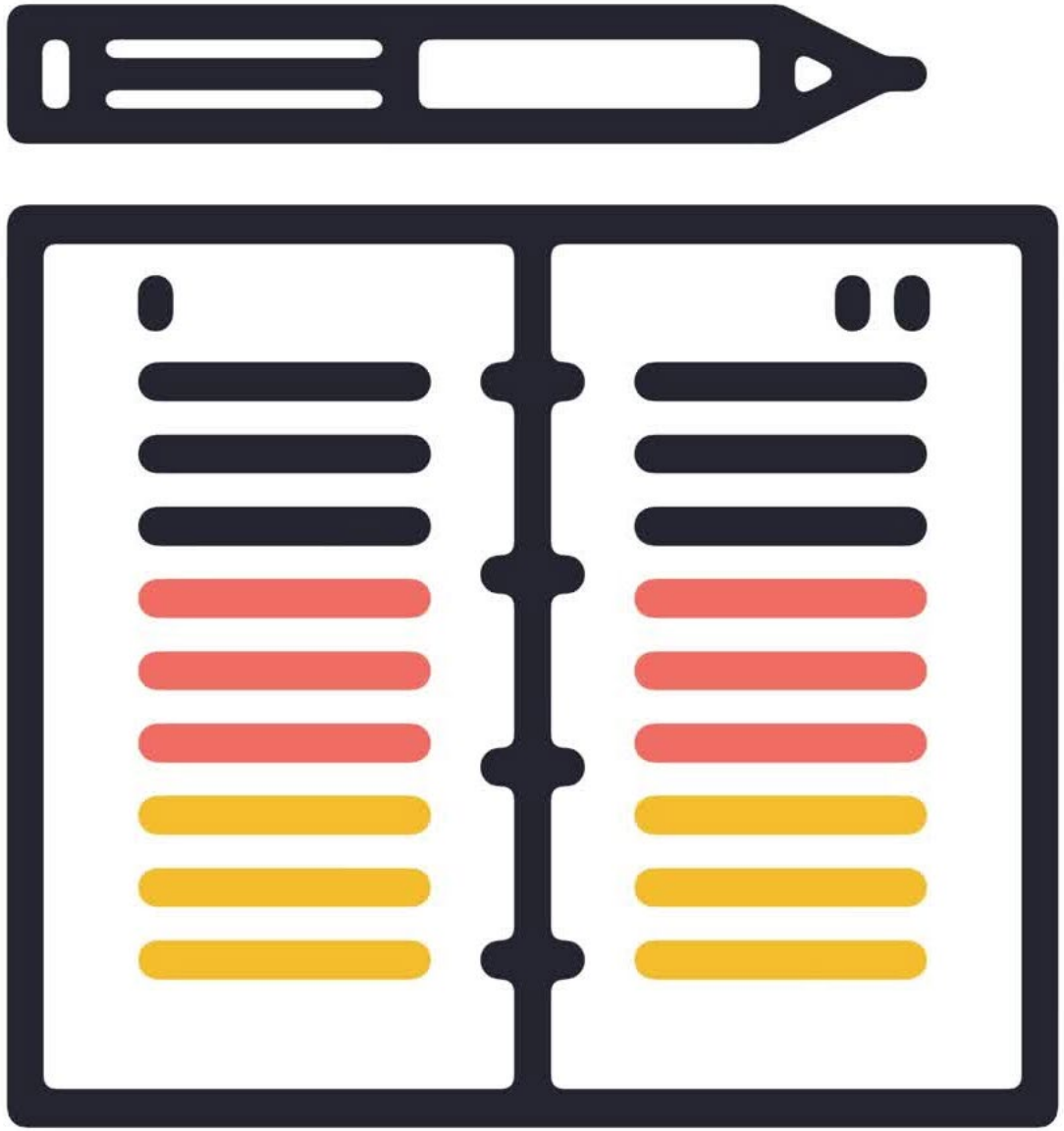
Blue Ribbon Commission for Special Education

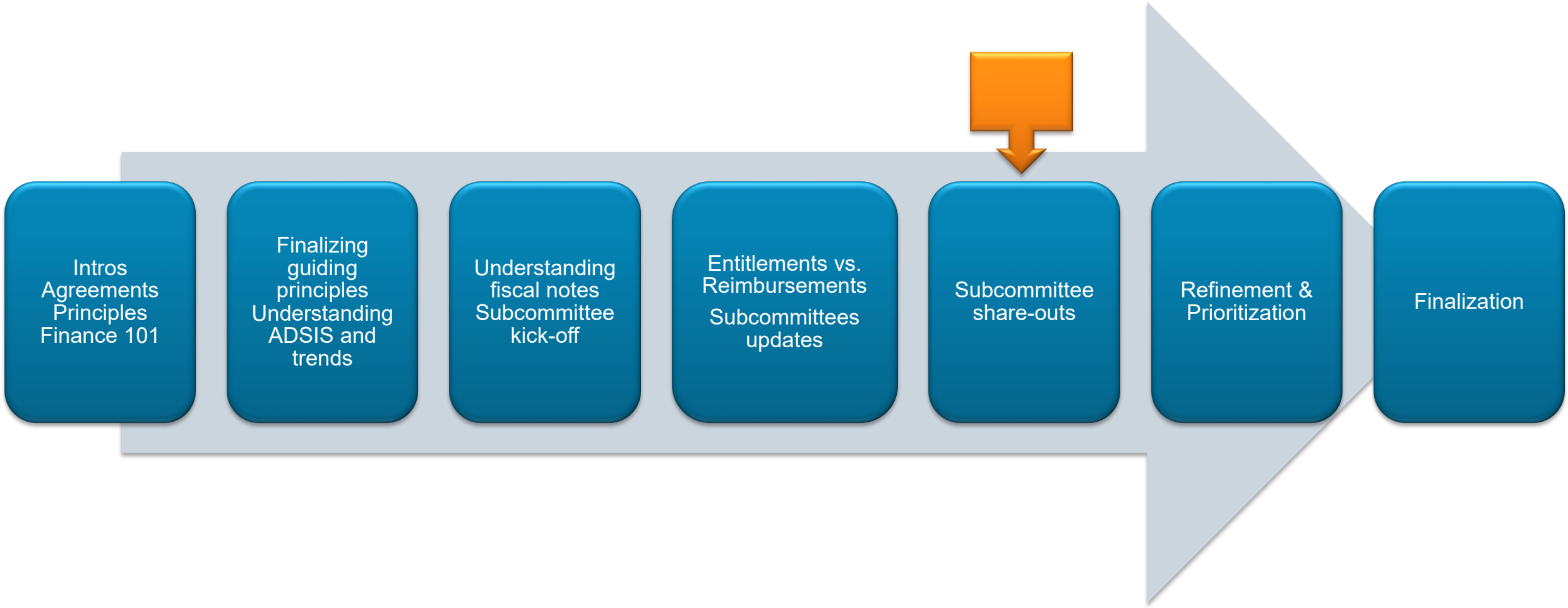
Meeting 5
June 4, 2026

Agenda

- Welcome
- Overview of process
- Subcommittee share out
- Break
- Whole group discussion of recommendations
- Q&A with MDE
- Public question period



Progress tracker



Timeline

- **Thursday Dec 4:** Room 00104 – (**Full group**)
- **Thursday Jan 8:** Room 00104 – (**Full group**)
- Thursday Feb 5: Room 00104 – (Subcommittee meetings)
- **Thursday March 5:** Room 00104 – **(Full group)**
- Wednesday April 15: Rooms 00102 + 00103 (Subcommittee meetings)
- Wednesday May 13: Room 00103 – (Subcommittee meetings**)**
- **Thursday June 4:** Room 00104 **(Full group)**
- **Wednesday July 15:** Room 00104 **(Full group)**
- Thursday Aug 6: Room 00104 – Alternate
- Thursday Sept 3: Room 00104 – Alternate

Review of charge

Focus 1: Special Education Implementation (2 groups)

Goal 1

Increase administrative **efficiencies** and improve program **collaboration** to promote **shared services**, including a multitiered system of supports (MTSS) to **reduce overreliance on special education**

Provide supports and early intervention programs to **reduce the need for more intensive special education services**

Use assistive technology and expand access to teletherapy and remote evaluations to **address provider shortages**

Goal 3

Reduce paperwork, using **data** to drive individualized education programs, **increasing access** to qualified personnel, and **eliminating gaps in early identification and early intervention**

Focus 2: Special Education Financing (3 groups)

Goal 2

Reduce special education expenditures, including identifying strategies for addressing the significant cost drivers of state spending on special education, such as special education transportation, tuition billing, specialized placements, legal and administrative costs, and personnel costs

Goal 5

Slow cost growth in special education services while maintaining a free appropriate public education

Subcommittee members and group share out order

Focus 1 — Implementation Goals 1 & 3

A
- Bonnie Westlin
- Krista M. Dillman
- Delia Samuel
- Melanie Kray

B
- Stacie Stanley
- Mona Springis-Doss
- Daron Korte
- Erin Lavery

Focus 2 — Finance Goals 2 & 5

D
- Scott Brown
- Marcy Doud
- John Carlson

E
- Kim Hicks
- Justin Killian
- Dan Armagost

F
- Cory McIntyre
- Kimberly Baker
- Laura Jean

Subcommittee share out guidance

Each group will present your slides (10 min)

Whole group can ask clarifying questions following the presentation (5 min)

Implementation Group 1

Reducing Costs While Strengthening Student Support Systems

Presented by: Krista Dillman, Melanie Kray,

Dr. Delia Samuel, & Senator Bonnie Westlin

Our Task

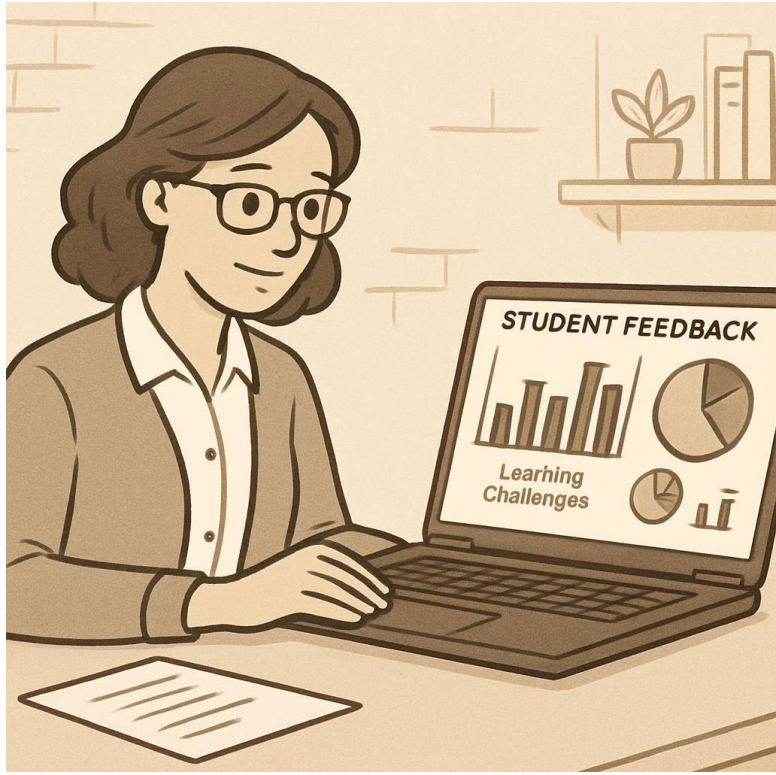
Goal 1:

- Increase administrative efficiencies and improve program collaboration to promote shared services, including a multitiered system of supports (MTSS) to reduce over reliance on special education
- Provide supports and early intervention programs to reduce the need for more intensive special education services
- Use assistive technology and expand access to teletherapy and remote evaluations to address provider shortages

Our Task

Goal 3:

- Reduce paperwork, using data to drive individualized education programs, increasing access to qualified personnel, and eliminating gaps in early identification and early intervention



Simplify IEPs

- Simplify IEP goals and objectives
- Maintain long-term information in evaluations
- More universal language and less repetition with drop downs/checklists
- Maintain a summary of historical information in the PLAAPF (Present Levels of Academic Achievement and Functional Performance)

Simplify IEPs

- Reduce progress report frequency to 2x/year
- Need for alignment between Minnesota Department of Education and Department of Health and Human Services for Third Party Billing Reimbursements

Reduce transportation costs

- Incentivizing in-house transportation
- Disincentivizing contracted transportation
- IEP team discussion regarding specialized program transportation (FIN 728)
    - IEP-team driven vs Parental choice driven
    - Educational need vs medical needs
    - 100% reimbursement on transportation for day treatment programs that are not providing educational services and not IEP need driven.

Teacher Preparation Programs

- General education teaching college programs requirements change
  - Include SPED overview (disability categories, strategies, etc.)
  - Include Universal Design for Learning (UDL)
  - Behavior management
  - Reduce licensure barriers for out of state teachers and for those teaching out of their field (better alignment between PELSB and MDE)

Community Collaboration

- Partnering with community organizations & clinics
- Earlier identification
- Categorical individualized services

Early Intervention-Closing the Gaps

- Provide targeted early (behavioral) supports to reduce need for intensive services
- Specialists work with students as early as possible
- Literacy and numeracy intervention in the early grades
- Use data to quickly adjust supports
- Strengthen family engagement early

Increase access to qualified personnel

- Redesign roles and responsibilities
- Therapists and special education teachers work as a team
- Shared services
- Virtual and hybrid evaluations

Have one student support plan

- Maintain one core student support record that follows the student and updates as support increases
- Advantages:
  - Reduces duplication
  - More collaboration
  - Reduces administrative time so that staff can focus more on instruction
  - Improves data quality

STRONGER SYSTEMS. EARLIER SUPPORT. BETTER OUTCOMES.

Creating sustainable, student-centered solutions through collaboration, innovation, and early intervention.

“When we work smarter, students succeed sooner.”

Thank you.

Together, we can build a stronger future for our students and our communities.

DATA-DRIVEN DECISIONS

COLLABORATION ACROSS SYSTEMS

INNOVATIVE SOLUTIONS

Focus Area 1: Special Education Implementation
Goals 1 & 3

Stacie Stanley

Mona Springis-Doss

Daron Korte

Erin Lavery

GOAL ONE

GOAL ONE

Develop strategies to increase administrative efficiencies and improve program collaboration to promote shared services, including a multitiered system of supports (MTSS) to reduce over reliance on special education; provide supports and early intervention programs to reduce the need for more intensive special education services; use assistive technology; and expand access to teletherapy and remote evaluations to address provider shortages.

KEY WORDS

- Administrative efficiencies
- Program collaboration
- MTSS
- Early intervention
- Assistive technology
- Teletherapy

GOAL 1
RECOMMENDATION 1

TEACHER SHORTAGES

Rationale

- MDE will continue to fund and share resources intended to address that teacher licensure acquisition and retention.
  - Teacher Mentoring Grant
  - Teacher Pathway Grant
  - Grow Your Own

Anticipated benefits

- Districts have the opportunity to save money by hiring employees and reduce expenditures on contracted personnel costs.
- Grant funded program create the conditions for employee retention and recruitment to the field.
- Consequently, this allows for for a decrease in administrative costs associated with the hiring process

GOAL 1 RECOMMENDATION 2

LEA

COLLABORATION

Rationale

- Collaboration between LEA's in Minnesota will allow for the sharing of resources and decrease the need for contracted service providers.
- Contracted services are a leading factor contributing to increased special education expenses (MDE, January 2025, Slide 13 &1 4).)

Anticipated benefits

- Interagency collaboration enhances LEA's fiscal responsibility/flexibility, decreases hiring and recruitment costs, and may lead to increased teacher retention.

GOALS ONE & THREE RECOMMENDATION

INSTITUTIONS OF HIGHER LEARNING

MINNESOTA STATE COLLEGES AND UNIVERSITIES

COLLABORATION

Rationale

- Institutions of Higher Education will provide comprehensive instruction to licensure candidates on the Science of Reading.

Anticipated benefits

- Interagency collaboration (LEAs, MDE, DHS, PESLB, Department of Higher Education, etc.) will ensure that students who graduate from MNSCU programs are prepared to implement Science of Reading and evidenced-based practices (High Leverage Practices - CEC) upon graduation.
- This practice will allow for LEAs to reallocate funds into alternative professional development opportunities for teachers.

GOAL 1
RECOMMENDATION 2

COMMUNITY COLLABORATION

Rationale

- Collaboration between schools, health providers, counties, cities, public health providers, community organizations/hubs, for referrals and coordination increases access points for wrap-around services for students and families
- LEAs have an opportunity to engage in this work by accessing grants Full Service Community School and Education Partnership Programs.

Anticipated benefits

- Interagency collaboration leads to strong fiscal responsibility among public service agencies (LEAs, MDE, DHS, PESLB, Department of Higher Education, etc.)

GOAL THREE

GOAL THREE

Design opportunities for reducing paperwork, using data to drive individualized education programs, increasing access to qualified personnel, and eliminating gaps in early identification and early intervention.

KEY WORDS

- paperwork reduction
- data-driven IEPs
- personnel
- early intervention and identification

GOAL 3 RECOMMENDATION

PAPERWORK REDUCTION

Rationale

- Create a statewide system for IEPs, thereby allowing for technological efficiencies to support the development of the IEP.
- The system will include traits such as:
  - MN state standards
  - Compliance with MN and federal guidelines
  - AI option

Anticipated benefits

- A Cooperative Purchasing Agreement between the state of Minnesota and the chosen vendor will generate a cost savings to LEAs.
- This initiative may lead to paperwork reduction as a result of AI-embedded support into the platform. LEAs using similar systems will allow for efficiencies in record transfer, etc.
- Furthermore, this effort will allow teachers to focus their time, effort, and talent on supporting students and progress on goals identified in the IEP.

GOAL ONE & THREE

GOALS ONE & THREE RECOMMENDATION

Rationale

- The state of Minnesota will continue to support Alternative Licensure Programs and the portfolio process as a means for the acquisition of teacher licensure.

Anticipated benefits

- Creating alternative pathways for teacher licensure creates additional opportunities to include teacher candidates into the workforce.

- Alternative pathways allow for districts to capitalize on talent hired within their districts, thereby

LONG-TERM RECOMMENDATION

CONTINUED INVESTMENT IN EARLY INTERVENTION / MTSS / PBIS PROGRAMS

Rationale

- The continued use of evidence-based and data-driven practices will help educators provide direct instruction for students in targeted areas. Targeted early and ongoing interventions will lead to continued engagement in the general education setting and increased student engagement.
- Referrals to special education will include more a robust portfolio of data. In turn, evaluation teams may be able to decrease time spent on evaluations.
- Furthermore, strong correlation between referrals to special education and students meeting disability criteria will be present as referral data is both reliable and valid. In turn, this may decrease the number of students accessing services, specifically for those who have learning differences, rather than disabilities.

CONTINUED INVESTMENT IN EARLY INTERVENTION / MTSS / PBIS PROGRAMS

Anticipated Benefits

- Addressing MN Quality of Life Indicators (Wilder Research) and Social Determinants of Health which includes education, impacts an individual's contribution to the community.
- MN Compass
  - MN Quality of Life Indicators
    Less than half of 3rd graders in Minnesota are proficient in reading (46%)
    Two in five eighth graders are proficient in math.
- Social Determinants of Health
- World Health

- National Assessment of Adult Literacy
  - 70% of incarcerated adults are not able to read at the 4th grade level

- School to Prison Pipeline (ACLU)
- Sentenced, A Call to Action Documentary (Children's Literacy Project)

Focus Area 2: Special Education Finance
Goals 2 & 5

John Carlson, Scott Brown, Marcy Doud

GOAL 2
RECOMMENDATION 1

Remove ADSIS from the special education funding budget.

Rationale

ADSIS funding and intervention programs are not directly tied to providing special education services under IDEA. It is a student-centered program but not for students who qualify for special education services. Does not impact LEA or SEA MOE.

Anticipated benefits

Reduction of ADSIS will make up most of the required 250 million needed.

It also has a long-term benefit as ADSIS participation and expenditures have grown each year.

Realigning intervention programs with general education.

GOAL 2
RECOMMENDATION 2

Remove Hold Harmless from the state special education funding formula.

Rationale

The hold harmless portion of the formula was designed to support districts in transitioning to a new funding formula, which occurred in 2016. It has been 10 years and like the removal of the “cap”, it is time to remove hold harmless.

Anticipated benefits

It will simplify the state funding formula and it will support the reduction needed for the 250 million.

GOAL 2 or 5
RECOMMENDATION 3

Removal of FIN 728 - CT, 504, and Homeless Transportation as part of the state special education formula.

Rationale

FIN 728 - CT, 504, and Homeless Transportation does not support IDEA. It is 100% reimbursed and is growing significantly each year.

Anticipated benefits

It will simplify the state special education formula. It will not negatively impact future funding for students in special education.

GOAL 5
RECOMMENDATION 1

Reduce FIN 723 from 90% reimbursement to 85% reimbursement

Rationale

An incentive to have districts slow growing transportation costs.

Anticipated benefits

This would help contain costs in the future.

GOAL 5 FUTURE DISCUSSIONS

-Review FAPE for NonPublic
-Review Charter Tuition Billing Rates
-Removal of Cross-Subsidy Aid on the General Ed. portion of tuition bills

Rationale

An incentive to have LEAs slow growing costs.

Anticipated benefits

This would help contain costs in the future.

Focus Area 2: Special Education Finance
Goals 2 & 5

Kim Hicks

Justin Killian

Dan Armagost

GOAL 2
RECOMMENDATION 1

ADSIS Reduction:

- ADSIS appropriation is capped at $70 million for the next two years and is a standalone budget item with it's own formula.
- ADSIS is removed from eligibility for cross-subsidy in the special education funding formula.
- ADSIS reimbursement will be prorated based on the cap. The percentage of reimbursement to districts will decrease as additional applications are submitted to ensure the cap is enforced.

Rationale

- **No Impact on MOE or MFS**
- **Rapid Cost Growth**
- **Not a True Special Education Expense**
- **All Districts Pay for the Benefit of a Few**

Anticipated benefits

- SFY 2028 - $33 Million
- SFY 2029 - $46 Million
- **ADSIS Proration** ensures equitable access for new applicants while aligning reimbursements with available state funding.

GOAL 2
RECOMMENDATION 2

Non-Special Education Transportation (728)

- 728 transportation funding is capped at $60 million and is a standalone budget item with it's own formula.
- 728 reimbursement will be reduced to 60%.
- 728 reimbursement is prorated based on the cap, with reimbursement percentages decreasing as additional expenditures are submitted to maintain the cap.
- 728 transportation criteria will be updated with more specific state defined criteria.
- 728 will undergo increased and regular audit review by MDE to ensure contracted costs align with comparable routes across funding streams to prevent rate manipulation based on state reimbursement percentages and the updated criteria is being followed.

Rationale

- **No Impact on MOE or MFS**
- **Rapid Cost Growth**
- **Not a True Special Education Expense**

Anticipated benefits

- SFY 2028 - $45 Million
- SFY 2029 - $54 Million
- **728 Reimbursement Proration** ensures the state remains within its funding cap by adjusting district reimbursement amounts as needed.

GOAL 5 RECOMMENDATION 1

Hold Harmless

- Individual district's Hold Harmless provision is required to sunsets after four consecutive years on it.

Rationale

- Districts are given time to adjust spending due to enrollment decline but are not incentivized to make necessary financial changes.

Anticipated benefits

- SFY 2028 - $6.1 Million (50 district)
- SFY 2029 - $4.1 Million (42 districts)

GOAL 5 RECOMMENDATION 2

Remove the 6% of Aid for unreimbursed tuition cost Charter School Tuition Aid

SFY 2028 – $7.3 Million

SFY 2029 – $7.7 Million

Rationale

- Charter school tuition aid includes an additional 6% allocation beyond reimbursed tuition costs, which increases overall spending without a direct connection to actual expenditures.
- Charter schools have no incentive to control costs for the districts whose students attend their schools.

Anticipated benefits

- SFY 2028 – $7.3 Million
- SFY 2029 – $7.7 Million

This recommendation reduces spending, aligns aid with actual costs, and generates ongoing savings without affecting core tuition reimbursements.

LONG-TERM RECOMMENDATION

Address the supply and demand issue in hiring qualified and licensed staff.

- Fund the Special Education Pipeline/Pathway bill and expand its use to related service providers.
- Modify the requirements for PT, OT, and Speech licensure for school-based practice while ensuring continued eligibility for MA funds.
- Increase the availability of COTAs, SLPAs, and PTAs.
- Grow Your Own Funding for School Bus drivers.

Rationale

- Slow cost growth by increasing the availability of staff.
- Lower educational requirements for school-based services compared to medical settings.
- Encourage service delivery models that make cost-effective use of support personnel.

Anticipated benefits

- Lower demand, lower cost.
- Creates pathways for practitioners who do not wish to continue advanced education or are in the process of completing it.
- Reduced education requirements lower costs.
- Establishes service delivery models that effectively utilize support personnel, reducing overall costs.

Focus Area 2: Special Education Finance
Goals 2 & 5

Subcommittee:

Laura Jean, Manager, Parent Training & Advocacy Department, Public Policy Coordinator, PACER Center
Kimberly Baker, Assistant Director of Student Services, Owatonna Public Schools
Cory McIntyre, Superintendent, Anoka-Hennepin Schools

GOAL 2 RECOMMENDATION 1

Remove Non Special Education Expenses from Special Education Formula: ADSIS

Rationale

Change ADSIS formula based on district size to an ADM/per student allocation with a minimum criteria and a cap

Anticipated benefits

- The state moves ADSIS to everyone (districts and charters) with a standalone formula.
- Take each district/charters ADM (probably prior year) and multiply by 10% and then given $500 to each LEA setting a min of $20K and a max of $500K.
- It would adjust each year based on ADM changes but likely would continue to be around $40M. Compare that to the current ADSIS costs in SFY 28 and 29 of $102.6M and $115.7M.
- All LEAs would just get these funds and be able to use them for intervention services.

Statewide Impact -

Reduces ADSIS costs & creates predictable statewide access.

District Impact -

Smaller districts may benefit from minimum allocation; districts currently receiving larger ADSIS awards may lose funding.

GOAL 2
RECOMMENDATION 2

Remove Non Special Education Expenses from Special Education Formula: 728 Transportation

Rationale

728 Transportation changed from current 100/95/90 percent reimbursement to state cross subsidy percentage which is about 50%.

Anticipated benefits

Reducing the FIN 728 aid rate to match the special education keeps funding fair for both services.

Statewide Impact -
Lowers state costs by aligning reimbursement with the sped cross-subsidy rate

District Impact -
Districts with high transportation needs may see increased local costs

GOAL 5
RECOMMENDATION 1

Remove Non Special Education Expenses from Special Education Formula: General Ed Billing Cross Subsidy

Rationale

Eliminate Gen Ed Billing through Tuition Cross Subsidy

Anticipated benefits

Remove the general education amount billed via tuition billing eliminates districts getting 50% of the general education revenue back for students placed into programs when they are not providing any services. It also incentivizes more districts to create and operate their own programs so as to educate students with their general education peers.

Statewide Impact -
Reduces payments to resident districts when students attend outside programs.

District Impact -
May encourage districts to build internal programs, but could financially strain districts that rely on regional placements

GOAL 5
RECOMMENDATION 2

Remove Non Special Education Expenses from Special Education Formula: Charter Tuition

Rationale

Eliminate Charter Tuition

Anticipated benefits

Charter tuition Aid elimination helps charters to take some fiscal responsibility since they have historically increased spending at higher rates than all other LEAs. Eliminating the charter tuition aid gives them the same tuition reimbursement for open-enrolled as school districts.

Statewide Impact -
Creates more equal treatment between charters and districts.

District Impact -
Charters may have greater fiscal responsibility for special education costs, possibly impacting services or budgets.

GOAL 5
RECOMMENDATION 2

Remove Non Special Education Expenses from Special Education Formula: Hold Harmless

Rationale

Eliminate Hold Harmless

Anticipated benefits

Eliminate the hold harmless calculations places all districts on the same formula. Many districts funded off one of the hold harmless calculations are incentivized to placed students out of district rather than add new program costs

Statewide Impact -
Creates one consistent formula for all districts.

District Impact -
Districts currently protected by hold harmless could experience funding losses and may need transition support.

LONG-TERM RECOMMENDATION

- State disability eligibility criteria/rules
- Additional rules that exceed federal law
- State Licensure requirements

Rationale

- Modernizes clinical criteria to focus on student educational needs.
- Reduces time spent on exhaustive, outdated standardized testing.
- Minimizes systemic bias in over-identifying minority students.

Anticipated benefits

- Accelerates student access to critical interventions and services.
- Delivers more equitable, holistic evaluations across school districts.
- Shifts focus from compliance metrics to practical instructional support.

Statewide Impact -
Could modernize special education access and reduce over-compliance

District Impact -
May reduce evaluation burden, but districts would need guidance, training, and consistency across implementation

LONG-TERM RECOMMENDATION

Goal 2 Improve:

- reimbursement capture of available Medicaid funds
- Inclusion

Reduce:

- Legal & administrative costs
- Transportation costs

Rationale

Systemic changes will help reduce costs and increase access to available funds

Anticipated benefits

- Offsets costs for related services & improves access
- Reduce need for more costly segregated settings in schools/transportation & improve outcomes for all students
- Reduce incidents that lead to costly litigation

Statewide impact

- Improve access of existing underutilized funds
- Improve education for ALL students

District impact

- reduce litigation & transportation costs & improve bus safety

LONG-TERM RECOMMENDATION

Goal 5

- Invest in: mindset & culture change
- Improve data transparency
- Reevaluate licensure/rules requirements & staffing models
- Reevaluate entrance criteria

Rationale

- Insufficient training and staff lead to high referrals
- Lack of data transparency limits smarter spending related to legal fees

Anticipated benefits

- embedding evidence based spe ed strategies into teacher prep programs
- ensure staff have appropriate training while improving access to teaching
- explore alternative staffing models
- Improve entrance criteria efficiencies & reduce bias

Statewide impact

-Modernise access, reduce evaluation burden & cost

-Delivers more equitable services, & improve student outcomes

District impact Improves

-staff prep, support & retention

-student access to interventions & services

Main Benefits

- Improves equity across districts, charters and cooperatives
- Reduces incentives for out of district placements
- Long term recommendations shift sped from compliance-heavy processes to faster invention & instructional support

Main Concerns

- Uneven financial impact
- Rural districts, small districts, districts with high transportation costs, and districts serving students with intensive needs might be more heavily impacted
- Without fade-in/fade-out transition supports, could increase local cross-subsidies

Break

Whole group reflections

- Guiding questions
  - What did you hear that sounds promising?
  - What did you hear that you are concerned about?
  - What if anything has changed given current political and economic context coming out of the legislative session?

Next steps - Homework

- Wilder will un-duplicate recommendations
- Each person will be asked to rate each recommendation using:
  - **Green** - I fully support this idea
  - **Yellow** - I may support this idea with more information or minor revisions
  - **Red** - I have significant concerns about this idea
- If you select yellow or red, you will be asked to comment on your rating
- Wilder will compile responses for further discussion at our July meeting to finalize recommendations

Next steps - Timeline

- **June 8:** Wilder will send your individual form
- **June 8-17:** Members will submit their feedback
- **June 29:** Wilder will share the aggregate results electronically
- **July 1-14:** Members will review the results
- **June 9-July 14:** MDE will estimate cost reductions for proposed recommendations
- **July 15 meeting:** Set final recommendations, if possible
- **August 6 meeting:** If needed to finalize recommendations
- **July/August:** Survey of members after final meeting
- **August-September:** Final reporting

Public questions and comments

15 min