

Subject Education Omnibus

Authors Davnie and others

Analyst Tim Strom
Cristina Parra
Annie Mach

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Overview

H.F. 2 is the House omnibus prekindergarten through grade 12 education finance and policy bill.

Article 1: General Education

This article increases the general education basic formula by 2.45 percent for fiscal year 2022 and 2.0 percent for fiscal 2023. This article also supplements English learner revenue for four years with payments of an additional \$2 million per year and extends the expiring voluntary prekindergarten seats for the next two years only. The article's policy change includes amending the statutes relating to absences for religious observance.

Section Description – Article 1: General Education

- 1 Absence from school for religious observance.**
Requires a school board to provide annual notice to parents of the school district's policy on absence from school for religious observance.
- 2 Pupil unit.**
Extends the 4,000 voluntary prekindergarten/school readiness plus seats that would otherwise expire for fiscal years 2022 and 2023 only.

Effective for fiscal year 2022 and later.
- 3 Compensation revenue pupil units.**
Delays the special calculation for compensatory revenue for sites with discontinued voluntary prekindergarten (VPK) seats as the statutorily expiring VPK program seats are extended for two more years.

Effective for fiscal year 2022 and later.

Section Description – Article 1: General Education

- 4 Basic revenue; general education.**
Increases the general education basic formula allowance by \$161 per pupil unit (2.45 percent) for fiscal year 2022 and by \$296 per pupil unit over base (2.0 percent) in fiscal year 2023.

Effective for fiscal year 2022 and later.
- 5 Local optional revenue.**
Increases local optional aid (and correspondingly lowers the local optional levy) for fiscal year 2023 only by setting the second tier equalizing factor at \$548,842 per pupil unit for fiscal year 2023. Lowers the equalizing factor back to \$510,000 for fiscal year 2024 and later. [Note: The local optional revenue equalizing factors are currently set at \$880,000 per pupil unit for the first tier of local optional revenue (\$300 per pupil unit) and \$510,000 per pupil unit for the second tier of local optional revenue (\$424 per pupil unit).]

Effective for fiscal year 2023 and later.
- 6 Annual expenditure report.**
Requires a district to report expenditures for basic skills revenue by functional area.
- 7 Excess tax increment.**
Clarifies the years used to calculate the aid and levy adjustments in years when the school district receives an excess tax increment financing payment.

Effective for fiscal year 2022 and later.
- 8 Excess increments. [Tax increment financing reporting timelines]**
Amends timeline for the county auditor’s reporting on excess tax increment distributed to a school district for the preceding taxable year.
- 9 English learner cross subsidy reduction aid.**
Creates an additional aid for four years only to provide a supplemental aid for English learners. Sets the statewide aid amount at \$2 million per year and pays the amount to school districts and charter schools proportionate to their other English learner revenue.
- 10 Appropriations; Department of Education.**
See fiscal tracking worksheets.

Article 2: Education Excellence

This article modifies requirements for grants to establish or expand advanced placement courses and international baccalaureate programs, and suspends implementation of certain academic standards until June 1, 2023.

Section Description – Article 2: Education Excellence

1 Raised academic achievement; advanced placement and international baccalaureate programs.

Subd. 1. Establishment; eligibility. Modifies requirement that school boards adopt a three-year plan to establish a new international baccalaureate program or to expand or create new advanced placement courses and exams to apply within 90 days of a district or charter receiving a grant, rather than to qualify for the grant.

Subd. 2. Application and review process; funding priority. Requires commissioner to give priority for advanced placement grants to grantees who add or expand offerings of advanced placement computer science principles.

Subd. 3. Funding; permissible funding uses. Caps grant awards at \$75,000 per district or charter school.

Effective the day following final enactment.

2 Revised academic standards implementation suspension.

Suspends until June 1, 2023, implementation of revised academic standards not already implemented as of January 1, 2021; allows the commissioner to continue current rulemaking activities and develop future statewide assessments.

Effective the day following final enactment.

3 Digital well-being grant.

Subd. 1. Findings; grant. Sets out legislative findings about the negative effects of screen overuse and misuse. Requires the commissioner to award a grant to LiveMore ScreenLess, a Minnesota-based organization that works with communities to support digital well-being.

Subd. 2. Digital well-being resource hub. Requires LiveMore ScreenLess to use the grant to support the creation of a library of resources that promote digital well-being.

Section Description – Article 2: Education Excellence

Subd. 3. Network of organizations. Requires that LiveMore ScreenLess identify, collaborate, and coordinate with both local and national organizations focused on healthy screen use and healthy youth development.

Subd. 4. Train-the-trainer series. Requires LiveMore ScreenLess to implement the digital well-being train-the-trainer series for everyone in Minnesota who serves and advocates for young people in Minnesota.

Subd. 5. Peer-to-peer training development. Requires LiveMore ScreenLess to deliver peer-to-peer training so that young people in the state can advocate and promote digital well-being to their peers and younger students.

4 Appropriations.

See fiscal tracking worksheets.

Article 3: Teachers

This article incorporates provisions from the Increase Teachers of Color Act, requires districts to establish mentorship programs and use staff development revenue for teacher mentorship, and clarifies and modifies requirements for the American Indian teacher preparation program.

Section Description – Article 3: Teachers

1 Come teach in Minnesota hiring bonuses.

Subd. 1. Purpose. States that purpose of bonus program is to support districts and schools recruiting teachers who are American Indian or a person of color from another state or country to meet staffing needs in shortage areas.

Subd. 2. Eligibility. Requires a district or school to verify that hiring bonus is given to teacher licensed in another state who qualifies for a Tier 3 or 4 license, has moved to the economic development region where the teacher was hired, and belongs to a racial or ethnic group underrepresented among teachers compared to students in the district.

Subd. 3. Bonus amount. Allows a district or school to offer a bonus of \$2,500 to \$5,000 to an eligible teacher, and a bonus of \$4,000 to \$8,000 to an eligible teacher with a license in a shortage area. Requires a teacher to be paid half of the bonus when starting employment, and half after four years of service.

Subd. 4. Administration. Requires the commissioner to establish a process for districts or schools to seek reimbursement for hiring bonuses. Allows the

Section Description – Article 3: Teachers

department to conduct a pilot program to establish feasibility. Requires the department to report to the legislature on the effectiveness of the program and recommendations for improvement.

Subd. 5. Account established. Creates an account in the special revenue fund for reimbursements to districts that provide the hiring bonuses.

Effective for teacher contracts entered into on or after July 1, 2021.

2 Staff development revenue. [Reserved revenue for staff development]

Requires districts to use staff development revenue (2 percent of basic revenue) for teacher mentorship under section 122A.70, subdivision 1. Current law requires revenue to be used for this purpose only if extra funds remain after being used for other purposes.

Effective July 1, 2021.

3 Eligible students. [American Indian teacher preparation programs]

Clarifies the definition of eligible student for purposes of the American Indian teacher preparation grant program.

Effective July 1, 2021.

4 Eligible programming. [American Indian teacher preparation programs]

Clarifies the definition of scholarships under the American Indian teacher preparation program.

Effective July 1, 2021.

5 Teacher mentorship and retention of effective teachers.

Subd. 1. Teacher mentoring, induction, and retention programs. Requires school districts to develop teacher mentoring programs.

Subd. 2. Board grants. Makes technical change.

Subd. 3. Criteria for selection. Makes technical change.

Subd. 4. Additional funding. Makes technical change.

Subd. 5. Program implementation. Eliminates requirement that PELSB provide resources and assistance to new mentorship sites.

Section Description – Article 3: Teachers

Effective July 1, 2021.

6 Grants for Grow Your Own programs.

Subd. 1. Establishment. Establishes grants for Grow Your Own programs to develop teaching workforce that more closely reflects diverse student population and ensure equitable access to effective and diverse teachers.

Subd. 2. Grow Your Own district programs. Allows districts to apply for grants for teacher preparation programs. Requires a grant recipient to use at least 80 percent of grant funds for tuition scholarships or stipends to allow school employees or community members affiliated with the district, who are of color or American Indian, to participate in the teacher preparation program.

Subd. 3. Grants for programs serving secondary school students. Establishes grants for school districts and charter schools to offer secondary school students opportunities to increase their interest in teaching, supports to be successful in postsecondary enrollment options coursework that meets teacher licensure requirements, and scholarships to enroll in undergraduate teacher preparation programs. A district or charter must ensure that the aggregate percentage of students of color and American Indian students participating is at least equal to the aggregate percentage of students of color and American Indian students in the district or charter school.

Subd. 4. Grant procedure. Requires the commissioner to give priority to districts with the highest number or percentage of students who are of color or American Indian. Establishes grant application and review timelines.

Subd. 5. Account established. Establishes an account in the special revenue fund for Grow Your Own programs. Allows grant recipients to use grant money over a period of up to 60 months.

Subd. 6. Report. Requires grant recipients to report to the commissioner, and the commissioner to publish a report for the public.

Effective the day following final enactment.

7 Appropriations; Department of Education.

See fiscal tracking worksheets.

8 Appropriations; Professional Educator Licensing and Standards Board.

See fiscal tracking worksheets.

Article 4: Charter Schools

This article prohibits a charter school from engaging in corporal punishment and modifies the commissioner's timeline and the authorizer's requirements for corrective plans.

Section	Description – Article 4: Charter Schools
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1	Corporal punishment. [Applicable law]
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Requires charter schools to comply with corporal punishment statute.

Effective July 1, 2021.

2	Corrective action. [Authorizers]
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Limits the length of a corrective plan the commissioner can impose on an authorizer and modifies requirements an authorizer on a corrective plan must fulfill to resolve the basis for corrective action.

Effective July 1, 2021.

Article 5: Special Education

This article creates a process for schools to follow to amend students' individual education programs (IEPs) in order to provide recovery services to students for services and time lost due to the pandemic and requires the commissioners of education and human services to consult with stakeholders to find strategies to streamline access and reimbursement for behavioral health services for children with an individualized education program or an individualized family service plan who are enrolled in Medical Assistance.

The article also provides onetime special education funding directed at narrowing the special education cross subsidy.

Section	Description – Article 5: Special Education
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1	Special education recovery services and supports.
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Subd. 1. Special education recovery. Requires the commissioner of education, school districts, and charter schools to collaborate with the families of students with disabilities to address the impact of learning disruptions due to COVID-19.

Subd. 2. Special education services and supports. (a) Requires districts and charter schools to invite the parents of a student with a student with a disability to a meeting of the individualized education program (IEP) team by December 1, 2021, to determine whether services and supports are necessary to address lack of progress on IEP goals or loss of learning or skills due to disruptions related to

Section Description – Article 5: Special Education

COVID-19. Additional services and supports must be included in the IEP, and the district or charter school must report to the commissioner the cost of providing the services.

(b) Requires the IEP team to consider specific factors when determining what supports the student needs.

(c) Requires the IEP team to consider when and how to deliver supports to students. Allows the IEP team to determine that providers other than the district or charter school staff are most appropriate to provide the supports and services.

(d) Requires a district or charter school to make available the services included in the IEP until the IEP team determines they are no longer necessary.

(e) Clarifies that school districts providing special education services on a shared time basis to nonpublic students must offer the nonpublic student services and supports in accordance with this section.

(f) Requires the commissioner to identify if federal special education funds under the American Rescue Plan (the third COVID relief act passed by Congress) could be used to fund the services required by this section. If allowable, authorizes the commissioner to allocate the federal funds to cover 100 percent of the costs of these services.

2 Report on behavioral health services reimbursement.

Directs the commissioners of education and human services to consult with stakeholders to find strategies to streamline access and reimbursement for behavioral health services for children with an individualized education program or an individualized family service plan who are enrolled in Medical Assistance.

3 Appropriations.

Appropriates funds for special education programs. See fiscal tracking worksheets.

Article 6: Health and Safety

This article modifies requirements relating to instruction to prevent suicide or self-harm and requires a district or charter school to have a seizure action plan.

Section Description – Article 6: Health and Safety

1 Mental health education.

Requires a district or charter school providing instruction on preventing suicide or self-harm to use the resources provided by the commissioner or other evidence-based instruction.

2 Seizure training and action plan.

Subd. 1. Seizure training and action plan. Requires a school district or charter school where a student with a seizure disorder and prescribed seizure medication is enrolled to have a seizure action plan. The action plan must identify a school nurse or designated individual who can administer seizure medication and require training on seizures.

Subd. 2. Training requirements. Requires a school district or charter school to provide all licensed school nurses or other designated individuals, and other staff with self-study materials on seizure disorders.

Effective for the 2022-2023 school year and later.

3 Appropriations.

See fiscal tracking worksheets.

Article 7: Facilities

This article requires a school to notify staff, students, and parents when the school receives notice of environmental hazards from the Department of Health or the Pollution Control Agency.

Section Description – Article 7: Facilities

1 Notification of environmental hazards.

Requires a school district, charter school, or nonpublic school, upon notification by the Department of Health or Pollution Control Agency, to notify school staff, students, and parents of an environmental hazard that may affect the health of students or school staff. Requires the notice to include direction on how to obtain more information about the hazard.

2 Appropriations.

Appropriates money for school facilities purposes. See fiscal tracking worksheets.

Article 8: Nutrition and Libraries

Adds language to the school nutrition statutes to prohibit lunch shaming. The article also authorizes the commissioner to recalculate school lunch payments to schools to reflect school's participation in alternative school meal programs during the 2020-2021 school year.

Section Description – Article 8: Nutrition and Libraries

1 School Meals Policies; Lunch Aid; Food Service Accounting.

Subd. 1. School meals policies. (a) Requires a participant in the national school lunch program to adopt and post a school meals policy.

(b) Requires the policy to be in writing, reasonable, well-defined, and clearly communicate student meal charges when payment cannot be collected. Requires the policy to maintain the dignity of students by prohibiting lunch shaming.

(c) Requires the policy to address whether a collections agency is used by the participant to collect unpaid school meals debt.

(d) Requires the policy to ensure that once a meal is placed on a tray or otherwise served to a student that the meal is not withdrawn from the student.

(e) Requires the policy to ensure that a student who is eligible for a free or reduced-price lunch is always served a reimbursable meal even if they have outstanding debt.

(f) Requires a school to provide a vendor, if applicable, with its school meals policy and require the vendor to adhere to the policy for contracts entered or modified after July 1, 2021.

Subd. 4. No fees. Prohibits a participant that receives school lunch aid from denying a school lunch to a student who qualifies for free or reduced-price lunch whether the student has outstanding school meal debt attributable to a la carte purchases or for any other reason.

Subd. 5. Respectful treatment. (a) Requires the participant to provide meals to students in a respectful manner. Provides examples of prohibited activities, which include dumping meals, withdrawing a meal that has been served, announcing or listing students' names publicly, or affixing stickers, stamps, or pins. Prohibits a participant from imposing restrictions under section 123B.37 (Prohibited Fees) due to unpaid student meal balance.

(b) Directs the commissioner to send a letter of noncompliance to the participant if the commissioner determines that they have violated the requirement to provide meals in a respectful manner.

Section Description – Article 8: Nutrition and Libraries

- 2 School nutrition formulas adjusted.**
Adjusts the fiscal year 2021 school nutrition payments to schools to match the school meal delivery models used by schools for the 2020-2021 school year.
- 3 Appropriations.**
Appropriates money for school meals and regional library services. See fiscal tracking worksheets.

Article 9: Early Education

This article extends, for fiscal years 2022 and 2023, the 4,000 voluntary prekindergarten and school readiness plus seats that are set to expire. This article also prohibits a publicly funded preschool or kindergarten program from having a child use an individual-use screen without engagement from a teacher or other students; excludes a child with an individualized family service plan, an individualized education program, or a 504 plan from the application of this section.

Section Description – Article 9: Early Education

- 1 Participation limits (VPK and SRP).**
Extends the 4,000 voluntary prekindergarten/school readiness plus seats that would otherwise expire for fiscal years 2022 and 2023 only.
- 2 Limit on screen time for children in preschool and kindergarten.**
Prohibits a child in a publicly funded preschool or kindergarten program from using an individual-use screen without engagement from a teacher or other students. Excludes a child with an individualized family service plan, an individualized education program, or a 504 plan from the application of this section. This section is effective July 1, 2022.
- 3 Declining enrollment revenue.**
Makes conforming changes related to the two-year extension of voluntary prekindergarten/school readiness plus seats.
- 4 Appropriations; Department of Education.**
See fiscal tracking worksheets.

Article 10: Community Education and Lifelong Learning

This article appropriates money for community education and lifelong learning programs.

Section	Description – Article 10: Community Education and Lifelong Learning
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| 1 | Appropriations.
See fiscal tracking worksheets. |
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Article 11: State Agencies

This article provides funding for state agencies, including the Department of Education (MDE), the Professional Educator Licensing and Standards Board (PELSB), the Minnesota State Academies in Faribault, and the Perpich Center of Arts Education.

The article also requires all preK-12 education grants awarded after July 1, 2022, to be awarded through a framework that encourages the goals of the grants to be aligned to Minnesota’s world’s best workforce and the federal government’s student accountability systems. Requires grant recipients to use evidence-based practices and report on their activities to the commissioner of education and the legislature.

Section	Description – Article 11: State Agencies
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| 1 | Evidence-based education grants.
Requires all preK-12 education grants awarded after July 1, 2022, to be awarded through a framework that encourages the goals of the grants to be aligned to Minnesota’s world’s best workforce and the federal government’s student accountability systems. Requires grant recipients to use evidence-based practices and report on their activities to the commissioner of education and the legislature.

Effective July 1, 2022. |
| 2 | Limitations of order effective January 1, 2015, and later. [Petition to expunge criminal records]
Strikes obsolete reference to the licensing division of the Department of Education.

Effective July 1, 2021. |

Section Description – Article 11: State Agencies

3 MDE; 2020-2021 appropriations.

Cancels \$2 million of the \$4.7 million appropriation in fiscal year 2020 from the amount set aside for litigation expenses and cancels \$1.252 million of the fiscal year 2021 general agency operations appropriation.

Effective day following final enactment.

4 Appropriations; MDE 2022-2023.

Appropriates \$30,837,000 in fiscal year 2022 and \$26,287,000 in fiscal year 2023 from the general fund to MDE for agency operations. Appropriations riders include:

- \$319,000 per year for transfer to the Board of School Administrators;
- \$1,000,000 per year for the regional centers of excellence;
- \$250,000 per year to the School Finance Division to enhance financial data analysis;
- \$720,000 per year for implementing Minnesota’s Learning for English Academic Proficiency (LEAPS) Act programs;
- \$123,000 per year for a dyslexia specialist;
- \$480,000 per year for the mainframe computer update;
- \$4,500,000 in fiscal year 2022 for legal fees and costs associated with litigation; and
- and \$340,000 in each year for VPK program administration.

Approves and appropriates the expenditure of federal grants and aids as shown in the biennial budget document and its supplements.

Effective for fiscal year 2022 and later.

5 Appropriations; Minnesota State Academies.

Appropriates \$14,056,000 in fiscal year 2022 and \$14,317,000 in fiscal year 2023 from the general fund to the Minnesota State Academies for the Deaf and Blind for the agency’s operations.

Effective for fiscal years 2022 and 2023.

6 Appropriations; Perpich Center for Arts Education.

Appropriates \$7,406,000 in fiscal year 2022 and \$7,527,000 in fiscal year 2023 from the general fund to the Perpich Center for Arts Education for the agency’s operations.

Effective for fiscal years 2022 and 2023.

Section Description – Article 11: State Agencies

7 Appropriations; PELSB.

Appropriates \$2,792,000 in fiscal year 2022 and \$2,839,000 in fiscal year 2023 from the general fund to PELSB for the agency’s operations funds. Appropriates \$34,000 per year from the licensure by portfolio special revenue fund to PELSB for licensure by portfolio activities.

Effective for fiscal years 2022 and 2023.

Article 12: Forecast Adjustments

Makes adjustments to fiscal year 2021 appropriations to match the February 2021 Forecast data to match the best estimates of the state aid required for each K12 appropriation. Generally, a change in the estimated pupil counts, or a change in program participation is the most likely cause of a forecast adjustment. The changes in the appropriations are real, but they have no fiscal impact when measured against the K12 budget because the changes are built into the forecast estimate of the budget base.



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