



## **S.F. No. 82 – Increasing school district consolidation transition aid**

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**Date:** March 17, 2025

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**S.F. No. 82** would increase the amount of consolidation transition aid available to school districts in the first two years following consolidation. Consolidation transition aid is paid from the state general fund.

### **Additional background information**

Consolidation transition revenue must be used for the following purposes:

1. To offer certain early retirement incentives to licensed and non-licensed staff who terminate active employment with the district or who enter into an extended leave of absence as a result of the consolidation;
2. To reduce operating debt of the reorganized district—i.e. the net negative unreserved fund balances in all school district funds, other than building construction, debt redemption, and trust and agency, as of June 30 preceding the consolidation;
3. To enhance learning opportunities for students in the reorganized district; and
4. For other costs incurred in the reorganization.

If the amount of consolidation transition aid available is not sufficient to pay the costs of early retirement incentives offered by the district, the district may levy for the difference over a three-year period.

