HOUSE RESEARCH

Bill Summary

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Subject: School District Location Equity Revenue; Extending the Higher Formula

Allowance to Districts with More than 7,000 Pupils

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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 is set at \$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 with more than 7,000 pupils, regardless of the geographic location of that school district.

Section

Location equity revenue. Includes school districts with more than 7,000 pupils, regardless of geographic location, in the group of school districts that is eligible for \$424 per pupil of location equity revenue.