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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4114

03/09/2026 Authored by Bakeberg, Knudsen and Hicks
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; repealing the contingent reduction in special education
1.3 aid appropriations; amending Laws 2025, First Special Session chapter 10, article
1.4 7, section 8.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2025, First Special Session chapter 10, article 7, section 8, is amended
1.7 to read:

1.8 Sec. 8. ~~DIRECTION TO COMMISSIONER OF MANAGEMENT AND BUDGET;~~
1.9 ~~CONTINGENT REDUCTION IN SPECIAL EDUCATION AID APPROPRIATIONS~~
1.10 ~~RECOMMENDATIONS BY BLUE RIBBON COMMISSION.~~

1.11 ~~(a) When preparing the forecast for state revenues and expenditures under Minnesota~~
1.12 ~~Statutes, section 16A.103, the commissioner of management and budget must assume a~~
1.13 ~~\$250,000,000 reduction in the appropriations for special education aid for the biennium~~
1.14 ~~beginning July 1, 2027, and for each subsequent biennium, until the end of the legislative~~
1.15 ~~session that enacts a budget for the Department of Education for the biennium beginning~~
1.16 ~~July 1, 2027.~~

1.17 ~~(b)~~ Upon enactment of a budget for the Department of Education for the biennium
1.18 beginning July 1, 2027, the legislature must identify enacted provisions that were
1.19 recommended by or based on the recommendation of the Blue Ribbon Commission on
1.20 Special Education.

1.21 ~~(c)~~ To the extent the net savings attributable to the provisions in paragraph (b) are less
1.22 than \$250,000,000 for the biennium beginning July 1, 2027, and for each subsequent

2.1 ~~biennium, the commissioner of education must reduce the special education cross subsidy~~
2.2 ~~aid factor under Minnesota Statutes, section 125A.76, subdivision 2e, paragraph (b), as~~
2.3 ~~necessary to reduce biennial appropriations for special education aid by an amount equal~~
2.4 ~~to the difference between the savings identified in paragraph (b) and the \$250,000,000 of~~
2.5 ~~biennial savings assumed in paragraph (a). The commissioner of education must notify the~~
2.6 ~~chairs and ranking minority members of the legislative committees with jurisdiction over~~
2.7 ~~kindergarten through grade 12 education of any reduction in the cross subsidy aid factor~~
2.8 ~~under this paragraph.~~

2.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.