



# Association of Metropolitan School Districts 2019 Final E-12 Education Bill Overview

	AMSD PRIORITY	PROPOSALS	FINAL 2019 E-12 EDUCATION BILL
<b>Formula</b>	Increase the basic formula by 3 percent per year for the next two years, and index the formula to inflation in the following years.	The governor and the House both proposed a 3 percent increase the first year and a 2 percent increase the second year to the general formula allowance. The Senate proposed a 0.5 percent increase per year.	A General Education Formula increase of 2 percent per year - \$126 per pupil in FY 2020 and an additional \$129 per pupil in FY 2021.
<b>Special Education</b>	Reduce the State share of the special education cross-subsidy by at least 50 percent over the next four years.	The governor proposed an increase of \$90.6 million for the biennium and the House proposed an increase of \$117.8 million. Both established cross-subsidy reduction aid, and removed the aid cap and included tuition billing reforms. The governor's proposal eliminated the cap in FY 2021 while the House removed it effective FY 2020. No new special education funding was included in the Senate bill.	Special education funding of just under \$91 million. Adds a new component to the special education formula — cross-subsidy reduction aid — equal to 2.6 percent of unreimbursed costs for FY 2020 and 6.43 percent of the cross-subsidy for FY 2021 and later. The special education aid cap is phased out and eliminated in FY 2021 and later. The bill also reduces the portion of unreimbursed special education costs billed back to the resident district from 90 percent to 85 percent in FY 2020 and 80 percent in FY 2021 and later.
<b>Safe Schools</b>	Increase the Safe Schools Levy and remove the per-pupil limit and expand the allowable uses of Long-Term Facilities Maintenance Revenue to allow school districts and intermediate districts to enhance safety for students, staff and the public.	House proposed \$5.8 million in aid for FY2020 and \$18.6 million for 2021 for a total of just under \$24.4 million. Safe Schools revenue increased to \$45 per pupil for FY 2020 (\$18.75 for intermediate districts) and \$54 per pupil for 2021 (\$22.50 for intermediate districts). The governor proposed \$5.8 million for FY20 and \$11.5 million for 2021 for a total of \$17.3 million. The Senate proposed a little over \$37 million for the 2020-21 biennium only for Safe Schools Aid.	One-time safe schools supplemental aid of approximately \$30 million, approximately \$34.70 per FY18 AADM, to be distributed to each school district and charter school. Because this is distributed on an adjusted average daily membership basis, intermediate school districts are not included. The safe schools aid is one-time and is contingent upon a positive closing balance on June 30.
<b>English Learner Revenue</b>	Increase funding for the English learner program to close the funding shortfall.	The House proposal increased English learner funding by \$4.4 million in FY20-21; \$4.7 million in FY22-23. (Increased basic EL revenue from \$704 to \$740 per EL learner.)	No additional funding was allocated for the English Learner program.
<b>Teacher Shortage / Diversity</b>	Expand programs and incentives to attract, develop and retain teachers, particularly teachers of color and teachers in shortage areas.	House proposal included approximately \$13.5 million for recruitment and retention, Grow Your Own programs, hiring bonuses and American Indian teacher preparation grants. The governor's proposal included approximately \$6 million for concurrent enrollment grants, teacher mentorship and student teacher grants. The Senate included \$1 million for alternative teacher prep grants.	The final bill includes a one-time increase of \$99,000 in FY 20 for the Collaborative Urban and Greater Minnesota Educators of Color grants and \$750,000 per year for mentoring, induction and retention incentive program grants for teachers of color.
<b>Early Learning / Pre-K</b>	Increase access to school-based, pre-kindergarten programs.	Governor and House proposals retained the combined count of participants for VPK and School Readiness Plus at 7,160 annually on an ongoing basis. The Senate allowed the seats to drop to 3,160 and shifted the funding to early learning scholarships. The Senate bill directed the commissioner to give scholarship priority to applicants in school districts with temporary VPK and School Readiness Plus seats.	Full funding to continue the 4,000 VPK seats for two more years at a cost of just under \$47 million.
<b>Local Optional Revenue / Equalization</b>	Increase state equalization of the operating referendum and debt service levies to increase education funding and taxpayer equity.	The governor, House and Senate proposals all simplified LOR by moving the \$300 of board approved referendum authority to Local Optional Revenue so Local Optional Revenue would be \$724 per pupil.  The House increased operating referendum equalization by \$22.5 million in FY20-21 and \$50 million if FY22-23. The Senate Tax Bill increased operating referendum equalization by \$14.5 million for FY20-21 and \$28.28 million for FY22-23.	The final bill included the LOR simplification language.  The Omnibus Tax Bill includes \$9.4 million in FY 2021 for referendum equalization. The Tier 2 equalizing factor will be increased from \$510,000 to \$567,000.
<b>Taxpayer Subsidies for Nonpublic Schools</b>	Oppose taxpayer subsidies of private education through vouchers, tax credits or scholarships.	The Senate tax bill included a credit of 70 percent of the donation amount to a qualified foundation for a scholarship to students attending a homeschool, nonpublic or public school.	Not included in the final bill.
<b>Referendum Renewals</b>	Allow locally-elected school boards to renew an existing referendum by a vote of the school board.	The House and governor's proposal allowed school boards to renew an operating referendum for referendums approved after July 1, 2019.	Not included in the final bill.
<b>Paperwork Reduction / Mandates</b>	Refrain from enacting any new mandates and repeal existing unfunded mandates and burdensome paperwork requirements.	The House and Senate proposals included provisions to reduce special education paperwork in the areas of short-term objectives, stand alone functional behavioral assessments, prior written notice, reporting of MCA test results, and conciliation conferences.	The final bill included three areas related to reducing special education paperwork — regarding prior written notices, conciliation conferences and IEPs — to potentially reduce paperwork.
<b>School Calendars</b>	Allow locally-elected school boards to establish the school calendar that best meets the needs of their students and families.	Coming to the floor, the House E-12 bill included a two year exemption from the prohibition of starting the school year prior to Labor Day. However, a floor amendment removed this from the bill. The Senate E-12 bill included language allowing school boards to approve a flexible learning year calendar without approval of the commissioner coming out of committee. This language was removed by an amendment on the Senate floor.	No changes to current law.