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TO: Senator Carla J. Nelson

FROM: Jenna Hofer, Fiscal Analyst (651/296-5259)

DATE: August 19, 2020

RE: Nonpublic Pupil Transportation Aid

You requested information on the funding formula for nonpublic pupil transportation aid. This memo offers a brief background on the requirement to provide nonpublic pupils with transportation, a description of the aid formula, and a list of recent aid appropriations.

Background

A school board is required to provide equal transportation services within the school district to public and nonpublic school pupils.¹ A district must provide transportation within the district or to the district boundary for resident nonpublic pupils who live at least the same distance from the nonpublic school they attend as public school pupils are transported to school. If the district transports children to a nonpublic school located in another district, the nonpublic school must pay the cost of transportation provided outside the district boundaries.

The state provides nonpublic pupil transportation aid to school districts for expenses related to providing transportation services. A school district may not limit transportation services to nonpublic pupils based on the amount of nonpublic pupil transportation aid it receives.²

Aid Formula

A school district's nonpublic pupil transportation aid entitlement is based on the district's actual transportation expenses in the second preceding year, the number of nonpublic pupils transported in the current year, and the change in the basic formula allowance between the current year and the second preceding year. Since the formula uses some data from the second preceding year, this means that the aid entitlement for FY2021 is calculated using FY2019 data on actual costs (i.e., 2018-19 school year data).

The nonpublic pupil transportation aid formula has two parts. The first part is for regular and excess transportation costs (e.g., to and from the nonpublic school or district boundary, for pupils who live in a full-service transportation zone, or for pupils who live in extraordinary traffic zones). The second part is for nonpublic nonregular transportation costs (e.g., to and from regular shared time programs, for health or guidance and counseling services, or for pupils participating in late activities).

¹ Minnesota Statutes, [section 123B.86](#)

² Minnesota Statutes, [section 123B.92, subd. 9](#)

The aid equals:

- (1) Regular and excess transportation, which is the product of:
 - a. the district's actual per pupil expenses for all public and nonpublic pupils transported in the regular and excess transportation categories during the second preceding year,
 - b. the number of nonpublic pupils residing in the district who received these services for the current year, and
 - c. the ratio of the formula allowance for the current year to the second preceding year.

plus

- (2) Nonpublic nonregular transportation, which is the product of:
 - a. the district's actual expenditures for nonpublic nonregular transportation during the second preceding year, and
 - b. the ratio of the formula allowance for the current year to the second preceding year.

Recent Appropriations

Below is a list of nonpublic pupil transportation aid appropriations for fiscal years 2018 to 2021.

Fiscal Year	2018	2019	2020	2021
Appropriation	\$17,564,000	\$19,492,000	\$19,079,000	\$20,100,000