

HOUSE RESEARCH

Bill Summary

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Overview

Minnesota eliminated its categorical cost-based funding for pupil transportation through actions of the 1997 Legislature. In its place, the general education formula was increased by \$170 per pupil for all students in all districts, and a new component of general education revenue, called transportation sparsity revenue, was created.

Transportation sparsity revenue provides additional revenue to school districts based on indexes formed by measuring each districts' geographic sparsity (pupils per square mile) calculated a few different ways and totals about \$64 million per year.

This bill creates two adjustment to the formula: the first for the St. Louis County school district; and the second for the few very large geographic districts that have too many students to qualify for sparsity revenue. The total adjustments are estimated to cost about \$1.5 million per year.

Section

- 1 Transportation sparsity revenue allowance.** Creates two adjustments to the transportation sparsity revenue allowance. Qualifies a district covering a territory of more than 3,000 square miles for an upward adjustment in its transportation sparsity revenue, and qualifies districts with more than 525 square miles of area that do not qualify for sparsity revenue for an upward adjustment in their transportation sparsity revenue.