

1.1 **Senator Marty from the Committee on Finance, to which was referred**

1.2 **H.F. No. 5:** A bill for an act relating to education; providing free school lunch and  
1.3 breakfast for students; appropriating money; amending Minnesota Statutes 2022, sections  
1.4 124D.111; 124D.1158.

1.5 Reports the same back with the recommendation that the bill be amended as follows:

1.6 Page 6, after line 15, insert:

1.7 "Sec. 3. Minnesota Statutes 2022, section 126C.05, subdivision 3, is amended to read:

1.8 Subd. 3. **Compensation revenue pupil units.** Compensation revenue pupil units must  
1.9 be computed according to this subdivision.

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

1.12 (1) the sum of the number of pupils enrolled in the building eligible to receive free lunch  
1.13 plus one-half of the pupils eligible to receive reduced priced lunch on October 1 of the  
1.14 previous fiscal year; to

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

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

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

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

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

1.25 (3) .60.

1.26 (d) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten programs under  
1.27 section 124D.151, charter schools, and contracted alternative programs in the first year of  
1.28 operation, compensation revenue pupil units shall be computed using data for the current  
1.29 fiscal year. If the voluntary prekindergarten program, charter school, or contracted alternative  
1.30 program begins operation after October 1, compensatory revenue pupil units shall be  
1.31 computed based on pupils enrolled on an alternate date determined by the commissioner,

2.1 and the compensation revenue pupil units shall be prorated based on the ratio of the number  
2.2 of days of student instruction to 170 days.

2.3 (e) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten seats discontinued  
2.4 in fiscal year 2024 due to the reduction in the participation limit under section 124D.151,  
2.5 subdivision 6, those discontinued seats must not be used to calculate compensation revenue  
2.6 pupil units for fiscal year 2024.

2.7 (f) The percentages in this subdivision must be based on the count of individual pupils  
2.8 and not on a building average or minimum.

2.9 (g) Notwithstanding paragraphs (a) to (f), for revenue in fiscal year 2025 only, the  
2.10 compensation revenue pupil units for each building in a district equals the greater of the  
2.11 building's actual compensation revenue pupil units computed according to paragraphs (a)  
2.12 to (f) for revenue in fiscal year 2025, or the building's actual compensation revenue pupil  
2.13 units computed according to paragraphs (a) to (f) for revenue in fiscal year 2024."

2.14 Page 6, line 22, delete "191,652,000" and insert "190,863,000"

2.15 Page 6, line 23, delete "198,641,000" and insert "197,902,000"

2.16 Page 6, line 26, delete "25,283,000" and insert "25,731,000"

2.17 Page 6, line 27, delete "25,874,000" and insert "26,538,000"

2.18 Page 7, after line 3, insert:

2.19 "Subd. 5. Additional general education aid. (a) For additional general education aid  
2.20 under Minnesota Statutes, section 126C.13, subdivision 4, for compensatory revenue under  
2.21 section 3:

2.22 \$ 5,434,000 ..... 2025

2.23 (b) The aid for fiscal year 2026 is \$604,000. The base for fiscal year 2027 and later is  
2.24 \$0."

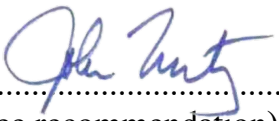
2.25 Renumber the sections in sequence

2.26 Amend the title numbers accordingly

2.27 And when so amended the bill do pass. Amendments adopted. Report adopted.

2.28 .....  
2.29 (Committee Chair)

3.1  
3.2

March 8, 2023.....  
(Date of Committee recommendation)