

Subject Special Education Payments to Cooperative Programs

Authors Youakim and Clardy

Analyst Tim Strom

Date March 11, 2024

Overview

School districts, charter schools, and cooperative organizations (intermediate school districts, education districts, special education cooperatives, and service cooperative special education units) receive direct special education aid from the state of Minnesota through a complicated set of formulas. The first part of the formula computes an initial special education aid amount. The second part of the formula is called excess cost aid, and the third part of the formula is the cross-subsidy reduction aid. For cooperative units, any special education costs not covered by direct special education aid are billed back to the student's resident school district.

H.F. 4333 modifies the special education excess cost formula for cooperative units. The current calculation of excess cost aid offsets an amount based on the general education aid attributable to students who receive instruction and services outside of the regular classroom for more than 60 percent of the school day. For cooperative units providing special education services, this offset applies to the majority of the students that they serve. H.F. 4333 removes this offset for the cooperative units.

The net effect of this change for special education cooperative units is a higher amount of direct special education aid paid to the cooperative and a lower amount of unreimbursed costs billed back to the resident school district.

Summary

Section	Description
---------	-------------

- | | |
|---|--|
| 1 | Definitions. [Special education excess cost aid]
For cooperative units only, modifies the calculation of special education excess cost aid to eliminate any offset for the general education aid attributable to a student |
|---|--|

Section	Description
	receiving instruction and services outside of the regular classroom for at least 60 percent of the school day.
2	Special education regular appropriation. Increases the special education regular appropriation for fiscal year 2025 by an unspecified amount for the additional aid required by section 1.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn.gov/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155