

During public hearings, the Commission heard testimony regarding the cost of educating pupils in sparse, rural districts, and requesting additional funding for sparsity aid.

Under the sparsity aid program, districts qualify for \$400 per pupil if they meet the following criteria: (a) an enrollment in the prior year of less than 745 pupils; and (b) population density of less than 10 pupils per square mile of district attendance area. If funding is insufficient, payments are prorated. Additionally, beginning in 2018-19, any district that qualifies for aid in one year but does not qualify the following year is eligible to receive 50% of its prior year award in the year in which it became ineligible for sparsity aid.

The table below shows the number of districts that qualified for sparsity aid in each year since the program began in 2008-09, as well as the appropriation and the proration rate in each year. (The table does not include two districts that qualified for aid under the 50% of prior year award provision in 2018-19.)

**Sparsity Aid, 2008-09 to 2018-19**

	<u>Districts</u>	<u>Appropriation</u>	<u>Proration</u>
2008-09	110	\$3,644,600	44.7%
2009-10	115	3,517,100	23.0
2010-11	123	14,948,100	93.9
2011-12	130	13,453,300	80.3
2012-13	129	13,453,300	82.1
2013-14	133	13,453,300	79.1
2014-15	133	13,453,300	78.7
2015-16	137	17,674,000	100.0
2016-17	141	17,674,000	97.1
2017-18	144	18,496,200	98.8
2018-19	145	25,213,900	100.0

**ALTERNATIVES**

1. Recommend creating an additional tier of aid under which school districts could qualify for \$100 per pupil if they meet the current density criteria and have an enrollment in the prior year of between 746 and 1,000 pupils. Provide an additional \$3.4 million GPR annually to fully fund the proposal.

<b>ALT 1</b>	<b>2019-20</b>	<b>2020-21</b>
GPR	\$3,400,000	\$3,400,000

2. Recommend an approach similar to that recommended by the Rural Schools Taskforce in 2013, under which districts with a membership of less than 1,000 and population density of less than 10 pupils per square mile would qualify for the current aid payment and districts with a membership of between 1,001 and 2,700 and a population density of less than 7 pupils per square mile would qualify for a payment of \$100 per pupil. Provide an additional \$16.5 million GPR annually to fully fund the proposal.

<b>ALT 2</b>	<b>2019-20</b>	<b>2020-21</b>
GPR	\$16,500,000	\$16,500,000

3. Recommend increasing the enrollment limit to 1,500 pupils, and maintaining the current law population density limit of 10 pupils per square mile and the current law payment of \$400 per pupil for eligible districts. Provide an additional \$27.9 million GPR annually to fully fund the proposal.

<b>ALT 3</b>	<b>2019-20</b>	<b>2020-21</b>
GPR	\$27,900,000	\$27,900,000

4. Recommend eliminating the enrollment limit, but maintaining the current law population density limit of 10 pupils per square mile and the current law payment of \$400 per pupil for eligible districts. Provide an additional \$40.2 million GPR annually to fully fund the proposal.

<b>ALT 4</b>	<b>2019-20</b>	<b>2020-21</b>
GPR	\$40,200,000	\$40,200,000