



Governor's 2026 Education Budget Proposals

Education Finance Committee

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.



Governor's 2025 Education Budget

(\$ thousands)	FY27	FY28	FY29
Increase	256	261	261
Decrease	0	(25,000)	(25,000)
Total Change	256	(24,739)	(24,739)

2026 February forecast

- Current biennium now projected to end with a balance of \$3.7 billion, up \$1.3 billion from November
- FY 2028-29 balance now \$377 million, structural imbalance remains

Article 1 – General Education (1)

- **Student Support, Intervention and Resources Team (SSIRT):**
Requires schools to establish a student support, intervention and resource team (SSIRT) that will provide a comprehensive school safety and student support program designed to create safe, inclusive, and supportive learning environments through integrated prevention, intervention, and response strategies (Section 1 & 9)
 - **\$186,000 thousand in ongoing funding** for a dedicated specialist at MDE to support this work statewide

Article 1 – General Education (2)

- **Federal Voucher Opt-In - Elimination of Nonpublic Pupil Aid and Nonpublic Pupil Transportation Aid:** If a future administration opts into the federal voucher program, nonpublic aid and nonpublic transportation will be canceled and sent to Minnesota's Voluntary Prekindergarten program (Section 2-4 & 6-7)
 - **The estimated transfer of aid to the VPK program** would be \$57.149 million in FY 27, \$59.269 in FY 28, and \$61.121 in FY 29
 - **The estimated additional VPK seats** are roughly 7,000 each fiscal year
 - Brings total VPK seats to roughly 19,000

Article 1 – General Education (3)

- **Basic Skills Repeal:** A technical correction repealing references to basic skills and has compensatory aid and English Learners be reported separately (Section 5)
- **Timeline Correction to Attendance Pilot Appropriation:** Allows MDE to spend the attendance pilot appropriation on the same timeline as the pilot schools, ensuring that MDE can fulfill its data support role for the duration of the pilot (Section 8)

Article 2 – Education Excellence (1)

- **MnMTSS/COMPASS Language Update:** Technical change to provide clarity around which Multitiered Systems of Support (MTSS) framework is the state’s systemic continuous improvement framework (Section 1 & 18)
- **COMPASS Educational Technology and AI Language Update:** Addresses the need for a structured, equitable, and safe professional development and support for incorporating educational technology and artificial intelligence (AI) into Minnesota's K-12 school system (Section 1 & 18)
- **Revise Date for Tier 3 course work:** Technical change extending the deadline by one year, allowing for teacher preparation students to complete required READ Act coursework and obtain a Tier 3 license upon the completion of their teacher preparation program (Section 2)

Article 2 – Education Excellence (2)

- **Online Learning Site Designation in Minnesota Automated Reporting Student System (MARSS):** Codify into state statute state wide practice relating to site based online instruction (Section 3)
- **Full-Service Community Schools Strategy Grants Program:** Aligns state policy with national frameworks to position the program as a strategy rather than a fixed model or discrete program and further defines components to align with best practices. The proposal also increases the grant set aside from 2% to 5%. (Section 4 & 16)
- **Simplify Alternative Education Program Eligibility:** Renumbers the graduation incentives program, updates and removes duplicative language that more clearly aligns with the state approved alternative program (Section 5 –7, 22, & 23 (d))

Article 2 – Education Excellence (3)

- **Literacy Aid Formula Change and Use of Literacy Aid:** Revises how literacy aid is allocated beginning in FY27 by eliminating Minnesota Comprehensive Assessment (MCA) data as a factor for the determining allocations to districts and instead using English learner concentration factor and poverty concentration factor (Section 8-15 & 23 (c))
- **College Entrance Examination Reimbursement (GRR System):** Allows any remaining funds, up to \$800,000, after reimbursing districts per Minnesota Statutes 120B.30 Subd. 16 be permitted to be used by MDE for system updates and maintenance creating a more user-friendly and intuitive system for students requesting reimbursements (Section 17)
- **Career and Technical Education Student Organizations (CTSO) Clarification:** Technical change eliminating “elementary and secondary” language that was changed during the last session (Section 19)

Article 2 – Education Excellence (4)

- **Task Force to Examine Minnesota Testing and Assessments:** A task force convening over a two-year period to evaluate Minnesota’s current assessment and accountability system and explore best practices from other states. The Task Force will develop recommendations an action plan for transforming assessment and accountability system services (Section 20 & 21)
 - **\$70,000 in FY 27 and \$150,000 in FY 28-29**
- **Innovation Research Zone Repeal:** Repeals the Innovation Research Zones Pilot Program that has not been utilized by districts. (Section 23 (a))
- **Eliminate Testing Disruptions Database:** The database is publicly available on MDE’s website but has historically not been used and often results in confusion for the field. This will reduce workload and simplify and clarify guidance for schools and districts by reinforcing the use of existing, more efficient support systems (Section 20 (b))

Article 3 - Teachers

- **Student Support Personnel Aid Formula to Cooperatives:** Modifies the formula so funds go directly to cooperative units (Section 1)
- **Educator Tuition Assistance Program:** A technical change to ensure grantees have access to funds for the four-years of availability established in statute (Section 2)
- **Shift funding from Grow Your Own to Special Education Pathway Grant:** Shifts \$20 million from the special revenue account for Grow Your Own to the special revenue account for the Special Education Pathway Grant (Section 3)

Article 4 – The Read Act

- **READ Act Technical Revisions:** Technical revisions to provide clarity and consistency to aid the implementation of the Read Act (Section 1-16), including:
 - Amend reference to screening for "characteristics of reading difficulties" to refer characteristics of dyslexia in the screening process (Section 5);
 - Correcting references to Regional Literacy Network (Sections 6, 11, 15 ,16);
 - Clarifying relevant statutes to reflect requirements for teachers to meet all literacy goals as a whole (Sections 7, 12, 13, 14);
 - Statutory cleanup (Sections 2, 3, 4)

Article 5 – School Facilities

- **Modify Gender Neutral Restroom Grants:** The change would allow for 3-5 years to fully spend dollars to make needed renovations; change reporting requirement to once per biennium (Section 1)

Article 6 – Special Education

- **Blue Ribbon Commission:** Adds an additional \$25 million in reductions each year and clarifies Blue Ribbon Commission language so any reductions from special education may not have associated costs transferred to general education (Section 1-2)

Article 7 – State Agencies (1)

- **Permissions and Authorities for MDE OIG under Chapter 13:** Gives MDE's Office of Inspector General the same confidentiality protections that other agencies use for investigative data. It ensures that information gathered during an investigation stays confidential (Section 1-2)
- **Clarifications and Permissions for MDE OIG under Chapter 127A:** Strengthen the MDE Inspector General's ability to investigate fraud, enforce sanctions, access records quickly, and protect the identity of people who report concerns. It aligns MDE's tools and protections with national Inspector General standards and the existing authority used by other state agencies (Section 3-12)

Article 7 – State Agencies (2)

- **Program Participant Record Retention:** Establishes a standard list of records and a uniform retention period for all program participants who receive MDE funding (Section 13)
- **Paraprofessional Support FTE:** Allocates \$186,000 a year from the existing paraprofessional training aid to fund a dedicated paraprofessional support specialist (Section 14)

Thank You

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