UPDATE ON EDUCATION LEGISLATION
2014 Legislative Session

Division of Government Relations
Division of School Finance

Regional Meetings
Revised May 30, 2014
Agenda

• 2014 Education Legislation Overview:
  – Supplemental Budget Bill (Chapter 312)
  – Tax Bill #1 (Chapter 150)
  – Bonding Bill (Chapter 294)
  – Education Policy Bill (Chapter 272)

• Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

• Impact on School Funding Trends: Statewide and by Strata

• Impact on Individual Districts: Resources on MDE Web Site
## Supplemental Budget Bill
Governor, House & Senate Spending: FY 14 – 15 Biennium

<table>
<thead>
<tr>
<th>$ in Thousands</th>
<th>Governor</th>
<th>House</th>
<th>Senate</th>
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<tbody>
<tr>
<td>Formula Increase - 1%</td>
<td>-</td>
<td>54,460</td>
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<td>ELL to 6 Years</td>
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<td>Early Childhood Literacy/Reading Corps</td>
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<tr>
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<tr>
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## Supplemental Budget Bill

**Governor, House & Senate Spending: FY 16 – 17 Biennium**

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<th>Senate</th>
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<td>PSEO Weight Correction</td>
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<td><strong>Total</strong></td>
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Supplemental Budget Bill
SPENDING TARGETS
(State Aid Appropriations @ 90 / 10)

<table>
<thead>
<tr>
<th>$ millions</th>
<th>House</th>
<th>Senate</th>
<th>Final</th>
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<td>$66.6</td>
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<td>Supplemental Budget Bill / Education Articles Changes:</td>
<td>FY 2015</td>
<td>FY 2016</td>
<td>FY 2017</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>---------</td>
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<tr>
<td>General Education Formula ($25)</td>
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<td>English Learner Revenue</td>
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<td>Teacher Evaluation</td>
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<td>1,000</td>
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<tr>
<td>ECFE (linked to formula allowance)</td>
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<td>Early Learning Scholarships</td>
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<td>School Readiness</td>
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<td>2,000</td>
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<td>School Lunch</td>
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<td>Natural Disaster Debt Service Equal.</td>
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<td>Debt Service Equalization</td>
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<td><strong>Grand Total</strong></td>
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<td>68,764</td>
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# 2014 Education Finance Legislation Overview

## School Property Tax Levies

<table>
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<tr>
<th>$ in Thousands</th>
<th>Supplemental Budget Bill / Education Articles Changes:</th>
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<tr>
<td></td>
<td>FY 2016 Pay 15</td>
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<td>Safe Schools, Intermediates</td>
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<tr>
<td>Building Lease</td>
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<td>Satellite Transp Hub (ISD 196)</td>
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<tr>
<td>Debt Service Equalization</td>
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<tr>
<td>Natural Disaster Debt Service</td>
<td>-</td>
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<tr>
<td>Other</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal, Supplemental Budget Bill</strong></td>
<td>-</td>
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<tr>
<td><strong>Tax Bill: Local Optional Revenue</strong></td>
<td>23,323</td>
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<td><strong>Grand Total</strong></td>
<td>23,323</td>
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</table>
$25 increase to $5,831, beginning in FY 2015
  – (0.4%, making the total increase over FY 2014 1.9%)

This increases funding for other revenues linked to the formula allowance (e.g., compensatory, sparsity, transportation sparsity, nonpublic transportation, nonpublic pupil, Indian tribal contract, and, beginning in FY 2015, ECFE)
Eligibility extended from 5 to 6 years

Students with < 6 years of ADM in Minnesota whose test results indicate proficiency in English will continue to be eligible for funding up to 6 year limit if classroom teacher determines that student is not proficient

(Regular EL formula rate increase from $704 to $726 proposed by House NOT adopted)
Supplemental Budget Bill, Article 15
GENERAL EDUCATION REVENUE

Equity Revenue

• No change in equity revenue

• (House and Senate proposals to increase equity revenue for certain districts on the edge of the metro area NOT adopted)
Supplemental Budget Bill, Article 15
GENERAL EDUCATION REVENUE
Operating Capital Levy Equalization

• No change in operating capital levy equalization

• (Senate proposal to increase operating capital equalizing factor to offset levy increases in other portions of Senate bill to hit $0 target for overall property tax levy impact of bill NOT adopted).

• Final legislation uses House proposal to tweak the equalizing factors in the debt service equalization formula to hit the zero levy target.
Supplemental Budget Bill, Article 15
GENERAL EDUCATION REVENUE
Technical Amendments

• General education revenue calculation for charter schools amended to clarify that a charter school receives declining enrollment revenue based on its decline in pupil units and not the state average, and that charter schools do not qualify for local optional revenue.

• Extended time revenue calculation amended to clarify that the old formula calculation of $4,601 per adjusted marginal cost extended time pupil unit remains in effect for FY 2014.
Supplemental Budget Bill, Article 15
GENERAL EDUCATION REVENUE
Technical Amendments
Small Schools and Transition Revenue

• **Small schools revenue** calculation amended to clarify that school districts with at least two high schools, at least one of which is eligible for sparsity aid, qualify to have small schools revenue calculated at the site level for the schools eligible for sparsity aid (includes Grand Rapids and Lake Superior as well as St Louis County).

• **Transition revenue** calculation amended to adjust for the roll-out of Q Comp from the general education program.
Supplemental Budget Bill, Article 15
GENERAL EDUCATION REVENUE
Technical Amendments
Miscellaneous

• **Referendum** calculations amended to clarify that eligibility for a board approved increase is based on the referendum allowance after the subtraction for local optional revenue (stacking).

• Minimum membership hours for kindergarten students to qualify for extended time revenue increased to 850 to reflect all-day kindergarten funding.

• Various references to pupil units updated to reflect elimination of marginal cost pupil units.
Supplemental Budget Bill, Article 15
AREA LEARNING CENTER TUITION / RESERVES
Technical Amendments

• Area learning center reserve requirements and tuition billing language amended to clarify that:

  – the amount required to be reserved or paid to the serving district under tuition billing is at least 90% but no more than 100 percent of general education revenue, and

  – local optional revenue is not included in the calculations.
• Statutes updated to reflect 90-10 payment schedule and elimination of property tax shift.

• Final payment schedule for charter schools adjusted for consistency with school district final payment schedule when current aid payment percentage is 90 percent, beginning with FY 15 final payments. Charter schools will go back to an accelerated final payment schedule if the current aid payment percent drops below 90 in the future.
Supplemental Budget Bill, Article 15
POST SECONDARY ENROLLMENT OPTIONS (PSEO)

• Formula for payments to colleges under PSEO corrected to use 1.2 weighting rather than 1.3, to conform with secondary pupil unit weight, beginning in FY 2015.

• For 2014-2015 through 2019-2020 school years only, allows a postsecondary institution to advertise or recruit high school students in school districts with 700 or more students in grades 10-12.

• Allows students in an ALC enrolled in early or middle college programs to receive dual credit for completing remedial or developmental courses. (Chapter 272)
Supplemental Budget Bill, Article 15
Recovery Program Grants

• Beginning in FY 2015, provides an appropriation of $500,000 per year for recovery program grants, with individual grants limited to $125,000.

• Defines “approved recovery program” as a course of instruction offered by a recovery school approved by the commissioner.

• Specifies that grants are to be used to pay for a portion of recovery program support staff, including licensed alcohol and chemical dependency counselors, school counselors, school psychologists, school nurses and school social workers.
Supplemental Budget Bill, Article 15
SAFE SCHOOLS LEVY

• Allowance for intermediate districts increased from $10 to $15, beginning FY 2016 (Pay 2015 levy).

• No change for school districts
Supplemental Budget Bill, Article 16
TEACHER DEVELOPMENT AND EVALUATION Aid and Report

• For FY 2015 only, teacher development and evaluation aid for school districts, intermediate districts and charter schools not receiving Q-comp revenue equals $302 times the number of full-time equivalent teachers employed on October of the previous school year.
  – “Teacher” is broadly defined to include other professional employees and administrators required to hold a license from MDE.
  – Total state aid entitlement is limited to $10 million.

• Commissioner of education must consult with stakeholders and report to the legislature by Feb 1, 2014 on better aligning and financing Q comp and the teacher development and evaluation program.
Supplemental Budget Bill, Article 16
TEACHER DEVELOPMENT AND EVALUATION Revenue

- Teacher development and evaluation revenue must be reserved (FIN 319 / Fund Bal 440) and used for activities consistent with M.S. 122A.40, subd. 8 or M.S. 122A.41, subd. 5 and supporting its implementation:
  - Training for summative evaluators and peer reviewers
  - Activities connected to the 3-year review cycle such as individual growth and development planning
  - Summative evaluations
  - Peer reviewers
  - Processes and tools to facilitate the process such as rubrics and online management systems
  - Measures of student engagement such as surveys
  - External providers or internal systems for providing student growth measures
  - Teacher portfolios
  - Communications and materials supporting the process
  - Teacher professional learning communities
  - Mentoring and induction activities
  - Time during the school day for peer review and teacher collaboration
  - Coordinated staff development based on the evaluation process and outcomes
INFORMATION TECHNOLOGY CERTIFICATION PARTNERSHIP

• Requires Commissioner to contract with at least one provider to provide information technology education opportunities for students in grades 9 – 12, through a competitive RFP.

• Proposals must include:
  – Research-based curriculum with online access;
  – Instructional software for classroom and student use;
  – Certification of skills in a broad array of IT skill areas;
  – Professional development for teachers;
  – Deployment and program support including integration with academic standards
IT CERTIFICATION PARTNERSHIP (continued)
• If not available to every high school, must be available on a first come, first served basis to an equal number of schools in each region.
• One-time appropriation of $300,000 in FY 2015

NORTHWESTERN ONLINE COLLEGE IN THE HIGH SCHOOL PROGRAM
• One-time appropriation of $160,000 in FY 2015

EARLY CHILDHOOD LITERACY -- MN READING CORPS
• Appropriation for FY 2015 increased from $4,125,000 to $5,125,000
• Goal is to expand services to focus and priority schools and kindergarten programming.
Supplemental Budget Bill, Article 16
REPORTS TO LEGISLATURE

• Career and Technical Education (CTE) Program Inventory
  
  – Commissioner must consult with experts to determine content and status of CTE programs and report to the legislature by February 1, 2015, including information about each district’s dedicated equipment, resources and relationships with postsecondary institutions and the local business community.
  – $100,000 appropriated in FY 2015

• Physical Education Study
  
  – Commissioner must report to legislature by January 15, 2015 on students’ experience with physical education.
  – $25,000 appropriated in FY 2015
Supplemental Budget Bill, Article 16
ACHIEVEMENT AND INTEGRATION REVENUE
Technical Amendments

• Clarifies that initial revenue is the lesser of formula amount or 100.3 percent of expenditures under approved budget, excluding expenditures used to generate incentive revenue

  – (Using 100.3 percent allows the 0.3% transferred to MDE to be taken off the top without having the district include the 0.3 percent in its budget.)

• Clarifies that the incentive revenue is the lesser of formula amount or approved expenditures under approved incentive revenue budget.

• Reserved: FIN 313 (regular) / FIN 318 (incentive) – Fund Bal 448
Faribault Academies:
• Allows the state academies in Faribault to claim special education aid and bill the resident school district for one-on-one licensed, certified professionals assigned to a child attending the academies
  – (Previously this applied to one–on-one paraprofessionals only)

Technical Amendments:
• Technical corrections made to new special education funding formulas enacted in 2013 to reflect legislative intent, consistent with MDE implementation to date.
Adopts Facilities Working Group recommendations, including:

• Increases threshold from $1.4 million to $2 million

• Eliminate consultation requirement for smaller projects

• Exempts from review and comment:
  – facility additions, remodeling and maintenance projects funded only with general education revenue, health & safety revenue, alternative facilities revenue, deferred maintenance revenue, lease levies, or facilities bonding, and
  – technology purchases funded with capital projects referendum.

• Data required for R&C submissions is simplified
Supplemental Budget Bill, Article 18
FACILITIES COMMISSIONING

• Delinks facilities commissioning under MS 123B.72 for installation or retrofitting of heating, ventilation, and air conditioning systems from review and comment threshold.

• Sets the threshold for facilities commissioning at $1.4 million (the old review and comment threshold).
Supplemental Budget Bill, Article 18
BUILDING LEASE LEVY

• Regular allowance maximum increased from $162 to $212 per APU ($50 increase)

• Additional allowance for members of intermediate districts increased from $46 to $65 per APU

• Effective for taxes payable in 2015 for FY 2016

• (Final legislation does not include the one-time additional levy authority of $50 per APU for FY 2015 that was in Senate bill.)
Supplemental Budget Bill, Article 18
DEBT SERVICE EQUALIZATION

• **Natural Disaster Debt Service Equalization** (New)
  – Districts eligible if natural disaster caused >$500,000 in damage and repair / replacement costs are not covered by FEMA or insurance (Moose Lake & Rushford-Peterson)
  – Portion of debt levy exceeding 10% if ANTC equalized at 300% of state average ANTC / PU
  – effective FY 2017 (Pay 2016 levy)

• **Regular Debt Service Equalizing Factors Adjusted**
  – From $3,550 to $3,400 for FY 16 and to $4,430 for FY 17 and later for tier 1
  – From $7,900 to $8,000 for tier 2 for FY 16 and later
  – Intent is to offset levy increases in other portions of bill to hit $0 target for overall property tax levy impact of bill
Supplemental Budget Bill, Article 18
HEALTH AND SAFETY REVENUE

• Includes costs necessary to bring school district electrical generators into compliance with federal pollution rules in a district’s health and safety program.

• Effective for FY 2014 revenue.

• Requires a district that includes electrical generator improvements in its health and safety program for fiscal years 2014 to 2017 to reduce approved spending for other health and safety projects by the same amount.
Supplemental Budget Bill, Article 18
JOINT POWERS COOPERATIVE FACILITY

• Allows two or more districts to jointly operate a secondary facility
  – Specifies the way tenure, accrued sick leave, and severance are handled if an employee switches school districts under this section
  – Exempts the joint powers districts from obligation to offer the full range of grades (1-12) in each member district

• Qualifies a jointly operated secondary program for consolidation transition funding if the program demonstrates to the commissioner that the facility offers a broader curriculum and enhanced learning opportunities to students attending the program.
  – (Increase in consolidation transition formula in House and Senate bills not adopted)

• Designed for Mountain Iron-Buhl, Virginia and Eveleth-Gilbert, but applies statewide. (However, Virginia & Eveleth boards opted out.)
Supplemental Budget Bill, Article 18
CROSSWINDS AND HARAMBEE

• Provides for the operation of the Crosswinds interdistrict magnet school by the Perpich Center for Arts Education; funding for the school will be similar to what charter schools receive.

• Specifies that for FY 15 – 17 only, a pupil enrolled at Crosswinds does not generate declining enrollment revenue for the district or charter school in which the student was last enrolled.

• Provides for the operation of the Harambee interdistrict magnet school by the Roseville school district.
Supplemental Budget Bill, Article 18
LEVY FOR SATELLITE TRANSPORTATION HUB

- Allows ISD 196, Rosemount-Apple Valley-Eagan, to include a levy for a satellite transportation hub in the district’s building lease levy if the district can demonstrate to the commissioner that the hub will result in significant financial savings.

- The savings on special education transportation will reduce state special education aid in future years.

- The total lease levy including the transportation hub must not exceed the $212 / APU limit for the lease levy.

- Effective for taxes payable in 2016.
Supplemental Budget Bill, Article 19

NUTRITION

- Increases **state school lunch** aid from 12.5 cents to 52.5 cents per lunch for reduced-price lunch students
  - Districts must make lunches free for these students
  - $3.5 million beginning FY 2015.

- Increases state aid for **school breakfasts for kindergarten** students from 55 cents to $1.30, and makes school breakfasts free for all kindergarten students.
  - $569,000 in FY 15, slightly more in later years
Supplemental Budget Bill, Article 20
EARLY CHILDHOOD FAMILY EDUCATION (ECFE)

• Increases ECFE Allowance and Links it to the General Education Formula
  – For FY 2015 and later, the ECFE allowance equals 2.3 percent of the general education formula allowance.
  – For FY 2015, this is an increase from $120 to $134.11 (an 11.8 percent increase)

• Adds new program requirements:
  – A community needs assessment that identifies new and underserved populations, and identifies child and family risk factors;
  – Tailoring of programming and services to the needs of families and parents prioritized in the community needs assessment, with a priority on programming and services for families and parents with children with the most risk factors birth to age three; and
  – Submission of data to MDE in annual report that demonstrates the program response to the community needs assessment.
• **School Readiness**
  – Increases state total aid entitlements by $2 million per year, beginning in FY 2015

• **Early Learning Scholarships**
  – Increases funding by $4.65 million for FY 2015 and by $4.884 million in later years.
  – Eliminates the $5,000 limit on scholarships beginning in FY 2016 and directs the commissioner to establish a target for the average scholarship based on the results of a rate survey.
  – Allows school-based and Head Start programs serving children with Pathway 2 scholarships to receive direct payment from MDE beginning FY 2017.

• **Parent-Child Home Program**
  – Increases appropriation for FY 2015 from $250,000 to $350,000.
Supplemental Budget Bill, Article 20
ADULT BASIC EDUCATION

- Increases statewide growth factor from 2.5% to 3% beginning FY 2015.

- Increases portion of ABE funding set aside for supplemental service grants from 2% to 3%.

- Increases the portion of supplemental service grants that can go to a single organization from 20% to 40% of total.
Supplemental Budget Bill, Article 20
GRANTS

• Northside Achievement Zone and St Paul Promise Neighborhood
  ▪ Each receives a grant of $350,000 for FY 2015 with a base appropriation of $200,000 for later years.
  ▪ Purpose is to reduce multigenerational poverty and the education achievement gap through increased enrollment of families within the zone.
  ▪ Reports to legislature required by January 15, 2016.
Supplemental Budget Bill, Article 21
STATE AGENCIES

- Increases agency appropriations for the following:
  - $125,000 for base MDE budget
  - $100,000 in FY 15 for Board of Teaching
  - $58,000 in FY 15 for Board of Administrators
  - $75,000 in FY 15 for the Works Museum
  - $50,000 in FY 2015 for the Headwaters Science Center
  - $25,000 each year for innovation pilot grants
  - $300,000 in FY 15 for Faribault Academies
  - $294,000 in FY 15 for Minnesota Management and Budget (MMB) to comply with requirements relating to health insurance transparency (PEIP quotes)
FORECAST ADJUSTMENTS
Technical

- Updates appropriations to reflect February 2014 forecast data
First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes

Changes for FY 2016:

• Name change: “Location Equity” to “Local Optional” Revenue.

• All districts eligible for $424 / APU of local optional revenue:
  – Either $212 or $424 increase for non-metro districts, with offset to voter approved / converted referendum allowances

• Non-metro districts with Tier 3 referendum revenue (referendum allowance > $760) and RMV / RPU < $510,000 will not receive a net revenue increase, but will have a shift from levy to aid
Changes for FY 2016 (continued):

• No longer need board resolution to opt out of local optional revenue.
  – To opt out, districts will need to under levy.

• Removes “new referendum election penalty” by changing the order for the Local Optional Revenue subtraction
First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes

Steps in FY 2016 referendum allowance calculation:

1. FY 2015 converted allowance (pupil conversion + old alternative attendance adjust)
2. Add allowances from fall 2013 elections
3. Add inflation adjustments on above authorities
4. Subtract local optional allowance (lesser of $424 or amount selected by district)
5. Initial allowance equals greater of $0 or step 4 amount
6. Subtract phase-outs (net after local optional revenue subtraction)
7. If balance <$300, may add new authority up to $300/APU total by board resolution
8. If board-approved <$300, may convert up to $300 from voter-approved to board-approved by board resolution
9. Add new authority from elections this fall 2014
First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes
Example #1

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<th>Lanesboro #229</th>
<th>New Law w/o Board Action</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Old Law</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Initial Referendum</td>
<td>125</td>
<td>125</td>
<td>125</td>
</tr>
<tr>
<td>Local Optional</td>
<td>0</td>
<td>424</td>
<td>424</td>
</tr>
<tr>
<td>= Net Referendum</td>
<td>125</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Potential Increase</td>
<td>0</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Board Resolution</td>
<td>0</td>
<td>0</td>
<td>300</td>
</tr>
<tr>
<td>Final Referendum</td>
<td>125</td>
<td>0</td>
<td>300</td>
</tr>
<tr>
<td>Combined Ref+Loc Opt</td>
<td>125</td>
<td>424</td>
<td>724</td>
</tr>
</tbody>
</table>
### First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes
Example #2

<table>
<thead>
<tr>
<th>Goodhue #253</th>
<th>Old Law</th>
<th>New Law w/o Board Action</th>
<th>New Law w/ Board Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Referendum</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>- Local Optional</td>
<td>0</td>
<td>424</td>
<td>424</td>
</tr>
<tr>
<td>= Net Referendum</td>
<td>500</td>
<td>76</td>
<td>76</td>
</tr>
<tr>
<td>Potential Increase</td>
<td>0</td>
<td>224</td>
<td>224</td>
</tr>
<tr>
<td>Board Resolution</td>
<td>0</td>
<td>0</td>
<td>224</td>
</tr>
<tr>
<td>Final Referendum</td>
<td>500</td>
<td>76</td>
<td>300</td>
</tr>
<tr>
<td>Combined Ref+Loc Opt</td>
<td>500</td>
<td>500</td>
<td>724</td>
</tr>
</tbody>
</table>
# First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes
Example #3

<table>
<thead>
<tr>
<th>Madelia #837</th>
<th>Old Law</th>
<th>New Law w/o Board Action</th>
<th>New Law w/ Board Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Referendum</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
</tr>
<tr>
<td>Local Optional</td>
<td>0</td>
<td>424</td>
<td>424</td>
</tr>
<tr>
<td>= Net Referendum</td>
<td>1,300</td>
<td>876</td>
<td>876</td>
</tr>
<tr>
<td>Potential Increase</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Board Resolution</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Final Referendum</td>
<td>1,300</td>
<td>876</td>
<td>876</td>
</tr>
<tr>
<td>Combined Ref+Loc Opt</td>
<td>1,300</td>
<td>1,300</td>
<td>1,300</td>
</tr>
</tbody>
</table>
First 2014 Omnibus Tax Bill
Referendum and Location Equity Revenue Changes

New Local Optional Under-levy Provision

• Requirement for board resolution to opt out eliminated

• Now to opt out will need to under levy

• If under levy, MDE will adjust initial referendum authority accordingly (see slide 12, step 4). This may affect ability to add new board-approved authority.
Bonding Bill

• **Red Lake Capital Loan** $5,491,000
  – To design, construct, furnish, and equip a single kitchen and cafeteria to serve the high school and middle school.

• **Library Construction Grants** $2,000,000

• **Minnesota State Academies** $11,354,000
  – Includes $10,654,000 for a new residence hall at the Academy for the Deaf and $700,000 for asset preservation

• **Perpich Center for Arts Education** $2,000,000

• **Grand Rapids School District** $3,897,000
  - Performing Arts Center
  - Must have at least $3,347,000 non-state match
Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

To maximize state aid, districts with RMV / RPU of less than $880,000 should access the full $300 / APU of Tier 1 referendum revenue before they access local optional revenue, since Tier 1 referendum revenue has a higher equalizing factor.

If:

- gross voter approved / converted referendum allowance is less than $724 / APU, and
- the district’s RMV / RPU is less than $880,000, and
- the district does not already have a board-approved new / additional referendum allowance, and
- the district accepts the full local optional allowance of $424,

Then, the local optional subtraction will reduce the net referendum allowance below $300, and the district will not receive the maximum state aid to which it is entitled unless it approves a board resolution adding a new / additional referendum allowance to bring the net referendum allowance up to $300.
Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

To avoid a loss of state aid, districts should carefully plan which combination of revenues they wish to access.

• If the district would like to have a combined referendum / local optional revenue allowance of $300 or less / APU:
  – it should select zero for local optional revenue, and pass a board resolution if needed to bring the referendum allowance up to the desired level.

• If the district would like to have a combined referendum / local optional revenue allowance of $301 - 723 / APU:
  – it should select a local optional revenue allowance equal to it’s desired combined revenue allowance less $300, and pass a board resolution if needed to bring the referendum allowance after the local optional revenue subtraction up to $300.
To avoid a loss of state aid, districts should carefully plan which combination of revenues they wish to access (continued).

• If the district would like to have a combined referendum / local optional revenue allowance of $724 / APU or more:
  – it should select a local optional revenue allowance equal to $424 and pass a board resolution if needed to bring the referendum allowance after the local optional revenue subtraction up to $300.

• Notes:
  – Districts with voter approved or converted allowances totaling $724 or more are not eligible for a board-approved referendum allowance increase since their net allowance after the local optional reduction will be $300 or more.
  – the maximum combined allowance without a voter-approved referendum is $724 / APU
Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

Referendum Authority

With the increase in location equity/local optional revenue, more districts will have less than a $300/APU net referendum allowance, and will qualify to add new authority by school board resolution.

Example Board Resolution for New Authority that allows MDE to adjust for final data:

2. Approval of New Authority. Pursuant to Minnesota Statutes, Section 126.17, subd. 9a, the Board hereby determines to authorize a new Board approved referendum authority in the amount of $300 per adjusted pupil unit. This new Board approved referendum authority shall be further adjusted based on final pupil unit data. It is the intention of the Board to create the maximum authority for which it is eligible, not to exceed $300 per adjusted pupil unit...
Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

*Levy Information System*

Levy Information System modified to add local optional allowance:

5. Local Optional Allowance.  
Amount up to $424 per APU that the district plans to levy according to M.S. 126C.10, subd. 2e

- Allows districts to “opt out” and propose “MAX”
- Districts will submit this information electronically in August with other levy data. MDE will calculate levy limitations using amount requested by district.
- Revisions can be made along with other data changes during September.
Implementing Local Optional Revenue Changes: Key Considerations and Resources at MDE

**Deadlines**

**September 30, 2014**

- Deadline to pass a board resolution to convert existing referendum authority from voter-approved to board-approved or to authorize new board-approved authority for taxes payable in 2015.

- Deadline to establish maximum local optional allowance for taxes payable in 2015.
  - Districts must finalize this allowance prior to proposed levy certification to ensure that final levy does not exceed proposed levy, aside from new elections or other commissioner-approved changes.
SCHOOL FUNDING TRENDS, FY 2003 – FY 2015
General Fund State Aids and Levies (Major Programs)
Current $
SCHOOL FUNDING TRENDS, FY 2003 – FY 2015
General Fund State Aids and Levies (Major Programs)
Adjusted for Inflation Using CPI (2014 $)

![Graph showing funding trends from FY 2003 to FY 2015 with adjusted values for inflation using CPI (2014 $)]
# SCHOOL FUNDING TRENDS, FY 12 – FY 15

**General Education Revenue Including Referendum and Location Equity By Strata – Current $**

<table>
<thead>
<tr>
<th>Strata</th>
<th>FY 2012 Amount</th>
<th>FY 2013 Amount</th>
<th>% Incr</th>
<th>FY 2014 Amount</th>
<th>% Incr</th>
<th>FY 2015 Amount</th>
<th>% Incr</th>
<th>FY 12 to FY 15 Amount</th>
<th>% Incr</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>8,214</td>
<td>8,373</td>
<td>1.9%</td>
<td>8,561</td>
<td>2.2%</td>
<td>9,043</td>
<td>5.6%</td>
<td>828</td>
<td>10.1%</td>
</tr>
<tr>
<td>MPLS &amp; ST PAUL</td>
<td>9,999</td>
<td>10,081</td>
<td>0.8%</td>
<td>10,452</td>
<td>3.7%</td>
<td>10,840</td>
<td>3.7%</td>
<td>840</td>
<td>8.4%</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>8,289</td>
<td>8,461</td>
<td>2.1%</td>
<td>8,596</td>
<td>1.6%</td>
<td>9,089</td>
<td>5.7%</td>
<td>800</td>
<td>9.6%</td>
</tr>
<tr>
<td>NONMET &gt;=2K</td>
<td>7,650</td>
<td>7,762</td>
<td>1.5%</td>
<td>7,917</td>
<td>2.0%</td>
<td>8,403</td>
<td>6.1%</td>
<td>753</td>
<td>9.8%</td>
</tr>
<tr>
<td>NONMET 1K-2K</td>
<td>7,729</td>
<td>7,858</td>
<td>1.7%</td>
<td>7,974</td>
<td>1.5%</td>
<td>8,321</td>
<td>4.4%</td>
<td>592</td>
<td>7.7%</td>
</tr>
<tr>
<td>NONMET &lt; 1K</td>
<td>8,311</td>
<td>8,589</td>
<td>3.3%</td>
<td>8,756</td>
<td>1.9%</td>
<td>9,110</td>
<td>4.1%</td>
<td>800</td>
<td>9.6%</td>
</tr>
<tr>
<td>CHARTER</td>
<td>7,826</td>
<td>7,910</td>
<td>1.1%</td>
<td>8,021</td>
<td>1.4%</td>
<td>8,408</td>
<td>4.8%</td>
<td>582</td>
<td>7.4%</td>
</tr>
</tbody>
</table>
### Special Education Revenue / ADM - Current $

<table>
<thead>
<tr>
<th>Strata</th>
<th>FY 2012 Amount</th>
<th>FY 2013 Amount</th>
<th>% Incr</th>
<th>FY 2014 Amount</th>
<th>% Incr</th>
<th>FY 2015 Amount</th>
<th>% Incr</th>
<th>FY 12 to FY 15 Amount</th>
<th>% Incr</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>1,143</td>
<td>1,192</td>
<td>4.3%</td>
<td>1,259</td>
<td>5.6%</td>
<td>1,332</td>
<td>5.8%</td>
<td>189</td>
<td>16.6%</td>
</tr>
<tr>
<td>MPLS &amp; ST PAUL</td>
<td>1,424</td>
<td>1,467</td>
<td>3.0%</td>
<td>1,513</td>
<td>3.1%</td>
<td>1,642</td>
<td>8.5%</td>
<td>218</td>
<td>15.3%</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>964</td>
<td>1,002</td>
<td>4.0%</td>
<td>1,076</td>
<td>7.4%</td>
<td>1,147</td>
<td>6.6%</td>
<td>184</td>
<td>19.0%</td>
</tr>
<tr>
<td>NONMET&gt;=2K</td>
<td>1,016</td>
<td>1,070</td>
<td>5.3%</td>
<td>1,141</td>
<td>6.6%</td>
<td>1,215</td>
<td>6.5%</td>
<td>199</td>
<td>19.5%</td>
</tr>
<tr>
<td>NONMET 1K-2K</td>
<td>775</td>
<td>806</td>
<td>4.0%</td>
<td>894</td>
<td>10.9%</td>
<td>957</td>
<td>7.0%</td>
<td>181</td>
<td>23.4%</td>
</tr>
<tr>
<td>NONMET &lt; 1K</td>
<td>797</td>
<td>843</td>
<td>5.7%</td>
<td>903</td>
<td>7.2%</td>
<td>962</td>
<td>6.5%</td>
<td>165</td>
<td>20.7%</td>
</tr>
<tr>
<td>CHARTER</td>
<td>1,491</td>
<td>1,552</td>
<td>4.1%</td>
<td>1,747</td>
<td>12.5%</td>
<td>1,669</td>
<td>-4.5%</td>
<td>178</td>
<td>11.9%</td>
</tr>
</tbody>
</table>
### SCHOOL FUNDING TRENDS, FY 12 – FY 15

Other Major State and Local Revenues
Including Integration, Literacy Incentive, CTE, Facilities Maintenance, Telecom Access, Misc Levies, & Charter Lease Aid
By Strata, Current $

<table>
<thead>
<tr>
<th>Other Revenue / ADM - Current $</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>% Incr</th>
<th>FY 2014</th>
<th>% Incr</th>
<th>FY 2015</th>
<th>% Incr</th>
<th>FY 12 to FY 15</th>
<th>% Incr</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>539</td>
<td>590</td>
<td>9.5%</td>
<td>603</td>
<td>2.1%</td>
<td>616</td>
<td>2.1%</td>
<td>77</td>
<td>14.2%</td>
</tr>
<tr>
<td>MPLS &amp; ST PAUL</td>
<td>1,352</td>
<td>1,391</td>
<td>2.9%</td>
<td>1,213</td>
<td>-12.8%</td>
<td>1,200</td>
<td>-1.1%</td>
<td>(153)</td>
<td>-11.3%</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>565</td>
<td>599</td>
<td>5.9%</td>
<td>655</td>
<td>9.5%</td>
<td>675</td>
<td>3.0%</td>
<td>110</td>
<td>19.4%</td>
</tr>
<tr>
<td>NONMET&gt;=2K</td>
<td>345</td>
<td>427</td>
<td>23.9%</td>
<td>430</td>
<td>0.6%</td>
<td>436</td>
<td>1.5%</td>
<td>91</td>
<td>26.5%</td>
</tr>
<tr>
<td>NONMET 1K-2K</td>
<td>212</td>
<td>264</td>
<td>24.8%</td>
<td>271</td>
<td>2.7%</td>
<td>285</td>
<td>5.0%</td>
<td>73</td>
<td>34.5%</td>
</tr>
<tr>
<td>NONMET &lt; 1K</td>
<td>220</td>
<td>273</td>
<td>23.8%</td>
<td>282</td>
<td>3.3%</td>
<td>298</td>
<td>5.7%</td>
<td>78</td>
<td>35.2%</td>
</tr>
<tr>
<td>CHARTER</td>
<td>1,233</td>
<td>1,261</td>
<td>2.3%</td>
<td>1,273</td>
<td>0.9%</td>
<td>1,270</td>
<td>-0.2%</td>
<td>38</td>
<td>3.0%</td>
</tr>
</tbody>
</table>
## SCHOOL FUNDING TRENDS, FY 12 – FY 15

General Fund State Aids and Levies (Major Programs)
General Ed, Special Ed, Other Major Programs
By Strata, Current $

<table>
<thead>
<tr>
<th>Total Revenue / ADM - Current $</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>% Incr</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>% Incr</th>
<th>FY 12 to FY 15</th>
<th>% Incr</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Amount</td>
<td>% Incr</td>
<td>Amount</td>
<td>Amount</td>
<td>% Incr</td>
<td>Amount</td>
<td>% Incr</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9,897</td>
<td>10,155</td>
<td>2.6%</td>
<td>10,423</td>
<td>10,991</td>
<td>5.4%</td>
<td>1,094</td>
<td>11.1%</td>
</tr>
<tr>
<td>MPLS &amp; ST PAUL</td>
<td>12,776</td>
<td>12,940</td>
<td>1.3%</td>
<td>13,178</td>
<td>13,681</td>
<td>3.8%</td>
<td>905</td>
<td>7.1%</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>9,818</td>
<td>10,062</td>
<td>2.5%</td>
<td>10,327</td>
<td>10,911</td>
<td>5.7%</td>
<td>1,093</td>
<td>11.1%</td>
</tr>
<tr>
<td>NONMET&gt;=2K</td>
<td>9,011</td>
<td>9,259</td>
<td>2.7%</td>
<td>9,488</td>
<td>10,054</td>
<td>6.0%</td>
<td>1,043</td>
<td>11.6%</td>
</tr>
<tr>
<td>NONMET 1K-2K</td>
<td>8,716</td>
<td>8,928</td>
<td>2.4%</td>
<td>9,139</td>
<td>9,562</td>
<td>4.6%</td>
<td>846</td>
<td>9.7%</td>
</tr>
<tr>
<td>NONMET &lt; 1K</td>
<td>9,328</td>
<td>9,704</td>
<td>4.0%</td>
<td>9,940</td>
<td>10,370</td>
<td>4.3%</td>
<td>1,042</td>
<td>11.2%</td>
</tr>
<tr>
<td>CHARTER</td>
<td>10,549</td>
<td>10,724</td>
<td>1.7%</td>
<td>11,041</td>
<td>11,347</td>
<td>2.8%</td>
<td>798</td>
<td>7.6%</td>
</tr>
</tbody>
</table>
# SCHOOL FUNDING TRENDS, FY 12 – FY 16

FY 12 to FY 15 State & Local Revenue Increase + FY 16 Local Optional Revenue Increase

General Ed, Special Ed, Other Major Programs

By Strata, Current $

<table>
<thead>
<tr>
<th>Total Revenue / ADM - Current $</th>
<th>FY 12 to FY 15</th>
<th>FY 2016</th>
<th>FY 12 to FY 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>% Incr</td>
<td>Local Optional</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,094</td>
<td>11.1%</td>
<td>23</td>
</tr>
<tr>
<td>MPLS &amp; ST PAUL</td>
<td>905</td>
<td>7.1%</td>
<td>-</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>1,093</td>
<td>11.1%</td>
<td>-</td>
</tr>
<tr>
<td>NONMET&gt;=2K</td>
<td>1,043</td>
<td>11.6%</td>
<td>19</td>
</tr>
<tr>
<td>NONMET 1K-2K</td>
<td>846</td>
<td>9.7%</td>
<td>60</td>
</tr>
<tr>
<td>NONMET &lt; 1K</td>
<td>1,042</td>
<td>11.2%</td>
<td>98</td>
</tr>
<tr>
<td>CHARTER</td>
<td>798</td>
<td>7.6%</td>
<td>2</td>
</tr>
</tbody>
</table>
SCHOOL FUNDING TRENDS, 1992 - 2016
Gap Between 95th and 5th Percentiles of Basic + Referendum + Equity + Local Optional Revenue per Pupil Unit
(FY 16 Based on Maximum Allowances before New Elections and Phase-outs)
Impact on Individual Districts: Resources on MDE Web Site

- **What-if Spreadsheet** for FY 2015 under Data Center / Data Reports and Analytics / School Finance Spreadsheets / General Education / Interactive Projection models

  and

- **Charter School What-if Spreadsheet** for FY 2015 under Data Center / Data Reports and Analytics / School Finance Spreadsheets / Charter Schools / Interactive Projection models
  - Updated to reflect changes in general education funding for FY 2015, including increase in formula allowance, change in EL funding and change in small schools revenue for FY 2015.
IMPACT ON INDIVIDUAL DISTRICTS:
Resources on MDE Web Site

Revenue Projections

  – Shows revenue changes by funding category resulting from 2014 legislation – old law versus new law.

• **13 Year Revenue Table** under Data Center / Data Reports and Analytics / School Finance Spreadsheets / Financial Trends / Revenue Trends
  – Updated to reflect changes in FY 2015 general education revenue and the one-time teacher evaluation revenue (listed on same line as Q Comp – see “Teacher” tab for preliminary calculations based on February forecast Q Comp status).
IMPACT ON INDIVIDUAL DISTRICTS:
Resources on MDE Web Site

Referendum Phase-out spreadsheet on MDE web site under School Support / School Finance / General Education / Referendum at Referendum Phase-out Details Through Calendar Year 2013 Elections

- List districts' referendum allowances per RMCPU as they existed after calendar year 2012 elections based on old law,

- List districts' referendum allowances APU as they exist under current law,

- List districts that require board action to take full advantage of the new provision that provides every district with $424 per pupil unit of local option revenue, and

- Simulate the results of passing referendums in calendar year 2014 that are effective for fiscal year 2016.
POLICY CHANGES IN SUPPLEMENTAL BUDGET BILL
Article 16
TEACHER DISCIPLINE REPORTING

• When a teacher is discharged due to a conviction for child abuse, a school must provide information about the discharge to the board of teaching and MDE.

• Prior to hiring a teacher, school boards and other hiring entities must contact the board of teaching and MDE to determine whether the teacher’s license has been suspended or revoked for maltreatment.

• This section effective immediately.
Supplemental Budget Bill, Article 16
TEACHER DISCIPLINE REPORTING

• A school district must release private personnel data upon request of another school district if the employee resigned while a complaint or charge involving allegations of sexual contact with a student is pending.

• When a teacher is discharged due to a conviction for child abuse or neglect or when a final determination of maltreatment is made, a school must include information about the disciplinary action or determination in the teacher’s employment record.
Supplemental Budget Bill, Article 17
SPECIAL EDUCATION

Restrictive Procedures

• Requires school districts to inform the public about the district restrictive procedures plan including how schools will provide staff training on de-escalation techniques.

• Continues the annual stakeholder reporting and recommendation requirement to the commissioner and legislature.
Restrictive Procedures

• Beginning in the 2014-2015 school year, requires school districts to collect and submit to MDE summary data on district use of reasonable force consistent with physical holding or seclusion of a child with a disability.

• Appropriates $250,000 to the commissioner of education to assist school districts in meeting the needs of children who have experienced a high use of prone restraints, in cooperation with DHS.
• Rulemaking

  – Directs the commissioner to use the expedited rulemaking process to make the specific rule changes recommended by the special education case load and rule alignment task force in its 2014 report to the legislature.
• Special Education Paperwork

  – Amends 2013 appropriation of $1,763,000 for special education paperwork cost savings to provide more detailed direction to the commissioner on process and expected outcomes for the online reporting system.

  – Requires a report to the legislature annually by February 1 on the status, recent changes, and sustainability of the online system.
2014 Omnibus Education Policy Bill – Chapter 272 (HF 2397)
Article 1 - English Learners

- Regional Centers
- Bilingual Seals and World Languages
- Reading proficiency by third grade
- Post secondary transition
- State wide testing alignment
- Teacher Licensing and Renewal
- Staff Development
- ECFE School readiness
- Adult EL Students
- Parental Involvement
- SLEDS
Article 1 – English Learners
Regional Centers of Excellence

• Directs centers to work with site leadership teams to provide programs and instruction for different types of English learners.

• Directs the regional centers to assist districts and schools with:
  – supporting culturally responsive teaching aligning the development of academic English proficiency, state and local academic standards, and career and college readiness benchmarks
  – engaging the community in programs that foster collaboration and shared accountability for the achievement of all students.
English Learners
World’s Best Workforce

- Requires a school district’s long-term strategic plan to include strategies for improving instruction, curriculum, and student achievement, including the English and, where practicable, the native language development and the academic achievement of English learners.

- Directs the district advisory committee to: provide translation to the extent appropriate and practicable; and pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults.
Bilingual Seals

• Establishes voluntary state bilingual and multilingual seals to recognize high school graduates who demonstrate level 3 functional native proficiency in one or more languages other than English. American Sign Language is included as a language other than English.

• Students must use Foreign Services Institute language proficiency exams or an equivalent determined by MDE.

• Directs MNSCU to award foreign language credits to students with bilingual seals.
English Learners
Bilingual Seals

• Directs the education commissioner and the MnSCU chancellor to consult with world language faculty at the University of Minnesota and MnSCU and review specific competencies students master in attaining a world language proficiency seal or certificate.

• Directs the commissioner and the chancellor to report their findings and recommendations to the legislature by February 15, 2015.
English Learners
Reading Proficiency by Third Grade

• Directs school districts to adopt a local literacy plan to have every child reading at or above grade level by the end of third grade, including English learners.

• Directs school districts to identify staff development needs to provide reading and oral language instruction that meets students’ needs; maximize the oral language and linguistic strengths of English learners in their native language; provide training in culturally responsive pedagogy; and build relationships.
English Learners Statewide Testing

- Directs MDE and MnSCU to align instruction and assessments for EL students to make assessments and other performance measures accessible.

- Defines “career and college ready” to mean a high school graduate with the knowledge, skills, and competencies needed to pursue a career pathway, including postsecondary credit and employment.

- Defines students who are career and college ready as able to successfully complete credit-bearing coursework postsecondary program without need for remediation.

- Defines “cultural competency” to mean the ability to interact effectively with people of different cultures, native languages, and socioeconomic backgrounds.
English Learners
Teacher Licensing

• Requires teaching candidates and those renewing a license to be instructed on effectively instructing English learners.

• Directs the Board of Teaching to required licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation in English language development and specially designed content instruction in English for English learners.

• Directs districts to give preference to native speakers who share a native language with the majority of their students.

• Effective August 1, 2015, and applicable to individuals entering a teacher preparation program after that date.
English Learners Administrator Licensing

• Requires continuing education programs for administrators to provide information and training about building coherent and effective English learner strategies that include relevant professional development, accountability for student progress, students’ access to the general curriculum, and sufficient staff capacity to effect these strategies.

• Makes the section effective August 1, 2015, and applicable to school administrators renewing their administrator’s license after that date.
English Learners
Teacher Preparation Programs

• Requires teacher preparation programs to provide instruction in implementing research-based practices designed specifically for English learners.

• Requires programs to focus on developing English learners’ academic language proficiency in English, including oral academic language, developing culturally relevant teaching practices appropriate for immigrant students, and providing more intensive instruction and resources to English learners.

• Effective August 1, 2015, and applicable to individuals entering a teacher preparation program after that date.
English Learners
Teacher Evaluation and Q-Comp

• Requires teachers’ annual evaluation process to include longitudinal data on the academic literacy, including oral academic language, and achievement of content areas of English learners.

• Requires the Q-Comp educational improvement plan to:
  – include the academic literacy and achievement of English learners
  – be based on national and state standards of effective teaching practice applicable to all students including English learners

• Requires the alternative teacher professional pay system agreement to use measure of student achievement including academic literacy, oral academic language, and achievement of English learners
  – Effective for agreements approved after August 1, 2015.
English Learners
Staff Development Plans

• Requires staff development activities to provide teachers of English learners with instructional strategies to ensure effective use of assessment data on the academic literacy, oral academic language, and English language development of English learners, and skills to support native and English language development across the curriculum.

• Requires a staff development plan to address issues related to teaching English learners and students with special needs by focusing on long-term systemic efforts to improve educational services and achievement.
English Learners
Head Start, ECFE, and School Readiness

• Instructs Head Start organizations to submit a plan to MDE for providing proficiency updates to parents
• Encourages ECFE programs to provide parents with translated information to monitor student progress
• Requires school readiness program providers to:
  – assess children’s language skills to improve program planning and implementation
  – communicate with parents
  – promote kindergarten readiness
  – have teachers knowledgeable in native and English language development programs.
English Learners
Older and Adult EL Students

• Requires a local education and employment transitions systems plan to:
  – increase instruction in English language proficiency
  – provide staff training in methods of instruction that incorporate English language proficiency
  – identify current and emerging native and English language development needs of the area or region
  – make continuing to work with learners who need English language development part of the program warranty
English Learners
Adult Basic Education

• Requires ABE programs to offer English language instruction
• Requires MDE to:
  – approve programs based on how English language proficiency will be met
  – approve a program for up to five years that demonstrates capacity to
    ▪ offer learning opportunities and support the service choices of adults at all basic skill and English language levels of need
    ▪ address the needs adults have for English language learning support services
English Learners Definitions

• Defines an English learner as:
  – a pupil who lacks the English skills needed to fully participate in academic classes taught in English based on both a valid assessment measuring the pupil’s English language proficiency and by developmentally appropriate measures.

• Defines an English learner with an interrupted formal education as:
  – a student who comes from a home where the language usually spoken is other than English; enters school in the United States after grade 6; has at least two years less schooling than their peers; functions at least two years below expected grade level in reading and mathematics; and may be preliterate in their native language.
English Learners
Parental Involvement

• Requires that parental involvement programs help parents recognize and meet the native and English language development needs of their children

• Requires activities included in a model parental involvement program plan to include: opportunities for families to enhance children’s native and English language development; engaging liaison workers to foster linguistic and culturally competent communications; and multilingual programs and opportunities for parents

• Encourages local school boards to adopt and implement a parent and family involvement policy that promotes and supports oral and written communications in families’ native language and welcomes parents in the school using networks that support families’ cultural connections
English Learners
SLEDS Report

• Requires the Statewide Longitudinal Education Data System (SLEDS) to:
  – report educational outcomes for diverse student populations including at-risk students, children with disabilities, English learners, and gifted students
  – include formative and summative evaluations based on multiple measures of student progress toward career and college readiness
  – evaluate the relationship between education and workforce outcomes.
Article 2 – General Education

General Education

• Allows a foster home student to return to the school they last attended without the approval needed under the enrollment options program.

• MSBA “unsession” repealers
  – fine for refusing to serve on a school board
  – fine for a school district clerk who fails to make a report
  – fine for a school district clerk who draws an illegal order
  – fine for a school district clerk who fails to keep or deliver records
  – fine for a treasurer who fails to pay a judgment against a school district
  – executing a judgment against a school district
Article 3 – Education Excellence
Postsecondary Remediation Report

• Modifies the existing postsecondary remediation report as follows:
  – Directs public postsecondary systems to provide data as part of their participation in SLEDS on remedial instruction received by individual students who graduated from a Minnesota school district within two years before receiving the remedial instruction.
  – Directs the Office of Higher Education, in collaboration with the MDE, to evaluate and report findings to the legislature.
Education Excellence
Principal Assignment to an ALC

• Limits the ability of a secondary principal to assign a student to an area learning center.

• Allows school administrators to refer pupils age 16 or older who are eligible for the graduation incentives program and have been dismissed from school or are chronically truant to an area learning center if it is in the pupil’s best educational interest.
Education Excellence
Standards Revision and Review Timelines

• Establishes a 10-year review cycle for the academic standards and related benchmarks beginning after the existing timeline in statute.
  – Math: 2015-2016
  – Arts: 2016-2017
  – Science: 2017-2018
  – Language Arts: 2018-2019
  – Social Studies: 2019-2020
Education Excellence
Applied and Experiential Learning

• Amends the definition of “instruction” under the World's Best Work Force law to include applied and experiential learning.

• Defines “experiential learning” as learning that includes career exploration through a specific course or work-based experiences.

• Allows the regional centers to assist with common principles of effective practice that includes implementing evidence-based practices including applied and experiential learning.
Education Excellence
Postsecondary Transition Plans

• Requires student transition plans to:
  – prepare students to complete a career and college ready curriculum by meeting state academic standards and developing career and employment related skills
  – help students identify their interests and learning styles that may affect their career and college ready goals
  – set appropriate career and college ready goals and time lines for achieving the goals; and integrate strong academic content into applied and experiential learning opportunities.
Education Excellence
Teacher Licensing

- Allows teacher candidates who have not successfully passed the “basic skills” MTLE to show proficiency by achieving an equivalent composite score on the ACT Plus Writing or the SAT set by the Board of Teaching.

- Exempts non-English speakers from the MTLE/ACT requirement if they meet pedagogy requirements and provide direct instruction in their native language.

- Directs the Board of Teaching to issue a teaching license to an otherwise qualified out-of-state applicant whose scope of license is no more than two grade levels, instead of one grade level less than a similar Minnesota license.
Education Excellence
Teacher Licensing and Development

• Allows a probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and resumes teaching within 12 months to be considered to have a consecutive teaching experience
  – Effective retroactively from July 1, 2013

• Requires a teacher to be evaluated by a peer review in those years when a tenured teacher is not evaluated by a qualified and trained evaluator.

• Requires school districts and charter schools to provide for effective evaluator training specific to teacher development and evaluation.

• Allows peer coach observation and interview notes to be disclosed only to other school officials with the consent of the teacher being coached.
Education Excellence
Teacher Development

• Allows teachers to be employed as a behind-the-wheel instructor after retirement.

• Requires staff development activities to provide opportunities for staff to learn about current workforce trends and the connections between such trends and postsecondary education, including career and technical education options.
Education Excellence
Open Enrollment Changes

• Strikes the requirement for a pupil and parent meeting with their resident district’s staff member before submitting an open enrollment application.

• Clarifies that a student changing resident districts does not lose their open enrollment seat, but must submit a new form to update their information.

• Requires a district to give written notice to parents within 90 days of when their achievement and integration district transfer is submitted. Adds a 45-day deadline for parents to notify the nonresident district that their pupil intends to enroll in the district.
Education Excellence
Open Enrollment Changes

**Miscellaneous**

- For school districts with more open enrollment applications than available seats in a specific grade level, requires the district to hold a lottery after the January 15 deadline to determine which nonresident students may enroll.

- Requires districts to give priority to enrolling siblings of currently enrolled nonresident students and to applications related to an approved integration and achievement plan.

- Requires a school board to establish and approve a lottery process and post the policy on the district Web site.

- Prohibits districts from using capacity of special education services as a basis for rejecting an enrollment options application.
Education Excellence
Charter School Changes

• Clarifies that the primary purpose charter schools improve all pupil learning and all student achievement and increase learning opportunities for all pupils.

• Expanded the definition of “single purpose authorizer” to include a nonprofit limited liability company organized solely for chartering schools.

• Requires an authorizer to file an affidavit by May 1 to be able to charter a new school. Requires MDE to approve or disapprove an authorizer’s amended affidavit within 15 business days after receiving the authorizer’s response to cited deficiencies.

• Allows a charter school to apply to its authorizer to add grades or sites beyond what the charter provides. Directs the authorizer to submit a supplementary affidavit to MDE by October 1 if the authorizer approves the school’s application.
Education Excellence
Charter School Changes

• Strikes language allowing a charter school to provide instruction to children under five and replaces it with **authority to provide a free preschool or pre-K program**. Primary focus of charter schools must still be on students aged 5 – 18

• Requires charter schools to comply with all pupil **transportation requirements** that include transporting pupils who live two or more miles from school and prohibits a charter school from requiring parents to surrender their students transportation rights.

• Allows a charter school to give an enrollment preference to students currently enrolled in the school’s free preschool or pre-kindergarten program who are eligible to enroll in kindergarten in the next school year.
Education Excellence
Charter School Changes

Miscellaneous

– Modifies language on **supplemental information charter schools must include with audit reports.** Copies must be provided of management agreements with a charter school management organization or an educational management organization and service agreements and contracts over the lesser of $100,000 or 10% of the school’s most recent audited expenditures.

– Clarifies language dealing with **review and comment** for charter school facilities projects

– Clarifies the requirement for charter school building leases to have a **closure clause**
Education Excellence
Charter School Changes
Affiliated Building Corporation (ABC) Requirements

- Modifies Affiliated Building Corporation (ABC) requirements to allow purchase, expansion, or renovation of an existing facility or to construct a new facility if the charter school has:
  - Operated for at least six years;
  - Had a net positive unreserved general fund balance in the three preceding years;
  - Have long-range strategic and financial plans that include enrollment projects; completed a feasibility study of facility options; and a plan for project parameters and budget.

- Requires an ABC to post on the school Web site the corporate name, mailing address, bylaws, minutes of board meetings, and current board members’ names. Requires the corporation to submit a copy of its annual audit to MDE by December 31.
Education Excellence
Standard Adult High School Diploma

Consortium

• Directs eligible adult basic education consortia to apply to MDE for approval to provide an adult high school diploma program for adult basic education students.

• Requires an approved consortium to submit data annually. MDE must use the data to evaluate the program at least every five years.

• Requires a program provider to work with a student to: identify goals, skills, experiences, competencies completed, and options for viable career pathways; assess the student’s instructional needs; and develop an individualized learning plan.
Education Excellence
Standard Adult High School Diploma

Requirements

- Requires programs to align with state high school standards.

- Allows students to demonstrate completion of program requirements by verifying the student’s prior experiences, knowledge and skills as measured by assessments or credentials, completed adult basic education instruction and courses, and applied and experiential learning.

- Directs MDE to:
  - establish criteria and requirements for eligible adult basic education consortia
  - identify best practices for adult basic education programs and develop recommendations
  - consult with practitioners on establishing standards, requirements, and other criteria
  - regularly review program requirements and diploma standards, and
  - establish a uniform format and transcript for recording student work and preserving and transferring student records.
Education Excellence
P-20 Partnership Changes

Directions

Directs the P-20 Partnership to:

• make recommendations on realigning the governance and administrative structures of early education, K-12, and postsecondary systems in Minnesota

• work with education stakeholders to recommend ways to identify changes in order to, if appropriate, revise the P-20 education system to meet students’ individual career and college readiness plans and goals.

• consider how to: provide students access information to pursue career and technical education; engage students in developing career and college readiness plans and pursuing academic and applied and experiential learning to help them realize their goals.
Education Excellence
P-20 Partnership Changes

Recommendations

Directs the P-20 Partnership to:

• to recommend to MDE and postsecondary institutions and programs how to organize and implement a framework of career fields, clusters, and pathways for students enrolled in a secondary school, postsecondary institution, or work-based program.

• to recommend how to create a mobile, Web-based hub for students and their families that centralizes existing resources on career and employment trends and the needed educational pathways.
Education Excellence
Year-Long Student Teaching Pilot

• Establishes a pilot program for the 2015-2016 through 2018-2019 school year to provide teacher candidates with intensified and authentic classroom learning and experience so that as newly licensed teachers they are equipped with the best research and best practices available and can immediately begin work to increase student growth and achievement.
Education Excellence
Year-Long Student Teaching Pilot

Requirements

• Allows eligible partnerships to apply to the Board of Teaching.
• Requires an applicant to demonstrate its ability to offer a school year-long student teaching program that combines clinical opportunities, academic course work, and in-depth student teaching experiences.
• Requires a student teacher to have: ongoing access to mentors; ongoing coaching and assessment; assistance in providing an individual professional development plan; and structured learning experiences in collaboration with local professionals and community experts; and receive payment for student teaching time.
• Directs the Board of Teaching to make an effort to select qualified and diverse applicants from throughout the state.
• Directs the Board of Teaching to annually transmit to the legislature by February 1 a data-based report showing participants success in preparing newly licensed teachers.
Education Excellence
Miscellaneous Local Changes

• Allows the St. Louis County school board to hold its meetings at the district’s administrative office or at another convenient location outside district boundaries if notice is provided.

• Allows the Chaska school district to begin the 2016-2017 school year before the statutory Labor Day start date for the 2016-17 school year only.

• Requires a charter school that is located in Duluth Township in St. Louis County and serves students in kindergarten through grade 6 to give enrollment preferences to the students and their siblings who reside within a five-mile radius of the school.
Education Excellence

Other Miscellaneous Changes

• Allows school districts to enter into an agreement to establish an innovative cooperative center to provide for technology and other educational services.

• Allows a pupil completing an area learning center program to receive a diploma from an intermediate district or educational cooperative.

• Requires postsecondary institutions to also enroll an otherwise qualified postsecondary student who qualifies as a veteran if the veteran can demonstrate to the postsecondary institution’s satisfaction that the institution’s enrollment time lines were not practicable for the veteran.
Article 4 - Special Programs

- Clarifies the definition of “free appropriate public education”
- Clarifies that student eligibility and needs under an individualized education program are determined at the time of initial evaluation and re-evaluation.
- Modifies the requirements of a community transition interagency committee to reflect OLA recommendations.
Article 4 - Special Programs

Committee and Recommendations

- No longer requires that county boards and school boards be represented on the Interagency Early Intervention Committee

- Directs MDE, the U of M Psychology Department and others to develop recommendations for improving the performance of under achieving students through multi-tiered system. Recommendations must be submitted to legislature by February 15, 2015.
Article 5 – Nutrition

Food Shelf Donations

• Allows schools and community organizations participating in federal child nutrition meal programs to donate food to food shelf programs
Article 6 – Early Childhood, Self-Sufficiency, and Life-Long Learning

• Adds participation in the federal food distribution program on Indian reservations as automatic eligibility for an early learning scholarship.

• Clarifies that the sibling preference and continuing scholarships are provided as long as funds are available.
Article 7 - Libraries

- Allows MDE to grant exceptions to the minimum open hours requirement for: emergency maintenance and repairs following a natural disaster; exceptional economic circumstances; building repair or maintenance affecting public service areas; or seasonal use patterns.

- Directs MDE to consult with various experts on increasing service delivery and collaboration between library governance systems to ensure equitable and cost-effective access, including access to emerging electronic services, and submit a report to the legislature by February 1, 2015.
Unsession Provisions

• Removed several obsolete sections of statute
• Provisions that were removed were related to outdated law, deadlines that had passed, and little used statutes
• Suggestions were made using input from MDE staff, legislative staff, and the public
• Over 50 pages of obsolete statutes were removed from law relating to education
Military Compact

• Makes Minnesota a member of the Interstate Compact on Educational Opportunity for Military Children

• Requires a school district to include a box on the enrollment form to allow students to self-identify as a “military-connected youth”
The Safe and Supportive Schools Act (aka the ‘anti-bullying bill’)
Chapter 160

- Application limited only to public schools (including charter schools), but applies to private school students voluntarily participating in public school activities.
The Safe and Supportive Schools Act

Definition

• “Bullying” defined as intimidating, threatening, abusive, or harming conduct that is objectively offensive and:
  – an actual or perceived imbalance of power and the conduct is repeated or forms a pattern; or
  – materially and substantially interferes with a student’s educational opportunities.
The Safe and Supportive Schools Act

Policies and Center

• School districts required to adopt a policy that contains minimum requirements.

• The education commissioner is directed to develop a state model policy that a district must adopt if they do not develop a local policy.

• A 23-member School Safety Technical Assistance Council is established to improve school climate and safety.

• A School Safety Technical Assistance Center is established at MDE to help districts provide safe and supportive learning environments.
Questions?

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