

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 1078

(SENATE AUTHORS: HOUSLEY)

DATE
02/06/2025

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Introduction and first reading
Referred to Education Finance

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to education finance; increasing funding for pupil transportation;
1.3 appropriating money; amending Minnesota Statutes 2024, section 126C.10,
1.4 subdivision 18a.

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

1.6 Section 1. Minnesota Statutes 2024, section 126C.10, subdivision 18a, is amended to read:

1.7 Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special
1.8 school district's transportation sparsity revenue under subdivision 18 is increased by the
1.9 greater of zero or ~~35~~ 70 percent of the difference between:

1.10 (1) the lesser of the district's total cost for regular and excess pupil transportation under
1.11 section 123B.92, subdivision 1, paragraph (b), including depreciation, for the previous fiscal
1.12 year or 105 percent of the district's total cost for the second previous fiscal year; and

1.13 (2) the sum of:

1.14 (i) 4.66 percent of the district's basic revenue for the previous fiscal year;

1.15 (ii) transportation sparsity revenue under subdivision 18 for the previous fiscal year;

1.16 (iii) the district's charter school transportation adjustment for the previous fiscal year;

1.17 (iv) the district's reimbursement for transportation provided under section 123B.92,
1.18 subdivision 1, paragraph (b), clause (1), item (vi); and

1.19 (v) the district's area learning center transportation aid under section 123B.92, subdivision

1.20 11.

2.1 (b) A charter school's pupil transportation adjustment equals the school district per pupil
 2.2 unit adjustment under paragraph (a).

2.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2026 and later.

2.4 Sec. 2. **APPROPRIATION; GENERAL EDUCATION AID.**

2.5 **Subdivision 1. Department of Education.** The sums indicated in this section are
 2.6 appropriated from the general fund to the Department of Education in the fiscal years
 2.7 designated.

2.8 **Subd. 2. Pupil transportation aid.** For additional general education aid under Minnesota
 2.9 Statutes, section 126C.10, subdivision 13:

2.10 \$ 2026

2.11 \$ 2027