Overview

Makes numerous changes to Minnesota's school finance system. Increases the basic formula allowance by 3 percent per year. Fully funds special education revenue. Restores the levy for bus purchase. Creates a new component of general education revenue for declining pupil aid. Restores the interactive television program funding.

Eliminates the requirement for three additional days of student instruction.

Section

1  **Graduation standards implementation revenue.** Changes the current level of graduation rule implementation revenue from $43 per pupil unit to an unspecified amount for fiscal years (FY) 2000 and later.

2  **Bus purchase levy.** Reinstates a school district's authority to levy for any deficit in its bus purchase account. Requires a school district to establish a reserve account for bus purchase. Requires the school district annually to transfer depreciation equal to 15 percent of its original fleet cost into the reserve account. Authorizes the levy for any deficiencies in the account.

3  **Excess cost revenue.** Fully funds school district special education costs.

4  **Excess cost aid.** Clarifies that excess cost revenue is provided entirely through state aid for fiscal years 2000 and later.

5  **General education revenue.** Adds a declining pupil unit component to the definition of general education revenue.

6  **Basic revenue.** Increases the basic formula allowance by 3 percent for fiscal year 2000 and by an additional 3 percent in the second year of the biennium.

7  **Declining pupil unit aid.** Creates a new component of general education aid called declining pupil unit aid. Sets the declining pupil unit aid amount to $1,000 times the district's loss in pupils between the current year and the previous year.
Interactive television. Reinstates the interactive television (ITV) program by eliminating the program's current sunset and four-year phase out.

Repealer. Repeals the three additional student instruction day requirement effective for 1999-2000 and later school years.

Effective date. Makes sections 1 and 3 to 8 effective for revenue for fiscal year 2000 and later. Makes section 2 effective for taxes payable in 2000 and later.