

HOUSE RESEARCH

Bill Summary

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Overview

Equity revenue was added as a component of the general education revenue formula beginning in fiscal year 2000. The equity revenue formula divides the state into two regions, metro and nonmetro, depending on the location of each district's administrative office as of July 1, 1999. Each district's equity revenue depends on its level of basic revenue and referendum revenue compared to its region's range of basic and referendum revenue. The equity revenue formula consists of several parts: basic equity revenue; low-referendum equity revenue; a supplemental equity revenue formula of \$46 per pupil; and a 25 percent increase in each district's basic and low-referendum equity for districts located in the metro equity region. School districts located in cities of the first class as of July 1, 1999 (Minneapolis, St. Paul, and Duluth), are excluded from receiving basic equity revenue.

This bill changes the qualifying date of the location of the each district's administrative office from July 1, 1999, to January 1, 2012, for purposes of calculating the equity regions and applying the 25 percent metro equity region adjustment.

- 1 Equity region.** Changes the qualifying date necessary to determine a school district's equity region from July 1, 1999, to January 1, 2012, and applies the date change to revenue calculations for fiscal years 2013 and later.