Overview

Most school district revenue is currently provided through formulas based on the weighted count of pupils in average daily membership. Average daily membership reflects the number of students enrolled in the district and does not reflect actual attendance. Average daily membership has been used in Minnesota since the early 1970s. H. F. 3845 restores the concept of providing funding for only those students who are attending school by multiplying the basic formula allowance by the ratio of average daily attendance to average daily membership. Statewide, average daily attendance is about 7 percent lower than average daily membership.

1. **Average daily attendance.** Defines "average daily attendance" to mean the number of days of the school year that each pupil actually attends school.

2. **Basic Revenue.** Modifies the general education revenue calculation by multiplying the formula allowance times the district's adjusted marginal cost pupil units by the ratio of the district's average daily attendance to the district's average daily membership. Increases the formula allowance by 7 percent (from $3,925 to $4,207) per pupil unit to keep the statewide costs of the program the same.

3. **Repealer.** Repeals the session law that increased the formula allowance by $50 per pupil unit based on the November 1999 forecast as that amount is now included in section 2.

4. **Effective date.** Makes sections 1 and 2 effective for revenue for fiscal years 2001 and later. Makes section 3 effective the day following final enactment.