

1.1 moves to amend H.F. No. 1144 as follows:

1.2 Page 1, delete section 1 and insert:

1.3 "Section 1. Minnesota Statutes 2020, section 126C.05, subdivision 3, is amended to read:

1.4 Subd. 3. **Compensation revenue pupil units.** Compensation revenue pupil units for
1.5 ~~fiscal year 1998 and thereafter~~ must be computed according to this subdivision.

1.6 (a) The compensation revenue concentration percentage for each building in a district
1.7 equals the product of 100 times the ratio of:

1.8 (1) the sum of the number of eligible pupils for free lunch and one-half of the eligible
1.9 pupils for reduced-price meals enrolled in the building ~~eligible to receive free lunch plus~~
1.10 ~~one-half of the pupils eligible to receive reduced priced lunch on October 1 of the previous~~
1.11 ~~fiscal year~~; to

1.12 (2) the number of pupils enrolled in the building on October 1 of the previous fiscal
1.13 year.

1.14 (b) The compensation revenue pupil weighting factor for a building equals ~~the lesser of~~
1.15 ~~one or~~ the quotient obtained by dividing the building's compensation revenue concentration
1.16 percentage by 80.0.

1.17 (c) The compensation revenue pupil units for a building equals the product of:

1.18 (1) the sum of the number of pupils enrolled in the building eligible to receive free lunch
1.19 and one-half of the pupils eligible to receive reduced priced lunch ~~on October 1 of the~~
1.20 ~~previous fiscal year~~; times

1.21 (2) the compensation revenue pupil weighting factor for the building; times

1.22 (3) .60.

2.1 (d) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten programs under
2.2 section 124D.151, charter schools, and contracted alternative programs in the first year of
2.3 operation, compensation revenue pupil units shall be computed using data for the current
2.4 fiscal year. If the voluntary prekindergarten program, charter school, or contracted alternative
2.5 program begins operation after October 1, compensatory revenue pupil units shall be
2.6 computed based on pupils enrolled on an alternate date determined by the commissioner,
2.7 and the compensation revenue pupil units shall be prorated based on the ratio of the number
2.8 of days of student instruction to 170 days.

2.9 (e) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten seats discontinued
2.10 in fiscal year 2022 due to the reduction in the participation limit under section 124D.151,
2.11 subdivision 6, those discontinued seats must not be used to calculate compensation revenue
2.12 pupil units for fiscal year 2022.

2.13 (f) For purposes of calculating compensatory revenue, the percentages in this subdivision
2.14 must be based on the count of individual pupils and not on a building average or minimum
2.15 as determined under paragraph (g) or the school site's percentages as determined in paragraph
2.16 (h).

2.17 (g) A pupil eligible for free or reduced-price lunch must qualify through an administrative
2.18 direct match to the pupil's meals record or submit family income information through the
2.19 free and reduced-price meals form or other form approved by the commissioner of education.
2.20 A pupil whose enrollment continues at that school site as of the previous October 1 need
2.21 not reapply once qualified. A family no longer eligible for free or reduced-price meals must
2.22 notify the school site of the student's family's change in income.

2.23 (h) A school site providing free meals to all enrolled students through the Community
2.24 Eligibility Provision established by the United States Department of Agriculture may use
2.25 the school site's percentage of student eligibility for the year preceding the year the school
2.26 site entered into the Community Eligibility Provision program to determine its compensatory
2.27 pupil units under this subdivision for no more than four years in a row."

2.28 Page 5, after line 9, insert:

2.29 "Sec. 3. **COMPENSATORY REVENUE HOLD HARMLESS.**

2.30 (a) Notwithstanding Minnesota Statutes, section 126C.10, subdivision 3, for fiscal year
2.31 2022 only, a district's compensatory revenue is increased by an amount equal to the greater
2.32 of zero or the product of: (1) the number of pupils enrolled at the school on October 1, 2020;
2.33 and (2) the difference between the compensatory revenue for fiscal year 2021 per pupil

3.1 enrolled on October 1, 2019, and the compensatory revenue for fiscal year 2022 per pupil
3.2 enrolled on October 1, 2020.

3.3 (b) The amount in paragraph (a) must be allocated to school sites according to a plan
3.4 adopted by the school board that helps mitigate the loss of revenue generated by students
3.5 in sites where underreporting is likely to have occurred. Revenue must be reserved and used
3.6 for the purposes under Minnesota Statutes, section 126C.15, subdivision 1.

3.7 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2022.

3.8 Sec. 4. **ONETIME AMERICAN INDIAN TRIBAL CONTRACT COMPENSATORY**
3.9 **AID; FISCAL YEAR 2022.**

3.10 Notwithstanding Minnesota Statutes, section 124D.83, for fiscal year 2022 only,
3.11 American Indian Tribal contract aid is increased by an amount equal to the greater of zero
3.12 or the product of: (1) the number of pupils enrolled at the school on October 1, 2020; and
3.13 (2) the difference between the amount generated for fiscal year 2021 by compensation
3.14 revenue pupil units divided by the pupils enrolled on October 1, 2019, and the amount
3.15 generated for fiscal year 2022 by compensation revenue pupil units divided by the pupils
3.16 enrolled on October 1, 2020.

3.17 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2022."

3.18 Page 5, line 15, delete "section 1" and insert "sections 1, 3, and 4"

3.19 Renumber the sections in sequence and correct the internal references

3.20 Amend the title accordingly