HOUSE RESEARCH

Bill Summary

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Subject: Exempting the Hendricks school district from the statutory reciprocity process

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Overview

The state of Minnesota has entered into separate tuition reciprocity agreements with South Dakota and Iowa. These reciprocity agreements create a uniform method for transferring tuition between school districts located along the border when students open enroll in other states.

Under current law, a South Dakota student who enrolls in a Minnesota district receives general education revenue in the same manner as an open-enrolled student. The general education revenue is paid by the state of Minnesota directly to the serving Minnesota school district. If a Minnesota resident enrolls in a South Dakota school district, the state of South Dakota pays school revenue directly to that district under South Dakota's school funding system. At the end of the year, the states of South Dakota and Minnesota settle up, and the state with a net loss of students (currently Minnesota) pays the other state an amount equal to the net loss in students times the average general education revenue per student as measured in the serving districts.

The Hendricks school district is a small school district located in Lincoln County that borders South Dakota and, under this bill, seeks to exempt itself from the statenegotiated tuition reciprocity program.

Section

1 Reciprocity agreement exemption; Hendricks. Exempts Independent School District No. 402, Hendricks, from Minnesota's tuition reciprocity statute and agreement with the state of South Dakota.