

S.F. No. 1275 – Extended time revenue linked to the inflation-adjusted formula allowance (as proposed to be amended by the A-1 amendment)

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S.F. No. 1275 would link the extended time revenue allowance to annual changes in the inflation-adjusted formula allowance, beginning in fiscal year 2026. The proposal would generate additional extended time revenue and increase general education aid beginning in fiscal year 2026.

Additional background information

Extended time revenue provides additional money to school districts enrolling students in a state-approved alternative program. State-approved alternative programs include alternative learning centers (ALC), alternative learning programs (ALP), or contract alternative programs under <u>M.S.</u> <u>123A.05</u>. Students may voluntarily enroll in these programs if they meet certain eligibility criteria relating to barriers to success in a typical education setting.

A school district's extended time revenue may be used for extended day programs, extended week programs, summer school, vacation break academies such as spring break academies and summer term academies, and other authorized programming.

Under current law, the formula allowance is annually adjusted for inflation, except that the formula allowance increase may not be less than two percent or greater than three percent each year. Under the proposal, the extended time allowance would increase at approximately the same rate as the formula allowance.

A charter school operating an extended day, extended week, or summer program generates additional general education revenue equal to 25 percent of the state average extended time revenue per pupil unit among school districts.



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