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S.F. No. 3928 - E12 Omnibus Finance Bill (as amended by the A-1 delete-everything amendment)

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Date: April 16, 2018

Article 1: School Safety

Section 1. Purchase of certain equipment. Clarifies that current equipment bonding authority includes authority to issue bonds for public announcement systems, emergency communication devices, and other equipment related to violence prevention and facility security.

Section 2. Safe schools revenue.

Subd. 1. Safe schools revenue. Defines safe schools revenue for a school district as the sum of safe schools aid and safe schools levy.

Subd. 2. Safe schools levy. Preserves the existing \$36/pupil levy authority for school districts and \$15/pupil additional levy authority for districts that are members of an intermediate district.

Subd. 3. Safe schools aid. Creates a new safe schools aid for school districts equal to \$3.51 per pupil unit. Ensures that districts generate at least \$25,000 in total safe schools revenue. For fiscal year 2019 only, provides additional aid equal to \$7.50 per pupil unit for districts that are members of a cooperative unit other than an intermediate district.

Subd. 3a. Intermediate district and cooperative unit revenue transfer. Requires that

revenue attributable to a cooperative unit be allocated and transferred to the cooperative unit. Specifies the allowable uses.

Subd. 4. Safe schools revenue for a charter school. Creates a new safe schools aid for charter schools equal to \$3.51 per pupil unit. Specifies the allowable uses.

Subd. 4a. Fiscal year 2019 additional safe schools revenue. For fiscal year 2019 only, provides one-time \$13.74 per pupil unit increase to safe schools revenue for school districts and charter schools.

Subd. 5. Uses of safe schools revenue. In addition to uses allowable under current law, includes telemedicine, cybersecurity, and debt service under section 123B.61 or 123B.62 in the allowable uses for safe schools revenue. Prohibits safe schools aid from being used to pay for costs associated with improving the school climate.

Subd. 6. Report. Requires the commissioner to annually report on district expenditures of safe schools revenue.

Makes this section effective for fiscal year 2019 and later.

Section 3. Sanneh Foundation. Appropriates additional money in fiscal year 2019 for grants to the Sanneh Foundation.

Section 4. Appropriation. Appropriates money for safe schools revenue, for incentive grants for character education, and for suicide prevention training.

Article 2: General Education

Section 1. Alternative pupil. Includes certain nonpublic pupils in grade 10 in the definition of “alternative pupil” for the purposes participation in career and technical dual enrollment courses.

Section 2. Transportation. Increases the maximum reimbursement rate from 15 cents per mile to the current Internal Revenue Service business standard mileage rate (54.5 cents per mile for 2018). Provides the same reimbursement changes for nonpublic or “alternative” pupils. Clarifies that “necessary transportation costs” include costs of transportation in a private vehicle, bus, taxi, or other shared vehicle.

Sections 3 to 11. Simplifies the calculation of referendum and local optional revenue and makes the calculations more transparent by eliminating the annual recalculation of referendum allowances based on the amount of LOR a district receives, and moving the \$300 per pupil of referendum revenue available to districts by board resolution to LOR, so that all of the \$724 available to districts by board action is in LOR and all of the referendum revenue is voter approved. To ensure that all districts receive the same amount of aid and levy as under current law, establishes a two-tiered equalization formula for LOR, reduces the number of tiers for referendum equalization from 3 to 2, and reduces the referendum cap is reduced by \$300.

Section 12. General education aid. Amends the general education aid appropriation to conform with the February 2018 forecast and for the additional aid payable under the amended provisions in this article.

Section 13. Enrollment options transportation. Amends the enrollment options transportation aid appropriation to conform with the February 2018 forecast and for the additional aid payable under the amended provisions in this article.

Section 14. Consolidation transition aid. Amends the consolidation transition aid to conform with the February 2018 forecast for aid in fiscal year 2018 and removes the appropriation for fiscal year 2019 to reallocate money to other spending proposed in this bill.

Section 15. Repealer. Repeals Minnesota Statutes 2016, section 126C.17, subdivision 9a, effective fiscal year 2020, which outlined the process for board-approved referendum allowance, now “first-tier local optional revenue.” Repeals Minnesota Statutes 2016, section 126C.16, now obsolete.

Article 3: Education Excellence

Section 1. Academic Balance Policy.

Subd 1. Policy Required. Requires a school board to adopt and post a written academic balance policy applicable to pupils, teachers, administrators, and other school personnel. The policy must include reporting procedures and disciplinary actions for policy violations.

Subd. 2. Policy components. The policy must:

1. prohibit school employees from requiring students or other school employees to express specified viewpoints for the purpose of academic credit, extracurricular participation, or as a condition of employment;
2. require the school to provide a learning environment, curriculum, and instruction with access to a broad range of serious opinions;
3. require students to be assessed on the basis of reasoned answers and appropriate knowledge of subjects and disciplines studied and prohibit discrimination on the basis of political, ideological, or religious beliefs; and
4. require caution from classroom teachers when expressing personal view in the classroom and prohibit the introduction of controversial matters without a relationship to the subject taught.

Makes the section effective for the 2018-2019 school year and later.

Section 2. Statewide testing. Strikes language related to the elimination of the reporting requirement of a career and college readiness trajectory for grades 3-8 as determined on the MCAs.

Sections 3 to 7. Clarifies in the Minnesota American Indian Teacher Training Program (MITTP). Allows the four grantee partnerships to contract with tribal, technical, and community colleges and four-year postsecondary institutions to provide program services and recruit candidates. Eliminates the loan portion of the MITTP program and clarifies that they are grants, which are equivalent to the current scholarship model. Clarifies student eligibility for MITTP grants. Includes prioritization for a student that has origins of original peoples of North American and maintains cultural identification through tribal affiliation or community recognition. Requires priority be given to a student who is tribally enrolled and then to first and

second generation descendants. States that eligible programming is for those pursuing education level attainment (AA, BA, MA, Doctoral), and in education areas (educational certification, ECFE or Pre-Kindergarten license, elementary and secondary education, administration, any program that services American Indian students in grades Pre-Kindergarten through grade-12). Requires grantees and contracted partners to hire American Indian work-study students or other staff to provide programming regarding education professions to high school students. At least 80% of the grants must be used as student grants and 20% may be used for recruitment or administration of student grants.

Section 8. Prohibiting School Employees from Using Public Resources for Advocacy; Endorsing Timely and Current Factual Information. Requires a school district to adopt a district policy that prohibits employees from using district funds or other publicly funded district resources to advocate for electing or defeating a candidate, or passing or defeating a ballot question. The policy applies when the employee performs the duties assigned to them under the employment contract. The policy doesn't apply when an employee disseminates factual information consistent with the employee's contractual duties. Makes the section effective July 1, 2018.

Section 9. Certain federal, state, and local requirements. Requires a charter school to adopt an academic balance policy. Makes the section effective for the 2018-2019 school year and later.

Section 10. Museums and education centers. Appropriates money in fiscal year 2019 for the Children's Discovery Museum of Grand Rapids.

Section 11. Race 2 reduce. Appropriates money in fiscal year 2019 for Race 2 Reduce water conservation programming.

Section 12. Grow your own pathways to teacher licensure. Allows \$900,000 of the fiscal year 2019 appropriation to be used for grant to school district with at least 30% students of color for established nonconventional teacher residency programs. Allows \$600,000 of the fiscal year 2019 appropriation to be used for grants to schools or districts with at least 30% students of color or are American Indian to provide financial assistance, mentoring, and experiences to enable individuals to become teachers. Allows the grant monies to be used for scholarships, stipends, and to develop innovative residency programs. The appropriation is available until June 30, 2020.

Section 13. College entrance examination reimbursement. Extends the time districts have to seek reimbursement for administering college entrance exams. Increases Minnesota Department of Education's period for finalization of reimbursements from 24 months to 28 months.

Section 14. Appropriation. Appropriates money in fiscal year 2019 for online access to music education.

Section 15. Repealer. (a) Repeals the loan provisions of the MITTP program. **(b)** Repeals the vision therapy pilot project grants.

Article 4: Teachers

Section 1. Background check. Requires the Professional Educator Licensing and Standards Board (PELSB) to request a criminal history background check on a licensed teacher who is

applying for a renewal license if a background check has not been conducted on the teacher within the last five years. Allows the board to request payment of \$15 for the background check from a teacher renewing their license. Makes the section effective July 1, 2018.

Section 2. Background check required. Requires the school hiring authority to request a new criminal history background check on all employees every three years. For employees licensed by the PELSB, the consent form must authorize the school hiring authority to share the criminal history background check with the PELSB. Requires payment for a background check to be sent to the PELSB for deposit into the educator licensure background check account in the special revenue fund. Allows the school hiring authority to decide not to request a criminal background check on an employee who provides a copy of a background check conducted within the previous 36 months.

Section 3. Transfer of Unspent Background Check Fees in the Educator Licensure Background Check Account. Directs the Commissioner of Education to provide payment to the superintendent of the Bureau of Criminal Apprehension for the actual processing costs of criminal history background checks. Provides for the annual transfer of unspent funds, estimated at \$452,000, to the general fund for fiscal years 2019 through 2021.

Article 5: Special Education

Section 1. Education, residence, and transportation of homeless. Provides that, for homeless pupils with an individualized education plan (IEP) enrolled in a program authorized by an intermediate district or other cooperative unit, the serving district at the time of the pupil's enrollment in the program remains responsible for transporting the pupil for the remainder of the school year, unless the initial serving district and current serving district mutually agree that the current serving district will be responsible for providing transportation. Makes this section effective July 1, 2018.

Section 2. Transfer of unspent department of education litigation funds for Monticello special education aid. Directs the commissioner to transfer any funds remaining unspent as of June 30, 2018, from the amounts appropriated for fiscal year 2018 for department litigation costs to Monticello School District for additional special education aid.

Article 6: Facilities, Technology, and Libraries

Section 1. Allocation from districts participating in agreements for secondary education or interdistrict cooperation. Allows districts participating in a pairing agreement to allocate long-term facilities maintenance revenue for large indoor air quality, fire safety and asbestos projects among the participating district to provide an equitable distribution of the levy impact of the projects.

Section 2. District aid. For a district that is not a member of an organized telecommunications access cluster, eliminates the \$16 per pupil local effort required before the district is eligible for state aid. Makes this section effective for revenue in fiscal year 2019 and later.

Section 3. Additional telecommunications equity access aid. Establishes a supplemental aid program to reduce unreimbursed telecommunications costs for districts in which the costs after federal and initial state aid exceed \$7 per pupil. Makes this section effective for revenue in fiscal year 2019 and later.

Section 4. Sample ballot, posting. For proposed capital projects requiring review and comment, requires that the summary of the commissioner’s review and comment and other supplemental information be posted in the school district’s administrative office four days before an election to issue bonds to finance the project. Requires that the same be posted in the polling place on Election Day. Makes this section effective for elections held on or after August 1, 2018.

Section 5. Proper use of bond proceeds. Clarifies that bond proceeds must be used for the original purpose.

Section 6. Generally; notice. Requires that the ballot language for a school district bond issue state the name of the plan or plans being proposed by the district as submitted to the commissioner for review and comment. Makes this section effective for elections held on or after August 1, 2018.

Section 7. Equity in telecommunication access [appropriation]. Technical clarification.

Section 8. Cancellation of unspent regional libraries telecommunications aid. Cancels the estimated unspent portion of regional libraries telecommunications aid to the general fund.

Section 9. Appropriations. Appropriates money in fiscal year 2019 and later for the additional telecommunications access aid under section 125B.26, subd. 4a.

Article 7: Early Childhood and Family Support

Section 1. Program requirements. Clarifies that formative measures for children in VPK programs must be age-appropriate.

Section 2. Mixed delivery of services. Requires that, for fiscal year 2020 and later, for any district or charter school serving more voluntary prekindergarten participants than in fiscal year 2019, the district or charter school must contract with a three- or four-star Parent Aware rated program operated by a charter school, Head Start, child care center, licensed family child care, or community-based organization for at least 40% of the increased participants.

Section 3. Application process; priority for high poverty schools. Strikes obsolete language. Authorizes the commissioner to waive the mixed-delivery requirements otherwise in effect for fiscal year 2020 if the applicant provides evidence that they were unable to contract for mixed delivery.

Section 4. Participation limits. Requires that, on a statewide basis, for fiscal year 2020 and later, at least 40% of the voluntary prekindergarten participants in excess of 3,160 participants must be served through a mixed delivery of services. (Under current law, voluntary prekindergarten participation is capped at 3,160 participants for fiscal year 2020 and later.)

Section 5. Administration [of the early learning scholarships]. Authorizes appropriations for early learning scholarships to be carried forward until October 1 of the next fiscal year.

Section 6. No supplanting. Requires that voluntary prekindergarten revenue and school readiness plus revenue supplement, not supplant, existing local, state, and federal revenues for prekindergarten activities.

Article 8: State agencies

Section 1. Appropriations; Perpich Center for Arts Education. Reallocates \$600,000 in funding for severance payments that will not be spent.

Article 9: Forecast adjustments

All sections amend prior appropriations to conform with the February 2018 budget forecast.

