

Subject Standardizing the sparsity adjustment in the city LGA formula

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Overview

Sets the sparsity adjustment factor to \$200 for all cities that qualify for this adjustment. Currently the sparsity adjustment factor for a qualifying city with a population of 10,000 or more is 100. The adjustment factor for qualifying cities with a population less than 10,000 is already 200. This only impacts the city of Hibbing. The change in this factor increases the need measure for 2020 LGA for this city by \$106/capita. Under the current law appropriation (no increase) about \$12,000 will shift to the city from increases in other cities. The increase to the city will go up if the appropriation increases.

Effective beginning with aids payable in 2020.