

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4424

03/17/2022 Authored by Sandstede, Sundin and Ecklund
The bill was read for the first time and referred to the Committee on Education Finance

- 1.1 A bill for an act
- 1.2 relating to education finance; increasing the consolidation transition aid for
- 1.3 consolidating school districts; appropriating money; amending Minnesota Statutes
- 1.4 2020, section 123A.485, subdivision 2; Laws 2021, First Special Session chapter
- 1.5 13, article 1, section 10, subdivision 5.
- 1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.7 Section 1. Minnesota Statutes 2020, section 123A.485, subdivision 2, is amended to read:
- 1.8 Subd. 2. **Aid.** (a) For school districts consolidating after June 30, 2020, consolidation
- 1.9 transition aid is equal to ~~\$200~~ \$400 times the number of resident pupil units in the newly
- 1.10 created district in the year of consolidation and ~~\$100~~ \$300 times the number of resident
- 1.11 pupil units in the first year following the year of consolidation. The number of pupil units
- 1.12 used to calculate aid in either year shall not exceed 1,000 for districts consolidating July 1,
- 1.13 1994, and 1,500 for districts consolidating July 1, 1995, and thereafter.
- 1.14 (b) If the total appropriation for consolidation transition aid for any fiscal year, plus any
- 1.15 amount transferred under section 127A.41, subdivision 8, is insufficient to pay all districts
- 1.16 the full amount of aid earned, the department must first pay the districts in the first year
- 1.17 following the year of consolidation the full amount of aid earned and distribute any remaining
- 1.18 funds to the newly created districts in the first year of consolidation.
- 1.19 **EFFECTIVE DATE.** This section is effective for consolidations occurring after June
- 1.20 30, 2020.

2.1 Sec. 2. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 5,
2.2 is amended to read:

2.3 Subd. 5. **Consolidation transition aid.** (a) For districts consolidating under Minnesota
2.4 Statutes, section 123A.485:

2.5	\$	309,000	2022
2.6		373,000		
2.7	\$	<u>.....</u>	2023

2.8 (b) The 2022 appropriation includes \$30,000 for 2021 and \$279,000 for 2022.

2.9 (c) The 2023 appropriation includes \$31,000 for 2022 and ~~\$342,000~~ \$..... for 2023.

2.10 (d) The 2023 appropriation includes 100 percent of the amount necessary to make the
2.11 adjustment required under section 1.