

H.F. 4300
As Introduced

Subject Education Finance Omnibus Bill

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Date March 16, 2022

# **Overview**

H.F. 4300 is the Governor's supplemental prekindergarten through grade 12 education funding bill. The bill provides increases in funding in various education funding formulas and makes changes to a number of education programs.

# **Article 1: General Education**

Increases the general education basic formula allowance for fiscal year 2023 by 2 percent. Increases funding for English learner revenue. Increases funding for Career and Technical Education revenue and adds a separate aid category for certain Career and Technical Education pupil transportation. Links other formulas to any future increases in the general education basic revenue allowance. Requires 80 percent of compensatory revenue to be spent at the site where the revenue was calculated and makes other changes to school funding programs.

# Section Description - Article 1: General Education

## 1 Definitions. [Online learning]

Broadens the definition of "student" in Minnesota's online learning program to include a student who is attending one of Minnesota's four Tribal contract schools.

# 2 Financial arrangements. [Online learning]

Includes students attending Tribal contract schools who enroll in online learning programs in the average daily membership used to calculate the online learning aid payments to the online learning program providers.

# 3 Career and technical revenue.

Increases the portion of career and technical revenue that is reimbursable under the Career and Technical Education revenue formula from 35 percent to 50 percent of a school district's qualifying career and technical expenditures for the previous year.

Includes student travel to and from state-approved work-based learning programs as an eligible expense. Removes obsolete language.

## 4 Career and technical levy.

Removes obsolete language.

## 5 Career and technical aid.

Removes obsolete language.

## 6 Career and technical student transportation aid.

Establishes a new state aid for the costs of student transportation between instructional and placement sites for state-approved work-based learning programs. Sets the aid equal to the costs for the transportation during the previous year.

# 7 English learner.

Includes in the definition of "English learner" early childhood special education students.

# 8 School district English learner revenue.

- (a) Increases English learner basic revenue from \$704 per qualifying pupil to \$755 per qualifying pupil for fiscal year 2023 and links the English learner basic allowance to the growth in the general education basic formula allowance for fiscal year 2024 and later.
- (b) Increases the allowance for English learner concentration revenue from \$250 to \$536 per qualifying pupil for fiscal year 2023 and links the concentration allowance to the growth in the general education basic formula allowance for fiscal year 2024 and later. Couples the higher English learner concentration allowance with a larger denominator needed to reach full funding for the English learner concentration formula.

## 9 Eligible pupils. [Graduation incentives program]

Removes from the list of qualifying factors for participation in the graduation incentives program, eligibility for students who have been referred to the school district by an eligible program or a contract alternative program.

# 10 English learner pupil units.

Increases the denominator for the English learner concentration program from 11.5 to 16.8 for fiscal year 2023 and later (the higher denominator means maximum English learner concentration revenue is not reached until the percentage of the

school district's English learner students is equal to or greater than 16.8 percent of total enrollment).

## 11 Online learning students.

Includes students attending Tribal contract schools participating in Minnesota's online learning program in the definition of average daily membership for purposes of calculating online learning aid.

#### 12 Basic revenue.

Increases the general education basic formula allowance by 2 percent, from \$6,863 to \$7,000 per pupil, for fiscal years 2023 and later.

#### 13 Extended time revenue.

Links the extended time revenue allowance of \$5,117 per pupil to increases in the general education basic formula allowance for fiscal year 2024 and later. Beginning in fiscal year 2023, creates a new subcategory of extended time revenue for programs providing summer school to students in summer residential care and treatment programs. Caps the summer residential care and treatment extended time revenue at no more than \$1,000,000 per year statewide.

## 14 Local optional revenue.

Links the local optional revenue first tier (\$300 per pupil) and second tier (\$424 per pupil) allowances to increases in the general education basic formula allowance for fiscal year 2024 and later.

## 15 Basic skills revenue.

Clarifies the calculation of basic skills revenue to match the new English learner formula amounts.

## 16 Use of revenue. [Basic skills]

Clarifies the uses of basic skills revenue and removes obsolete references.

# 17 Building allocation. [Compensatory revenue]

Increases the portion of compensatory revenue (which is calculated at the school site level) that must stay at the school site from 50 percent to 80 percent of the site's compensatory revenue.

## 18 Safe schools levy.

Requires school districts to report their safe school expenditures funded through the safe schools levy to the commissioner in the form and manner specified by the commissioner to allow the spending to be available on a functional basis.

## 19 Forward shifted aid payments.

Adds the new state aid for career and technical pupil transportation to the list of school aids that are 100 percent forward shifted into the previous school year (forward shifting means that the full amount of the aid, paid entirely on August 30, must be recognized as aid for the previous school year which ended June 30).

## 20 English learner cross subsidy reduction aid.

Limits the four-year English learner cross subsidy reduction aid approved by the 2021 Legislature to fiscal year 2022 only (this limitation accompanies the higher English learner aid amounts provided earlier in this article).

# 21 Effective date. [English learner cross subsidy aid]

Modifies the effective date for English learner cross subsidy aid to match the limitation of the aid to fiscal year 2022 only.

## 22 General education aid.

Modifies the general education aid appropriation to correct for February 2022 forecast changes and then increases the new lower base amounts by the changes to general education aid authorized in this article (the base was lower primarily due to fewer estimated pupil units).

## 23 Nonpublic pupil education aid.

Modifies the nonpublic pupil education aid appropriation to correct for February 2022 forecast changes and then increases the lower base amounts by the changes to the general education basic formula allowance.

# 24 Nonpublic pupil transportation aid.

Modifies the nonpublic pupil transportation aid appropriation to correct for February 2022 forecast changes and then increases the lower base amounts by the changes to the general education basic formula allowance.

## 25 Career and technical aid.

Modifies career and technical aid appropriations to correct for February 2022 forecast changes and then increases the base amount by the changes to the career and technical aid formula contained in this article.

# 26 English learner cross subsidy aid.

Eliminates the appropriation for English learner cross subsidy aid for fiscal year 2023 and later.

# 27 Repealer.

Repeals:

 Section 124D.4531, subdivision 3a – obsolete language adjusting career and technical education revenue amounts.

# **Article 2: Education Excellence**

Modifies early literacy requirements. Emphasizes science-based reading. Creates an opportunity for competency-based instruction. Establishes additional programs.

## Section Description - Article 2: Education Excellence

## 1 Personalized, competency-based education.

Defines "personalized, competency-based education."

# 2 Personalized, competency-based education.

Authorizes a school district or charter school to adopt a locally developed personalized, competency-based education plan. Requires the plan to allow students to meet required academic standards and credits, and demonstrate mastery of required state standards. Allows the plan to be implemented at one or more sites within the district. Requires the school district or charter school to include its competency-based program in its curricular review process and to post the plan on its website. Maintains standardized test requirements for districts or charter schools with a personalized, competency-based education plan. Limits a student's average daily membership in a competency-based education program to the same maximum amount of average daily membership a student could earn in a regular education program.

# 3 Reading proficiently no later than the end of grade 3.

Modifies the goal of the literacy aid program to require evidence-based reading instruction through a multitiered system of support by 2027. Requires the instruction to focus on reading skills of phonemic awareness, phonics, fluency, oral language, and vocabulary and reading comprehension skills.

Requires schools to assess students in kindergarten through grade 2 who have not yet demonstrated mastery of foundational reading skills using an MDE-approved screening tool and share the data from the screening with MDE in the form and manner approved by the commissioner. Requires the screening tool schools use to

assess children in grade 3 or higher to be approved by MDE. Requires the screening tool schools use to assess English learner students to be approved by MDE.

Requires districts to report their screening data to MDE twice a year (instead of just once a year). Requires schools to notify parents of students not reading at grade level on a quarterly basis about their student's progress (current law requires an annual notification).

Requires reading intervention methods to be taught by a certified or licensed reading specialist. Requires schools to develop a personal learning plan for each kindergarten through grade 3 student who is not reading at grade level proficiency. Strikes language allowing learning plan to include grade retention.

Makes clear that districts must provide appropriate, necessary staff development to early childhood educators (currently the staff development mandate applies to elementary school teachers) based in the science of reading.

Requires schools, through their literacy incentive aid, to offer training and provide ongoing coaching in the science of reading using an MDE-approved program to all kindergarten through grade 3 teachers and support staff by July 1, 2027.

Requires local literacy plan to use the MDE template, include multitiered systems of support, include a process to screen students for dyslexia, and other components.

Requires the commissioner to provide a menu of state-approved assessment tools, and provide opportunities for teachers to be trained in the science of reading.

## 4 Comprehensive, scientifically based reading instruction.

Replaces the term "balanced instruction" in regard to scientifically based reading instruction with "explicit systematic instruction." States that scientifically based instruction occurs within a multitiered system of support framework.

Defines "phonics instruction" as the explicit, systematic, and direct instruction of the relationships between letter and the sounds they represent and the application of this knowledge in reading and spelling. Defines "foundational reading skills" as phonological and phonemic awareness, phonics or decoding and fluency. Requires grade level mastery of foundational readings skills for students in kindergarten through grade 2. States that struggling readers in grade 3 and higher who demonstrate deficits in foundational reading may require explicit systematic instruction.

Defines "multitiered system of support" as a systematic, preventative approach that addresses academic, behavioral, and social-emotional needs of all students.

Requires school districts and charter schools to transition away from reading instruction that uses either visual memory as the primary basis for teaching word recognition, or that uses a meaning, structure and syntax, and visual cueing system.

# 5 Department of Education. [Online learning fees]

Establishes an online learning program fee administration account in the special revenue fund in the state treasury. Requires the current online learning program approval fees to be placed in this account and annually appropriates the money from this account to the commissioner of education for agency costs associated with administering and monitoring online and digital learning programs.

# 6 Full-service community schools.

Defines a "community-wide full-service community school leadership team." Specifies team membership. Defines "full-service community school initiative director." Requires each full-service community site to have a full-time staff member. Makes clear an intermediate school district may have a qualifying full-service community school site.

Reworks the funding for full-service community schools. Authorizes a site to receive up to \$150,000 for a planning year. Authorizes funding of \$200,000 per year for each of three years for implementation grants.

Requires a school district or charter school that receives funding for three or more sites to provide or contract with a full-service community school initiative director for the district or charter school.

Adjusts the membership of the full-service community school leadership teams.

Adds race and ethnicity to the data categories analyzed under each site's full-service community school plan. Replaces the term "wraparound services" with "full-service community school activities" and includes in the plan analysis the need for: integrated student supports; enriched learning time and opportunities; enhanced community engagement with families and students; and collaborative leadership and practices.

Adds types of programming that may be included in a full-service community school plan.

Modifies the full-service community school review and information that must be included in review report.

# 7 Enrollment of other children; shared time enrollment. [American Indian education aid program]

Requires that the unique educational and culturally related academic needs of American Indian people are met and that American Indian student accountability factors are at least as high for American Indian students as for other students before a school may allow for voluntary enrollment of non-American Indian children in the instructional components of an American Indian education program.

# 8 Procedures. [American Indian education aid program]

Clarifies a reference.

# 9 Plans. [American Indian education aid program]

Clarifies an eligible school receives American Indian education aid.

## 10 American Indian education aid.

Increases the minimum amount of American Indian education aid for each district with an American Indian education program from \$20,000 to \$40,000 for fiscal year 2023 and later. Links the American Indian education formula allowance of \$358 per qualifying student and the minimum aid amount to the growth in the general education basic formula allowance for fiscal year 2024 and later.

# 11 Student support personnel aid.

Creates a new state aid called student support personnel aid. Defines "new position" as a position not under contract during the 2021-2022 school year. Defines "student support personnel" to mean an individual licensed in Minnesota as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor.

Requires a district to apply for student support personnel aid in the form and manner established by the commissioner. Sets the aid as a per pupil amount of \$22 per enrolled pupil for school districts and charter schools, and provides a minimum aid amount of \$35,000 for each school district. Sets the aid amount for intermediate school districts and other cooperative units at \$6 per pupil for each enrolled pupil in the member district. Requires the aid to be used to hire new student support personnel. Requires schools to report to the commissioner on how the added student support personnel affects at least two of the following: school climate; attendance rates; academic achievement; career and college readiness; and postsecondary completion rates.

# 12 Literacy incentive aid uses.

Requires literacy incentive aid to be used to:

- 1. train prekindergarten through grade 3 teachers and support staff in the science of reading by July 1, 2027;
- 2. hire, no later than July 1, 2027, a licensed reading and dyslexia specialist who is trained in the science of reading to oversee the school district or charter school's implementation of science-based reading instruction;
- 3. for an identified underperforming school, hire a literacy coach trained in the science of reading to support teachers and implement multitiered systems of support; and
- 4. provide materials, training, and coaching to ensure alternate instruction is based in the science of reading.

## 13 Statewide school-based mental health screening.

Defines "school-based mental health screening" to mean an assessment of students to determine whether a student is at risk for a mental health concern. States that federal and state laws relating to consent and confidentiality apply. Authorizes state aid for a school district, charter school, cooperative unit, or Tribal contract school if the school's governing body, in cooperation with parents and community members, approves establishing a mental health screening system.

Requires school-based mental health screening aid to be used for six purposes, including professional development, procuring resources and supplies, funding mental health professionals, funding administrative costs, funding costs of billing public or private insurance for the screening, and any other expenses to implement screening of students and staff.

Sets school-based mental health screening aid equal to \$11 per enrolled student in the school district, charter school, or Tribal contract school for fiscal year 2023 and later.

# 14 Achievement and integration aid appropriation.

Modifies the Achievement and Integration in Minnesota appropriation to correct for February 2022 forecast changes.

## 15 American Indian education aid.

Adjusts the American Indian education aid appropriation to correct for February 2022 forecast changes and increases the fiscal year 2023 appropriation to fund the enhanced site-minimum level of funding required in this article.

## 16 Charter school building lease aid.

Adjusts the charter school building lease aid appropriation to correct for February 2022 forecast changes.

## 17 Tribal contract school aid.

Adjusts the Tribal contract school aid appropriation to correct for February 2022 forecast changes and increases the fiscal year 2023 aid to fund the program expansion contained in this article.

## 18 Appropriations.

**Subd. 1. Department of Education.** Appropriates funding for this article from the general fund to the Department of Education for the purposes and years specified.

**Subd. 2. Competency-based education.** Appropriates \$6,648,000 in fiscal year 2023 for planning and implementation grants for competency-based education. Describes program characteristics, establishes grant criteria, and outlines reports that must be filed by grant recipients. Sets aside 5 percent of the appropriation for administration and establishes a base for fiscal year 2024 and later of \$1,676,000.

**Subd. 3. Statewide school-based mental health screening.** Appropriates \$9,983,000 in fiscal year 2023 for school-based mental health screening. Sets aside \$150,000 for administrative costs.

**Subd. 4. Multitiered systems of support.** Appropriates \$15,000,000 in fiscal year 2023 for multitiered systems of support. Sets aside:

- \$1,300,000 of the appropriation for supporting the six regional centers of excellences, early childhood special education centers of excellence, and Minnesota's service cooperatives;
- \$4,700,000 for grants to school districts, cooperative units, and charter schools to implement multitiered systems of support with 5 percent of this amount set aside for MDE administration of the grants;
- \$3,000,000 of the grant for Language Essentials for Teachers of Reading and Spelling (LETRS) training for educators with 5 percent set aside for administration of the grants;
- \$2,000,000 is for a grant to the Building Assets, Reducing Risks Center to provide services to multitiered systems of support grantees, with 5 percent set aside for program administration;

- \$2,000,000 is for Tribal-State Relations training for school staff engaged in multitiered systems of support with 5 percent set aside for program administration; and
- \$2,000,000 is for the University of Minnesota Center for Applied Research and Educational Improvement to support implementation and evaluation of the multitiered systems of support with 5 percent set aside for program and grant administration.

Describes what support for districts, charter schools, and cooperative units may include.

**Subd. 5. BOLD literacy.** Appropriates \$5,000,000 in fiscal year 2023 for BOLD literacy efforts. Funding includes:

- \$1,750,000 for MDE to establish science of reading academies to offer free services to public school teachers to complete LETRS training and authorizes educators who have completed LETRS training to become LETRS facilitators;
- \$800,000 is for MDE to maintain a literacy unit within its ranks;
- \$1,200,000 is to expand MDE's literacy and dyslexia data collection and analysis capabilities;
- \$1,000,000 is for state library services grants to school and community libraries to support evidence-based early literacy practices based on the science of reading; and
- \$250,000 is for a grant to Reach out and Read.

**Subd. 6. Culturally specific learning opportunities.** Appropriates \$5,000,000 for grants of not more than \$200,000 each to public schools for culturally specific learning opportunities. Authorizes public schools to partner with community organizations to provide these opportunities. Requires geographic equity in awarding the grants and sets aside 5 percent of the grant amount for MDE to administer the program.

**Subd. 7. Expanding rigorous coursework for Black students, Indigenous students, students of color, and students in greater Minnesota.** Appropriates \$10,000,000 for grants to expand rigorous coursework opportunities primarily to disadvantaged and underrepresented students through advanced placement courses, international baccalaureate programs, career and technical education, and concurrent enrollment courses. Funding includes:

 \$3,600,000 for grants to district and charter schools for regional partnerships and statewide programs to support professional development and incentives for high school teachers to develop and

- expand course offerings. Authorizes funding for salaries for programs provided outside of the regular school day or school year. Requires funds to supplement, not supplant, any other funds for this purpose. Limits grants to not more than \$50,000 per recipient.
- \$6,400,000 is for matching grants to support rigorous course expansion and statewide career and technical education program quality improvements. Requires funds to supplement, not supplant, any other funds for this purpose. Limits grants to not more than \$100,000 per recipient.

Requires 50 percent of the grant money to be awarded to districts in Greater Minnesota. Authorizes MDE to use up to 5 percent of the total funds for administrative purposes.

**Subd. 8. Full-service community schools.** Appropriates \$5,000,000 for full service community schools and sets aside up to 5 percent of the total funds for administrative purposes.

**Subd. 9.** Intermediate school district mental health innovation grant program. Appropriates \$4,900,000 for innovative projects to improve mental health outcomes for students attending an intermediate school district or other cooperative providing students in a setting of federal instructional level 4 or higher. Authorizes the commissioner to transfer the grant to the commissioner of human services. Lists the mental health providers who are eligible applicants. Authorizes the commissioner to require mental health providers to seek third-party reimbursement for certain services. Sets aside up to 5 percent of the funding for administrative purposes.

**Subd. 10. Intermediate district supports.** Appropriates \$1,000,000 for grants to intermediate school districts to establish and maintain full-service community schools and provide professional development to teachers. Sets aside up to 5 percent of the total funding for MDE to provide administration, technical assistance, and program evaluation.

**Subd. 11. Student support personnel aid.** Appropriates \$19,405,000 for the formula-driven student support personal aid.

**Subd. 12. Student support personnel.** Appropriates \$2,550,000 to develop a student support personnel pipeline through workforce development strategies to increase providers of color and Indigenous providers; encourage professional respecialization, recruitment, and retention; and to fund a school health services support position at MDE.

**Subd. 13. School-linked behavioral health.** Appropriates \$6,000,000 for transfer to the commissioner of human services to expand school-linked mental health grants. Sets aside:

- \$4,775,000 to provide mental health services for students in kindergarten through grade 12; and
- 1,000,000 to provide help school staff provide supports to students.

See fiscal worksheet for details.

# **Article 3: Teachers**

Expands Grow Your Own programming and funding. Requires teachers to demonstrate professional development in the cultural heritage and contributions of American Indians when seeking license renewal. Temporarily doubles the limit on the amount of salary a teacher may earn once collecting retirement before a portion of the teacher pension is deferred. Authorizes creation of a graduate program to prepare teachers of the Blind and Visually Impaired.

# Section Description - Article 3: Teachers

## 1 American Indian history and culture.

Requires the Professional Educator Licensing and Standards Board (PELSB) to adopt rules requiring any teacher renewing a teaching license to demonstrate professional development in the cultural heritage and contemporary contributions of American Indians, with emphasis on Minnesota Tribal Nations.

# 2 Basic alternative teacher compensation aid. [Qcomp aid]

Increases the statewide basic alternative teacher compensation aid cap such that all sites currently participating in the program are funded at the full formula amount.

# 3 Revenue uses. [Qcomp]

Requires alternative teacher compensation revenue to be used for the purposes outlined in the school's Qcomp plan. Requires that no more than 5 percent of a school's Qcomp revenue may be spent by the school on administrative costs.

# 4 Revenue reserved. [Qcomp]

Requires a school district or charter school to place its Qcomp revenue in a reserved account that may be used only for Qcomp programming.

# 5 **Grow Your Own district programs.**

Authorizes a Grow Your Own program to use grant funds to pay for participants' teacher licensure exams and licensure fees.

# 6 Grants for programs serving secondary school students.

Clarifies language for Grow Your Own programs serving secondary students and makes clear that dual enrollment courses are a legitimate program expense.

# 7 Grow Your Own program account.

Increases the amount of the Grow Your Own appropriation set aside for MDE to administer and monitor Grow Your Own programs from \$100,000 to \$300,000 per year.

## 8 Grants for Grow Your Own early childhood educator programs.

**Subd. 1. Establishment.** Establishes a Grow Your own program to enhance, diversify, and provide an equitable early childhood workforce.

**Subd. 2. Grow Your Own early childhood educator programs.** Authorizes a licensed home or center-based child care program, school district, charter school, Head Start program, institute of higher education, or other community partnership nongovernment organization to apply for a grant to host, build, or expand an early childhood educator preparation program that leads to a credential or degree. Requires applicant programs to prioritize program participants who represent the demographics of the populations served. Requires that at least 80 percent of the grant funds are used for student stipends and tuition scholarships.

**Subd. 3. Grant procedure.** Requires grant applicants to apply in the form and manner specified by the commissioner. The commissioner must award an equal number of grants between grant applicants located in Greater Minnesota and those grant applicants located in the seven-county metropolitan area.

**Subd. 4. Grow Your Own early childhood educator program account.** Creates a Grow Your Own early childhood educator program account in the special revenue fund in the state treasury. Requires any funds appropriated for the program to be deposited in the account. Annually appropriates money from the account to the commissioner to award grants to applicants. Authorizes a grant to last for up to five years. Authorizes the commissioner to use up to \$300,000 from the account for program administration and monitoring.

**Subd. 5. Report.** Requires grant recipients to report in the form and manner determined by the commissioner. Requires each report to summarize participants' demographic, credentialing, and program advancement activities.

# 9 Grants for Grow your Own programs in teacher licensure shortage areas.

**Subd. 1. Establishment.** Establishes a Grow Your Own program to expand the teaching workforce in teacher license shortage areas.

## Subd. 2. Grow Your Own programs in teacher licensure shortage areas.

Authorizes a public school that employs licensed teachers to apply for a grant for a teacher preparation program approved by PELSB. Also authorizes alternative pathway providers to receive program grants. Grants must be used for teacher licensure pathways in areas identified by PELSB as license shortage areas. Requires at least 80 percent of the grant amounts to be used for tuition scholarships or stipends for current school employees or community members affiliated with the school. Authorizes a licensed teacher to seek an additional license or endorsement in the teacher shortage areas. Excludes programs for school support personnel.

**Subd. 3. Grant procedure.** Requires grant applicants to apply in the form and manner specified by the commissioner. The commissioner must award an equal number of grants between grant applicants located in Greater Minnesota and those grant applicants located in the seven-county metropolitan area.

**Subd. 4. Grow Your Own shortage area program account.** Creates a Grow Your Own licensure shortage area program account in the special revenue fund in the state treasury. Requires any funds appropriated for the program to be deposited in the account. Annually appropriates money from the account to the commissioner to award grants to applicants. Authorizes grant to last for up to five years. Authorizes the commissioner to use up to \$300,000 from the account for program administration and monitoring.

**Subd. 5. Report.** Requires grant recipients to report in the form and manner determined by the commissioner. Requires each grant recipient's report to summarize the program's activities and outcomes.

# 10 Grow Your Own appropriation.

Increases the Grow Your Own appropriation for fiscal year 2023 from \$6,500,000 to \$20,505,000. Sets the Grow Your Own base appropriation for fiscal years 2024 and 2025 at \$18,615,000. Sets the Grow Your Own base appropriation at \$20,890,000 for fiscal year 2026 and later.

## 11 Alternative teacher compensation aid.

Adjusts the alternative teacher compensation aid to match the February 2022 forecast and increases the fiscal year 2023 aid amount to fund the aid adjustment required in this article.

## 12 Temporary increase in Teachers Retirement Association (TRA) earnings limitation.

Temporarily Increases the earnings limit maximum prior to deferral for a retired teacher collecting a TRA pension from its current level of \$46,000 per year to \$92,000 per year for fiscal years 2023, 2024, and 2025 only.

# 13 Establishment of a Blind or Visually Impaired graduate program.

Requires the Office of Higher Education and MDE to collaboratively make a grant to a qualifying higher education institution to design, plan, and implement a teacher preparation program leading to licensure as a teacher of the blind or visually impaired.

## 14 Appropriation.

**Subd. 1. Department of Education.** Appropriates funding for this article from the general fund to the Department of Education for the purposes and years specified.

**Subd. 2. Statewide teacher mentor program.** Appropriates \$5,500,000 for grants to regional partners to provide teacher mentoring. Defines regional partners to include institutions of higher education, service cooperatives, district and charter school collaboratives, and professional organizations. Sets aside \$500,000 of the appropriation for MDE contracts with national content experts and research collaboratives to assist in developing a teacher induction model. Allows MDE to retain up to 5 percent of the total grant for administrative purposes.

**Subd. 3. Educator career pathway.** Appropriates \$5,000,000 for grants to school districts and charter schools to encourage high school students to become educators. Set aside:

- \$2,965,000 for grants to school districts and charter schools to develop and support programs, recruit and retain participants, provide experiential learning opportunities, and for tuition, fees, and materials for postsecondary coursework provided in partnership with higher education institutions for prospective educators.
- \$765,000 is for tuition incentives for current high school teachers to obtain credentials for teaching concurrent enrollment courses.

- \$765,000 is for matching funds for an educator internship pilot program.
   Authorizes the funding to compensate teachers, mentors, teacher candidates, student teachers, and educator interns.
- \$305,000 is for MDE to support data analysis and to track research outcomes and effective practices.

Authorizes MDE to use up to 4 percent of the total appropriation for administrative purposes.

**Subd. 4. Paraprofessional training and reimbursement.** Appropriates \$15,000,000 for paraprofessional training and exam reimbursements. Directs the commissioner to establish a process for public schools to seek reimbursement for expenses relating to training special education paraprofessionals and for fees related to exams that are perquisites for paraprofessional positions. Authorizes MDE to use up to 2 percent of the appropriation for administrative costs.

**Subd. 5. Teacher retention bonus.** Appropriates \$3,750,000 for teacher retention bonuses. Directs the commissioner to establish a process to identify eligible teachers which prioritizes teacher of color and American Indian teachers, teachers filling license shortage areas, and teachers from low-income backgrounds. Requires MDE to award the bonus amounts to schools as employers and requires school to add a retention bonus to the local salary agreement. Sets the retention bonuses at: \$1,000 for first year teachers who successfully complete their first year and return for another year; \$2,000 for successful second year teachers who return for a third year; and \$4,500 for successful third year teachers who return for a fourth year. Makes the appropriation available for three years until June 30, 2025. Authorizes MDE to retain 5 percent of the total appropriation to administer and monitor the program.

**Subd. 6. Early childhood family education licensure grant.** Appropriates \$177,000 in fiscal year 2023 to the University of Minnesota to provide scholarships for prospective teachers enrolled in the parent and family education licensure program. Describes the report the grant recipient must make to the commissioner of education. Sets an additional onetime program base amount of \$177,000 for fiscal year 2024.

**Subd. 7. American Indian history and culture.** Appropriates \$86,000 to implement the teacher relicensure requirements related to American Indian history and culture. Authorizes MDE to transfer any or all of the funds to PELSB. Sets an annual program base of \$60,000.

**Subd. 8. Blind or visually impaired graduate program.** Appropriates \$700,000 for a grant to a higher education institution to design, plan, and implement a

graduate teacher preparation program for teachers who teach Blind or Visually Impaired students. Authorizes MDE to transfer funds to the Office of Higher Education (OHE) and allows MDE and OHE to retain up to 5 percent of the total funding to administer and monitor the grant program.

**Subd. 9. Grow You Own Early Childhood Educator programs.** Appropriates \$3,860,000 in fiscal year 2023 for the Grow Your Own Early Childhood Educator program.

**Subd. 10. Grow Your Own licensure shortage area programs.** Appropriates \$3,860,000 in fiscal year 2023 for the Grow Your Own licensure shortage area programs.

**Subd. 11. Reimbursements for teacher licensing exams and fees.** Appropriates \$2,275,000 in fiscal year 2023 for reimbursement of teacher licensing exams and fees. Requires the commissioner to establish an application process for prospective teachers to seek reimburse for the cost of an initial license and the costs of teacher licensure exams.

# **Article 4: Special Education**

Increases special education funding by raising the portion of the unreimbursed special education costs that are funded. Creates a new special education funding category for certain high cost programs. Defines a model special education transition program in statute and provides grant funding. Requires MDE to adopt a new rule for students with the disability category "specific learning disability."

## Section Description - Article 4: Special Education

## 1 Special instruction for children with a disability.

Modifies the maximum age for student participating in a special education transition program from July 1 after the student with a disability becomes 21 to when the student becomes 22 years of age.

# 2 Life and vocational skills special education secondary transition.

Statutorily establishes a life and vocational skills special education secondary transition program.

Describes the purpose of the section to improve the capacity to serve students enrolled in transitions programs. Authorizes grants to school districts, charter schools, and Tribal contract schools if the grant applicant is participating in the employment capacity-building cohort as part of Minnesota's Olmstead plan. Requires

# Section Description - Article 4: Special Education

the grant to be used to implement evidence-based life skills and vocational skills for students ages 18 through 21 who are participating in a transitions program. Requires grant recipients to report on grant outcomes.

# 3 Cross subsidy reduction aid. [Special education]

Increases the special education cross subsidy reduction aid factor from 6.43 percent to 12.14 percent for fiscal year 2023 and later.

# 4 Additional state funding to special education separate sites and programs.

Creates a new special education funding program to provide aid to public schools that operate a separate school facility where a student with a disability attends school for more than 50 percent of the student's school day. Makes education cooperatives, education districts, service cooperatives, and intermediate school districts eligible for funding under this provision. Requires funding to be spent for special education purposes in the same manner as regular special education aid. Sets the funding equal to \$1,689 times the kindergarten through grade 12 pupil units served in the qualifying separate special education sites beginning in fiscal year 2023.

# 5 Special education aid; regular.

Adjusts special education aid to match the February 2022 forecast and increases the fiscal year 2023 aid amount to fund the higher special education cross subsidy aid authorized under this article.

# 6 Specific learning disability; rulemaking.

Requires the commissioner of education to amend Minnesota's rules for the category of special education services called "specific learning disability."

Prior to proceeding to rulemaking, requires the commissioner to appoint a stakeholder workgroup from a broad cross-section of interested parties to make recommendations and consider alignment of state and federal requirements.

Requires the workgroup to evaluate intended and unintended results, including over-identification and under-identification of diverse student groups. Requires the work group to address paperwork and process issues.

Requires MDE to begin rulemaking after considering the recommendations of the workgroup and to complete rulemaking by June 30, 2024.

Requires MDE, concurrent with rulemaking, to establish a process to provide technical assistance and training capacity through June 30, 2029.

Requires the amended rule to go into full effect no later than five years after the proposed revised rule is adopted by the administrative law judge.

## Section Description - Article 4: Special Education

# 7 Appropriations.

**Subd. 1. Department of Education.** Appropriates funding for this article from the general fund to the Department of Education for the purposes and years specified.

**Subd. 2. Life and vocational skills special education and secondary transition.** Appropriates \$1,000,000 in fiscal year 2023 for life and vocational skills special education secondary transition grants with equal weight given to grants from programs in Greater Minnesota and those from the seven-county metropolitan area.

**Subd. 3. Additional state funding to special education separate sites and programs.** Appropriates \$5,071,000 in fiscal year 2023 for additional state funding for special education programs serving students at separate school sites.

# **Article 5: Facilities**

Links the long-term facilities maintenance revenue formula allowance for school districts and charter schools to the growth in the general education basic formula allowance for fiscal year 2024 and later.

## Section Description - Article 5: Facilities

## 1 Long-term facilities maintenance revenue.

Links the long-term facilities maintenance revenue allowance of \$380 to increases in the general education basic formula allowance for fiscal year 2024 and later. Removes obsolete language.

## 2 Long-term facilities maintenance revenue for a charter school.

Links the charter school long-term facilities maintenance revenue allowance of \$132 to increases in the general education basic formula allowance for fiscal year 2024 and later. Removes obsolete language.

## 3 Long-term facilities maintenance equalization revenue.

Matches the long-term facilities maintenance equalization revenue to the formula allowance established in section 1.

# 4 Long-term facilities maintenance equalized aid; appropriation.

Adjusts long-term facilities maintenance equalized aid to match the February 2022 forecast.

## **Article 6: Nutrition and Libraries**

Provides state funding to provide free school lunches and free school breakfasts to all Minnesota children participating in the federal school lunch program and the federal school breakfast program.

## Section Description - Article 6: Nutrition and Libraries

#### 1 School lunch amounts.

Requires all schools that are participating in the National School Lunch Program to provide for free a federally reimbursable lunch to all enrolled students each school day.

Requires the department to provide to each participant in the school lunch program an amount of state aid equal to the difference between the federal reimbursement for the meal and the USDA-defined average cost of a school meal.

# 2 No fees. [School lunch]

Requires all schools participating in the National School Lunch program to provide a school lunch without charge to any student.

# 3 Purpose. [School breakfast.]

Amends the purpose statement for school breakfasts to require any school participating in the USDA school breakfast program to provide a free breakfast to all enrolled students each school day.

## 4 Program reimbursement. [School breakfast]

Requires the department to provide to each participant in the school breakfast program state aid in an amount equal to the difference between the federal reimbursement for the breakfast and the USDA-defined average cost of a school breakfast.

# 5 No fees. [School breakfast aid]

Includes early childhood special education students participating in a program under the voluntary prekindergarten statute to qualify for a free breakfast.

## 6 School lunch aid appropriation.

Adjusts the school lunch aid appropriation to match the February 2022 forecast and increases the aid for fiscal year 2023 to provide free lunch for all students participating in the school lunch program.

## Section Description - Article 6: Nutrition and Libraries

# 7 School breakfast aid appropriation.

Adjusts the school breakfast aid appropriation to match the February 2022 forecast and increases school breakfast aid for fiscal year 2023 to provide free school breakfasts for all students participating in the school breakfast program.

# **Article 7: Early Childhood**

Establishes a voluntary public prekindergarten (VPPK) program for eligible four-year-old children and allows school districts, charter schools, Head Start programs, and licensed child care providers to offer the program. Modifies eligibility for early learning scholarships. Changes how the state appropriation for Head Start programs may be used and designates 10.72 percent of the appropriation for Tribal Head Start programs. Allows the commissioner of human services to award children's mental health grants to school districts and charter schools and appropriates money for the grants. Increases the amount of state aid paid to school districts for children that receive developmental screening. Appropriates money for grants to school districts and charter schools to fund social workers focused on early childhood systems.

# Section Description - Article 7: Early Childhood

## 1 Distribution of appropriation. [Head Start]

Provides that the state appropriation for Head Start programs may be used for costs associated with program operations, infrastructure, or reconfiguration to serve children aged 0-5 years in center-based services.

Designates 10.72 percent of the total state appropriation to Tribal Head Start programs and specifies an order in which the state appropriation must be distributed.

# 2 Age limitations; pupils.

Provides that a child cannot be admitted to a VPPK program unless the child is at least four years old as of September 1 of the calendar year in which the child seeks admission.

# 3 Length of school year; hours of instruction.

Provides that the school calendar must include 850 hours of instruction in a school year for a VPPK student who does not have a disability.

# 4 Developmental screening aid.

Increases the amount of state aid paid to school districts for each child who is screened prior to or within 30 days of enrolling in public school kindergarten.

# 5 Voluntary public prekindergarten program for eligible four-year-old children.

**Subd. 1. Establishment; purpose.** Allows a school district, charter school, licensed child care center, licensed family child care provider, or Head Start agency that meets specified requirements to establish a voluntary public prekindergarten (VPPK) program for eligible four-year-old children.

**Subd. 2. Program requirements.** Specifies the requirements a VPPK program provider must meet, including: assessing each child's progress toward state standards at program entrance and exit; providing program content aligned with the state's early learning standards; providing at least 850 hours of instruction per year; paying salaries equivalent to the salaries of public elementary school staff with similar credentials and experience for school district and charter school programs, and to the extent practicable for Head Start and licensed child care programs; employing a lead teacher who has at least a bachelor's degree in each classroom no later than July 1, 2028; including parents in program decision-making; ensuring that staff-to-child ratios and group size requirements meet specified criteria; and providing professional development, training, and coaching for teachers.

**Subd. 3. Mixed delivery program plan.** Requires school districts and charter schools that receive funding under this section to annually submit to MDE a mixed delivery program plan that ensures alignment of all VPPK program providers within the school district boundary in meeting the program requirements.

**Subd. 3a. Funding.** Provides that school district and charter school VPPK programs are funded based on the number of eligible pupils enrolled. Provides that Head Start and licensed child care VPPK programs receive \$11,000 per child served per year. Directs the commissioner to establish a process for allocating seats for Head Start and licensed child care VPPK programs that match community strengths, capacity, and needs. Up to 2.5 percent of amounts appropriated for Head Start and licensed child care VPPK programs may be used for distribution of funds.

**Subd. 4. Eligibility.** Defines an "eligible child" for purposes of a VPPK program as a child who: (1) is four-years-old as of September 1 in the calendar year in which the student will enroll; and (2) meets one or more of the specified criteria. Provides that an eligible child can participate in a VPPK program free of charge. Allows VPPK programs to charge a sliding fee for instructional hours that exceed the 850 hours required during the school year, any hours provided before or after school, or any hours for child care provided in the summer. Provides that a child who is not eligible may participate in the same classroom as eligible children

# Section Description - Article 7: Early Childhood

and may be charged a sliding fee as long as state funding is not awarded for the child.

**Subd. 7. Financial accounting.** Directs school district and charter schools to record expenditures attributable to VPPK pupils according to the guidelines prepared by the commissioner of education for a uniform system of records. Directs Head Start and licensed child care programs to record expenditures for VPPK pupils according to guidelines developed by the commissioner of education.

# 6 Family eligibility. [Early learning scholarships]

Makes families that have a child who is referred as in need of child protective services or placed in foster care eligible for scholarships regardless of a family's income level.

Changes a child's eligibility for scholarships to include all children from birth through age 4 on September 1 of the current school year.

# 7 Administration. [Early learning scholarships]

Directs the commissioner to give highest priority for scholarships to children who are younger than four years old and adds children who have incarcerated parents to the priority list.

Strikes the language that allows for Pathway II scholarships.

Allows the commissioner to establish exploratory efforts to increase parent education and family support services for families receiving scholarships.

Provides that a scholarship cancels if a recipient has not enrolled in an eligible program within three months, rather than 10 months, of receiving the scholarship. Allows extensions if a program is unavailable to a child within the three-month timeline.

# 8 Pupil unit.

Provides that a kindergarten student with a disability counts as 1.0 pupil units, which is the same as a kindergarten student without a disability.

Counts a student who is not disabled and is enrolled in a VPPK program as 1.0 pupil unit.

Deletes language made obsolete by establishing a VPPK program.

# Section Description - Article 7: Early Childhood

# 9 Compensation revenue pupil units.

Deletes language made obsolete by establishing a VPPK program.

# 10 Declining enrollment revenue.

Excludes VPPK pupil units from the calculation of declining enrollment revenue in fiscal year 2023 only.

## 11 Establishment and authority.

Allows the commissioner of human services to make grants to school districts and charter schools to provide services related to children's mental health.

## 12 Early learning scholarships; appropriation.

Increases the appropriation for early learning scholarships in fiscal year 2023 by \$51,356,000 and increases the base appropriation for later years.

Allows MDE, in fiscal year 2023 only, to allocate scholarship money to Head Start programs, licensed child care centers, and licensed family child care providers to implement the transition year for the VPPK program.

## 13 Early childhood family education aid.

Adjusts the early childhood family education (ECFE) aid to match the February forecast.

## 14 Developmental screening aid; appropriation.

Increases the appropriation for developmental screening aid.

# 15 Transition year in 2023.

Provides that fiscal year 2023 may serve as a transition year for current voluntary prekindergarten, school readiness plus, and early learning scholarships Pathway II programs to transition to the new VPPK program for eligible four-year-old children.

Allows school districts, for fiscal year 2023 only, to apply to MDE to continue to operate their voluntary prekindergarten and school readiness plus programs as they existed prior to enactment of this bill.

## 16 **Appropriations.**

**Subd. 1. Department of Education.** Appropriates funding for this article from the general fund to the Department of Education for the purposes and years specified.

# Subd. 2. Mental health services and early childhood social workers.

Appropriates \$2,500,000 in fiscal year 2023 for grants to school districts and

# Section Description - Article 7: Early Childhood

charters schools with early learning programs to fund social workers focused solely on early childhood systems. Up to 5 percent of the appropriation may be retained for grant administration.

**Subd. 3. Voluntary public prekindergarten through mixed delivery.** Appropriates \$96,920,000 in fiscal year 2023 for VPPK programs provided by Head Start and licensed child care providers.

**Subd. 4. Infant and early childhood mental health consultation in schools.**Appropriates \$3,759,000 in fiscal year 2023 for transfer to the commissioner of human services for grants to school districts and charter schools for early childhood mental health consultation. Makes \$3,350,000 available for the grants.

# **Article 8: Community Education**

Modifies the after-school community learning program, maintains the level of adult basic education aid, and funds the full cost of high school equivalency tests.

# Section Description - Article 8: Community Education

## 1 After-school community learning program.

Modifies the existing after-school community learning program grant language. Removes eligibility for child care centers. Requires grant programs to offer a broad array of academic enrichment activities. Authorizes the commissioner to award grants to community or nonprofit organizations, American Indian organizations, Tribal nations, political subdivisions, libraries, or school-based programs operating during nonschool hours. Refines the program objectives. Requires grant applicants to include an assessment of needs and resources, a description of the programs partnership between a school and another entity, and a description and explanation of the plan to provide services.

Requires the commissioner to prioritize grants to applicants intending to serve historically underserved students by providing opportunities for academic enrichment and added services. Limits each grant to not more than \$300,000 and requires the commissioner to equitably award grants to programs in rural, suburban, and urban communities. Requires the commissioner to provide technical assistance and evaluate the performance of the programs.

# 2 State total adult basic education aid.

Ensures that adult basic education aid will not decrease if the statewide ten-year average total contact hours falls.

## Section Description - Article 8: Community Education

# 3 Commissioner-selected high school equivalency test fees.

Requires the state to pay for 100 percent of the fee charged to an individual for the full battery of high school equivalency test (like the GED) taken by adult learners (current law limits the state payment to the lesser of \$40 or 60 percent of the total fee cost).

# 4 High school equivalency tests; appropriation.

Increases the appropriation to pay the fee charged to take the commissioner-selected high school equivalency test from \$125,000 to \$470,000.

# 5 **Appropriation.**

**Subd. 1. Department of Education.** Appropriates funding for this article from the general fund to the Department of Education for the purposes and years specified.

**Subd. 2. After-school program grants.** Appropriates \$5,000,000 in fiscal year 2023 for after-school community learning programs under Minnesota Statutes, section 124D.2211. Sets aside 2 percent of the appropriation for Ignite Afterschool to expand a statewide system of continuous program improvement and professional development opportunities for after-school program providers. Sets aside up to five percent of the appropriation for MDE to administer, monitor, and provide technical assistance to grant recipients.

**Subd. 3. Out-of-school time and community partnerships.** Appropriates \$7,000,000 in fiscal year 2023 for grants to organizations that support youth engagement and youth employment and training. Sets aside up to 5 percent of the appropriation for grant administration.

# **Article 9: State Agencies**

Increases the budget for the Minnesota Department of Education and the Professional Educator and Licensing Standards Board for the purposes specified below.

## Section Description - Article 9: State Agencies

## 1 Department of Education; appropriation.

Increases the MDE appropriation by \$3,462,000 for fiscal year 2023. Designates additional funds as follows:

 \$2,584,000 for administration and monitoring of voluntary public prekindergarten programs;

# Section Description - Article 9: State Agencies

- \$540,000 for costs associated with implementing the specific learning disability criteria change; and
- \$338,000 for implementing changes related to school lunch aid and school breakfast aid.

# 2 Professional Educator Licensing and Standards Board.

Increases the appropriation for PELSB for enhancements to the educator licensing system to ensure PELSB can review and approve educator licensing applications in a timely and effective manner.



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