowance
1.12 for fiscal year 2020 is \$6,501. The formula allowance for fiscal year 2021 is \$6,696.

1.13 (c) For fiscal year 2022 and later, the formula allowance equals the formula allowance
1.14 for fiscal year 2021 times the inflationary increase for that year.

1.15 (d) For purposes of this subdivision, "inflationary increase" means one plus the percentage
1.16 change in the Consumer Price Index for urban consumers, as prepared by the United States
1.17 Bureau of Labor Standards, from the current fiscal year to fiscal year 2021.

1.18 Sec. 2. APPROPRIATIONS; GENERAL EDUCATION INCREASE.

1.19 Subdivision 1. Commissioner of education. The sums indicated in this section are
1.20 appropriated from the general fund to the commissioner of education in the fiscal year
1.21 designated.

2.1 Subd. 2. General education aid. (a) For general education aid under Minnesota Statutes,
 2.2 section 126C.13:

2.3 \$ 2020

2.4 \$ 2021

2.5 (b) The amounts appropriated under this subdivision are reduced by any other amounts
 2.6 appropriated for this purpose.