

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 286

**DATE:** February 9, 2001

**Version:** As Introduced

**Authors:** Anderson, I.

**Subject:** School District Sparsity Correction Revenue

**Analyst:** Tim Strom, 651-296-1886

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

---

### Overview

School districts that are both geographically isolated and that have relatively few pupils are eligible for sparsity revenue. Separate formulas are used to calculate secondary sparsity revenue and elementary sparsity revenue. Secondary sparsity revenue requires the district's secondary school to serve less than 400 students and to be found sparse according to a formula that measures both the distance to the next nearest secondary school and the pupils per square mile in the school district. Elementary sparsity is available to a school site that serves fewer than 20 pupils per grade and that is more than 19 miles from the next nearest elementary school. For fiscal year 2002, 74 out of 345 school districts are eligible for sparsity revenue.

In 1999, the Legislature changed the computation of sparsity revenue by using students served instead of resident pupils to determine the revenue amounts. Some school districts eligible for sparsity revenue that serve a substantial number of open enrollment students received big cuts in their sparsity revenue. As a result, during the last legislative session, a two-year phase-in of the new pupil count was implemented.

H.F. 286 spreads the phase-in of the new pupil count over a 10 year period instead of the two-year period currently in law.

### Section

- 1 **Sparsity correction revenue.** Extends the phase-in of the use of pupils served instead of resident pupils for purposes of calculating sparsity revenue from two years to 10 years.