

HOUSE RESEARCH

Bill Summary

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Authors: Norton and others

Subject: School District Location Equity Revenue; Extending the Higher Formula Allowance to Districts located within a City of the First Class

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Overview

The 2013 Legislature created a new category of general education revenue called location equity revenue. Location equity revenue is subtracted from a district's referendum revenue and is equalized at the same rate as the second tier of referendum revenue.

Location equity revenue is equal to \$424 per pupil for districts located wholly or partially within the seven-county metro area, and equals \$212 per pupil for school districts in greater Minnesota that serve more than 2,000 pupils. For some school districts, location equity revenue is additional revenue. For a second group of districts, location equity revenue provides additional equalization aid and tax relief. For a third group of districts, location equity revenue provides space under the referendum revenue cap.

This bill increases the amount of location equity revenue to \$424 per pupil for any school district located wholly or partially within a city of the first class. School districts located wholly or partially within a city of the first class include Minneapolis, St. Paul, Rochester, Byron, Stewartville, Duluth, and Proctor.

Section

- 1 Location equity revenue.** Sets the location equity allowance at \$424 per pupil for any school district located wholly or partially within a city of the first class.