

HF1065 - HOUSE E12 EDUCATION OMNIBUS

The House advanced a bill that proposes an additional \$724.9 million for education finance. The House proposal includes an increase to the basic per-pupil funding formula of 2% per year and provides funding predictability by linking any future increases to inflation. The House bill also addresses underfunding in areas of special education, English Language Learners, teachers of color, and student support personnel. Key components of the bill include:

- 2% per year increase to the per-pupil formula and linked to inflation
- Continued funding for voluntary pre-kindergarten
- \$70 million for special education cross-subsidy
- \$29 million for English learner revenue
- \$17.2 million to increase school counselors and other student support personnel
- \$16.75 million for grants to increase the number of teachers of color

[Link to most current bill language](#)

[Appropriations – change items](#)

[Property tax tracking](#)

[House research summary](#)

[District runs lookup table](#)

FINANCE PROVISIONS

Formula increase: Proposes a formula increase of 2% per year in FY22-23; 0.5% per year in FY24-25 and links future increases to inflation. This amounts to an increase of \$131 in FY22 and \$265 in FY23.

This increase to the general education formula allowance will also increase other linked school aid and levy programs including the early childhood family education allowance which is set at 2.3 percent of the general education formula allowance. Other adjustments include aid calculations for the nonpublic pupil transportation, nonpublic pupil, shared time, tribal contract, and postsecondary enrollment options programs.

Referendum renewal by the school board: Authorizes a school district to renew an existing operating referendum by the action of the school board. To renew the operating referendum by board action, four conditions must be met:

- The per-pupil dollar amount of authority renewed must be no more than the existing referendum authority;
- The term of the referendum must not exceed the term of the initial referendum;
- The board must hold a hearing on the proposed renewal and allow for public comment at the hearing; and
- The board must adopt a written resolution authorizing the renewal.

Special education cross-subsidy: Appropriates \$70 million over FY22-23 in cross-subsidy reduction aid by increasing the formula from 6.43 percent of the cross-subsidy to 9.33 percent of the cross-subsidy for FY22 and 12.11 percent of the cross-subsidy for FY23 and later.

English learner aid: Appropriates \$29 million over FY22-23 in additional EL aid. Makes the following changes:

- Increases the basic allowance from \$704 per EL student to \$755 per EL student for FY22.
- Increases the concentration formula allowance from \$250 per EL student to \$536 per EL student for FY22.
- Links both the basic EL formula allowance and the EL concentration formula allowance to the general education formula allowance for FY23 and later. Effective for FY22 and later.
- Modifies the concentration formula of learning year pupil units by increasing the EL denominator from 11.5 to 16.8.

Voluntary prekindergarten: Maintains the existing level of the voluntary prekindergarten slots. Makes the following changes to the administrations of VPK:

- Aligns the VPK requirements with the school readiness plus requirements to require VPK programs to have at least one licensed teacher and repeals statutory references to school readiness plus.
- Provides that a VPK program that received aid in FY21 continues to remain eligible for the aid regardless of changes in the concentration of students eligible for free or reduced-price lunch.

Student support personnel: Appropriates \$17 million in aid for student support personnel and lays out a formula for how schools would receive funding – the greater of \$31,500 or \$20 times the number of pupils enrolled in the district or charter on October 1 of the previous year. Requires the aid to be used to hire student support personnel in newly created positions but allows schools to contract for services if the school is unable to hire a new full-time equivalent position.

Compensatory revenue: Makes the following changes to compensatory revenue:

- Removes the concentration cap so schools serving more than 80 % free and reduced-price meal eligible students continue to increase the concentration portion of the revenue for each qualifying student.
- Increases from 50 percent to 80 percent the amount of compensatory revenue which must be kept at the school site where the compensatory revenue is generated.
- Requires a school district to annually report its compensatory revenue expenditures by functional category as well as by accounting categories.
- Requires compensatory revenue to be spent on evidence-based best practices.
- Authorizes a school district or charter school to transfer compensatory revenue to the school's food service fund to cover any shortages in the school's nutrition budget because the school participates in the Community Eligibility Provision (CEP) program.

Extended time revenue: Links the extended time formula allowance to future increases in the general education basic formula allowance beginning in FY24.

Local optional revenue: Increases local optional aid (and correspondingly lowers the local optional levy) for FY23 and later by setting the second tier equalizing factor at \$557,256 per pupil unit for FY23, \$545,965 for FY24, and \$553,650 per pupil unit for FY25 and later.

Pupil transportation adjustment: Increases the portion of a school district's unfunded pupil transportation expenses that are funded through state aid from 18.2 percent to 30 percent of the unfunded amount for FY23 and later.

Growing the teacher of color workforce:

- Grow Your Own Expansion: Appropriates \$15.5 million over the biennium for Grow Your Own grants.
- CUGMEC grants: Appropriates \$1.25 million over the biennium for CUGMEC grants.
- Mentor and retention incentive grants: Appropriates \$4.5 million of the biennium for mentor and retention grants.

Concurrent enrollment aid: Appropriates \$2 million over the biennium for concurrent enrollment courses.

Paraprofessional training: Appropriates \$13.3 million over the biennium for paraprofessional training. Aid equals \$196 times the number of paraprofessionals, Title I aides, and other instructional support staff employed by the school district, charter school, or cooperative organization during the previous school year. A school district must reserve aid and spend it only on required training.

Full-service community schools: Appropriates \$10 million over the biennium for full-service community schools.

Non-exclusionary discipline training grants: Appropriates \$10 million over the biennium for grants to school districts and charter schools to provide training for school staff on non-exclusionary disciplinary practices.

Trauma-informed grants: Appropriates \$12 million in FY22-23 only for competitive grants for districts and charters to implement professional development for staff focused on trauma-informed practices.

Multi-Tiered Systems of Support: Appropriates \$10 million over the biennium to assist all schools in implementing multi-tiered systems of support (MTSS).

Anti-bias professional development: Appropriates \$4 million FY22 only to implement professional development for staff focused on anti-bias instructional practices.

Equitable school enhancement grants: Appropriates \$6 million over the biennium for grants to support implementation of the world's best workforce strategies related to equity.

Indigenous education for all: Appropriates \$887,000 in FY22 and \$437,000 in FY23 for programming, staff, and services to support requiring all students to learn about the cultural heritage and contributions of tribal nations.

Adult basic education: Make the following changes to adult basic education:

- Ensures that a reduction in contact hours will not reduce the statewide amount of ABE aid.
- Adds an option for growth in the ABE aid by linking the statewide amount of ABE to increases in the general education basic formula allowance.
- Makes permanent the requirement that the commissioner of education pay for one full battery of high school equivalency tests (like the GED test) for a test taker not more than once per year.

Kindergarten readiness assessment: Requires MDE to implement a kindergarten readiness assessment to incoming kindergartners. Directs MDE to provide assessment tools to schools and requires schools to use the MDE-provided process for assessment beginning in the 2022-2023 school year. Requires MDE to integrate the assessment data in the statewide longitudinal educational data systems. Appropriates \$1.5 million per year.

MDE translation services: Appropriates \$6 million over the biennium assist with translation services.

MDE modernizing district data submission: The governor recommends \$6.6 million in FY22-23 for modernizing data submission systems for school districts and charter schools through the expansion of the data collection and integration system known as “Ed-Fi” and improving data reporting and understanding by business intelligence tools.

POLICY PROVISIONS

Distance learning allowance extended for one year: Allows a district or charter school to offer distance and hybrid learning options to enrolled students who choose to participate in distance or hybrid learning for the 2021-2022 school year. Prohibits simultaneous instruction and requires a district or charter school to provide 30 additional minutes of preparation time to a teacher providing instruction to students in person and to students doing online learning at different times.

Instruction model working group: Establishes a working group to review how school districts and charter schools implemented distance and hybrid instruction due to disruptions to on-site instruction caused by COVID-19 and make recommendations to increase flexibility for school districts and charter schools to implement instruction models that meet students' diverse learning needs.

Collective bargaining, terms, and conditions: Adds class sizes, student testing, and student to personnel ratios to the mandatory terms of collective bargaining under Minnesota’s Public Employees Labor Relations Act (PELRA).

Teacher licensure: Proposes several changes to the Tiered licensure system.

- Eliminates exclusion of Tier 1 teachers from the definition of "teacher," allowing Tier 1 teachers to be in the same bargaining unit as other teachers for purposes of collective bargaining.
- Eliminates the option to use three years of teaching experience under a Tier 2 license to fulfill coursework requirements for a Tier 3 license, except for teachers in shortage areas.
- Eliminates the basic skills exam requirement for teacher licensure.

- Limits the renewal of Tier 2 license to two rather than three years but allows a license to teach CTE to be renewed unlimited times.

World’s Best Workforce: Requires WBWF plans to include:

- Reporting performance measures on participation rates in honors or gifted and talented programming; the number of students on track for graduation; participation and performance in advanced placement, international baccalaureate, and dual enrollment programs and by student subgroups.
- Plans to include ethnic studies curriculum, and anti-racist and culturally sustaining curriculum.

Academic standards review and revision suspension:

- Requires the commissioner to suspend the review and revision of academic standards and benchmarks in math, and implementation of revised physical education and arts standards until June 1, 2022. Allows the commissioner to support schools and districts with future implementation, continue current rulemaking activities, and develop future statewide assessments in science and reading.
- Requires the commissioner to include personal finance standards in the social studies standards that improve students’ financial literacy and sets requirements for related benchmarks.
- Requires the commissioner to include benchmarks in government and citizenship in 11th or 12th grade in social studies standards.
- Requires the commissioner of education to revise and embed indigenous education standards that include the contributions of American Indian Tribes and communities into the state academic standards and graduation requirements. Requires these standards to be consistent with recommendations from the Tribal Nations Education Committee.
- Requires social studies standards to include indigenous education, and sets requirements for indigenous education curriculum.
- Requires the commissioner to implement review and revision of math standards and benchmarks beginning in the 2022-2023 school year.
- Requires the commissioner to embed ethnic studies into all required state academic standards during the review and revision of the standards.
- Pushes the next review of academic standards and related benchmarks for physical education back from the 2022-2023 school year to the 2026-2027 school year.

Academic standards and graduation requirements:

- Requires school districts to adopt the state arts standards rather than local standards.
- Adds media arts to the list of arts areas that districts must offer and require.
- States that algebra I credit that satisfies 8th grade standards does not bear high school credit.
- Requires one-half credit of physical education and reduces the number of elective credits from seven to six and one-half.

Student discipline: The bill includes numerous changes to school discipline policies and procedures:

- Pupil withdrawal agreements:
 - Limits a pupil withdrawal agreement to 12 months.
 - Defines a pupil withdrawal agreement as a verbal or written agreement between a school and a parent to withdraw the student to avoid expulsion or exclusion dismissal proceedings.

- Requires when student records are transmitted to include pupil withdrawals and services a student needs to prevent inappropriate behavior from recurring.
- Adds "In-school suspension" to the definition of suspension to mean an instance in which a pupil is temporarily removed from the pupil's regular classroom for at least half a day for disciplinary purposes but remains under the direct supervision of school personnel. The effect of this is that all the requirements of the Pupil Fair Dismissal Act apply to in-school suspension.
- Prohibits dismissal of a student in kindergarten through grade three unless non-exclusionary discipline measures have been exhausted and there is an ongoing serious safety threat to the child or others.
- Readmission plans:
 - Requires out-of-school suspension to include readmission plans.
 - Requires an admission or readmission plan to include measures to improve the student's behavior and lists optional elements of the plan. Requires the plan to include parental involvement in the admission or readmission process.
- Non-exclusionary disciplinary policies and practices:
 - Prohibits a school from dismissing a pupil without attempting to use non-exclusionary disciplinary policies and practices before dismissal proceedings or pupil withdrawal agreements, except where it appears that the pupil will create an immediate and substantial danger to self or surrounding persons or property.
 - Requires alternative education services when a student is suspended for more than five consecutive days.
 - Requires school officials to allow suspended students to complete all schoolwork assigned during the suspension and receive full credit for the assignments.
 - Requires written notice of intent to impose an expulsion to describe the non-exclusionary disciplinary policies and practices offered the student to avoid the expulsion.
 - Requires a district to inform parents that the department's list of legal resources is posted on the department's website.
- School district policies:
 - Requires school district policies to include non-exclusionary disciplinary policies and practices and emphasize providing multi-tiered supports to students.
 - Requires a school board to annually review and revise the policy and to include in the policy parameters for when input into discipline decisions is allowed.
 - Eliminates mandatory grounds for removal from class and requires policy to instead include provisions on addressing willful conduct that endangers other persons or property.
 - Eliminates the requirement that the policy includes minimum consequences for violations of the code of conduct.
 - Requires policy to prohibit the use of exclusionary practices to address attendance and truancy issues.
 - Requires the commissioner to issue guidance on engaging stakeholders to review and revise discipline policies that are restorative and responsive.

- Report to the commissioner: Requires districts to report on pupil withdrawal agreements and non-exclusionary disciplinary practices to the commissioner.

Last-in first-out (LIFO): Allows a school district and the exclusive representative for teachers to agree to a process for exempting up to five percent of its employees from unrequested leaves of absence and nonrenewal regardless of probationary status or position on a seniority list if the teacher has a cultural background that is underrepresented among licensed staff within the school building or district in comparison to the student population.

Achievement and integration plans: Requires plans to include strategies to address institutional racism.

Teacher and principal evaluation: Requires districts to evaluate teachers and principals on cultural responsiveness.

Alternative attendance programs: Limits a charter school's tuition reimbursement amounts for charter schools that exceed the state average cost per service hour of service. Limits the reimbursement amounts to 200 percent of the statewide service rate for FY24, 175 percent of the statewide service rate for FY25, 150 percent of the statewide service rate for FY26, and 125 percent of the statewide service rate for FY27 and later. Creates three rate structures, depending on where a charter school is located; a statewide rate, a rate for charter schools located in Minneapolis, and a rate for charter schools located in St. Paul. Authorizes the Department of Education to disallow a tuition expense if the department determines that the charter school has failed to pursue third-party billing for qualifying health-related special education services.

Special education recovery services and supports: Requires a school district or charter school to invite the parents of a student with a disability to a meeting of each individualized education program team as soon as practicable, to determine whether special education services and supports are necessary to address the lack of progress on IEP goals or in the general education curriculum due to distributions from COVID-19. States that the services and supports may include extended school year services, additional IEP services, compensatory services, or other appropriate services. Requires services and supports be included in the IEP of the student. Requires the district or charter school to report to the commissioner the services and supports provided to students with disabilities under this section, including the cost. Allows a school district or charter school to use federal funds to comply with this section.

Third-party reimbursement: Requires the commissioners of education and human services to consult with stakeholders to identify strategies to streamline access and reimbursement for behavioral health services for children who are enrolled in medical assistance and have IEPs or individualized family service plans (IFSPs) to avoid duplication of services and procedures. Requires the commissioners to review other states' models and identify strategies to reduce administrative burdens and ensure continuity of care for students accessing services when not in school. Requires the commissioners to report their findings to the legislature by November 1, 2021.

Continuing contract/teacher tenure act status: Includes licensed ECFE and ABE teachers in the definition of “teachers” for purposes of tenure or continuing contract, which allows them to become tenured or have continuing contracts.

Licensure requirement for pre-kindergarten, school readiness, preschool, and early education programs: Requires an individual providing instruction in a school-based early education program to meet the state's teacher licensure requirements that apply to K-12 teachers. Allows individuals providing instruction in school-based early education programs during the 2020-2021 school year who do not have a Minnesota teaching license to continue teaching without a license until July 1, 2026, and includes these individuals in the teacher's bargaining unit regardless of licensure status.

Mental health education: Requires school districts to provide mental health education for students in grades 4 through 12 aligned with local health education standards and integrated into an existing program

Gifted and talented students programs and services: Requires “services” in addition to “programs” in the gifted and talented statute. Requires identification assessments and procedures to be sensitive and equitable to underrepresented groups, and to be coordinated for optimal identification of programs and services for underrepresented groups.

Implementation of indigenous education for all curriculum: Requires any school identified for support under the federal Elementary and Secondary Education Act, and any district identified under the state’s World’s Best Workforce as needing support and improvement to assess the quality of implementation of indigenous education for all students and include any proposed changes, additions, and enhancements to the implementation of indigenous education in the school’s improvement plan. A district must also ensure that indigenous curriculum is included in plans and activities in years two and three of the school’s or district’s improvement plan.

Post-secondary enrollment options: Proposes the following changes to the PSEO act:

- Requires a student participating in PSEO to notify the district of intent to enroll for fall term by May 30, and for spring term by October 30.
- Limits a student's participation in PSEO to the earlier of (1) the end of the school year in which the student's graduation requirements are met; or (2) the end of the school year in which the pupil's peers graduate.
- Reduces the withdrawal and absence periods from the first 14 to the first ten business days of quarter or semester, accelerating the time that the department stops payments to a postsecondary institution when a student withdraws or stops attending a class.

Safe and supportive schools programming: Requires districts to provide instruction to help students identify, prevent, and reduce prohibited conduct; and take other action to create a safe and supportive school environment.

American Indian mascots prohibited: Prohibits a district from adopting a name, symbol, or image of an American Indian tribe, custom, or tradition as a mascot, nickname, logo, letterhead, or team name of

the district or school. Allows a district to seek an exemption from the Tribal Nations Education Committee and the Indian Affairs Council.

Graduation ceremonies; tribal regalia and objects of cultural significance: Requires a district or charter school to allow an American Indian student to wear American Indian regalia, tribal regalia, or objects of cultural significance at graduation ceremonies.

Tobacco products prohibited in public schools: Expands permission to light tobacco as part of a traditional Indian spiritual or cultural ceremony beyond adults. Allows an American Indian person to carry a medicine pouch containing loose tobacco in observance of traditional spiritual or cultural practices.

Respectful school meal policies: Requires districts to provide meals to students in a respectful manner and prohibits them from imposing certain restrictions or limiting a student's participation in certain activities due to an unpaid student meal debt.

Notification of environmental hazards: Requires a school district, charter school, or nonpublic school to notify school staff, students, and parents when it receives notice of environmental hazards from the Department of Health or Pollution Control Agency.

Statewide testing: Eliminates the requirement that the MCAs include below-grade and above-grade test items, and definitions relating to above-grade and below-grade level test items.

Extension for posting student progress and other data: Extends time for MDE to post accountability data for the 2020-2021 school year to October 1, 2021.