Overview

School districts receive the vast majority of their funding on a per pupil basis. If a school district's pupil count declines, its overall level of revenue declines. During the spring of 1998, a tornado damaged a significant number of homes and school buildings in the St. Peter area. In addition to the initial disruption caused by the tornado, the tornado also caused a disruption in enrollment patterns. Legislation enacted in 1998 (see Laws 1998, chapter 383, section 24) provided declining pupil unit aid to the St. Peter, Comfrey and LeCenter school districts for fiscal years 1999 and 2000.

This bill would create a new declining pupil unit aid for the next three years, gradually phasing the aid out by fiscal year 2002.

1 **Fiscal year 2000 to 2002 declining pupil unit aid.** Creates a declining pupil unit aid for the St. Peter school district. Sets the declining pupil unit aid amount equal to the general education formula allowance times the difference in pupil units between fiscal year 1997 and the current fiscal year times 75 percent in fiscal year 2000, 50 per cent in fiscal year 2001, and 25% in fiscal year 2002.