

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 485

**DATE:** March 2, 1999

**Version:** As introduced

**Authors:** Tomassoni and others

**Subject:** Declining pupil unit aid

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### Overview

Most school district funding is based on the actual number of pupils served by the school district during the current year. This bill creates a pupil unit called declining pupil unit which is equal to the difference between the current year's enrollment and the enrollment from three year's prior. The state aid assigned to each of these declining pupil units is the basic formula allowance. According to February 1999 pupil data, the cost of this program is roughly \$54 million in FY 2000 and \$72 million in FY 2001.

Although enrollment is still growing statewide, the majority of Minnesota's 350 school districts are now showing reductions in their pupil count. Enrollment declines are expected to accelerate in future years.

- 1 Declining pupil units.** Defines declining pupil units as the difference between the current year's pupil count and the pupil count for three year's prior.
- 2 Declining pupil unit aid.** Defines declining pupil unit aid as the basic formula allowance (\$3,530) times the number of declining pupil units.
- 3 Appropriations.** Appropriates \$49.8 million in fiscal year 2000 and \$72.8 million in fiscal year 2001 for declining pupil unit aid.
- 4 Effective date.** Makes sections 1 to 3 effective the day following final enactment.