Act Summary

Chapter 109

2026 Regular Session

Subject	**Government Aids**
Bill	**S.F. 4282**
Analyst	**Tim Strom, Cristina Parra, Danyell Punelli, and Matt Burress**
Date	**May 28, 2026**

Overview

Chapter 109 relates to government aids, adjusts certain kindergarten through grade 12 education programs, and makes forecast adjustments to fiscal years 2026 and 2027 for education, human services, and Metro Mobility appropriations enacted during the 2025 legislative session to match the February 2026 forecast data.

Article 1: Kindergarten through Grade 12 Education

Makes various changes to school programs, including creating a new permanent school fund aid for Tribal contract schools, adding utility costs as an allowable expenditure from a school district's operating capital account, extending the time period for grants to school districts for gender-neutral single use restrooms, authorizing two school district fund transfers, and qualifying paraprofessionals meeting certain competencies for purposes of satisfying federal requirements.

Section	Description – Article 1: Kindergarten through Grade 12 Education
1	**Qualifications. [Paraprofessionals]** Qualifies a paraprofessional who demonstrates the competencies listed in this section as satisfying federal requirements regarding paraprofessional qualifications. Requires the Department of Education to provide guidance to school districts. Requires a district or charter school to maintain documentation of the paraprofessional's qualifications. Makes section effective immediately.
2	**Permanent school fund (PSF) aid. [Tribal contract schools]** Establishes a new codified general fund aid program for the four Tribal contract schools located in Minnesota. Sets the per pupil aid for each Tribal contract school equal to the per pupil amount apportioned to school districts and charter schools from the permanent school fund for the same year.

Section	Description – Article 1: Kindergarten through Grade 12 Education
	Makes section effective beginning in fiscal year 2028 if the constitutional amendment proposed in H.F. 3900, or a similarly styled bill, is adopted by the voters.
3	**Use of total operating capital revenue.** Authorizes a school district to use its reserves for operating capital revenue to pay the school district's utility service costs. Makes effective for revenue for fiscal year 2027 and later.
4	**Grants for gender-neutral single-user restrooms. [2024 and 2025 appropriations]** Extends the availability of the Laws 2023, fiscal years 2024 and 2025 appropriations for grants for gender-neutral single-user restrooms through June 30, 2029. Makes section effective immediately.
5	**Grants for gender-neutral single-user restrooms. [2026 and 2027 appropriations]** Extends the availability of the Laws 2025, fiscal years 2026 and 2027 appropriations for grants for gender-neutral single-user restrooms through June 30, 2031.
6	**Fund transfers.** **Subd. 1. West St. Paul-Mendota Heights-Eagan.** Authorizes Independent School District No. 197, West St. Paul-Mendota Heights-Eagan, to transfer up to $4,500,000 from its building construction fund to the operating capital account in its general fund. Requires the transfer to be approved by the district's school board. **Subd. 2. Maple Lake.** Authorizes Independent School District No. 881, Maple Lake, to transfer up to $1,800,000 from its building construction fund to the operating capital account in its general fund. Requires the transfer to be approved by the district's school board. Makes section effective immediately.

Article 2: Education Forecast Adjustments

The state aid amounts for 33 Kindergarten through grade 12 appropriations programs are adjusted in this article. The forecast aid levels are the best estimates of the state aid required to fully fund each K12 program and appropriation according to the underlying statutory formula. The most likely causes of forecast adjustments are changes in:

- estimated pupil counts for that year (e.g. general education basic revenue);
- underlying cost factors (e.g. special education);

- program participation (e.g. school meals); and
- underlying inflation assumption (e.g. general education basic revenue).

The changes in the appropriations (both up and down) are real and the changes must be enacted in law, but forecast adjustments have no fiscal impact when measured against the K12 budget because the changes are built into the forecast estimate of the budget base.

Article 3: Department of Human Services

This article adjusts fiscal years 2026 and 2027 appropriations for Department of Human Services forecasted programs to align the appropriations to the February budget and economic forecast and includes an immediate effective date. The article includes adjustments to appropriations for the following programs:

- general assistance;
- Minnesota supplemental aid;
- housing support;
- MinnesotaCare;
- medical assistance; and
- the behavioral health fund.

Article 4: Department of Children, Youth, and Families

This article adjusts fiscal years 2026 and 2027 appropriations for Department of Children, Youth, and Families forecasted programs to align the appropriations to the February budget and economic forecast and includes an immediate effective date. The article includes adjustments to appropriations for the following programs:

- Minnesota family investment program (MFIP)/diversionary work program;
- MFIP child care assistance; and
- Northstar care for children.

Article 5: Metropolitan Council; Metro Mobility

Amends appropriations to the Metropolitan Council enacted during the 2025 legislative session for fiscal years 2026 and 2027 to align with the February 2026 forecast. These appropriations are for the Metro Mobility public transportation service. Effective May 28, 2026.

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