

1.1 moves to amend H.F. No. 1628 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2022, section 125A.76, subdivision 2c, is amended to read:

1.4 Subd. 2c. **Special education aid.** (a) For fiscal year 2020 and later, a district's special
1.5 education aid equals the sum of the district's special education initial aid under subdivision
1.6 2a, the district's cross subsidy reduction aid under subdivision 2e, special education homeless
1.7 pupil aid under subdivision 2f, and the district's excess cost aid under section 125A.79,
1.8 subdivision 5.

1.9 (b) Notwithstanding paragraph (a), for fiscal year 2020, the special education aid for a
1.10 school district, excluding the cross subsidy reduction aid under subdivision 2e, and excluding
1.11 special education homeless pupil aid under subdivision 2f, must not exceed the greater of:

1.12 (i) the sum of 56 percent of the district's nonfederal special education expenditures plus
1.13 100 percent of the district's cost of providing transportation services for children with
1.14 disabilities under section 123B.92, subdivision 1, paragraph (b), clause (4), plus the
1.15 adjustment under sections 125A.11 and 127A.47, subdivision 7; or

1.16 (ii) the sum of: (A) the product of the district's average daily membership served and
1.17 the special education aid increase limit and (B) the product of the sum of the special education
1.18 aid the district would have received for fiscal year 2016 under Minnesota Statutes 2012,
1.19 sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections
1.20 125A.11 and 127A.47, subdivision 7, the ratio of the district's average daily membership
1.21 served for the current fiscal year to the district's average daily membership served for fiscal
1.22 year 2016, and the program growth factor.

1.23 (c) Notwithstanding paragraph (a), for fiscal year ~~2020~~ 2024 and later the special
1.24 education aid, excluding the cross subsidy reduction aid under subdivision 2e, excluding

2.1 special education homeless pupil aid under subdivision 2f, for a school district, not including
2.2 a charter school or cooperative unit as defined in section 123A.24, must not be less than
2.3 the lesser of (1) the sum of 90 percent for fiscal year 2020, 85 percent for fiscal year 2021,
2.4 80 percent for fiscal year 2022, and 75 percent for fiscal year 2023 and later of the district's
2.5 nonfederal special education expenditures plus 100 percent of the district's cost of providing
2.6 transportation services for children with disabilities under section 123B.92, subdivision 1,
2.7 paragraph (b), clause (4), plus the adjustment under sections 125A.11 and 127A.47,
2.8 subdivision 7, for that fiscal year or (2) the product of the sum of the special education aid
2.9 the district would have received for fiscal year 2016 under Minnesota Statutes 2012, sections
2.10 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11
2.11 and 127A.47, subdivision 7, the ratio of the district's adjusted daily membership for the
2.12 current fiscal year to the district's average daily membership for fiscal year 2016, and the
2.13 minimum aid adjustment factor.

2.14 (d) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first
2.15 year of operation shall generate special education aid based on current year data. A newly
2.16 formed cooperative unit as defined in section 123A.24 may apply to the commissioner for
2.17 approval to generate special education aid for its first year of operation based on current
2.18 year data, with an offsetting adjustment to the prior year data used to calculate aid for
2.19 programs at participating school districts or previous cooperatives that were replaced by
2.20 the new cooperative. The department shall establish procedures to adjust the prior year data
2.21 and fiscal year 2016 old formula aid used in calculating special education aid to exclude
2.22 costs that have been eliminated for districts where programs have closed or where a
2.23 substantial portion of the program has been transferred to a cooperative unit.

2.24 (e) The department shall establish procedures through the uniform financial accounting
2.25 and reporting system to identify and track all revenues generated from third-party billings
2.26 as special education revenue at the school district level; include revenue generated from
2.27 third-party billings as special education revenue in the annual cross-subsidy report; and
2.28 exclude third-party revenue from calculation of excess cost aid to the districts.

2.29 Sec. 2. Minnesota Statutes 2022, section 125A.76, is amended by adding a subdivision to
2.30 read:

2.31 Subd. 2f. **Special education homeless pupil aid.** (a) For fiscal year 2024 and later,
2.32 special education homeless aid must be paid to a school district that is funded for that year
2.33 based on the district's fiscal year 2016 expenditures calculated under Minnesota Statutes
2.34 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012,

3.1 sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted daily
3.2 membership for the current fiscal year to the district's average daily membership for fiscal
3.3 year 2016, and the minimum aid adjustment factor

3.4 (b) Special education homeless pupil aid equals the greater of zero, or a district's prior
3.5 year transportation costs under section 123B.92, subdivision 1, clause (4), items (ii) and
3.6 (vii), and the additional cost of transporting a student in a shelter care facility as defined in
3.7 section 260C.007, subdivision 30, a homeless student in another district to the school of
3.8 origin, or a formerly homeless student from a permanent home in another district to the
3.9 school of origin but only through the end of the academic year; minus the fiscal year 2016
3.10 costs associated with transportation costs under section 123B.92, subdivision 1, paragraph
3.11 (b), clause (4), items (ii) and (vii), and the additional cost of transporting a student in a
3.12 shelter care facility as defined in section 260C.007, subdivision 30, a homeless student in
3.13 another district to the school of origin, or a formerly homeless student from a permanent
3.14 home in another district to the school of origin but only through the end of the academic
3.15 year adjusted by the ratio of the district's adjusted daily membership for the current fiscal
3.16 year to the district's average daily membership for fiscal year 2016, and the minimum aid
3.17 adjustment factor."

3.18 Amend the title accordingly