

1.1 A bill for an act

1.2 relating to education finance; increasing the basic formula allowance; eliminating
1.3 proration of special education revenue; increasing funding for special education
1.4 services; appropriating money; amending Minnesota Statutes 2006, section
1.5 126C.20; Minnesota Statutes 2007 Supplement, sections 125A.76, subdivision
1.6 4; 125A.79, subdivision 6; 126C.10, subdivision 2; Laws 2007, chapter 146,
1.7 article 3, section 24, subdivisions 2, 5.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2007 Supplement, section 125A.76, subdivision 4,
1.10 is amended to read:

1.11 Subd. 4. **State total special education aid.** The state total special education
1.12 aid equals \$529,247,000 for fiscal year 2007, \$694,063,000 for fiscal year 2008,
1.13 ~~\$719,470,000 and \$827,538,000~~ for fiscal year 2009, ~~\$735,693,000 for fiscal year 2010,~~
1.14 ~~and \$786,586,000 for fiscal year 2011.~~ The state total special education aid for later
1.15 fiscal years equals:

1.16 ~~(1) the state total special education initial aid for the preceding fiscal year; times~~

1.17 ~~(2) the program growth factor; times~~

1.18 ~~(3) the greater of one, or the ratio of the state total average daily membership for~~
1.19 ~~the current fiscal year to the state total average daily membership for the preceding fiscal~~
1.20 ~~year under subdivision 2.~~

1.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2009.

1.22 Sec. 2. Minnesota Statutes 2007 Supplement, section 125A.79, subdivision 6, is
1.23 amended to read:

S.F. No. 3125, as introduced - 2007-2008th Legislative Session (2007-2008)

2.1 Subd. 6. **State total special education excess cost aid.** The state total special
2.2 education excess cost aid equals \$104,700,000 for fiscal year 2007, \$110,641,000 for
2.3 fiscal year 2008, ~~\$110,918,000~~ and \$76,995,000 for fiscal year 2009, ~~\$110,847,000~~ for
2.4 ~~fiscal year 2010, and \$110,892,000 for fiscal year 2011.~~ The state total special education
2.5 excess cost aid for later fiscal years equals:

2.6 (1) ~~the state total special education excess cost aid for the preceding fiscal year; times~~

2.7 (2) ~~the program growth factor; times~~

2.8 (3) ~~the greater of one, or the ratio of the state total average daily membership for the~~

2.9 ~~current fiscal year to the state total average daily membership for the preceding fiscal year.~~

2.10 the initial excess cost aid computed under subdivision 3.

2.11 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2009.

2.12 Sec. 3. Minnesota Statutes 2007 Supplement, section 126C.10, subdivision 2, is
2.13 amended to read:

2.14 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula
2.15 allowance times the adjusted marginal cost pupil units for the school year. ~~The formula~~
2.16 ~~allowance for fiscal year 2007 is \$4,974.~~ The formula allowance for fiscal year 2008 is
2.17 \$5,074 ~~and~~. The formula allowance for fiscal year 2009 and subsequent years is ~~\$5,124~~
2.18 \$5,226.

2.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2009.

2.20 Sec. 4. Minnesota Statutes 2006, section 126C.20, is amended to read:

2.21 **126C.20 ANNUAL GENERAL EDUCATION AND SPECIAL EDUCATION**
2.22 **AID APPROPRIATION.**

2.23 There is annually appropriated from the general fund to the department the amount
2.24 necessary for general education aid and special education aid under sections 125A.76
2.25 and 125A.79. This amount must be reduced by the amount of any money specifically
2.26 appropriated for the same purpose in any year from any state fund.

2.27 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

2.28 Sec. 5. Laws 2007, chapter 146, article 3, section 24, subdivision 2, is amended to read:

2.29 Subd. 2. **Special education; regular.** For special education aid under Minnesota
2.30 Statutes, section 125A.75:

S.F. No. 3125, as introduced - 2007-2008th Legislative Session (2007-2008)

3.1 \$ 677,622,000 2008
3.2 ~~716,929,000~~
3.3 \$ 814,190,000 2009

3.4 The 2008 appropriation includes \$52,965,000 for 2007 and \$624,657,000 for 2008.

3.5 The 2009 appropriation includes \$69,406,000 for 2008 and ~~\$647,523,000~~

3.6 \$744,784,000 for 2009.

3.7 **EFFECTIVE DATE.** This section is effective July 1, 2008.

3.8 Sec. 6. Laws 2007, chapter 146, article 3, section 24, subdivision 5, is amended to read:

3.9 Subd. 5. **Special education; excess costs.** For excess cost aid under Minnesota
3.10 Statutes, section 125A.79, subdivision 7:

3.11 \$ 108,656,000 2008
3.12 ~~110,826,000~~
3.13 \$ 85,723,000 2009

3.14 The 2008 appropriation includes \$34,969,000 for 2007 and \$73,687,000 for 2008.

3.15 The 2009 appropriation includes \$36,954,000 for 2008 and ~~\$73,872,000~~ \$48,769,000

3.16 for 2009.

3.17 **EFFECTIVE DATE.** This section is effective July 1, 2008.