



## 2023 Legislative Session Update

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# Ten Minnesota Commitments to Equity

1. Prioritize equity.
2. Start from within.
3. Measure what matters.
4. Go local.
5. Follow the money.
6. Start early.
7. Monitor implementation of standards.
8. Value people.
9. Improve conditions for learning.
10. Give students options.



# Agenda

- Legislative Overview
- School Finance
- Grants and Policy
- Questions?

# 2023 Education Bills

## Where It Started

- Governor – late January
  - E–12 Budget: HF2497/SF2684, as introduced
  - E–12 Policy: HF1269/SF1311, as introduced
- House – mid-April
  - Early Education Budget & Policy: HF2292
  - K–12 Education Budget & Policy: HF2497
- Senate – mid-April
  - E–12 Budget: SF2684
  - E–12 Policy: SF1311

## Where It Ended

- Passed into Law
  - Universal School Meals: [Chapter 18](#)
  - Early Education Budget & Policy: [Chapter 54](#)
  - K–12 Education Budget & Policy: [Chapter 55](#)
- Passed House
  - Early Education Budget & Policy: May 15
  - K-12 Education Budget & Policy: May 16
- Passed Senate
  - Early Education Budget & Policy: May 15
  - K-12 Education Budget & Policy: May 17

# Education Spending Targets

| E–12 Spending              |           |           |           |           |           |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| \$ millions                | Governor  | House     | Senate    | Agreement | Result    |
| <b>FY 2024–25 Biennium</b> | \$2,927.2 | \$2,514.1 | \$2,514.1 | \$2,514.1 | \$2,564.1 |
| <b>FY 2026–27 Biennium</b> | \$4,149.7 | \$3,300.0 | \$3,300.0 | \$3,300.0 | \$3,300.0 |

Note: \$300M in FY24–25 and \$100M in FY26–27 reserved for early childhood; does not account for the funding for Universal Meals

# School Finance

# Major Spending Categories (1)

| General Fund – FY24-25 Biennium State Appropriations |                  |                  |                  |                  |
|------------------------------------------------------|------------------|------------------|------------------|------------------|
| \$ in Thousands                                      | Governor         | House            | Senate           | Agreement        |
| General Education Formula                            | 714,659          | 709,142          | 925,401          | 709,142          |
| Special Education Cross Subsidy                      | 729,863          | 729,863          | 653,627          | 662,823          |
| English Learner Aid and Cross Subsidy                | 24,479           | 81,770           | 92,942           | 86,909           |
| Voluntary Prekindergarten                            | 48,980           | 93,300           | 34,838           | 34,789           |
| Universal Meals                                      | 387,208          | Enacted          | Enacted          | Enacted          |
| Unemployment Insurance Aid                           | 135,574          | 0                | 0                | 135,000          |
| Transportation Sparsity Aid                          | 0                | 14,011           | 0                | 9,895            |
| American Indian Education Aid                        | 12,974           | 12,974           | 12,974           | 12,974           |
| Student Support Personnel Aid                        | 53,835           | 85,000           | 55,922           | 74,408           |
| School Library Aid                                   | 0                | 0                | 59,273           | 45,234           |
| State Agencies                                       | 47,307           | 55,567           | 35,023           | 57,409           |
| All Other Programs, Aids and Grants                  | 585,760          | 433,974          | 342,274          | 437,017          |
| <b>Total Increase Over Base</b>                      | <b>2,740,729</b> | <b>2,215,601</b> | <b>2,212,274</b> | <b>2,265,600</b> |

# Major Spending Categories (2)

| General Fund – FY26-27 Biennium State Appropriations |                  |                  |                  |                  |
|------------------------------------------------------|------------------|------------------|------------------|------------------|
| \$ in Thousands                                      | Governor         | House            | Senate           | Agreement        |
| General Education Formula                            | 1,365,210        | 1,354,482        | 1,372,428        | 1,358,589        |
| Special Education Cross Subsidy                      | 843,726          | 843,726          | 1,077,511        | 821,218          |
| English Learner Aid and Cross Subsidy                | 33,259           | 272,015          | 224,586          | 171,877          |
| Voluntary Prekindergarten                            | 549,342          | 169,145          | 35,801           | 163,494          |
| Universal Meals                                      | 418,977          | Enacted          | Enacted          | Enacted          |
| Unemployment Insurance Aid                           | 270,748          | 0                | 0                | 0                |
| Transportation Sparsity Aid                          | 0                | 20,209           | 0                | 11,655           |
| American Indian Education Aid                        | 14,751           | 14,751           | 14,751           | 14,751           |
| Student Support Personnel Aid                        | 58,319           | 160,000          | 104,277          | 127,730          |
| School Library Aid                                   | 0                | 0                | 62,373           | 47,594           |
| State Agencies                                       | 45,326           | 50,705           | 28,995           | 50,527           |
| All Other Programs, Aids & Grants                    | 363,2321         | 314,967          | 278,978          | 426,565          |
| <b>Total Increase Over Base</b>                      | <b>3,962,889</b> | <b>3,200,000</b> | <b>3,198,525</b> | <b>3,200,000</b> |

# General Education Formula Allowance (1)

| Fiscal Year (FY) | Formula Increase %                                 | Formula Increase Amount | Formula Change per APU from PY |
|------------------|----------------------------------------------------|-------------------------|--------------------------------|
| FY24             | 4.00%                                              | \$7,138                 | \$275                          |
| FY25             | 2.00%                                              | \$7,281                 | \$143                          |
| FY26             | 2.00% estimated (CPI est. 1.98%, subject to floor) | \$7,427                 | \$146                          |
| FY27             | 2.17% estimated (CPI est. 2.17%)                   | \$7,589                 | \$162                          |

**FY26 and FY27, and beyond: actual increase equal to Consumer Price Index – Urban (CPI-U) with a floor of 2.00% and cap of 3.00%.** CPI-U determined based upon prior two fourth quarter totals. Language including inflationary increases does not prevent future legislatures from additional increases in the formula.

# General Education Formula Allowance (2)

## Impact of 4% and 2% on Basic Formula on General Education Revenue per ADM by District Type

|                          | FY 2024                                            |               |                  | FY 2025              |               |                  |
|--------------------------|----------------------------------------------------|---------------|------------------|----------------------|---------------|------------------|
| District Type            | Base Revenue per ADM<br>(average daily membership) | Increase (\$) | Percent Increase | Base Revenue per ADM | Increase (\$) | Percent Increase |
| Minneapolis and St. Paul | 13,280                                             | 390           | 2.93%            | 13,296               | 592           | 4.45%            |
| Other Metro, Inner       | 11,834                                             | 348           | 2.94%            | 11,848               | 526           | 4.44%            |
| Other Metro, Outer       | 11,104                                             | 328           | 2.96%            | 11,120               | 497           | 4.47%            |
| Nonmetro ≥ 2K            | 10,434                                             | 339           | 3.25%            | 10,429               | 516           | 4.95%            |
| Nonmetro 1K-2K           | 10,196                                             | 344           | 3.37%            | 10,194               | 522           | 5.12%            |
| Nonmetro < 1K            | 11,152                                             | 377           | 3.38%            | 11,145               | 566           | 5.08%            |
| Charter Schools          | 9,826                                              | 374           | 3.80%            | 9,752                | 565           | 5.79%            |
| <b>Average</b>           | <b>11,013</b>                                      | <b>348</b>    | <b>3.16%</b>     | <b>11,011</b>        | <b>527</b>    | <b>4.79%</b>     |

# E–12 Education Bills

## Special Education Cross Subsidy

### Aid Factor Change:

**FY24–26: 44%**

**FY27: 50%**

**Increase from FY23 at 6.43%**

### Cross Subsidy Reduction Aid:

**FY24–25: \$662,823,000**

**FY26–27: \$821,218,000**

- The “Initial Cross Subsidy” is defined as:
- the nonfederal cost of special education, including transportation, minus
- the state special education aid received after tuition adjustments, minus
- the general ed revenue attributable to students receiving SpEd services outside of the regular classroom for more than 60% of the school day (portion attributable to instruction outside of the regular classroom).

# E-12 Education Bills

## Special Education

- **Special Instruction Extended until Age 22.** Allows students to generate ADM until their 22nd birthday; previously provided through June 30 after age 21. Funded at \$34,000 in FY25, and \$78,000 in FY26–27.
- **Transportation for Students in Foster Care.** Reimbursement for costs incurred in prior year added to special education aid. Funding for FY25 at \$519k, and FY26–27 at \$1.2M.
- **Special Education Homeless Pupil Aid** established. Funding for FY24–25 at \$2.4M, and FY26–27 at \$2.9M.
- **Special Education Separate Sites and Programs Aid** established; approximate increase of \$1,689 per pupil in setting IV or higher. Funding for FY24–25 at \$9.4M, funding for FY26–27 at \$10.9M.

# E–12 Education Bills

## English Learner Aid and Cross Subsidy

### English Learner Aid, EL Concentration Aid and EL Cross Subsidy Reduction Aid:

**FY24–26:** \$1,228 times the greater of 20 or total English Learner ADM; and \$436 times English Learner Pupil Units (concentration).

**FY27:** \$1,775 times the greater of 20 or total English Learner ADM; and \$630 times English Learner Pupil Units (concentration); and 25% EL Cross Subsidy Aid Reduction based on second prior year qualifying services

Current Aid Calculations FY23: \$704 for English Learner Aid, \$250 EL Concentration

### English Learner and Concentration Aid + Cross Subsidy Reduction Aid:

**FY24–25: \$86,909,000**

**FY26–27: \$171,877,000**

## Voluntary Pre-Kindergarten (VPK)

- **FY24:** 7,160 permanent seats (funding for 4,000 expiring temporary seats)
- **FY25:** 10,160 permanent seats (\$50M set aside for an additional 3,000 seats)
- **FY26–27:** 12,360 permanent seats (an additional 2,200 seats)
- All seats remain funded at .60 ADM.
- VPK seats are included in the calculation of General Education Revenue.

### Voluntary Pre-Kindergarten (rolled into Gen Ed Aid):

**FY24–25: \$41,342,000 + \$50,000,000 (FY25 3,000 seats)**

**FY26–27: \$181,883,000**

**Developmental screening aid** funded at FY24–25: \$1.0M – FY26–27: \$2.0M; Aid increased by 30% for each age; Virtual screening option required for certain health conditions.

# E–12 Education Bills

## Free School Meals Program – Universal Meals

- Session Law 2023, Chapter 18, created the Free School Meals program
- MDE must provide to every Minnesota school participating in the free school meals program state funding for each school lunch and breakfast served to a student, with a maximum of one breakfast and one lunch per student per school day.
- State aid equals the difference between the applicable federal reimbursement rate at that school site for a free meal, as determined annually by the United States Department of Agriculture, and the actual federal reimbursement received by the participating school for the breakfast or lunch served to the student. Districts will continue to receive the 12.5 cent state contribution per meal (as in prior years).
- Districts should review the law to understand the Community Eligibility Provision (CEP) program impacts to funding. Chapter 18 also includes the Compensatory Revenue provision for FY25.

### School Meals:

|                 | Lunch:               | Breakfast:          |
|-----------------|----------------------|---------------------|
| <b>FY24–25:</b> | <b>\$190,863,000</b> | <b>\$25,731,000</b> |
| <b>FY26–27:</b> | <b>\$197,902,000</b> | <b>\$26,538,000</b> |

# E-12 Education Bills

## Compensatory Revenue – Required and Eligible Uses

**Compensatory Revenue for FY24** is calculated under current law and will be subject to a recalculation based on a new FY24 basic allowance increase.

For **FY25, Compensatory Revenue will be calculated under current law** but subject to a revenue hold harmless to FY24 final revenue to avoid a potential revenue loss for districts related to the impact of fewer submitted free and reduced-price lunch applications.

Districts must allocate at least **80% of their compensatory revenue to the site that generated the revenue**, an increase from 50%.

New uses of funds **eliminate costs related to all-day kindergarten** and an assurance of a mastery program.

FY26 and later will use direct certification eligible students as the **new base calculation for compensatory** along with a statewide revenue floor through FY27.

**Districts must report** whether compensatory-funded programs raise student achievement.

# E-12 Education Bills

## Summer Term Unemployment Insurance

- Eligible non-certified **hourly school workers may qualify for "between term" summer unemployment** benefits starting May 28, 2023. Total Reimbursement Aid is \$135,000,000 in FY24 (available until FY27 or depletion).
  - Staff will apply and be subject to the terms and qualifications through the Unemployment Insurance Program managed through DEED.
  - Districts will see these new costs on their quarterly UI billings from DEED.
  - Districts will be eligible for Unemployment Reimbursement Aid for expenses incurred starting in FY24 and ongoing until the reimbursement aid is exhausted. Between term UI costs are **not** eligible for levy reimbursement.
  - MDE will provide guidance and procedures for aid calculations and disbursements to all eligible LEAs in the coming weeks.
  - Once aid has been exhausted, districts must still allow and fund between term UI costs. Some UI between-term employees may qualify as special education costs which can generate additional special education funding.

# E–12 Education Bills

## Transportation Sparsity Adjustment Aid

Qualifying districts with eligible expenses greater than their qualifying revenue defined in Minnesota Statutes, section 126C.10, subdivision 18(a), will receive an **increase in additional revenue** from 18.2% to 35% of calculated unfunded pupil transportation expenses. The increase will begin in FY24.

### Transportation Sparsity Adjustment Aid:

**FY24–25: \$9,900,000**

**FY26–27: \$11,700,000**

# E–12 Education Bills

## American Indian Education Aid

- **American Indian Education Aid funding increased, and cooperative units included** in the American Indian school aid formula.
- Increase to **minimum American Indian Education Aid per district** from \$20,000 to \$40,000 per year.
- Increase the **minimum per-pupil amount** of American Indian Education Aid from \$358 to \$500 per student.
- Districts allowed to **carry forward unspent American Indian Education Aid** into the first six months of the following fiscal year if certain conditions are met.

### American Indian Education Aid:

**FY24–25: \$12,970,000**

**FY26–27: \$14,800,000**

# E-12 Education Bills

## Student Support Personnel Aid and Workforce Pipeline

- Student Support Personnel Aid is new revenue to support hiring new or increasing FTE of current school counselors, psychologists, social workers, licensed school nurses and chemical dependency counselors.
- Eligible LEAs will receive the lesser of their calculated aid or actual expenditures.
  - Calculated aid equals the greater of student support personnel allowance times current year adjusted pupil units or \$20,000 for charter schools or \$40,000 for type 1 and type 3 school districts, eligible cooperatives and intermediates.

| District/Charter SSP allowance: | Cooperative SSP allowance: |
|---------------------------------|----------------------------|
| FY24: \$11.94                   | FY24: \$ .60               |
| FY25: \$17.08                   | FY25: \$ .85               |
| FY26 and Later: \$48.73         | FY26 and Later: \$2.44     |

**Student Support  
Personnel Aid:**  
**FY24–25: \$ 64,400,000**  
**FY26–27: \$117,700,000**

- \$5,000,000 yearly ongoing for Student Support Personnel Workforce Pipeline to develop and increase staff aligned with student support needs as well as recruitment and retention efforts.

# E–12 Education Bills

## School Library Aid

- New aid funding beginning in FY24. Districts and charter schools will receive the greater of \$16.11 per APU or \$40,000 for school districts and \$20,000 for charter schools for **school library aid**.
- **Uses of funds** include salaries and benefits of a school library media specialist; electronic, computer and audiovisual equipment; information technology infrastructure and digital tools; electronic and material resources; and furniture equipment or supplies.

### School Library Aid:

**FY24–25: \$45,200,000**

**FY26–27: \$47,600,000**

- **Base aid distribution** increased from 5 to 15 percent.
- Regional library system aid distributed on Adjusted Net Tax Capacity (ANTC) reduced from 25 to 15 percent. **Formula calculation modified** as well.
  - Most recent population estimates should be used to calculate portions of this aid.
- Library systems **basic system support aid increased** by one plus the percent increase in the basic formula allowance from the previous year to the current.
- Increase to **both aid streams above** funded at \$8M in FY24–25, and \$8.9M in FY26–27.

# E–12 Education Bills

## General Education (1)

- **Kindergarten ADM alignment** for students with disabilities funded at \$140K in FY24–25, and \$152K in FY26–27.
  - Eliminates disparity in hours kindergartners with a disability need instruction to generate the same ADM as kindergartners without a disability.
- **English learner and breakfast funding for ESCE** students funded at \$298,000 in FY24-25 and \$310,000 in FY26-27.
- **Extended time revenue for residential care and treatment facilities** funded at \$1.28M in FY24–25, and \$1.4M in FY26–27.
- **Menstrual Products and Opiate Antagonists in Schools** funding provided at \$3.5M in FY24–25 and \$3.7M in FY26–27. \$2/Adjusted Pupil Unit (APU) to provide free access to menstrual products and at least two doses of opiate antagonists at each school site.
- **Area Learning Center Transportation Aid**, a new aid source, funded at \$2M per biennium.

# E–12 Education Bills

## General Education (2)

- The school board and nonpublic school can **mutually agree to a written plan for nonpublic pupil transportation**. Districts must report the number of nonpublic students transported under a contract.
- Districts must **report class size ratios** under learning and development revenue by grade to MDE starting in 23–24 school year.
- **School boards can renew an operating referendum** previously voter-approved one time for a maximum of 10 years without voter approval.
- **Modifies the appeals process** for certification of a vendor's products for the education tax credit.
- MDE must report to the legislature on whether **paper meal eligibility forms** can be eliminated.

- **Paid Paraprofessional Training**

- Aid provided at \$7.2M in FY24–25, \$16.6M in FY26–27.
- Starting FY24, LEAs must provide a **minimum of eight hours** of annual paid paraprofessional professional development, provided the following are met:
  - Professional development or training must be relevant to their employment;
  - Six of the hours must be before first instructional day or within 30 days of hiring;
  - Districts and charters must certify annually to the commissioner.
- **Reimbursement**, starting in FY25, equals prior year compensation expenses associated with eight hours of paid orientation and professional development.

# E–12 Education Bills

## Community Education and Lifelong Learning

- **Increase to state total Adult Basic Education (ABE)** aid of \$2.8M in FY24–25 and \$4.1M in FY26–27.
- State total **ABE aid growth factors modified** and established.
- ABE program aid **contract hour cap increased** from \$22/hour to \$30/hour.
- **Increase to the general community education revenue** allowance from \$5.42 per capita to \$6.35 per capita beginning FY25.
- Total **community education levy lowered** to adjust for other net tax capacity levy changes.
- **Community Education Adults with Disabilities** programs funding formula replaced with \$0.34 per capita population of the participating school districts. Holds levy constant for additional revenue.

- **Long-Term Facilities Maintenance Revenue (LTFM)**
  - Allows all types of joint powers to issue deferred maintenance bonds backed by the member district.
  - Adds updating air handling systems to eligible costs when more cost effective than new construction between January 1, 2019, and June 30, 2023.
- **Gender-neutral, single-user restrooms**
  - \$2.0M/biennium grant funding available.
  - Requires 10–year facility plans to address provisions for providing one at each school site.
  - Added as allowable use for LTFM revenue, for both remodeling or new construction.
  - Added as allowable use for operating capital revenue (and other spaces with privacy features).
  - Projects required to be included in review and comment.

## Facilities – Funding (2)

- **Building and Cyber Security Grant Program** established and funded with one-time \$24.3M. Funds may be used for security-related facility improvements, cybersecurity insurance premiums and associated costs.
- **Lease Levy Authority modified** to permit districts to levy up to \$65 per pupil per year for all cooperative and joint powers units for facility needs.
- Safe Schools Revenue statute modification to **add cyber security expenditures** as allowable use.

- Districts must **publish a review and comment** on a construction project at least 48 days before the referendum or bid solicitation.
- All schools using lease purchase authority to fund projects are **subject to review and comment**.

# Grants and Policy

**Education Excellence**

# Education Excellence – Academic Standards

- Makes **arts a statewide standard** and adds media arts as a fifth arts area for elementary and middle schools.
- **Updates standards and grad requirements** statutes to reflect the academic standards that need to be met in math and science.
- **Delays the review and revision of the physical education** standards until 2026–27 and clarifies that physical education must be offered for credit.
- Clarifies that **MDE has ongoing rulemaking authority** to review and revise academic standards.
- Requires **local CTE standards to align** with CTE frameworks.

# Education Excellence – Course Content and Credits

- **Civics:** 11th or 12th grade students (for 9th graders beginning in SY24–25) must take a course for credit.
- **Personal finance:** 10th, 11th or 12th grade students (for 9th graders beginning in SY24–25) must take a course for credit in personal finance.
- **Holocaust and Genocide education:** provide definitions; requires districts to offer Holocaust and genocide education as part of social studies for middle and high school by SY24–25 in alignment with social studies standards; and establishes a work group to develop implementation resources.
- **Computer Science:** provides definitions, requires MDE to hire a computer science supervisor, creates a working group to develop a state strategic plan, grants for teacher recruitment and training, requires a teacher prep program and requires districts to report computer science course offerings and enrollment. \$1M/biennium in grants to advance computer education.
- Consistent with CTE pathways, 11th and 12th graders **can earn up to two elective credits for working** in an assisted-living facility, services and supports provider, hospital/clinic or childcare center.

# Education Excellence – Ethnic Studies

- **Ethnic studies** must be embedded across all academic standards through the normal standards review and revision process.
- Districts must offer an ethnic studies **course starting in SY26–27 for high school** and SY27–28 for elementary and middle school. Course can fulfill a social studies, language arts, arts, math or science credit.
- MDE must hire **dedicated ethnic studies staff** and support districts in implementing ethnic studies courses.
- **Ethnic studies work group** will advise commissioner on ethnic studies resources and will recommend professional learning requirements.
- Funding of \$1.4M/biennium in **grants provided for schools to develop, evaluate and implement ethnic studies** courses. \$300,000/biennium for **community consultation** to develop resources and support.
- **Provides definitions**, including "ethnic studies," to guide WBWF strategic plans, district advisory committees and Achievement and Integration plans to create more inclusive teaching and learning environments.

# Education Excellence – Safe and Inclusive Schools (1)

- **Prohibition on K–3 dismissals** unless nonexclusionary discipline (NED) has been exhausted and there is an ongoing safety threat.
  - **Does not prohibit** sending a child home for less than a day.
- **Defines NED** as alternatives to dismissal from school and requires it to be used before beginning dismissal proceedings or pupil withdrawal agreements, except where there is an immediate or substantial threat to person or property. Must be implemented starting in SY23–24.
- **Defines pupil withdrawal agreements** and requires them to be reported.
- Requires **alternative education services for a student that is suspended** more than five consecutive school days. A suspended student must be allowed to complete schoolwork for full credit.
- Written **notice of intent to exclude/expel** must describe NED used. MDE must post a legal assistance resource list for families.

# Education Excellence – Safe and Inclusive Schools (2)

- **Readmission plans must include measures** to improve behavior and require reasonable attempts to obtain parental involvement in readmission.
- Districts must report NED practices used in **response to an assault**.
- Districts must establish NED policies and practices with **minimum requirements** for exclusion/expulsion, readmission and access to resources.
- District discipline policy must include procedures for students, parents and staff to **file a complaint** about the application of the Pupil Fair Dismissal Act.
- **Updates to district discipline policy** to reflect various changes in bill.
- Funding of \$3.5M/biennium in **grants for schools to provide training** for staff.

# Education Excellence – Safe and Inclusive Schools (3)

- **Limits the use of recess detention** and requires parent notification within 24 hours. Requires districts to compile recess detention statistics. Prohibits withholding or excessively delaying participation in mealtime.
- Prohibits a district employee or agent from using **prone restraint**. Provides definitions and examples of prohibitive holds/pressure. For purposes of maltreatment proceedings, prone restraints are not per se corporal punishment.
- Districts must **support staff to use tiered interventions** and are encouraged to adopt policies to promote constructive staff responses to student behavior.

# Education Excellence – Safe and Inclusive Schools (4)

- MDE must develop resources for implementing strategies to create a **positive school climate and support social-emotional learning**.
- School boards must adopt a policy **prohibiting malicious and sadistic conduct** and sexual exploitation by staff and contractors or students against staff and contractors or students.
- **Active Shooter Drills:** provides definitions, parameters and limits for active shooter drills, prohibits student participation in simulations, prior notice of drills and board public follow-up, required student education, debriefing periods and MDE and DPS created trainings development.
- Districts that issue **student IDs must include suicide prevention and crisis** contact information on the cards.

# Education Excellence – Safe and Inclusive Schools (5)

- **Establishes the MTSS framework** for supporting students' social, emotional, behavioral, developmental and academic outcomes. Framework includes:
  - Team-based approach based on professional learning and continuous improvement;
  - Family engagement;
  - Culturally and linguistically responsive instruction and tiered support;
  - Valid and reliable assessment tools;
  - Data-based decision making.
- **Fund COMPASS and MTSS** (\$27M per biennium)
  - \$10M for grants to LEAs to implement MTSS;
  - \$10M to MDE and service cooperatives for implementation support;
  - \$6M to establish regional math network and summer math institute;
  - \$1M to CAREI (UMN) to support implementation and evaluation of MTSS framework.
- Separate one-time \$5M for **BARR Center to support** 18 schools in implementing evidence-based practices that provide support, professional development, and curriculum and resources.

# Education Excellence – PSEO

- Post-secondary institutions (PSI) **may not require a faith statement** during the PSEO application process or base an admission decision on a candidate's protected class.
- A **PSI must notify the pupil's school** if the pupil withdraws or stops attending a course.
- A student must provide their school with the **interim or nonfinal PSEO grades** during the academic term.
- Time shortened for a **student to withdraw or be absent** from a PSEO course to trigger MDE stopping payments to PSI.

# Education Excellence – Online Instruction

- **Online Instruction Act** replaces and repeals existing online learning language:
  - **Definitions created** for blended instruction, digital instruction and online instruction.
  - **All LEAs can provide online learning** to their own enrolled students with a limit of 40 students per course.
  - Entities must **apply to MDE to provide online instruction to non-enrolled** students (supplemental online instruction).
  - Establishes **procedures to determine** if supplemental online instruction meets academic standards.
  - Courses that include **blended instruction and online instruction** must be reported to MDE.
  - MDE must **support districts in continuous improvement** and review complaints.
  - Creates **special revenue fund for application fees** and ADM calculation for supplemental online instruction.

# Education Excellence – Misc. (1)

- Modifies **definition of student with limited or interrupted formal education (SLIFE)** to having at least two fewer years of schooling than their peers.
  - Retains prior SLIFE definition to allow for continued participation in Early-Middle College.
- Modifies MDE authority to guide a district's **development of an improvement plan** if they don't meet their achievement and integration plan goals.

# Education Excellence – Misc. (2)

- Eliminates **obsolete competency exam requirement** for those providing homeschool instruction.
- Adds "**services**" to statute on **gifted programs**.
- **Assessments:**
  - Eliminates requirements to provide adaptive state assessments (above-grade and below-grade questions).
  - Requires districts to publish testing calendars at least one week before tests are administered or no later than Oct. 1.
  - Requires MDE to implement an appropriate growth model comparing test scores over time.
- Shortens the time period within which a **parent must notify a nonresident district** whether the student intends to open enroll.

# Education Excellence – Competitive Grants

| Grant Title (Alphabetical)                    | FY24–25 (000s) | FY26–27 (000s) |
|-----------------------------------------------|----------------|----------------|
| Computer Science Education Advancement Grants | \$1,000        | \$1,000        |
| CTE EMS Training Grants                       | \$1,000        | \$1,000        |
| CTE Transportation Pilot Program              | \$450          | \$0            |
| Ethnic Studies School Grants                  | \$1,400        | \$1,400        |
| Full-Service Community Schools                | \$15,000       | \$10,000       |
| Innovate Service-Learning Grants              | \$1,000        | \$0            |
| MN Service Cooperatives CTE Consortium Grants | \$4,000        | \$4,000        |
| MTSS Grants to Schools                        | \$10,000       | \$10,000       |
| Non-Exclusionary Discipline Grants            | \$3,500        | \$3,500        |

# Education Excellence – Named Grants (1)

| Grant Title (Alphabetical)                                   | FY24–25 (000s) | FY26–27 (000s) |
|--------------------------------------------------------------|----------------|----------------|
| Alliance of Chicanos, Hispanics, and Latin Americans (ACHLA) | \$500          | \$0            |
| Educational Outcome & Accountability Pilot                   | \$300          | \$0            |
| Girls Taking Action                                          | \$1,500        | \$0            |
| Junior Achievement North                                     | \$1,000        | \$0            |
| MacPhail Center for Music Online Music Instruction           | \$300          | \$0            |
| Minnesota Alliance of Boys and Girls Clubs                   | \$5,000        | \$0            |
| Minnesota Association of Alternative Programs (MAAP) STARS   | \$50           | \$0            |
| Minnesota Center for the Book                                | \$400          | \$400          |
| Minnesota Council on Economic Education                      | \$400          | \$0            |
| Minnesota Foundation for Student Organizations               | \$632          | \$632          |
| Minnesota Math Corps Program                                 | \$1,000        | \$1,000        |

# Education Excellence – Named Grants (2)

| Grant Title (Alphabetical)    | FY24–25 (000s) | FY26–27 (000s) |
|-------------------------------|----------------|----------------|
| Museums and Education Centers | \$1,562        | \$2,662        |
| Sanneh Foundation             | \$3,000        | \$3,000        |
| Walkabouts Program            | \$500          | \$0            |

**Read Act**

- Sets **goals and interventions** for LEAs to improve literacy:
  - **Literacy Goal**
    - Every child must be reading at or above grade level based on individualized reading goals
    - By SY26–27, LEAs must provide evidence-based reading instruction based on structured literacy
    - Teachers and instructional support staff with responsibility for teaching reading be provided MDE-approved training starting July 1, 2024. *All others required to receive training must complete it no later than July 1, 2027.*
    - Districts strongly encouraged to adopt MTSS framework.
  - **Identification**
    - Districts must screen K-3 students twice a year with MDE-approved screening tool for mastery of foundational skills and characteristics of dyslexia. Must screen students in grades 4 and above not demonstrating skills.
    - Districts must report data in annual local literacy plan.

- **Parent Notification.** Districts must administer screener to K-3 students within first six weeks of school year and within last six weeks of school year and biannually provide parents with results, services offered and strategies for parents to use at home.
- **Intervention.** By SY25–26, intervention programs must be taught by an approved-program trained teacher.
- **Staff Development.** Districts must provide training on evidence-based reading instruction to teachers, including those in early childhood programs.
- **Local Literacy Plan.** Plans must be annually reported to MDE and now include curricula used by site and grade, whether MTSS framework was used, student data, and teachers trained.
  - MDE must develop a template for local literacy plans by March 1, 2024.

- **Implementation**

- Screening twice a year for students K-3.
- Progress monitoring for students not reading at grade level.
- Districts must use evidence-based literacy curriculum and interventions.
- Districts encouraged to use MTSS framework.
- Districts must have all main reading staff trained by 2025 and then others by 2027.
- Districts must employ/contract a literacy lead by August 30, 2025.
- MDE must identify approved screeners, provide info about PD opportunities, identify training required for literacy specialist, employ a literacy specialist, and develop the literacy plan template.

- **MDE Implementation Partnership with University of Minnesota's Center For Applied Research and Educational Improvement (CAREI)**
  - Partnership must be from July 1, 2023, until August 30, 2025.
  - Identify at least five evidence-based curricula by January 1, 2024. Necessary because a district is only required to use approved curriculum if purchased with state funds with requirement.
  - Identify at least three PD programs by Aug. 15, 2023.
  - Identify evidence-based intervention materials.
  - Identify literacy specialist training programs.
  - Identify measures of foundational literacy skills and mastery districts must report.
  - Provide guidance to districts in literacy instruction.
  - Develop MTSS model plans.
  - Ensure PD and MTSS trainings are geographically equitable.

- **Reconsideration Process**

- Districts can appeal to MDE to reconsider curricula and PD to be approved, which must be approved or denied within 60 days.

- **Partnership Support**

- MDE and CAREI must provide various implementation supports to districts.

- **Literacy Incentive Aid**

- Districts must use literacy incentive aid to support implementation of evidence-based reading instruction. Eligible uses are trainings, employing/contracting a literacy lead, supports to ensure reading interventions are evidence-based, and costs of substitutes to allow teachers to complete trainings.

# Read Act - Funding

- **CAREI** work and partnerships funded at \$4.2M one time.
- **Reimbursement for curriculum and intervention materials** funded at \$35M one time, funds available until June 30, 2028.
- MDE and Service Cooperatives to create **Regional Literacy Networks** funded at \$18M in FY24–25 and \$13M in FY26–27.
- **Statewide training** costs funded at \$16.7M in FY24–25 and \$2.5M in FY26–27.
- **MDE literacy specialist** funded at \$500K per biennium.

# American Indian Education

# American Indian Education – Funding

- **Native Language Revitalization Grants** established and funded at \$15.0M/biennium. Grants to districts and charter schools to offer **language instruction in Dakota and Anishinaabe** languages or another language indigenous to the United States or Canada. Eligible expenses include costs for teachers, program supplies and curricular resources.
- Pupils attending Tribal contract schools eligible to generate **online learning aid**.
- **Minnesota Indian Teacher Training Program** special revenue fund account created; provides grants for American Indian teacher candidates. \$1.6M in FY24–25.

# American Indian Education – Policy (1)

- Districts may share **educational data** on Tribally enrolled or descendant students with Tribal Nations.
- **Sacred tobacco** permitted on school grounds as part of religious or cultural practices.
- Replace Columbus Day with **Indigenous Peoples' Day** in schools.
- History and contributions of American Indian Tribes and communities (**Indigenous Education for All**) embedded in all academic standards; MDE will provide support.
- **Items of Cultural Significance** allowed at Graduation.
- **Prohibition on mascots** depicting American Indians or culture without Tribal Nations exemption.

# American Indian Education – Policy (2)

- **American Indian Parent Advisory Councils (AIPACs) statute update** to ensure that AIPAC representation is majority parents of American Indian students, and how that membership is defined.
- **State definition**/state count of American Indian students used throughout statute.
- MDE required to have **Tribal Nations Education Committee (TNEC) representative in all academic standards review** processes.

# American Indian Education – Policy (3)

- Makes clear in statute that **American Indian Education programs have requirements to be met** before funds are used for other purposes.
- Provides **flexibility in the location** of American Indian Education programs.
- Requires districts receiving American Indian Education aid with an American Indian student population at a certain threshold to provide **American Indian culture and language courses**.
- MDE required to provide **technical assistance** on American Indian Education Aid reporting.
- Modifies the statutory duties of the **MDE Director of the Office of American Indian Education**.

# Charter Schools

# Charter Schools – Policy (1)

- Statutory definitions of **Charter Management Organization (CMO)** and **Educational Management Organization (EMO)**.
- Charter schools are **required to comply** with alternatives to suspension statute and Education for English Learners Act.
- Clarifies in statute that a **charter authorizer term** is until they formally withdraw or until the commissioner revokes their authorization.
- **Market need and demand study** required in various aspects of charter school applications and affidavits.

# Charter Schools – Policy (2)

- Charter school contract must contain information on the **specific school's admission policies and procedures**.
- Minnesota charter schools must be **free to eligible Minnesota residents**. Charter schools should give enrollment **preference to Minnesota residents** over out-of-state applicants.
- Statutory correction to definition of "teacher" to clarify that **charter school teachers** are directly employed by the school or under contract with a cooperative.

# Charter Schools – Policy (3)

- **Modified admissions preferences** for charter schools serving at least 90% of enrolled students who are eligible for special education services and have a primary disability of deaf, deafblind or hard-of-hearing.
- **Affiliated Building Corporation (ABC)** must not support more than one charter school at the same time.
- Charter school leases must be from the **owner of the space, not a sublessor.**
- Updated expectations and requirements for charter school **annual audit reports.**

**Teachers**

# Teachers – MDE Funding and Grants

- **Grow Your Own grant programs** investment increased by \$37.0M in FY24–25 and \$50.9M in FY26–27. Grant funds usages expanded, **two new Grow Your Own pathways** for teacher candidates meeting a current shortage area or if the candidate is from an underrepresented community.
- **Statewide Teacher Mentoring grants.** One-time funding of \$9.9M, available to spend through June 30, 2027, for districts to implement mentoring programs.
- **Special Education Teacher Pipeline** grant program established. \$30.0M in FY24–25 and \$10.0M in FY26–27 to support current Tier 1 or 2 teachers, or current school employees, to become Tier 3 or 4 special education teachers.
- **Teacher licensing and exam fees** to be covered by MDE. Funded at \$1.4M in FY24.
- **Come Teach in Minnesota** hiring bonuses eligibility expanded, and eligibility expansion effective retroactively. Also increases the bonus amounts per teacher. \$200,000 in FY24–25 and \$400,000 in FY26–27.

# Teachers – PELSB Funding and Grants

- **Closing educational opportunity gaps** grant program established. \$6.0M in FY24–25 to support collaborative efforts that close opportunity gaps by the following methods:
  1. Ensuring school environments and curriculum validate, affirm, embrace, and integrate cultural and community strengths from all racial and ethnic backgrounds; and
  2. Addressing institutional racism with equitable school policies, structures, practices, and curricular offerings.
- **Heritage Language and Culture licensure pathway program** established by PELSB. \$416,000/biennium.
- **Licensure via Portfolio** – \$300,000/biennium to complete the platform and streamline the process.
- **Mentoring, induction and retention** incentive program grants for **teachers of color and American Indian teachers** funded at \$1M in FY24–25 and \$3M in FY26–27.

# Teachers – Policy (1)

- Establish **state goal of increasing the percentage of teachers in Minnesota who are of color or American Indian** by at least 2% each year; goal of having a teaching workforce that more closely reflects the state by 2040. PELSB required to report on progress every two years.
- Tier 1 teachers permitted to join **collective bargaining units**.
- ABE and ECFE teachers may obtain **tenure or continuing contract rights**.
- School board required to **meet and negotiate with representative of teachers** before adopting an e-learning day.
- School board **prohibited from discriminating or disciplining** a teacher or principal for incorporating into curriculum contributions by persons in a protected class if the contributions are in alignment with adopted standards and benchmarks.
- Teacher and principal evaluation processes must include **evaluation of their cultural responsiveness** and methodologies.

## Teachers – Policy (2)

- List of applicants **exempt from requirement to hold bachelor's degree** for a Tier 1 license to include persons teaching world languages and culture, and the performing or visual arts. Extends the same exemption to Tier 2 candidates meeting coursework requirement and to Tier 3 applicants.
- **Temporary carve out for Tier 2 teachers** who would otherwise be ineligible to renew their license based on changes in these laws to renew their license for the 23–24, 24–25 and 25–26 school years only.
- More requirements satisfactory to **meet Tier 3 license standards** for applicants who received teacher preparation programs from other states.

# Teachers – Policy (3)

- Statutory definitions and duties updated to align with **licensure modifications**.
- PELSB encouraged to **expand alternative pathways** for licensing career and technical education teachers.
- PELSB required to prepare **reports on teacher and administrator preparation programs** providers and teacher candidates and report to the legislature on their findings.
- **Limit on licensure via portfolio** process to initial Tier 3 license applicants, or to add a licensure field to a Tier 3 or Tier 4 license.
- PELSB required to **collect data on educators' employment and assignments** from all districts and charters; report allowed to include data on educators' demographics and licensure.

# Teachers – Policy (4)

- **Eliminates Tier 4 basic skills test**, pedagogy and content exams for applicants who completed a PELSB-approved preparation program or other pathway and reading instruction for Tier 3 and 4 licenses to teach elementary students.
- PELSB must adopt rules **requiring all licensed teachers to have professional development** in the cultural heritage and contemporary contributions of American Indians to renew their licenses.
- **Short-call substitute teacher pilot program** established for 23–24 and 24–25 school years. Allows PELSB flexibility in issuing licenses; sets minimum rate of pay for substitute teachers under the pilot program.

- Requires a **district to annually report to PELSB** all new teacher hires and terminations by race and ethnicity, and the reasons for all teacher resignations and requested leaves of absence.
- Reduces from **120 to 90 the number of days of teaching service** a teacher must complete during the probationary period; modifies probationary period for teachers who have taught for three consecutive years in Minnesota or another state.

# Competitive Grants

| Grant Title (Alphabetical)                                                 | FY24–25 (000s) | FY26–27 (000s) |
|----------------------------------------------------------------------------|----------------|----------------|
| Closing Educational Opportunity Grants                                     | \$6,000        | \$0            |
| Collaborative Urban and Greater Minnesota Educator of Color Grants [PELSB] | \$8,880        | \$8,880        |
| Come Teach in Minnesota Grants                                             | \$200          | \$400          |
| Heritage Language & Culture Teachers Grants [PELSB]                        | \$416          | \$416          |
| Grow Your Own                                                              | \$37,000       | \$50,908       |
| Licensure Shortage Areas/Special Education Pipeline Grants                 | \$30,000       | \$10,000       |
| Licensure Pathways Preparation Grants [PELSB]                              | \$800          | \$800          |
| Statewide Mentoring Program                                                | \$9,940        | \$0            |
| Student Support Personnel Workforce Pipeline Grants                        | \$10,000       | \$10,000       |
| Teacher Licensing and Exam Fees                                            | \$1,400        | \$0            |
| Teacher Residency Program                                                  | \$6,000        | \$6,000        |
| Teachers of Color Mentoring and Retention Incentive Grants [PELSB]         | \$1,008        | \$3,008        |
| Teacher Recruitment Marketing Campaign Grants [PELSB]                      | \$500          | \$500          |

# Named Grants

| Grant Title (Alphabetical)                                           | FY24–25 (000s) | FY26–27 (000s) |
|----------------------------------------------------------------------|----------------|----------------|
| Black Men Teach                                                      | \$1,000        | \$1,000        |
| Coalition to Increase Teachers of Color and American Indian Teachers | \$200          | \$200          |

# Nutrition and Libraries

# Nutrition and Libraries – Policy (1)

- Statutory prohibition for a participant in the National School Lunch Program to provide a student with an **alternative meal** (not specifically related to dietary needs) because of outstanding lunch debt.
- MDE required to **evaluate the financial eligibility** of Child and Adult Food Care Program (CACFP) and Summer Food Service Program (SFSP) applicants as part of the application process.
- **Limit legally distinct CACFP and SFSP sites** from transferring sponsoring organizations more than once per year, except under extenuating circumstances.
- Require sponsoring organizations to provide documentation that staff members have completed **program-specific training** before application is approved.
- Statutory references to "free lunch" or "reduced-price lunch" replaced with "**free meals**" etc.

# Nutrition and Libraries – Policy (2)

- Statutory definition of **school library and media center**. Certain characteristics expected under this definition include
  - Providing equitable access to resources,
  - Having a collection development plan,
  - Being housed in a central location that provides for expanded learning,
  - Providing technology and internet access, and
  - Being served by a licensed school library media specialist or licensed school librarian.
- **Terminology updates:**
  - References to "citizen" replaced with "**resident**"
  - References to "Spanish-speaking" replaced with "**multilingual learners**"

# Community Education and Lifelong Learning

# Community Education and Lifelong Learning – Funding

- **After-School Community Learning grant program.** Grants to a range of eligible organizations that provide culturally affirming and enriching after-school and summer learning programs. Set-aside for an organization to serve as statewide after-school network. Funded in FY24–25 at \$30.0M.
- **High school equivalency test fees** for individuals to be paid for by the state for FY23–27.
- **Minimum age to participate in Adult Basic Education (ABE) programs and courses** increased to 17 from 16.

# Community Education and Lifelong Learning – Policy

- **Renames the Tier 1 education partnership grants** “neighborhood partnership grants” and renames Tier 2 grants “regional neighborhood partnership grants.”

# Early Childhood

# Early Childhood – Funding (1)

- **Early Learning Scholarships**

- Increased \$252.1M in FY24–25 and \$58.9M in FY26–27.
- Expanding access to children age birth–3 and new prioritization.
- 3 or 4-star requirement eliminated, with 4-star program scholarship amounts required to be set at full cost of care at 75th percentile.
- Families required to select program within three months (reduced from 10).

- **Great Start Scholarship Program**

- Goal: integrate administrative and funding structures of early care and learning programs, including Early Learning Scholarships and Childcare Assistance Program, and caps family contributions at 7% of income.
- Funding provided for planning and implementation.

# Early Childhood – Funding (2)

- **Grow Your Own Early Childhood and Family Educators' Program**
  - Funded at \$2.5M/year in FY24–25 and \$500,000/year ongoing (in SRF).
  - To host, build or expand an early childhood preparation program and fund student stipends, tuition scholarships or student teaching/field placement.
  - Open to licensed childcare, school districts and charter schools, Head Start, higher education institutions and other non-governmental organizations.
- **Early Childhood and Family Education Teacher Shortage**
  - Funded at \$500,000/year ongoing (transfer to OHE).

# Early Childhood – Funding (3)

- **ECFE**
  - MDE required to add two positions to support ECFE programming.
- **Head Start**
  - Increase of \$10M/year.
  - Eligible uses expanded to include operations and infrastructure.
  - Set aside initially of 10.72% for Tribal Head Start programs.

- **Teacher Licensure**

- Required for school-based early education programs beginning July 1, 2028.
- Teachers who have taught for five years prior to effective date are exempt.

- **Kindergarten Entry Assessment**

- Purpose: to measure percentage of kindergartners who meet or exceed end-of-year prekindergarten standards.
- Required statewide by 2025–26 school year, with phase-in and engagement before.
- Funding for district tools, statewide support and MDE to publicly report results.

- **Early Childhood Special Education**

- Enrollment in non-resident district where child is enrolled in Head Start or childcare in same manner as resident student clarified.
- Tuition agreements no longer required.

- **Continued Enrollment**

- School districts must only provide continued enrollment to VPK/SRP participants and *may* provide continued enrollment to non-resident early childhood program participants.
- Charter schools must only provide continued enrollment to participants in free preschool or prekindergarten programs and *may not* provide continued enrollment for participants in fee-based programs.

# Early Childhood – Competitive Grants

| Grant Title (Alphabetical)                                              | FY24–25 (000s) | FY26–27 (000s) |
|-------------------------------------------------------------------------|----------------|----------------|
| Grow Your Own Early Childhood and Family Educators' Program             | \$5,000        | \$1,000        |
| Early Childhood and Family Education Teacher Shortage (transfer to OHE) | \$500          | \$500          |

# Early Childhood – Named Grants

| Grant Title (Alphabetical)                                  | FY24–25 (000s) | FY26–27 (000s) |
|-------------------------------------------------------------|----------------|----------------|
| Children's Savings Accounts via Youthprise                  | \$500          | \$0            |
| MacPhail Learning with Music                                | \$500          | \$0            |
| Metro Deaf School                                           | \$200          | \$0            |
| ParentChild+ Program                                        | \$1,800        | \$0            |
| Post-secondary early childhood curriculum                   | \$500          | \$0            |
| Reach Out and Read Minnesota                                | \$500          | \$500          |
| The Family Partnership for Executive Functioning Curriculum | \$300          | \$0            |
| Way to Grow Home Visiting                                   | \$300          | \$0            |

# Special Education

# Special Education – Funding

- **Specific Learning Disability (SLD) Criteria Change.** Statutory update to the policy for identifying students with SLD to allow for better articulation of the nature of the disability and its impact on growth, access and progress; funding to support rulemaking and training
- Certified deaf interpreters with certification through Registry for Interpreters of the Deaf added as **eligible to provide ASL/English interpreting** or sign transliterating service. Provisional certificate available for deaf interpreters with 40 hours of RID-approved continuing education

# Special Education – Policy (1)

- **Restrictive Procedures Statute Updates**

- **Prohibits seclusion from birth through grade three** by September 1, 2024, with recommendations on ending seclusion for all students required by February 1, 2024.
- Adds **monitoring and reviewing disproportionate use** and the role of school resource officers to district restrictive procedure plan elements.
- Adds references to **Individualized Family Service Plan (IFSP)** where Individualized Education Program (IEP) is stated.
- Requires **brief description of post-use debriefing** to documentation compiled after physical hold or seclusion.

# Special Education – Policy (2)

- **Medicaid, third-party billing** for covered mental health services permitted. Effective later of January 1, 2024, or upon federal approval.
- **Online learning through resident district** or charter school permitted while student is in a residential care and treatment facility.

# State Agencies

# State Agencies – MDE Funding (1)

- **Operating Adjustment funded** at requested increase of \$9.5M for FY24–25, and \$9.9M for FY26–27.
- **EDI Center staffing** funded at \$4M/biennium.
- **Office of Inspector General at MDE** funded at \$4M/biennium; provides the Office authority to investigate and report.
- **Audit and Internal Controls resources** funded at \$1.6M/biennium. Resources can include additional audit costs, post-action planning and execution, and contracting.
- **Ed-Fi funded** at requested amounts of \$3.2M for FY24–25 and \$4.7M for FY26–27.

# State Agencies – MDE Funding (2)

- **Licensed school nurse** position at MDE funded and expectations set in statute.
- **Comprehensive school mental health services lead** at MDE funded and expectations set in statute.
- **Reasonable force usage** reporting funding.
- **Litigation costs**

# State Agencies – Other Agencies

- **PELSB** funding increase of \$1.4M in FY24–25 and \$1.5M in FY26–27. These funds are to be used to increase PELSB staffing, operating adjustment, and provide for Board membership management and stipends.
- **Minnesota State Academies** funding increase of \$6.3M in FY24–25 and \$5.9M in FY26–27. Includes funding for Unemployment Aid.
- **Perpich Center for Arts Education** funding increase of \$2.6M in FY24–25 and \$1.8M in FY26–27. Includes funding for Unemployment Aid.

# State Agencies – Policy

- PELSB board **expanded from 11 to 13** members.
- **Governor must nominate** 13 members to PELSB by July 15, 2023.
- PELSB **composition restructured**. Current HR director position sunset; Governor required to name a new member by January 1, 2024.
- Board members to receive \$4,800 **annual stipend**.
- PELSB required to **reimburse districts** for the cost of substitute teachers to cover board member absences; public employers (including schools) required to **grant time off** for board members to attend board activity.
- Athletics programs sex discrimination statutory purpose statement and equal opportunity in athletics statute both **updated to include inequities in race and ethnicity**; and replaces the term "both sexes" with "**each sex**."

# Education Provisions in Other Bills

# Education Provisions in Other Bills (1)

## Tax Bill [HF1938](#)

- **Teacher Pensions.** Effective July 1, 2025, **normal retirement age lowered to age 65** for members of Teachers Retirement Association (TRA) and St. Paul Teachers Retirement Fund Association (SPTRFA), and TRA amortization date extended 30 years to 2053.
  - TRA employee contributions +0.25% = 8.0%
  - TRA employer contributions +0.75% = 9.5%
  - **Pension adjustment revenue increase of 0.75%** of pay for FY26–27; revenue capped at FY27 amount ongoing.
- **Electric Generation Transition Aid** for jurisdictions that lose tax base when electric generation plant is retired.
  - FY25: \$2.1M – FY26–27: \$4.9M

# Education Provisions in Other Bills (2)

- **Omnibus Health and Human Services Bill [SF2995](#)** – Department of Human Services (DHS)
  - **School-linked behavioral health grants** – FY24–25: \$14.1M – FY26–27: \$9.0M
  - **Infant and early childhood mental health consultation, including in schools** – \$2.4M/biennium ongoing
  - **Great Start compensation payments** – FY24–25: \$316.1M – FY26–27: \$259.8M
    - To support retention in childcare
    - Funding is per FTE and must be used for increased wages, compensation and/or benefits
  - **Child Care Assistance program (CCAP) rates increased** – rates raised to the federal standard for access – 75th percentile of the market rate survey for all provider types, including school-based programs that accept CCAP.
  - **CCAP expanded access** – \$30M/biennium ongoing to increase the Basic Sliding Fee Child Care Assistance Program estimated to serve an additional 3,600 children age 0-12, including in school-based programs that accept CCAP.
  - **Development of childcare and early education wage scale** – FY24–25: \$1.0M to develop a wage scale and process for recognizing comparable competencies equivalent to elementary school educators. VPK/SRP, ECFE, ECSE and Head Start specifically named to programs to which this would apply.

# Education Provisions in Other Bills (3)

- Omnibus Health and Human Services Bill [SF2995](#) – Minnesota Department of Health (MDH)
  - **Opiate antagonists** – Any school personnel may be permitted to administer opiate antagonists (by physician, etc.), no longer only school nurse; an LPN may possess (and administer) in a school setting
  - **School-based health centers** defined and grant funding provided – FY24–25: \$3.4M – FY26–27: \$6.0M
  - **Lead in school drinking water**
    - School plans must be updated by July 1, 2024, that includes strategies to reduce exposure to lead
    - Mitigation required at or above five parts per billion in any fixture and annual public notification/reporting to MDH required
    - Remediation grant program – grants for schools and licensed childcare to address sources of lead contamination – \$1M/biennium ongoing

# Department of Children, Youth and Families (DCYF)

- New cabinet-level agency established effective July 1, 2024
- Programs transferred by July 1, 2025
- FY24–25: \$4.3M – FY26–27: \$7.0M for new operations
- FY24–25: \$14.0M for planning and transition
- Local employers obligated to bargain about changes related to terms and conditions of employment if creation of DCYF impacts school operations
- Education programs include:
  - Head Start/Early Head Start
  - Early childhood screening
  - Early learning scholarships
  - ECSE – Part C
  - VPK/SRP
  - ECFE
  - School Readiness
  - After-school community learning

# Education Provisions in Other Bills (4)

- **Jobs and Labor Bill [SF3035](#)**

- Article 11, Sections 11–12 updates the **definition of "teacher"** in labor statute and adds to "terms and conditions of employment" **adult-to-student ratios in classrooms, student testing, and student-to-personnel ratios.**

- **Judiciary and Public Safety Bill [SF2909](#)**

- Article 19 Section 76 **classifies student directory information as private data**, with exception for MDE to be able to gather necessary data to meet federal reporting requirements.

- **Commerce Bill [SF2744](#)**

- Article 3 Section 75 grant to MN Council on Economic Education for **personal finance professional development** for high school teachers.

- **Cannabis Omnibus Bill [HF100](#)**

- Article 6, Section 7 requires MDE and MDH and DHS to work collaboratively to identify **model programs** to educate middle school and high school students on the health effects on children and adolescents of cannabis use and substance use; publish model program list by June 1, 2025.

- Starting in the 2026–27 school year, a school district or charter school must **implement a comprehensive education program** on cannabis use and substance use.

- **State Government and Elections Bill [HF1830](#)**

- Article 7 Section 10 permits state **agencies to retain** up to 5% of the total for named grants, up to 10% of the total for competitive grants for administrative funding unless otherwise specified.

# Education Provisions in Other Bills (5)

- **Bonding Omnibus Bill [HF669](#)**

- Article 1, Section 4 one-time funds **library construction grants** at \$4M.
- Article 1, Section 5 provides funding for **Minnesota State Academies** of \$9M.
- Article 1, Section 9 funds **asset preservation at Perpich** Center for Arts Education at \$900,000.

- **Legacy Omnibus Bill [HF1999](#)**

- Article 1, Article 4 Section 2 Subd. 5(a) appropriates \$2.75M/year for **grants to libraries providing arts and cultural** educational opportunities.
- Subd. 5(b) appropriates \$250,000 in FY24 to MDE for **grants for "water safety programs"** to be awarded to eligible nonprofits, and city and county parks and recreation departments.

# Paid Family Medical Leave (PFML)

- [HF2](#)
- Effective January 1, 2026
- New family and medical benefit insurance account
  - Allowances for private plan substitution
- Administered Family and Medical Benefits Division of the Department of Employment and Economic Development (DEED)
- Funded through new .7% premium rates
  - May be shared between employer and employee, but employers must pay at least 50%
  - Adjusted beginning in 2027 according to formula
  - Small employer rates may vary

# Thank you!

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