

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2378  
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**Subject:** K12 Education Finance Provisions

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### Overview

This bill makes several changes to Minnesota's school finance formulas including establishing two new programs to provide state bond proceeds to school districts for additional kindergarten classrooms and for heating, ventilation, and air conditioning projects. Other changes include increasing state aids for school district community education programs.

#### Section

- 1**      **Developmental screening aid.** Doubles the reimbursements for school districts providing developmental screening by increasing the reimbursement rate as follows: (1) for three year olds from \$75 to \$150 per child screened; (2) for four year olds from \$50 to \$100; (3) for five and six year olds not yet enrolled in school, from \$40 to \$80; and (4) for children first screened once enrolled in school, from \$30 to \$60 per child screened.
- 2**      **Heating, ventilation, and air conditioning grants program.** Creates a grant program for school districts that replace and improve their heating, ventilation, and air conditioning (HVAC) systems. Authorizes interested school districts to apply to the commissioner of education in the form and manner determined by the commissioner. Allows the commissioner to award grants of not more than 50 percent of the project costs, but not to exceed \$1 million per project. Requires the district to provide a local match for the grant.
- 3**      **Full day kindergarten facilities grants.** Authorizes a school district that has a shortage of kindergarten space to apply to the commissioner of education for a kindergarten facilities grant. Limits each grant to the lesser of 50 percent of the project cost or \$1 million per district. Requires the school district to provide a local match for the grant.

## Section

- 4**      **Related party leas costs.** Allows a school district to collect building lease aid if the school district leases a facility to a charter school that it authorizes (currently this authority is limited to nonprofit authorizers).
- 5**      **ECFE revenue.** Increases the early childhood family education (ECFE) revenue allowance from \$120 to \$160 (the allowance is multiplied by the number of people in the district under the age of five).
- 6**      **School readiness aid.** Increases school readiness aid for all districts by about 30 percent by increasing the state aid available for the program from \$10.1 million to \$13 million per year.
- 7**      **Community education revenue.** Increases the general community education revenue allowance from \$5.42 per capita to \$7.00 per capita beginning in fiscal year 2016.
- 8**      **State total adult basic education aid.** Increases the annual program growth factor for the adult basic education aid program from 2.5 percent to 3 percent.
- 9**      **English learner aid.** Increases the maximum time that a English learner can generate funding under the English learner aid program from five to seven years.
- 10**     **Charter school building lease aid.** Increases the charter school building lease aid appropriation by an unspecified amount to account for the change in section 4.
- 11**     **School readiness aid.** Increases the appropriation for school readiness aid from \$10.159 million to \$13.072 million for fiscal years 2015 and later.
- 12**     **ECFE aid.** Increases ECFE aid by an unspecified amount to account for the change in section 5.
- 13**     **Health and development screening aid.** Increases developmental screening aid by an unspecified amount to account for the change in section 1.
- 14**     **Adult basic education aid.** Increases adult basic education aid by \$269,000 to account for the restoration in the program growth factor under section 8.
- 15**     **State bond authorization.** Authorizes the state to sell and issue an unspecified amount of state general obligation bonds to pay for the kindergarten space grants and HVAC grants authorized in sections 2 and 3.