

HOUSE RESEARCH

Bill Summary

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Subject: Fully Funding School District Pupil Transportation Expenses

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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 solely on each district's geographic sparsity and totals about \$64 million per year.

This bill broadens pupil transportation revenue to fund the amount of each school district's remaining unfunded costs in the regular and excess pupil transportation categories (these categories are mainly to and from school transportation) after subtracting the district's transportation sparsity revenue and an amount equal to 4.66 percent of basic revenue (this percentage is roughly equivalent to the \$170 per pupil adjusted for changes in the basic formula allowance since 1997).

Section

- 1 General education revenue.** Modifies the definition of general education revenue to include transportation cost revenue as well as transportation sparsity revenue.
- 2 Transportation revenue.** Expands pupil transportation revenue to include transportation cost revenue. Sets transportation cost revenue equal to a district's unreimbursed to and from school pupil transportation expenses.