

1.1 A bill for an act

1.2 relating to education finance; making changes to kindergarten through grade 12

1.3 education; providing funding for prekindergarten through grade 12 education;

1.4 modifying provisions for general education, education excellence, American Indian

1.5 education, teachers, special education, facilities, school nutrition, libraries, early

1.6 childhood, community education, and state agencies; making forecast adjustments;

1.7 requiring reports; appropriating money; amending Minnesota Statutes 2024, sections

1.8 120B.241, subdivision 3; 122A.414, by adding a subdivision; 122A.4144;

1.9 122A.415, subdivisions 1, 4; 122A.63, subdivision 9; 122A.635; 122A.70,

1.10 subdivisions 2, 3, 5, 5a, 6, by adding a subdivision; 123B.595, subdivisions 4, 10;

1.11 123B.84; 123B.86, subdivisions 1, 3; 123B.87; 123B.92, subdivision 1; 124D.111,

1.12 subdivisions 2a, 3; 124D.119, subdivision 1; 124D.20, subdivision 5; 124D.83,

1.13 subdivision 2; 124D.861, subdivision 4; 124D.862, subdivisions 1, 8; 124D.901,

1.14 subdivisions 3, 4; 124D.98, subdivision 5, by adding subdivisions; 124D.992,

1.15 subdivision 1; 124E.21, subdivision 1; 125A.76, subdivision 2a; 126C.05,

1.16 subdivision 3; 126C.10, subdivisions 3, 3c; 126C.40, subdivision 1, by adding a

1.17 subdivision; 127A.45, subdivision 14; Laws 2023, chapter 18, section 4,

1.18 subdivisions 2, as amended, 3, as amended; Laws 2023, chapter 54, section 20,

1.19 subdivisions 7, as amended, 9, as amended, 17, as amended; Laws 2023, chapter

1.20 55, article 1, sections 36, subdivisions 2, as amended, 3, as amended, 4, as amended,

1.21 5, as amended, 6, as amended, 7, as amended, 9, as amended; 37; article 2, section

1.22 64, subdivisions 2, as amended, 6, as amended, 21, as amended, 23, as amended,

1.23 34; article 4, section 21, subdivisions 2, as amended, 5, as amended; article 5,

1.24 section 64, subdivisions 3, as amended, 14, as amended, 15, as amended; article

1.25 7, section 18, subdivisions 2, as amended, 3, as amended, 4, as amended, 6, as

1.26 amended, 7, as amended; article 8, section 19, subdivision 6, as amended; article

1.27 9, section 18, subdivisions 4, as amended, 8, as amended; article 11, section 11,

1.28 subdivisions 2, as amended, 3, as amended, 10, as amended; article 12, sections

1.29 17, subdivision 2, as amended; 19; Laws 2023, chapter 63, article 9, section 8;

1.30 Laws 2024, chapter 115, article 22, section 3; repealing Minnesota Statutes 2024,

1.31 sections 120B.241, subdivisions 2, 4, 6; 122A.414, subdivisions 1, 2, 3, 4, 4a, 5,

1.32 5a, 6, 7, 8, 9, 10, 11, 12, 13, 14a, 15, 16; 122A.4144; 122A.415, subdivisions 1,

1.33 3, 4, 5, 6, 7; 122A.4155; 122A.416; 122A.417; 123B.40; 123B.41, subdivisions

1.34 2, 3, 4, 5, 5a, 6, 7, 8, 12, 14, 15; 123B.42; 123B.43; 123B.44; 123B.45; 123B.46;

1.35 123B.47; 123B.48; 123B.595, subdivision 2; 123B.86, subdivision 2; 123B.92,

1.36 subdivision 9; 124D.98, subdivisions 1, 2, 3, 4.

2.1 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.2 **ARTICLE 1**

2.3 **GENERAL EDUCATION**

2.4 Section 1. Minnesota Statutes 2024, section 123B.84, is amended to read:

2.5 **123B.84 POLICY.**

2.6 In districts where the state provides aids for transportation it is in the public interest to
2.7 provide equality of treatment in transporting public school children of the state who are
2.8 required to attend elementary and secondary schools pursuant to chapter 120A, so that the
2.9 health, welfare and safety of the children, while using the public highways of the state, shall
2.10 be protected.

2.11 School children attending any public schools, complying with section 120A.22, are
2.12 therefore entitled to the same rights and privileges relating to transportation.

2.13 Sec. 2. Minnesota Statutes 2024, section 123B.86, subdivision 1, is amended to read:

2.14 Subdivision 1. **General provisions.** A district shall provide equal transportation within
2.15 the district for all public school children to any public school when transportation is deemed
2.16 necessary by the school board because of distance or traffic condition in like manner and
2.17 form as provided in sections 123B.88 and 123B.92, when applicable.

2.18 Sec. 3. Minnesota Statutes 2024, section 123B.86, subdivision 3, is amended to read:

2.19 Subd. 3. **Board control.** (a) When transportation is provided, the scheduling of routes,
2.20 manner and method of transportation, control and discipline of school children and any
2.21 other matter relating thereto shall be within the sole discretion, control and management of
2.22 the board.

2.23 ~~(b) A school board and a nonpublic school may mutually agree to a written plan for the~~
2.24 ~~board to provide nonpublic pupil transportation to nonpublic school students.~~

2.25 ~~(c) A school board that provides pupil transportation through the school's employees~~
2.26 ~~may transport nonpublic school students according to the plan and retain the nonpublic~~
2.27 ~~pupil transportation aid attributable to that plan. A nonpublic school may make a payment~~
2.28 ~~to the school district to cover additional transportation services agreed to in the written plan~~
2.29 ~~for nonpublic pupil transportation services not required under sections 123B.84 to 123B.87.~~

2.30 ~~(d)~~ (b) A school board that contracts for pupil transportation services may enter into a
2.31 contractual arrangement with a school bus contractor according to the written plan adopted

by the school board ~~and the nonpublic school to transport nonpublic school students and retain the nonpublic pupil transportation aid attributable to that plan for the purposes of paying the school bus contractor. A nonpublic school may make a payment to the school district to cover additional transportation services agreed to in the written plan for nonpublic pupil transportation services included in the contract that are not required under sections 123B.84 to 123B.87.~~

~~(e) The school district must report the number of nonpublic school students transported and the nonpublic pupil transportation expenditures incurred under paragraph (b) in the form and manner specified by the commissioner.~~

Sec. 4. Minnesota Statutes 2024, section 123B.87, is amended to read:

123B.87 FUNDS AND AIDS.

Subdivision 1. **State aid.** State aids made available or appropriated shall be for the equal benefit of all public school children, and be disbursed in such manner as determined by the board.

Subd. 2. **Boards may expend money.** The board of any district may expend any moneys in its treasury, whether received from state or any other source for the purpose of providing equal transportation treatment of all public school children attending school.

Sec. 5. Minnesota Statutes 2024, section 123B.92, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the terms defined in this subdivision have the meanings given to them.

(a) "Actual expenditure per pupil transported in the regular and excess transportation categories" means the quotient obtained by dividing:

(1) the sum of:

(i) all expenditures for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 15 percent per year for districts operating a program under section 124D.128 for grades 1 to 12 for all students in the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on the district's type III vehicles, as defined in section 169.011, subdivision 71, which must be used a majority of the time for

pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses by:

(2) the number of pupils eligible for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

(b) "Transportation category" means a category of transportation service provided to pupils as follows:

(1) "Regular transportation" is:

(i) transportation to and from school during the regular school year for resident elementary pupils residing one mile or more from the public ~~or nonpublic~~ school they attend, and resident secondary pupils residing two miles or more from the public ~~or nonpublic~~ school they attend, excluding desegregation transportation and noon kindergarten transportation; ~~but with respect to transportation of pupils to and from nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;~~

(ii) transportation of resident pupils to and from language immersion programs;

(iii) transportation of a pupil who is a custodial parent and that pupil's child between the pupil's home and the child care provider and between the provider and the school, if the home and provider are within the attendance area of the school;

(iv) transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school;

(v) transportation to and from school during the regular school year required under subdivision 3 for nonresident elementary pupils when the distance from the attendance area border to the public school is one mile or more, and for nonresident secondary pupils when the distance from the attendance area border to the public school is two miles or more, excluding desegregation transportation and noon kindergarten transportation; and

(vi) transportation of pregnant or parenting pupils to and from a program that was established on or before January 1, 2018, or that is in operation on or after July 1, 2021, that provides:

(A) academic instruction;

(B) at least four hours per week of parenting instruction; and

(C) high-quality child care on site during the education day with the capacity to serve all children of enrolled pupils.

For the purposes of this paragraph, a district may designate a licensed day care facility, school day care facility, respite care facility, the residence of a relative, or the residence of a person or other location chosen by the pupil's parent or guardian, or an after-school program for children operated by a political subdivision of the state, as the home of a pupil for part or all of the day, if requested by the pupil's parent or guardian, and if that facility, residence, or program is within the attendance area of the school the pupil attends.

(2) "Excess transportation" is:

(i) transportation to and from school during the regular school year for resident secondary pupils residing at least one mile but less than two miles from the public or nonpublic school they attend, and transportation to and from school for resident pupils residing less than one mile from school who are transported because of full-service school zones, extraordinary traffic, drug, or crime hazards; and

(ii) transportation to and from school during the regular school year required under subdivision 3 for nonresident secondary pupils when the distance from the attendance area border to the school is at least one mile but less than two miles from the public school they attend, and for nonresident pupils when the distance from the attendance area border to the school is less than one mile from the school and who are transported because of full-service school zones, extraordinary traffic, drug, or crime hazards.

(3) "Desegregation transportation" is transportation within and outside of the district during the regular school year of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the commissioner or under court order.

(4) "Transportation services for pupils with disabilities" is:

(i) transportation of pupils with disabilities who cannot be transported on a regular school bus between home or a respite care facility and school;

(ii) necessary transportation of pupils with disabilities from home or from school to other buildings, including centers such as developmental achievement centers, hospitals, and treatment centers where special instruction or services required by sections 125A.03 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district where services are provided;

(iii) necessary transportation for resident pupils with disabilities required by sections 125A.12, and 125A.26 to 125A.48;

(iv) board and lodging for pupils with disabilities in a district maintaining special classes;

(v) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, and necessary transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils with disabilities who are provided special instruction and services on a shared-time basis or if resident pupils are not transported, the costs of necessary travel between public and private schools or neutral instructional sites by essential personnel employed by the district's program for children with a disability;

(vi) transportation for resident pupils with disabilities to and from board and lodging facilities when the pupil is boarded and lodged for educational purposes;

(vii) transportation of pupils for a curricular field trip activity on a school bus equipped with a power lift when the power lift is required by a student's disability or section 504 plan; and

(viii) services described in items (i) to (vii), when provided for pupils with disabilities in conjunction with a summer instructional program that relates to the pupil's individualized education program or in conjunction with a learning year program established under section 124D.128.

For purposes of computing special education initial aid under section 125A.76, the cost of providing transportation for children with disabilities includes (A) the additional cost of transporting a student in a shelter care facility as defined in section 260C.007, subdivision 30, a student placed in a family foster home as defined in section 260C.007, subdivision 16b, a homeless student in another district to the school of origin, or a formerly homeless student from a permanent home in another district to the school of origin but only through the end of the academic year; and (B) depreciation on district-owned school buses purchased after July 1, 2005, and used primarily for transportation of pupils with disabilities, calculated according to paragraph (a), items (ii) and (iii). Depreciation costs included in the disabled transportation category must be excluded in calculating the actual expenditure per pupil transported in the regular and excess transportation categories according to paragraph (a). For purposes of subitem (A), a school district may transport a child who does not have a school of origin to the same school attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

~~(5) "Nonpublic nonregular transportation" is:~~

~~(i) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, excluding transportation for nonpublic pupils with disabilities under clause (4);~~

~~(ii) transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123B.44; and~~

~~(iii) late transportation home from school or between schools within a district for nonpublic school pupils involved in after-school activities.~~

~~(e) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123B.41, subdivision 13.~~

Sec. 6. Minnesota Statutes 2024, section 126C.05, subdivision 3, is amended to read:

Subd. 3. **Compensation revenue pupil units.** Compensation revenue pupil units must be computed according to this subdivision.

(a) The compensation revenue concentration percentage for each building in a district equals the product of 100 times the ratio of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free meals plus one-half of the pupils eligible to receive reduced-priced meals on October 1 of the previous fiscal year; to

(2) the number of pupils enrolled in the building on October 1 of the previous fiscal year.

(b) The compensation revenue pupil weighting factor for a building equals the lesser of one or the quotient obtained by dividing the building's compensation revenue concentration percentage by 80.0.

(c) The compensation revenue pupil units for a building equals the product of:

(1) the sum of the number of pupils enrolled in the building eligible to receive free meals and one-half of the pupils eligible to receive reduced-priced meals on October 1 of the previous fiscal year; times

(2) the compensation revenue pupil weighting factor for the building; times

(3) .60.

(d) Notwithstanding paragraphs (a) to (c), for voluntary prekindergarten programs under section 142D.08, charter schools, and contracted alternative programs in the first year of operation, compensation revenue pupil units shall be computed using data for the current

fiscal year. If the voluntary prekindergarten program, charter school, or contracted alternative program begins operation after October 1, compensatory revenue pupil units shall be computed based on pupils enrolled on an alternate date determined by the commissioner, and the compensation revenue pupil units shall be prorated based on the ratio of the number of days of student instruction to 170 days.

(e) The percentages in this subdivision must be based on the count of individual pupils and not on a building average or minimum.

(f) Notwithstanding paragraphs (a) to (e), for revenue in fiscal year 2025 only, the compensation revenue pupil units for each building in a district equals the greater of the building's actual compensation revenue pupil units computed according to paragraphs (a) to (e) for revenue in fiscal year 2025, or the building's actual compensation revenue pupil units computed according to paragraphs (a) to (e) for revenue in fiscal year 2024.

(g) Notwithstanding paragraphs (a) to (e), for revenue in fiscal year 2026 only, the compensation revenue pupil units for each building in a district equals the greater of the building's actual compensation revenue pupil units computed according to paragraphs (a) to (e) for revenue in fiscal year 2026, or the building's actual compensation revenue pupil units computed according to paragraphs (a) to (e) for revenue in fiscal year 2024.

Sec. 7. Minnesota Statutes 2024, section 126C.10, subdivision 3, is amended to read:

Subd. 3. **Compensatory education revenue.** (a) For fiscal year 2026, a district's compensatory revenue equals the sum of its compensatory revenue for each building in the district and the amounts designated under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017. For fiscal year 2027 and later, a district's compensatory revenue equals the sum of its compensatory revenue for each building in the district. Revenue shall be paid to the district and must be allocated according to section 126C.15, subdivision 2.

(b) For fiscal years 2024 ~~and~~, 2025, and 2026, the compensatory education revenue for each building in the district equals the formula allowance minus \$839 times the compensation revenue pupil units computed according to section 126C.05, subdivision 3.

(c) For fiscal year ~~2026~~ 2027 and later, the compensatory education revenue for each building in the district equals its compensatory pupils multiplied by the building compensatory allowance.

(d) When the district contracting with an alternative program under section 124D.69 changes prior to the start of a school year, the compensatory revenue generated by pupils

attending the program shall be paid to the district contracting with the alternative program for the current school year, and shall not be paid to the district contracting with the alternative program for the prior school year.

(e) When the fiscal agent district for an area learning center changes prior to the start of a school year, the compensatory revenue shall be paid to the fiscal agent district for the current school year, and shall not be paid to the fiscal agent district for the prior school year.

(f) Notwithstanding paragraph (c), for fiscal year 2026, if the sum of the amounts calculated under paragraph (c) is less than \$838,947,000, the commissioner must proportionately increase the revenue to each building until the total statewide revenue calculated for each building equals \$838,947,000.

(g) Notwithstanding paragraph (c), for fiscal year 2027 and later, if the sum of the amounts calculated under paragraph (c) is less than \$857,152,000, the commissioner must proportionately increase the revenue to each building until the total statewide revenue calculated for each building equals \$857,152,000.

Sec. 8. Minnesota Statutes 2024, section 126C.10, subdivision 3c, is amended to read:

Subd. 3c. **Statewide compensatory allowance.** For fiscal year ~~2026~~ 2027, the statewide compensatory allowance is ~~\$6,734~~ \$6,936. For fiscal year ~~2027~~ 2028 and later, the statewide compensatory allowance equals the statewide compensatory allowance in effect for the prior fiscal year times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the formula allowance under section 126C.10, subdivision 2, for the prior fiscal year, rounded to the nearest whole dollar.

Sec. 9. Minnesota Statutes 2024, section 127A.45, subdivision 14, is amended to read:

Subd. 14. **Nonpublic aids.** The state shall pay aid according to sections 123B.40 to 123B.48 for pupils attending nonpublic schools as follows:

(1) an advance payment by November 30 equal to the current year aid payment percentage of the estimated entitlement for the current fiscal year; and

(2) a final payment by October 31 of the following fiscal year, adjusted for actual data.

If a payment advance to meet cash flow needs is requested by a district and approved by the commissioner, the state shall pay nonpublic pupil transportation aid according to section 123B.92 by October 31. Beginning in fiscal year 2026 and later, no payments will be made under this subdivision. No amounts remaining from the fiscal year 2025 entitlement may be paid after June 30, 2025.

10.1 Sec. 10. Laws 2023, chapter 55, article 1, section 37, the effective date, is amended to
10.2 read:

10.3 **EFFECTIVE DATE.** Paragraph (a) is effective for revenue for fiscal year ~~2026~~ 2027.
10.4 Paragraph (b) is effective May 28, 2023. Paragraph (c) is effective the day following final
10.5 enactment.

10.6 Sec. 11. **COMPENSATORY REVENUE WORKING GROUP.**

10.7 **Subdivision 1. Compensatory revenue working group established.** A compensatory
10.8 revenue working group of ten members is established to examine compensatory revenue
10.9 formula options and make a recommendation to the commissioner of education.

10.10 **Subd. 2. Membership and appointments.** (a) Appointed members of the working group
10.11 must meet one or more of the following qualifications:

10.12 (1) professional experience in kindergarten through grade 12 education funding support
10.13 for Minnesota Local Education Agencies;

10.14 (2) professional experience in areas related to equity in education;

10.15 (3) hold a current Minnesota superintendent's license;

10.16 (4) professional experience working with the current compensatory revenue funding
10.17 components;

10.18 (5) national recognition in demographic and economic trends and student well-being;

10.19 (6) demonstrated development of education funding formula in rural districts;

10.20 (7) demonstrated development of education funding formula in metropolitan districts;

10.21 (8) professional experience working with advocacy organizations that address issues
10.22 related to hunger and low-income students; or

10.23 (9) professional experience representing an educators union.

10.24 (b) Working group members must be appointed by the commissioner of education no
10.25 later than September 15, 2025. The first meeting of the working group must be convened
10.26 by the commissioner of education no later than October 1, 2025. Members of the working
10.27 group are eligible for per diem compensation in accordance with Minnesota Statutes, section
10.28 15.059, subdivision 3.

10.29 (c) The Department of Education must provide staff, technical assistance, and
10.30 organizational support for the working group. The Department of Children, Youth, and

11.1 Families; the Department of Human Services; and Minnesota Management and Budget may
11.2 provide staff, technical assistance, and organizational support for the working group.

11.3 Subd. 3. **Duties.** The working group must review compensatory revenue formula models
11.4 presented by the Department of Education. The working group must evaluate formula
11.5 components and projected outcomes of compensatory revenue distribution. The working
11.6 group must make a final recommendation for the compensatory revenue formula to the
11.7 commissioner of education by February 15, 2026.

11.8 Subd. 4. **Report; expiration.** (a) The commissioner of education must report findings
11.9 of the working group and recommendations for a compensatory revenue funding formula
11.10 to the legislative committees with jurisdiction over education finance by February 28, 2026.

11.11 (b) The working group expires February 28, 2026, or upon submission of the report
11.12 required under paragraph (a), whichever is earlier.

11.13 Sec. 12. **APPROPRIATIONS.**

11.14 Subdivision 1. **Department of Education.** The sums indicated in this section are
11.15 appropriated from the general fund to the Department of Education for the fiscal years
11.16 designated.

11.17 Subd. 2. **General education aid.** (a) For general education aid under Minnesota Statutes,
11.18 section 126C.13, subdivision 4:

11.19 \$ 8,500,261,000 2026

11.20 \$ 8,747,947,000 2027

11.21 (b) The 2026 appropriation includes \$783,251,000 for 2025 and \$7,717,010,000 for
11.22 2026.

11.23 (c) The 2027 appropriation includes \$806,095,000 for 2026 and \$7,941,852,000 for
11.24 2027.

11.25 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
11.26 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
11.27 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

11.28 \$ 25,000 2026

11.29 \$ 27,000 2027

11.30 Subd. 4. **Abatement aid.** (a) For abatement aid under Minnesota Statutes, section
11.31 127A.49:

12.1 \$ 1,929,000 2026

12.2 \$ 2,340,000 2027

12.3 (b) The 2026 appropriation includes \$140,000 for 2025 and \$1,789,000 for 2026.

12.4 (c) The 2027 appropriation includes \$198,000 for 2026 and \$2,142,000 for 2027.

12.5 Subd. 5. **Consolidation transition aid.** (a) For districts consolidating under Minnesota
 12.6 Statutes, section 123A.485:

12.7 \$ 270,000 2026

12.8 \$ 165,000 2027

12.9 (b) The 2026 appropriation includes \$0 for 2025 and \$270,000 for 2026.

12.10 (c) The 2027 appropriation includes \$30,000 for 2026 and \$135,000 for 2027.

12.11 Subd. 6. **One-room schoolhouse.** (a) For aid to Independent School District No. 690,
 12.12 Warroad, to operate the Angle Inlet School:

12.13 \$ 65,000 2026

12.14 \$ 65,000 2027

12.15 (b) This aid is 100 percent payable in the current year.

12.16 Subd. 7. **Career and technical aid.** (a) For career and technical aid under Minnesota
 12.17 Statutes, section 124D.4531, subdivision 1b:

12.18 \$ 451,000 2026

12.19 \$ 350,000 2027

12.20 (b) The 2026 appropriation includes \$85,000 for 2025 and \$366,000 for 2026.

12.21 (c) The 2027 appropriation includes \$40,000 for 2026 and \$310,000 for 2027.

12.22 Subd. 8. **Pregnant and parenting pupil transportation reimbursement.** (a) To
 12.23 reimburse districts for transporting pregnant or parenting pupils under Minnesota Statutes,
 12.24 section 123B.92, subdivision 1, paragraph (b), clause (1), item (vi):

12.25 \$ 55,000 2026

12.26 \$ 55,000 2027

12.27 (b) To receive reimbursement, districts must apply in the form and manner prescribed
 12.28 by the commissioner. If the appropriation is insufficient, the commissioner must prorate
 12.29 the amount paid to districts seeking reimbursement.

12.30 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

13.1 Subd. 9. Career and technical education consortium. (a) To the Minnesota Service
13.2 Cooperatives for career and technical education consortium grants under Minnesota Statutes,
13.3 section 124D.4536:

13.4 \$ 5,000,000 2026

13.5 \$ 5,000,000 2027

13.6 (b) If the appropriation in fiscal year 2026 is insufficient, the appropriation in fiscal year
13.7 2027 is available.

13.8 (c) Up to three percent of the appropriation is available for grant administration.

13.9 (d) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

13.10 Subd. 10. Emergency medical training. (a) For grants to offer high school students
13.11 courses in emergency medical services:

13.12 \$ 500,000 2026

13.13 \$ 500,000 2027

13.14 (b) A school district, charter school, Tribal contract school, or cooperative unit under
13.15 Minnesota Statutes, section 123A.24, subdivision 2, may apply for a grant under this section
13.16 to offer enrolled students emergency medical services courses approved by the Minnesota
13.17 Emergency Medical Services Regulatory Board to prepare students to take the emergency
13.18 medical technician certification test, including an emergency medical services course that
13.19 is a prerequisite to an emergency medical technician course.

13.20 (c) A grant recipient may use grant funds to partner with a district, charter school,
13.21 cooperative unit, postsecondary institution, political subdivision, or entity with expertise in
13.22 emergency medical services, including health systems, hospitals, ambulance services, and
13.23 health care providers to offer an emergency medical services course.

13.24 (d) Eligible uses of grant funds include teacher salaries, transportation, equipment costs,
13.25 emergency medical technician certification test fees, and student background checks.

13.26 (e) To the extent practicable, the commissioner must award at least half of the grant
13.27 funds to applicants outside of the seven-county metropolitan area, and at least 30 percent
13.28 of the grant funds to applicants with high concentrations of students of color.

13.29 (f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

13.30 (g) Up to \$50,000 each year is available for grant administration.

13.31 Subd. 11. Area learning center transportation aid. (a) For area learning center
13.32 transportation aid under Minnesota Statutes, section 123B.92, subdivision 11:

14.1 \$ 1,000,000 2026

14.2 \$ 1,000,000 2027

14.3 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

14.4 (c) This aid is 100 percent payable in the current year.

14.5 Subd. 12. Unemployment aid for hourly workers over the summer term. (a) For

14.6 unemployment aid under Minnesota Statutes, section 124D.995:

14.7 \$ 30,000,000 2026

14.8 (b) This appropriation is subject to the requirements under Minnesota Statutes, section
14.9 124D.995.

14.10 (c) This is a onetime appropriation.

14.11 Subd. 13. Compensatory revenue work group. (a) To administer the compensatory

14.12 revenue work group:

14.13 \$ 94,000 2026

14.14 (b) This is a onetime appropriation.

14.15 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

14.16 Sec. 13. REVISOR INSTRUCTION.

14.17 The revisor of statutes must substitute the term "district, charter school, or Tribal school"
14.18 for "district," "school district," "district or charter school," or "school district or charter
14.19 school"; the term "district, charter school, and Tribal school" for "district and charter school"
14.20 or "school district and charter school"; and similar singular or plural phrases wherever the
14.21 terms appear in Minnesota Statutes for any statutorily named competitive grant program in
14.22 Minnesota Statutes, chapters 120A to 129C, or a competitive grant program in Laws 2023,
14.23 chapter 55, or Laws 2024, chapter 115, whose eligible grantees include school districts and
14.24 charter schools, to name Tribal contract schools as eligible grantees. The revisor may also
14.25 make any grammatical changes needed related to the change in terms.

14.26 Sec. 14. REPEALER.

14.27 Minnesota Statutes 2024, sections 123B.40; 123B.41, subdivisions 2, 3, 4, 5, 5a, 6, 7,
14.28 8, 12, 14, and 15; 123B.42; 123B.43; 123B.44; 123B.45; 123B.46; 123B.47; 123B.48;
14.29 123B.86, subdivision 2; and 123B.92, subdivision 9, are repealed.

ARTICLE 2**EDUCATION EXCELLENCE**

Section 1. Minnesota Statutes 2024, section 120B.241, subdivision 3, is amended to read:

Subd. 3. Computer science working group. (a) The Department of Education shall establish a computer science education working group to develop a state strategic plan for long-term and sustained growth of computer science education in all kindergarten through grade 12 school districts and charter schools. The commissioner of education must appoint members of the working group by October 1, 2023.

(b) Demographics of the working group must be inclusive and represent the diversity of the state, including but not limited to racial, ethnic, and geographic diversity, and diversity related to gender and sexual orientation.

(c) Meetings of the advisory committee are subject to the Open Meeting Law under Minnesota Statutes, chapter 13D.

(d) The computer science education advisory committee shall consist of the following members:

(1) the commissioner of education or the commissioner's designee;

(2) the commissioner of higher education or the commissioner's designee;

(3) one representative of the Professional Educator Licensing and Standards Board;

(4) one representative of the Computer Science Teachers Association of Minnesota;

(5) one representative from the business community employing computer scientists or technologists;

(6) one representative from the Minnesota Technology Association;

(7) one representative from a nonprofit organization working with students and teachers in computer science;

(8) one representative from the Minnesota Association of School Administrators;

(9) one representative from Education Minnesota;

(10) one representative from the Minnesota Association of Colleges for Teacher Education;

(11) one representative from CSforAll Minnesota;

(12) one licensed library media specialist;

- 16.1 (13) one representative from the Minnesota School Boards Association;
- 16.2 (14) one representative from SciMathMN;
- 16.3 (15) one representative from the Tribal Nations Education Committee;
- 16.4 (16) one high school student enrolled in a school with fewer than 1,000 students and
- 16.5 one high school student enrolled in a school with more than 1,000 students; and
- 16.6 (17) four computer science teachers that teach at schools of different sizes, including at
- 16.7 least one teacher of students in kindergarten to grade 5, one teacher of students in grades 6
- 16.8 to 8, and one teacher of students in grades 9 to 12, and one career and technical education
- 16.9 teacher.
- 16.10 (e) The computer science education working group shall develop a state strategic plan
- 16.11 for a statewide computer science education program that includes but is not limited to:
- 16.12 (1) a statement of purpose that describes the objectives or goals the Department of
- 16.13 Education will accomplish by implementing a computer science education program, the
- 16.14 strategies by which those goals will be achieved, and a timeline for achieving those goals;
- 16.15 (2) a summary of the current state landscape for kindergarten through grade 12 computer
- 16.16 science education, including diversity of students taking these courses;
- 16.17 (3) the creation or expansion of flexible options to license computer science teachers,
- 16.18 which may include approval codes, technical permits, ancillary licenses, and standard
- 16.19 licenses;
- 16.20 (4) a description of how the state will support the expansion of computer science
- 16.21 education opportunities in every public school and public charter school in the state within
- 16.22 five years, with a focus on ensuring equitable access;
- 16.23 (5) identifying high-quality computer science professional learning providers for teachers;
- 16.24 (6) an ongoing evaluation process that is overseen by the Department of Education;
- 16.25 (7) proposed rules that incorporate the principles of the state strategic plan into the state's
- 16.26 public education system as a whole;
- 16.27 (8) recommendations for long-term expansion and sustainability of computer science
- 16.28 education, including:
- 16.29 (i) implementation of a requirement that every kindergarten through grade 12 public
- 16.30 school and public charter school employs at least one certified or endorsed computer science
- 16.31 teacher, which may be met through multiple approved processes for certification and

endorsement, including but not limited to endorsing a certified teacher as determined by the Professional Educator Licensing and Standards Board endorsed in another subject area;

(ii) expansion of a high school credit equivalency for computer science;

(iii) the development of standalone kindergarten through grade 12 standards for computer science; and

(iv) training preservice teachers in computer science education; and

(9) a description of existing gaps in computer science education access, participation, and success by geography and subgroup of students and a description of how to equitably address these gaps.

(f) By February 29, 2024, the Department of Education shall publish the proposed state strategic plan for public feedback.

(g) By March 22, 2024, the Department of Education shall present the adopted state strategic plan described in paragraph (e) to the chairs of the legislative committees with jurisdiction over education.

~~(h) The commissioner of education, or the commissioner of education's designee, may approve updates and changes to the state strategic plan described in paragraph (e) as necessary for the successful implementation of kindergarten through grade 12 computer science education.~~

~~(i) The Department of Education shall update the legislative committees with jurisdiction over education on all changes to the strategic plan described in paragraph (e) approved by the commissioner of education's designee since the last presentation to each respective entity.~~

Sec. 2. Minnesota Statutes 2024, section 124D.861, subdivision 4, is amended to read:

Subd. 4. **Timeline and implementation.** A board must approve its plan and submit it to the department by March 15. If a district that is part of a multidistrict council applies for revenue for a plan, the individual district shall not receive revenue unless it ratifies the plan adopted by the multidistrict council. Each plan has a term of three years. ~~For the 2014-2015 school year, an eligible district under this section must submit its plan to the commissioner for review by March 15, 2014. For the 2013-2014 school year only, an eligible district may continue to implement its current plan until the commissioner approves a new plan under this section.~~ Progress reports identified in subdivision 3 must be submitted to the commissioner of education by October 15 annually.

18.1 Sec. 3. Minnesota Statutes 2024, section 124D.862, subdivision 1, is amended to read:

18.2 Subdivision 1. **Initial achievement and integration revenue.** (a) An eligible district's
18.3 initial achievement and integration revenue equals the lesser of 100.3 percent of the district's
18.4 expenditures under the budget approved by the commissioner under section 124D.861,
18.5 subdivision 3, paragraph (c), excluding expenditures used to generate incentive revenue
18.6 under subdivision 2, or the sum of (1) \$350 times the district's adjusted pupil units for that
18.7 year times the ratio of the district's enrollment of protected students for the previous school
18.8 year to total enrollment for the previous school year and (2) the greater of zero or 66 percent
18.9 of the difference between the district's integration revenue for fiscal year 2013 and the
18.10 district's integration revenue for fiscal year 2014 under clause (1).

18.11 (b) In each year, an amount equal to ~~0.3~~ 1.3 percent of each district's initial achievement
18.12 and integration revenue for the second prior fiscal year is transferred to the department for
18.13 the oversight and accountability activities required under this section and section 124D.861.

18.14 Sec. 4. Minnesota Statutes 2024, section 124D.862, subdivision 8, is amended to read:

18.15 Subd. 8. **Commissioner authority to withhold revenue.** (a) The commissioner must
18.16 review the results of each district's integration and achievement plan by ~~August~~ January 1
18.17 at the end of the third year of implementing the plan and determine if the district met its
18.18 goals.

18.19 (b) If a district met its goals, it may submit a new three-year plan to the commissioner
18.20 for review.

18.21 (c) If a district has not met its goals, the commissioner must:

18.22 (1) guide the district in the development of an improvement plan and timeline that
18.23 identifies strategies and practices designed to meet the district's goals under this section and
18.24 section 120B.11; and

18.25 (2) direct the district to use up to 20 percent of the district's integration revenue, until
18.26 the district's goals are reached, to implement the improvement plan.

18.27 Sec. 5. Minnesota Statutes 2024, section 124D.98, subdivision 5, is amended to read:

18.28 Subd. 5. **Literacy incentive aid uses.** A school district must use its literacy incentive
18.29 aid to support implementation of evidence-based reading instruction. The following are
18.30 eligible uses of literacy incentive aid:

(1) training for kindergarten through grade 3 teachers, early childhood educators, special education teachers, reading intervention teachers working with students in kindergarten through grade 12, curriculum directors, and instructional support staff that provide reading instruction, on using approved evidence-based screening and progress monitoring tools;

(2) evidence-based training using a training program approved by the Department of Education under the Read Act;

(3) employing or contracting with a literacy lead, as defined in section 120B.119;

(4) employing an intervention specialist;

(5) approved screeners, materials, training, and ongoing coaching to ensure reading interventions under section 125A.56, subdivision 1, are evidence-based;

(6) costs of substitute teachers to allow teachers to complete required training during the teachers' contract day; and

(7) stipends for teachers completing training required under section 120B.12.

Sec. 6. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to read:

Subd. 6. Literacy incentive aid revenue. A district's literacy incentive aid revenue equals the district's literacy incentive aid allowance multiplied by the district's average daily membership for kindergarten through grade four for the previous fiscal year.

Sec. 7. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to read:

Subd. 7. Statewide literacy incentive aid allowance. The statewide literacy incentive aid allowance is \$356.56 for fiscal year 2026, \$355.67 for fiscal year 2027, \$353.10 for fiscal year 2028, and \$358.38 for fiscal years 2029 and later.

Sec. 8. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to read:

Subd. 8. Definitions. For the purposes of literacy incentive aid revenue and allowance under subdivisions 6 and 7, the following terms have the meanings given:

(1) "poverty concentration factor" means the ratio of: (i) the sum of the number of pupils enrolled in the district eligible to receive free meals, plus one-half of the pupils eligible to

20.1 receive reduced-priced meals on October 1 of the previous fiscal year; to (ii) the number
20.2 of pupils enrolled in the district on October 1 of the previous fiscal year; and

20.3 (2) "district literacy incentive aid allowance" means a district's poverty concentration
20.4 factor multiplied by the statewide literacy incentive aid allowance.

20.5 Sec. 9. Minnesota Statutes 2024, section 124D.98, is amended by adding a subdivision to
20.6 read:

20.7 Subd. 9. **Free and reduced-price meals.** The commissioner shall determine the number
20.8 of children eligible to receive either a free or reduced-price meal on October 1 each year
20.9 by means of direct certification or through the application of educational benefits. Children
20.10 enrolled in a district on October 1 and determined to be eligible to receive free or
20.11 reduced-price meals by December 15 of that school year shall be counted as eligible on
20.12 October 1 for purposes of subdivision 8. The commissioner may use federal definitions for
20.13 these purposes and may adjust these definitions as appropriate. The commissioner may
20.14 adopt reporting guidelines to assure accuracy of data counts and eligibility. Districts shall
20.15 use any guidelines adopted by the commissioner.

20.16 Sec. 10. Laws 2023, chapter 55, article 2, section 64, subdivision 16, as amended by Laws
20.17 2024, chapter 115, article 2, section 16, is amended to read:

20.18 Subd. 16. **Full-service community schools.** (a) For grants to plan or expand the
20.19 full-service community schools program under Minnesota Statutes, section 124D.231:

20.20 \$ 7,500,000 2024

20.21 \$ 7,500,000 2025

20.22 (b) Of this amount, priority must be given to programs in the following order:

20.23 (1) current grant recipients issued under Minnesota Statutes, section 124D.231;

20.24 (2) schools identified as low-performing under the federal Every Student Succeeds Act;
20.25 and

20.26 (3) any other applicants.

20.27 (c) Up to two percent of the appropriation is available for grant administration.

20.28 (d) The base for fiscal year 2026 and later is \$5,000,000.

20.29 (e) ~~Any balance in the first year does not cancel but is available in the second year. This~~
20.30 appropriation is available until June 30, 2027.

21.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

21.2 Sec. 11. **APPROPRIATIONS.**

21.3 Subdivision 1. **Department of Education.** The sums indicated in this section are
 21.4 appropriated from the general fund to the Department of Education for the fiscal years
 21.5 designated.

21.6 Subd. 2. **Achievement and integration aid.** (a) For achievement and integration aid
 21.7 under Minnesota Statutes, section 124D.862:

21.8 \$ 85,619,000 2026

21.9 \$ 85,222,000 2027

21.10 (b) The 2026 appropriation includes \$8,446,000 for 2025 and \$77,173,000 for 2026.

21.11 (c) The 2027 appropriation includes \$8,575,000 for 2026 and \$76,647,000 for 2027.

21.12 Subd. 3. **Charter school building lease aid.** (a) For building lease aid under Minnesota
 21.13 Statutes, section 124E.22:

21.14 \$ 96,453,000 2026

21.15 \$ 99,135,000 2027

21.16 (b) The 2026 appropriation includes \$9,391,000 for 2025 and \$87,062,000 for 2026.

21.17 (c) The 2027 appropriation includes \$9,673,000 for 2026 and \$89,462,000 for 2027.

21.18 Subd. 4. **College entrance examination reimbursement.** (a) To reimburse districts for
 21.19 the costs of college entrance examination fees for students who are eligible for free or
 21.20 reduced-price meals who take the ACT or SAT test under Minnesota Statutes, section
 21.21 120B.30, subdivision 16:

21.22 \$ 1,011,000 2026

21.23 \$ 1,011,000 2027

21.24 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

21.25 Subd. 5. **COMPASS and MTSS.** (a) To support the development and implementation
 21.26 of the MTSS framework and the Collaborative Minnesota Partnerships to Advance Student
 21.27 Success (COMPASS) school improvement model:

21.28 \$ 13,500,000 2026

21.29 \$ 13,500,000 2027

22.1 (b) Of this amount, \$5,000,000 each year is to support implementation of MTSS and
22.2 COMPASS. Funds must be used to support increased capacity at the Department of Education
22.3 and the Minnesota service cooperatives for implementation supports.

22.4 (c) Of this amount, \$5,000,000 each year is reserved for grants to school districts, charter
22.5 schools, Tribal contract schools, and cooperative units as defined in Minnesota Statutes,
22.6 section 123A.24, subdivision 2, for implementation of MTSS, including: hiring local MTSS
22.7 coordinators; deferring costs for personnel to participate in cohort activities and professional
22.8 learning; and piloting the Department of Education One Plan, the consolidation of multiple
22.9 reporting structures to streamline various applications, reports, and submissions by school
22.10 districts and charter schools. Up to five percent of this amount is available for program and
22.11 grant administration.

22.12 (d) Of this amount, \$3,000,000 each year must be used to develop a regional network
22.13 focusing on mathematics to provide dedicated mathematics trainers and coaches to train
22.14 regional support staff from the Minnesota service cooperatives and to support school leaders
22.15 and teachers to implement evidence-based instructional strategies in mathematics. Funds
22.16 may also be used to host an annual mathematics standards-based instructional institute.

22.17 (e) Of this amount, \$500,000 each year is for the University of Minnesota Center for
22.18 Applied Research and Educational Improvement to support implementation and evaluation
22.19 of the MTSS framework.

22.20 (f) Support for school districts, charter schools, and cooperative units under this
22.21 subdivision may include but is not limited to:

22.22 (1) partnering with the Minnesota Service Cooperatives to support districts in
22.23 implementing COMPASS to support schools in the areas of literacy, math, social-emotional
22.24 learning, and mental health using the MTSS framework;

22.25 (2) providing support to districts and charter schools identified under Minnesota Statutes,
22.26 section 120B.11;

22.27 (3) providing support to districts and charter schools to streamline various applications,
22.28 reports, and submissions to the Department of Education through One Plan;

22.29 (4) providing training, guidance, and implementation resources for MTSS, including a
22.30 universal screening process approved by the Department of Education to identify students
22.31 who may be at risk of experiencing academic, behavioral, and social-emotional development
22.32 difficulties;

- 23.1 (5) providing guidance to convene school-based teams to analyze data provided by
23.2 screenings and resources for related identification, instruction, and intervention methods;
- 23.3 (6) dyslexia screening and interventions that are evidence-based;
- 23.4 (7) requiring school districts and charter schools to provide parents of students identified
23.5 in screenings with notice of screening findings and related support information;
- 23.6 (8) requiring districts and charter schools to provide at-risk students with interventions
23.7 and to monitor the effectiveness of these interventions and student progress; and
- 23.8 (9) developing and annually reporting findings regarding the implementation of MTSS.
- 23.9 (g) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.
- 23.10 Subd. 6. **Concurrent enrollment aid.** (a) For concurrent enrollment aid under Minnesota
23.11 Statutes, section 124D.091:
- 23.12 \$ 4,000,000 2026
23.13 \$ 4,000,000 2027
- 23.14 (b) If the appropriation is insufficient, the commissioner must proportionately reduce
23.15 the aid payment to each school district.
- 23.16 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.
- 23.17 Subd. 7. **Ethnic studies community consultation.** To consult with community members
23.18 throughout Minnesota on the development of ethnic studies curricula, resources, and
23.19 implementation support:
- 23.20 \$ 150,000 2026
23.21 \$ 150,000 2027
- 23.22 Subd. 8. **Ethnic studies school grants.** (a) For competitive grants to school districts,
23.23 charter schools, and Tribal contract schools to develop, evaluate, and implement ethnic
23.24 studies courses:
- 23.25 \$ 700,000 2026
23.26 \$ 700,000 2027
- 23.27 (b) The commissioner must consult with the Ethnic Studies Working Group to develop
23.28 criteria for the grants.
- 23.29 (c) Up to five percent of the appropriation is available for grant administration.
- 23.30 (d) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 9. Examination fees; teacher training and support programs. (a) For students' advanced placement and international baccalaureate examination fees under Minnesota Statutes, section 120B.13, subdivision 3, and for training and related costs for teachers and other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

\$ 4,500,000 2026

\$ 4,500,000 2027

(b) The advanced placement program shall receive 75 percent of the appropriation each year and the international baccalaureate program shall receive 25 percent of the appropriation each year. The department, in consultation with representatives of the advanced placement and international baccalaureate programs selected by the Advanced Placement Advisory Council and International Baccalaureate Minnesota, respectively, shall determine the amounts of the expenditures each year for examination fees, training, and support programs for each program.

(c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least \$500,000 each year is for teachers to attend subject matter summer training programs and follow-up support workshops approved by the advanced placement or international baccalaureate programs. The amount of the subsidy for each teacher attending an advanced placement or international baccalaureate summer training program or workshop shall be the same. The commissioner shall determine the payment process and the amount of the subsidy.

(d) The commissioner shall pay all examination fees for all students of low-income families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent funds are available, shall also pay examination fees for students sitting for an advanced placement examination, international baccalaureate examination, or both.

(e) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 10. Full-service community schools. (a) For grants to plan or expand the full-service community schools program under Minnesota Statutes, section 124D.231:

\$ 5,000,000 2026

\$ 5,000,000 2027

(b) Of this amount, priority must be given to programs in the following order:

(1) current grant recipients under Minnesota Statutes, section 124D.231;

(2) schools identified as low-performing under the federal Every Student Succeeds Act; and

(3) any other applicants.

25.1 (c) Up to two percent of the appropriation is available for grant administration.

25.2 (d) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

25.3 **Subd. 11. Grants to increase science, technology, engineering, and math course**

25.4 **offerings.** (a) For grants to schools to encourage low-income and other underserved students

25.5 to participate in advanced placement and international baccalaureate programs according

25.6 to Minnesota Statutes, section 120B.132:

25.7 \$ 250,000 2026

25.8 \$ 250,000 2027

25.9 (b) To the extent practicable, the commissioner must distribute grant funds equitably

25.10 among geographic areas in the state, including to schools located in greater Minnesota and

25.11 in the seven-county metropolitan area.

25.12 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

25.13 (d) Up to ten percent of the grant amount is available for grant administration and

25.14 monitoring.

25.15 **Subd. 12. Implementation of education on the Holocaust, genocide of Indigenous**

25.16 **Peoples, and other genocides.** For implementation of requirements for education on the

25.17 Holocaust, genocide of Indigenous Peoples, and other genocides under Minnesota Statutes,

25.18 section 120B.252:

25.19 \$ 75,000 2026

25.20 \$ 75,000 2027

25.21 **Subd. 13. Interdistrict desegregation or integration transportation grants.** For

25.22 interdistrict desegregation or integration transportation grants under Minnesota Statutes,

25.23 section 124D.87:

25.24 \$ 16,396,000 2026

25.25 \$ 18,157,000 2027

25.26 **Subd. 14. Literacy incentive aid.** (a) For literacy incentive aid under Minnesota Statutes,

25.27 section 124D.98:

25.28 \$ 40,686,000 2026

25.29 \$ 40,897,000 2027

25.30 (b) The 2026 appropriation includes \$4,057,000 for 2025 and \$36,629,000 for 2026.

25.31 (c) The 2027 appropriation includes \$4,069,000 for 2026 and \$36,828,000 for 2027.

Subd. 15. **Minnesota Center for the Book programming.** (a) For grants to the entity designated by the Library of Congress as the Minnesota Center for the Book to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the Center for the Book designation:

\$ 200,000 2026

\$ 200,000 2027

(b) Up to three percent of the appropriation is available for grant administration.

Subd. 16. **Minnesota Independence College and Community.** (a) For transfer to the Office of Higher Education for grants to Minnesota Independence College and Community for tuition reduction and institutional support:

\$ 625,000 2026

\$ 625,000 2027

(b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

(c) By January 15 of each year, Minnesota Independence College and Community must submit a report detailing expenditures, activities, and outcomes to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education.

Subd. 17. **Minnesota math corps.** (a) For the Minnesota math corps program under Minnesota Statutes, section 124D.42, subdivision 9:

\$ 1,000,000 2026

\$ 1,000,000 2027

(b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 18. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota College of Education and Human Development for the operation of the Minnesota Principals Academy:

\$ 200,000 2026

\$ 200,000 2027

(b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals and school leaders from schools identified for intervention under the state's accountability system as implemented to comply with the federal Every Student Succeeds Act. To the extent funds are available, the Department of Education is encouraged to use up to \$200,000 of federal Title II funds to support additional participation in the Principals Academy by

27.1 principals and school leaders from schools identified for intervention under the state's
27.2 accountability system as implemented to comply with the federal Every Student Succeeds
27.3 Act.

27.4 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

27.5 Subd. 19. **Museums and education centers.** (a) For grants to museums and education
27.6 centers:

27.7 \$ 1,791,000 2026

27.8 \$ 1,791,000 2027

27.9 (b) \$500,000 each year is for the Minnesota Children's Museum.

27.10 (c) \$50,000 each year is for the Children's Museum of Rochester.

27.11 (d) \$41,000 each year is for the Minnesota Academy of Science.

27.12 (e) \$100,000 each year is for The Bakken Museum, Minneapolis.

27.13 (f) \$60,000 each year is for the Headwaters Science Center.

27.14 (g) \$100,000 each year is for The Works Museum, Bloomington.

27.15 (h) \$100,000 each year is for the WonderTrek Children's Museum, Brainerd-Baxter.

27.16 (i) \$100,000 each year is for the Otter Cove Children's Museum, Fergus Falls.

27.17 (j) \$100,000 each year is for the Children's Discovery Museum, Grand Rapids.

27.18 (k) \$100,000 each year is for the Wheel and Cog Children's Museum, Hutchinson.

27.19 (l) \$100,000 each year is for the Village Children's Museum, Willmar.

27.20 (m) \$110,000 each year is for the Duluth Children's Museum, Duluth.

27.21 (n) \$110,000 each year is for the Children's Museum of Southern Minnesota, Mankato.

27.22 (o) \$110,000 each year is for the Great River Children's Museum, St. Cloud.

27.23 (p) \$110,000 each year is for the Children's Discovery Museum, Breckenridge.

27.24 (q) A recipient of a grant under this subdivision must use the funds to encourage and
27.25 increase access for historically underserved communities.

27.26 (r) Up to three percent of the appropriation is available for grant administration.

27.27 (s) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

27.28 Subd. 20. **Nonexclusionary discipline.** (a) For grants to school districts and charter
27.29 schools to provide training for school staff on nonexclusionary disciplinary practices:

28.1 \$ 1,750,000 2026

28.2 \$ 1,750,000 2027

28.3 (b) Grants must be used to develop training and to work with schools to train staff on
28.4 nonexclusionary disciplinary practices that maintain the respect, trust, and attention of
28.5 students and help keep students in classrooms. These funds may also be used for grant
28.6 administration.

28.7 (c) Eligible grantees include school districts, charter schools, Tribal charter schools,
28.8 intermediate school districts, and cooperative units as defined in section 123A.24, subdivision
28.9 2.

28.10 (d) Up to five percent of the appropriation is available for grant administration.

28.11 (e) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

28.12 Subd. 21. **P-TECH schools.** (a) For P-TECH implementation grants under Minnesota
28.13 Statutes, section 124D.093, subdivision 5:

28.14 \$ 791,000 2026

28.15 \$ 791,000 2027

28.16 (b) The amount in paragraph (a) is for a grant to a public-private partnership that includes
28.17 Independent School District No. 535, Rochester.

28.18 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the department
28.19 may retain money from this appropriation for administrative costs under Minnesota Statutes,
28.20 section 124D.093, subdivision 5.

28.21 (d) This appropriation is available until June 30, 2029.

28.22 (e) The department may award start-up and mentoring and technical assistance grants
28.23 beginning in fiscal year 2026. Of the amount in fiscal year 2026, at least \$500,000 is for a
28.24 support grant to a public-private partnership that includes Independent School District No.
28.25 535, Rochester. Of the amount in fiscal year 2027, at least \$250,000 is for a support grant
28.26 to a public-private partnership that includes Independent School District No. 535, Rochester.

28.27 Subd. 22. **Paraprofessional training.** (a) For compensation associated with paid
28.28 orientation and professional development for paraprofessionals under Minnesota Statutes,
28.29 section 121A.642:

28.30 \$ 4,721,000 2026

28.31 \$ 5,000,000 2027

28.32 (b) The 2026 appropriation includes \$221,000 for 2025 and \$4,500,000 for 2026.

29.1 (c) The 2027 appropriation includes \$500,000 for 2026 and \$4,500,000 for 2027.

29.2 Subd. 23. **Recovery program grants.** (a) For recovery program grants under Minnesota
29.3 Statutes, section 124D.695:

29.4 \$ 750,000 2026

29.5 \$ 750,000 2027

29.6 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

29.7 (c) Up to ten percent of the grant amount is available for grant administration and
29.8 monitoring.

29.9 Subd. 24. **Sanneh Foundation.** (a) For grants to the Sanneh Foundation:

29.10 \$ 1,500,000 2026

29.11 \$ 1,500,000 2027

29.12 (b) Up to three percent of the appropriation is available for grant administration.

29.13 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

29.14 Subd. 25. **ServeMinnesota program.** (a) For funding ServeMinnesota programs under
29.15 Minnesota Statutes, sections 124D.37 to 124D.45:

29.16 \$ 900,000 2026

29.17 \$ 900,000 2027

29.18 (b) A grantee organization may provide health and child care coverage to the dependents
29.19 of each participant enrolled in a full-time ServeMinnesota program to the extent such
29.20 coverage is not otherwise available.

29.21 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

29.22 Subd. 26. **Starbase MN.** (a) For a grant to Starbase MN for a rigorous science,
29.23 technology, engineering, and math program providing students in grades 4 through 6 with
29.24 a multisensory learning experience and a hands-on curriculum in an aerospace environment
29.25 using state-of-the-art technology:

29.26 \$ 500,000 2026

29.27 \$ 500,000 2027

29.28 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

29.29 Subd. 27. **Statewide testing and reporting system.** (a) For the statewide testing and
29.30 reporting system under Minnesota Statutes, sections 120B.302 and 120B.305:

30.1 \$ 10,892,000 2026

30.2 \$ 10,892,000 2027

30.3 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

30.4 Subd. 28. **Student organizations.** (a) For student organizations:

30.5 \$ 1,084,000 2026

30.6 \$ 1,084,000 2027

30.7 (b) \$68,000 each year is for student organizations serving health occupations (HOSA).

30.8 (c) \$100,000 each year is for student organizations serving trade and industry occupations
30.9 (Skills USA, secondary and postsecondary).

30.10 (d) \$122,000 each year is for student organizations serving business occupations (BPA,
30.11 secondary and postsecondary).

30.12 (e) \$322,000 each year is for student organizations serving agriculture occupations (FFA,
30.13 PAS).

30.14 (f) \$185,000 each year is for student organizations serving family and consumer science
30.15 occupations (FCCLA). Notwithstanding Minnesota Rules, part 3505.1000, subparts 28 and
30.16 31, the student organizations serving FCCLA shall continue to serve students younger than
30.17 grade 9.

30.18 (g) \$202,000 each year is for student organizations serving marketing occupations (DECA
30.19 and DECA collegiate).

30.20 (h) \$85,000 each year is for the Minnesota Foundation for Student Organizations. Of
30.21 this amount, \$30,000 each year must be used for direct support of underserved and special
30.22 student populations.

30.23 (i) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

30.24 Subd. 29. **Read Act professional development.** (a) For evidence-based training on
30.25 structured literacy for teachers working in school districts, charter schools, and service
30.26 cooperatives:

30.27 \$ 7,750,000 2026

30.28 \$ 7,750,000 2027

30.29 (b) Of the amounts in paragraph (a), \$6,500,000 each year is for the regional literacy
30.30 networks and \$1,250,000 each year is for statewide training. The department must use the
30.31 funding to develop a data collection system to: (1) collect and analyze the submission of
30.32 the local literacy plans and student-level universal screening data; (2) establish the regional

31.1 literacy networks as a partnership between the department and the Minnesota service
 31.2 cooperatives; and (3) administer statewide training based in structured literacy to be offered
 31.3 free to school districts and charter schools and facilitated by the regional literacy networks
 31.4 and the department. The regional literacy networks must focus on implementing
 31.5 comprehensive literacy reform efforts based on structured literacy. Each regional literacy
 31.6 network must maintain a literacy lead position and maintain a team of trained literacy
 31.7 coaches to facilitate evidence-based structured literacy training opportunities and ongoing
 31.8 supports to school districts and charter schools in each region. Funds may be used to provide
 31.9 training in structured literacy to grade 4 and 5 classroom teachers and literacy professors
 31.10 from Minnesota institutions of higher education.

31.11 (c) The commissioner must report to the legislative committees with jurisdiction over
 31.12 kindergarten through grade 12 education the number of teachers from each district who
 31.13 received approved structured literacy training using funds under this subdivision, and the
 31.14 amounts awarded to districts, charter schools, or service cooperatives.

31.15 (d) The regional literacy networks and staff from the Department of Education must
 31.16 provide ongoing support to school districts, charter schools, and service cooperatives
 31.17 implementing evidence-based literacy instruction.

31.18 Subd. 30. **Department literacy specialist.** For a full-time literacy specialist at the
 31.19 Department of Education:

31.20 \$ 250,000 2026

31.21 \$ 250,000 2027

31.22 Subd. 31. **Early childhood literacy programs.** (a) For early childhood literacy programs
 31.23 under Minnesota Statutes, section 120B.121:

31.24 \$ 7,950,000 2026

31.25 \$ 7,950,000 2027

31.26 (b) Up to \$7,950,000 each year is for leveraging federal and private funding to support
 31.27 AmeriCorps members serving in the Minnesota reading corps program established by
 31.28 ServeMinnesota, including costs associated with training and teaching early literacy skills
 31.29 to children ages three through grade 3 and evaluating the impact of the program under
 31.30 Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

31.31 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

32.1 **Sec. 12. REVISOR INSTRUCTION.**

33.1 (2) must, where applicable, develop and implement teacher development and evaluation
33.2 plans through a joint agreement between the school board and the exclusive representative
33.3 of teachers as required under sections 122A.40, subdivision 8, and 122A.41, subdivision
33.4 5; and

33.5 (3) is encouraged to participate in department-led activities designed to assist in transition
33.6 planning.

33.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.8 Sec. 2. Minnesota Statutes 2024, section 122A.4144, is amended to read:

33.9 **122A.4144 SUPPLEMENTAL AGREEMENTS; ALTERNATIVE TEACHER**
33.10 **PAY.**

33.11 Notwithstanding section 179A.20 or other law to the contrary, a school board and the
33.12 exclusive representative of the teachers may agree to reopen a collective bargaining
33.13 agreement for the purpose of entering into or transitioning out of an alternative teacher
33.14 professional pay system agreement under sections 122A.414 and 122A.415. Negotiations
33.15 for a contract reopened under this section must be limited to issues related to the alternative
33.16 teacher professional pay system.

33.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.18 Sec. 3. Minnesota Statutes 2024, section 122A.415, subdivision 1, is amended to read:

33.19 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
33.20 cooperative unit as defined in section 123A.24, subdivision 2, school site, or charter school
33.21 that meets the conditions of section 122A.414 and submits an application approved by the
33.22 commissioner is eligible for alternative teacher compensation revenue.

33.23 (b) For school district and intermediate school district applications, the commissioner
33.24 must consider only those applications to participate that are submitted jointly by a district
33.25 and the exclusive representative of the teachers. The application must contain an alternative
33.26 teacher professional pay system agreement that:

33.27 (1) implements an alternative teacher professional pay system consistent with section
33.28 122A.414; and

33.29 (2) is negotiated and adopted according to the Public Employment Labor Relations Act
33.30 under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a district
33.31 may enter into a contract for a term of two or four years.

Alternative teacher compensation revenue for a qualifying school district or site in which the school board and the exclusive representative of the teachers agree to place teachers in the district or at the site on the alternative teacher professional pay system equals \$260 for fiscal year 2026, and \$0 for fiscal year 2027 and later times the number of pupils enrolled at the district or site on October 1 of the previous fiscal year. Alternative teacher compensation revenue for a qualifying intermediate school district or cooperative must be calculated under subdivision 4, paragraph (b).

(c) For a newly combined or consolidated district, the revenue shall be computed using the sum of pupils enrolled on October 1 of the previous year in the districts entering into the combination or consolidation. The commissioner may adjust the revenue computed for a site using prior year data to reflect changes attributable to school closings, school openings, or grade level reconfigurations between the prior year and the current year.

(d) The revenue is available only to school districts, intermediate school districts, cooperatives, school sites, and charter schools that fully implement an alternative teacher professional pay system by October 1 of the current school year.

Sec. 4. Minnesota Statutes 2024, section 122A.415, subdivision 4, is amended to read:

Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher compensation aid for a school with a plan approved under section 122A.414, subdivision 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1. The basic alternative teacher compensation aid for a charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, equals \$260 for fiscal year 2026, and \$0 for fiscal year 2027 and later times the number of pupils enrolled in the school on October 1 of the previous year, or on October 1 of the current year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under subdivision 1.

(b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed \$88,118,000 for fiscal year 2023; \$88,461,000 for fiscal year 2024; \$88,961,000 for fiscal year 2025; ~~and~~ \$89,486,000 for fiscal year 2026; and \$0 for fiscal year 2027 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under this section so as not to exceed these limits by not approving new participants or by prorating the aid among participating districts, intermediate school districts, school sites, and charter schools. The

commissioner may also reallocate a portion of the allowable aid for the biennium from the second year to the first year to meet the needs of approved participants.

(c) Basic alternative teacher compensation aid for an intermediate district or other cooperative unit equals \$3,000 for fiscal year 2026, and \$0 for fiscal year 2027 and later times the number of licensed teachers employed by the intermediate district or cooperative unit on October 1 of the previous school year.

Sec. 5. Minnesota Statutes 2024, section 122A.635, is amended to read:

**122A.635 COLLABORATIVE URBAN AND GREATER MINNESOTA
EDUCATORS OF COLOR GRANT PROGRAM.**

Subdivision 1. **Establishment.** ~~The Professional Educator Licensing and Standards Board~~ Department of Education must award competitive grants to increase the number of teacher candidates who are of color or who are American Indian, complete teacher preparation programs, and meet the requirements for a Tier 3 license under section 122A.183. Eligibility for a grant under this section is limited to public or private higher education institutions that offer a teacher preparation program approved by the Professional Educator Licensing and Standards Board.

Subd. 2. **Competitive grants.** (a) ~~The Professional Educator Licensing and Standards Board~~ commissioner must award competitive grants to a variety of higher education institution types under this section. ~~The board~~ commissioner must require an applicant institution to submit a plan describing how it would use grant funds to increase the number of teachers who are of color or who are American Indian, ~~and must award grants based on the following criteria, listed in descending order of priority.~~ To the extent practicable, the commissioner must award grants based on the following criteria:

(1) program outcomes, including graduation or program completion rates and licensure recommendation rates for candidates who are of color or who are American Indian compared to all candidates enrolled in a teacher preparation program at the institution and, for each outcome measure, the number of teacher candidates who are of color or who are American Indian;

(2) the extent to which an institution's plan is clear in describing how the institution would use grant funds for implementing explicit research-based practices to provide programmatic support to teacher candidates who are of color or who are American Indian. Plans for grant funds may include:

(i) recruiting more racially and ethnically diverse candidates for admission to teacher preparation programs;

(ii) providing differentiated advising, mentoring, or other supportive community-building activities in addition to what the institution provides to all candidates enrolled in the institution;

(iii) providing academic tutoring or support to help teacher candidates pass required assessments; and

(iv) providing for program staffing expenses;

(3) an institution's plan to provide direct financial assistance as scholarships or stipends ~~within the allowable dollar range determined by the board under subdivision 3, paragraph (b),~~ to teacher candidates who are of color or who are American Indian, not to exceed \$5,000 per academic year for each candidate. The purpose of direct financial assistance is to provide cost of attendance financial assistance to candidates matriculating through the licensure program if they demonstrate financial need;

(4) whether the institution has previously received a competitive grant under this section and has demonstrated positive outcomes from the use of grant funds for efforts helping teacher candidates who are of color or who are American Indian to enroll in and successfully complete teacher preparation programs and be recommended for licensure;

(5) geographic diversity among the applicant institutions. ~~In order to expand the number of grant recipients throughout the state, whenever there is at least a 20 percent increase in the base appropriation for this grant program, the board must prioritize awarding grants to institutions outside of the Twin Cities metropolitan area. If the board awards a grant based on the criteria in paragraph (a) to a program that has not previously received funding, the board must thereafter give priority to the program equivalent to other programs that have received grants and demonstrated positive outcomes~~ To the extent there are sufficient applications, and to the extent practicable, the commissioner must award an equal number of grants between applicants in greater Minnesota and those in the seven-county metropolitan area; and

(6) the percentage of racially and ethnically diverse teacher candidates enrolled in the ~~institution~~ teacher preparation program compared to: the aggregate percentage of students of color and American Indian students enrolled in the institution, regardless of major.

~~(i) the aggregate percentage of students of color and American Indian students enrolled in the institution, regardless of major; and~~

~~(ii) the percentage of underrepresented racially and ethnically diverse teachers in the economic development region of the state where the institution is located and where a shortage of diverse teachers exists, as reported under section 122A.091, subdivision 5.~~

(b) The ~~board~~ commissioner must not penalize an applicant institution in the grant review process for using grant funds only to provide direct financial support to teacher candidates if that is the institution's priority and the institution uses other resources to provide programmatic support to candidates.

(c) The ~~board~~ commissioner must determine award amounts for development, maintenance, or expansion of programs based only on the degree to which applicants meet the criteria in this subdivision, the number of candidates who are of color or who are American Indian supported by an applicant program, and funds available.

~~(d) The board must determine grant awards in part by multiplying the number of teacher candidates to be provided direct financial assistance by the average amount the institution proposes per candidate that is within the allowable dollar range. After assessing an institution's adherence to grant criteria and funds available, the board may grant an institution a lower average amount per candidate and the institution may decide to award less per candidate or provide financial assistance to fewer candidates within the allowable range. Additionally, an institution may use up to 25 percent of the awarded grant funds to provide programmatic support as described in paragraph (a), clause (3). If the board does not award an applicant institution's full request, the board must allow the institution to modify how it uses grant funds to maximize program outcomes consistent with the requirements of this section. The commissioner must allow an institution to use up to 25 percent of the awarded grant funds to provide programmatic support for the teacher candidates receiving financial support.~~

Subd. 3. **Grant program administration.** (a) ~~The Professional Educator Licensing and Standards Board may enter into an interagency agreement with the Office of Higher Education. The agreement may include a transfer of funds to the Office of Higher Education to help establish and administer the competitive grant process. The board must award grants to institutions located in various economic development regions throughout the state, but~~ The department must not predetermine the number of institutions to be awarded grants under this section or set a limit for the amount that any one institution may receive as part of the competitive grant application process.

~~(b) The board must establish a standard allowable dollar range for the amount of direct financial assistance an applicant institution may provide to each candidate. To determine~~

~~the range, the board may collect de-identified data from institutions that received a grant during the previous grant period and calculate the average scholarship amount awarded to all candidates across all institutions using the most recent fiscal year data available. The calculation may be used to determine a scholarship range that is no more than 25 percent of this amount and no less than half the average of this amount. The purpose of direct financial assistance is to assist candidates matriculating through completing licensure programs if they demonstrate financial need after considering other grants and scholarships provided.~~

~~(e)~~ (b) All grants must be awarded by August 15 of the fiscal year in which the grants are to be used. The deadline must be extended if changes to the grant program or appropriation impact the timeline for grant awards. An institution that receives a grant under this section may use the grant funds ~~over a two-~~ up to a four-year period to sustain support for teacher candidates at any stage from recruitment and program admission to graduation and licensure application. For grantees who receive multiple awards that overlap in the same academic years, the maximum combined total of direct financial assistance that an institution may provide to the same teacher candidate in the same academic year is \$10,000.

Subd. 4. **Report.** (a) By August 15 of each year, an institution awarded a grant under this section must prepare for the ~~board~~ commissioner a detailed report regarding the expenditure of grant funds, including the amounts used to recruit, retain, and support teacher candidates of color or American Indian teacher candidates to complete programs and be recommended for licensure. The report must include:

(1) the total number of teacher candidates of color and American Indian teacher candidates who:

(i) are enrolled in the institution;

(ii) are supported by grant funds with direct financial assistance during the academic reporting year;

(iii) are supported with other programmatic supports;

(iv) are recruited and newly admitted to a licensure program;

(v) are enrolled in a licensure program;

(vi) have completed a licensure program; and

(vii) were recommended for licensure in the field for which they were prepared;

(2) the total number of teacher candidates of color or American Indian teacher candidates at each stage from program admission to licensure recommendation as a percentage of all candidates seeking the same licensure at the institution; and

(3) a brief narrative describing the successes and challenges of efforts proposed in the grant application to support candidates with grant funds, and lessons learned for future efforts.

(b) By November 1 of each year, the ~~board~~ commissioner must post a report on its website summarizing the activities and outcomes of grant recipients and results that promote sharing of effective practices and lessons learned among grant recipients.

Subd. 5. Positions transferred. All classified and unclassified positions associated with the administration of grant programs being transferred to the Department of Education under this section are transferred with their incumbents in accordance with section 15.039, subdivision 7, except as otherwise provided in section 122A.07.

Sec. 6. Minnesota Statutes 2024, section 122A.70, subdivision 2, is amended to read:

Subd. 2. ~~Board Grants.~~ (a) The ~~Professional Educator Licensing and Standards Board~~ Department of Education must make grant application forms available to sites interested in developing, sustaining, or expanding a mentorship program.

(b) The following ~~applicants~~ are eligible for a program grant:

(1) a school district, charter school, or cooperative unit, on behalf of its participating school sites;

(2) a Tribal contract school;

(3) a coalition of teachers; ~~and~~

(4) a higher education institution;

(5) a nonprofit organization;

(6) a professional organization; and

~~(4)~~ (7) a coalition of two or more applicants that are individually eligible for a grant.

A higher education institution, professional organization, or nonprofit organization ~~may~~ must partner with ~~an eligible grant applicant but is not eligible as a sole applicant for grant funds~~ a school district, charter school, cooperative unit, Tribal contract school, or coalition of teachers to apply for a grant.

(c) ~~The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force,~~ commissioner of education must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. ~~The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.~~

Sec. 7. Minnesota Statutes 2024, section 122A.70, subdivision 3, is amended to read:

Subd. 3. **Criteria for selection.** (a) ~~At a minimum,~~ Applicants for grants under subdivision 2 must express commitment to:

(1) allow staff participation;

(2) assess skills of both beginning and mentor teachers;

(3) provide appropriate in-service to needs identified in the assessment;

(4) provide leadership to the effort;

(5) cooperate with higher education institutions or teacher educators;

(6) provide facilities and other resources;

(7) share findings, materials, and techniques with other school districts; and

(8) retain teachers of color and teachers who are American Indian.

(b) ~~The Professional Educator Licensing and Standards Board~~ commissioner of education must give priority to applications to fund programs to induct, mentor, and retain ~~Tier 2 or Tier 3~~ teachers who are of color or who are American Indian; and ~~Tier 2 or Tier 3~~ teachers in licensure shortage areas within the applicant's economic development region.

Sec. 8. Minnesota Statutes 2024, section 122A.70, subdivision 5, is amended to read:

Subd. 5. **Program implementation.** A grant recipient may use grant funds on implementing activities over a period of time up to 24 months. New and expanding mentorship sites that receive a ~~board~~ grant under subdivision 2 to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation.

Sec. 9. Minnesota Statutes 2024, section 122A.70, subdivision 5a, is amended to read:

Subd. 5a. **Grant program administration.** ~~The Professional Educator Licensing and Standards Board~~ commissioner of education may enter into an interagency agreement with

41.1 the Office of Higher Education or the ~~Department of Education~~ Professional Educator
41.2 Licensing and Standards Board. The agreement may include a transfer of funds to the Office
41.3 of Higher Education or the ~~Department of Education~~ Professional Educator Licensing and
41.4 Standards Board to help administer the competitive grant process.

41.5 Sec. 10. Minnesota Statutes 2024, section 122A.70, subdivision 6, is amended to read:

41.6 Subd. 6. **Report.** By September 30 of each year after receiving a grant, recipients must
41.7 submit a report to ~~the Professional Educator Licensing and Standards Board~~ the Department
41.8 of Education on program efforts that describes mentoring and induction activities and
41.9 assesses the impact of these programs on teacher effectiveness and retention. The ~~board~~
41.10 commissioner of education must publish a summary report for the public and submit the
41.11 report to the committees of the legislature with jurisdiction over kindergarten through grade
41.12 12 education policy and finance in accordance with section 3.302 by November 30 of each
41.13 even year.

41.14 Sec. 11. Minnesota Statutes 2024, section 122A.70, is amended by adding a subdivision
41.15 to read:

41.16 Subd. 7. **Positions transferred.** Classified and unclassified positions associated with
41.17 the administration of grant programs being transferred to the Department of Education under
41.18 this section are transferred with their incumbents in accordance with section 15.039,
41.19 subdivision 7, except as otherwise provided in section 122A.07.

41.20 Sec. 12. Minnesota Statutes 2024, section 124D.901, subdivision 3, is amended to read:

41.21 Subd. 3. **Student support personnel aid.** (a) The initial student support personnel aid
41.22 for a school district equals the greater of the student support personnel allowance times the
41.23 adjusted pupil units at the district for the current fiscal year or \$40,000. The initial student
41.24 support personnel aid for a charter school equals the greater of the student support personnel
41.25 allowance times the adjusted pupil units at the charter school for the current fiscal year or
41.26 \$20,000. Aid under this paragraph must be reserved in a fund balance that, beginning in
41.27 fiscal year 2025, may not exceed the greater of the aid entitlement in the prior fiscal year
41.28 or the fund balance in the prior fiscal year.

41.29 (b) For the purposes of this section, "cooperative" means intermediate districts and
41.30 cooperatives units directly serving students. The cooperative student support personnel aid
41.31 ~~for a school district that is a member of an intermediate school district or other cooperative~~
41.32 ~~unit that serves students~~ to be distributed directly to an eligible cooperative equals ~~the greater~~

42.1 ~~of the cooperative student support allowance times the adjusted pupil units at the district~~
42.2 ~~for the current fiscal year or \$40,000. If a district is a member of more than one cooperative~~
42.3 ~~unit that serves students, the revenue must be allocated among the cooperative units. Aid~~
42.4 ~~under this paragraph must not exceed actual expenditures~~ the sum of:

42.5 (1) \$100,000; plus

42.6 (2) the number of its member districts in excess of ten times \$10,000.

42.7 After the amounts under clauses (1) and (2) are calculated, the remaining available funds
42.8 are divided in half to determine a prorated per cooperative site distribution and a prorated
42.9 adjusted pupil unit (APU) cooperative distribution in the form and manner prescribed by
42.10 the commissioner of education. The total aid for distribution in this section is generated by
42.11 the allowance in paragraph (d).

42.12 (c) The student support personnel allowance equals \$11.94 for fiscal year 2024, \$17.08
42.13 for fiscal year 2025, and \$48.73 for fiscal year 2026 and later.

42.14 (d) The ~~cooperative~~ total student support allowance calculated in paragraph (b) equals
42.15 \$0.60 for fiscal year 2024, \$0.85 for fiscal year 2025, and \$2.44 for fiscal year 2026 and
42.16 later per adjusted pupil unit of a member district, or \$40,000 per member district, whichever
42.17 is greater.

42.18 Sec. 13. Minnesota Statutes 2024, section 124D.901, subdivision 4, is amended to read:

42.19 Subd. 4. **Allowed uses.** (a) Aid under this section must be used to hire new positions
42.20 for student support services personnel or increase a current position that is less than 1.0
42.21 full-time equivalent to a greater number of service hours or make permanent a position hired
42.22 using onetime resources awarded through the federal Coronavirus Aid Relief and Economic
42.23 Security Act, the federal Consolidated Appropriations Act, the federal Division
42.24 M-Coronavirus Response and Relief Supplemental Appropriations Act, or the federal
42.25 American Rescue Plan Act, or to maintain a position that would otherwise be eliminated.

42.26 ~~(b) Cooperative student support personnel aid must be transferred to the intermediate~~
42.27 ~~district or other cooperative unit of which the district is a member and used to hire new~~
42.28 ~~positions for student support services personnel or increase a current position that is less~~
42.29 ~~than 1.0 full-time equivalent to a greater number of service hours or make permanent a~~
42.30 ~~position hired using onetime resources awarded through the American Rescue Plan Act at~~
42.31 ~~the intermediate district or cooperative unit.~~

42.32 ~~(e)~~ (b) If a school district, charter school, or cooperative unit does not receive at least
42.33 two applications and is not able to hire a new full-time equivalent position with student

support personnel aid, the aid may be used for contracted services from individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

(c) If a school district, charter school, or cooperative unit is not able to spend aid for the uses in paragraphs (a) and (b), aid may be used for the following purposes:

(1) to maintain student support personnel positions if a district receives declining enrollment revenue according to section 126C.10, subdivision 2d, in fiscal years 2025 and later and districts are forced to lay off a student support staff employee due to budgetary concerns;

(2) to cover the costs of planning and implementing training and job-embedded coaching for student support personnel; and

(3) to cover material costs of evidence-based, culturally responsive curriculums and programs that proactively support student mental health and school community well-being. The curriculum must be accredited through a national accreditation program before use.

(d) Any use of aid under paragraph (c) must be reviewed by the Department of Education to ensure the aid uses in paragraphs (a) and (b) were unable to be implemented.

Sec. 14. Laws 2023, chapter 55, article 5, section 64, subdivision 15, as amended by Laws 2024, chapter 115, article 5, section 14, is amended to read:

Subd. 15. **Student support personnel workforce ~~pipeline~~ pathway.** (a) For a grant program to develop a student support personnel workforce ~~pipeline~~ pathway focused on increasing school psychologists, school nurses, school counselors, and school social workers of color and Indigenous providers, professional respecialization, recruitment, and retention:

\$ 5,000,000 2024

\$ 5,000,000 2025

(b) Of the amount in paragraph (a), \$150,000 is for providing support to school nurses across the state.

(c) To the extent practicable, the ~~pipeline~~ pathway grants must be used to support equal numbers of students pursuing careers as school psychologists, school nurses, school counselors, and school social workers.

(d) For grants awarded under this subdivision to school psychologists, the following terms have the meanings given:

(1) "eligible designated trainee" means an individual enrolled in a NASP-approved or APA-accredited school psychology program granting educational specialist certificates or doctoral degrees in school psychology;

(2) "practica" means an educational experience administered and evaluated by the graduate training program, with university and site supervision by appropriately credentialed school psychologists, to develop trainees' competencies to provide school psychological services based on the graduate program's goals and competencies relative to accreditation and licensure requirements; and

(3) "eligible employment" means a paid position within a school or local education agency directly related to the training program providing direct or indirect school psychology services. Direct services include assessment, intervention, prevention, or consultation services to students or their family members and educational staff. Indirect services include supervision, research and evaluation, administration, program development, technical assistance, or professional learning to support direct services.

(e) Grants awarded to school psychologists must be used for:

(1) the provision of paid, supervised, and educationally meaningful practica in a public school setting for an eligible designated trainee enrolled in a qualifying program within the grantee's institution;

(2) to support student recruitment and retention to enroll and hire an eligible designated trainee for paid practica in public school settings; and

(3) oversight of trainee practica and professional development by the qualifying institution to ensure the qualifications and conduct by an eligible designated trainee meet requirements set forth by the state and accrediting agencies.

(f) Upon successful completion of the graduate training program, grants awarded to school psychologists must maintain eligible employment within Minnesota for a minimum period of one-year full-time equivalent for each academic year of paid traineeship under the grant program.

(g) Up to \$150,000 of the appropriation is available for grant administration.

(h) Any balance in the first year does not cancel but is available in the second year.

45.1 **Sec. 15. APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

45.2 **Subdivision 1. Department of Education.** The sums indicated in this section are
45.3 appropriated from the general fund to the Department of Education for the fiscal years
45.4 designated.

45.5 **Subd. 2. Agricultural educator grants.** (a) For agricultural educator grants under Laws
45.6 2017, First Special Session chapter 5, article 2, section 51:

45.7 \$ 250,000 2026

45.8 \$ 250,000 2027

45.9 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

45.10 (c) Up to ten percent of the grant amount is available for grant administration and
45.11 monitoring.

45.12 **Subd. 3. Alternative teacher compensation aid.** (a) For alternative teacher compensation
45.13 aid under Minnesota Statutes, section 122A.415, subdivision 4:

45.14 \$ 88,717,000 2026

45.15 \$ 8,878,000 2027

45.16 (b) The 2026 appropriation includes \$8,814,000 for fiscal year 2025 and \$79,903,000
45.17 for fiscal year 2026.

45.18 (c) The 2027 appropriation includes \$8,878,000 for fiscal year 2026 and \$0 for fiscal
45.19 year 2027.

45.20 **Subd. 4. Black Men Teach Twin Cities.** (a) For a grant to Black Men Teach Twin Cities
45.21 for the purposes listed in paragraph (c):

45.22 \$ 500,000 2026

45.23 \$ 500,000 2027

45.24 (b) Black Men Teach Twin Cities must use the grant to establish partnerships with public
45.25 elementary schools with a goal of increasing the number of black male teachers to 20 percent
45.26 of the teachers at each school site. To the extent possible, Black Men Teach Twin Cities
45.27 must include sites in greater Minnesota, suburban areas, and urban settings.

45.28 (c) The grant money may be used for:

45.29 (1) scholarships for aspiring teachers;

45.30 (2) student teacher stipends;

45.31 (3) mentoring activities;

(4) professional development, with an emphasis on early literacy training, including best practices associated with the science of reading; and

(5) stipends for housing to allow a teacher to live closer to the teacher's school.

(d) Black Men Teach Twin Cities must provide a detailed report to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education and higher education by January 15 of each year following the year of a grant award describing how the grant money was used. The report must describe the progress made toward the goal of increasing the number of Black male teachers at each school site, identify the strategies used to recruit Black teachers, and describe barriers Black men face in the teaching profession. The report must be filed in accordance with Minnesota Statutes, section 3.195.

(e) Up to three percent of the appropriation is available for grant administration.

Subd. 5. **Coalition to Increase Teachers of Color and American Indian Teachers.** (a) For the Board of Directors of the Minnesota Humanities Center for a grant to the Coalition to Increase Teachers of Color and American Indian Teachers in Minnesota for nonlobbying activities and general operating expenses that support the recruitment and retention of racially and ethnically diverse teachers underrepresented in the state's workforce:

\$ 100,000 2026

\$ 100,000 2027

(b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 6. **Come Teach in Minnesota hiring bonuses.** (a) For the Come Teach in Minnesota hiring bonuses program under Minnesota Statutes, section 122A.59:

\$ 400,000 2026

\$ 400,000 2027

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 122A.59, subdivision 5.

Subd. 7. **Concurrent enrollment teacher training program.** (a) For the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76:

\$ 375,000 2026

\$ 375,000 2027

(b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 8. **Expanded concurrent enrollment grants.** (a) For grants to institutions offering "Introduction to Teaching" or "Introduction to Education" courses under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

\$ 500,000 2026

\$ 500,000 2027

(b) Up to five percent of the grant amount is available for grant administration and monitoring.

(c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 9. **Grow Your Own pathways to teacher licensure grants.** (a) For grants to develop, continue, or expand Grow Your Own new teacher programs under Minnesota Statutes, section 122A.73, to develop a teaching workforce that more closely reflects the state's increasingly diverse student population and ensure all students have equitable access to effective and diverse teachers:

\$ 23,954,000 2026

\$ 23,954,000 2027

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 122A.73, subdivision 5.

Subd. 10. **Special education teacher pipeline.** (a) For grants to develop special education teacher pipelines across Minnesota under Minnesota Statutes, section 122A.77:

\$ 0 2026

\$ 10,000,000 2027

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 122A.77, subdivision 5.

(c) The base for fiscal year 2028 and later is \$10,000,000.

Subd. 11. **Student support personnel aid.** (a) For aid to support schools in addressing students' social, emotional, and physical health under Minnesota Statutes, section 124D.901:

\$ 58,596,000 2026

\$ 60,852,000 2027

(b) The 2026 appropriation includes \$3,655,000 for fiscal year 2025 and \$54,941,000 for fiscal year 2026.

(c) The 2027 appropriation includes \$6,104,000 for fiscal year 2026 and \$54,748,000 for fiscal year 2027.

Subd. 12. Student support personnel workforce pathway. (a) For a grant program to develop a student support personnel workforce pathway focused on increasing school psychologists, school nurses, school counselors, and school social workers of color and Indigenous providers, professional respecialization, recruitment, and retention:

\$ 5,000,000 2026

\$ 5,000,000 2027

(b) Of the amount in paragraph (a), \$150,000 each year is for providing support to school nurses across the state.

(c) To the extent practicable, the pathway grants must be used to support equal numbers of students pursuing careers as school psychologists, school nurses, school counselors, and school social workers.

(d) For grants awarded to school psychologists under this subdivision, the following terms have the meanings given:

(1) "eligible designated trainee" means an individual enrolled in a National Association of School Psychologists approved or American Psychological Association accredited school psychology program granting educational specialist certificates or doctoral degrees in school psychology;

(2) "eligible employment" means a paid position within a school or local education agency directly related to a training program providing direct or indirect school psychology services. Direct services include assessment, intervention, prevention, or consultation services to students or their family members and educational staff. Indirect services include supervision, research and evaluation, administration, program development, technical assistance, or professional learning to support direct services; and

(3) "practica" means an educational experience administered and evaluated by a graduate training program, with university and site supervision provided by appropriately credentialed school psychologists, to develop trainees' competencies to provide school psychological services based on the graduate training program's goals and competencies relative to accreditation and licensure requirements.

(e) Grants awarded to school psychologists must be used for:

(1) providing paid, supervised, and educationally meaningful practica in a public school setting for an eligible designated trainee enrolled in a qualifying program within the grantee's institution;

(2) supporting student recruitment and retention to enroll and hire an eligible designated trainee for paid practica in public school settings; and

(3) oversight of trainee practica and professional development by a qualifying program to ensure the qualifications and conduct by an eligible designated trainee meet requirements set forth by the state and accrediting agencies.

(f) Upon successful completion of the graduate training program, grants awarded to school psychologists must maintain eligible employment within Minnesota for a minimum period of one-year full-time equivalent for each academic year of paid training under the grant program.

(g) Up to \$150,000 of the appropriation is available for grant administration.

(h) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 13. Teacher residency program. (a) For a teacher residency program that meets the requirements of Minnesota Rules, part 8705.2100, subpart 2, item D, subitem (5), unit (g):

\$ 3,000,000 2026

\$ 3,000,000 2027

(b) Up to three percent of the appropriation is available for grant administration.

(c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 14. Collaborative urban and greater Minnesota educators of color grants. (a) For collaborative urban and greater Minnesota educators of color competitive grants under Minnesota Statutes, section 122A.635:

\$ 5,440,000 2026

\$ 5,440,000 2027

(b) The department may retain up to \$100,000 of the appropriation to monitor and administer the grant program.

(c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 15. Mentoring, induction, and retention incentive program grants for teachers of color. (a) To develop and expand mentoring, induction, and retention programs designed for teachers of color or American Indian teachers under Minnesota Statutes, section 122A.70:

\$ 4,500,000 2026

\$ 4,500,000 2027

50.1 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

50.2 (c) Of the amounts in paragraph (a), at least \$3,500,000 each fiscal year is for grants to
 50.3 develop and expand mentoring, induction, and retention programs designed for teachers of
 50.4 color or American Indian teachers.

50.5 (d) The department may retain up to three percent of the appropriation amount to monitor
 50.6 and administer the grant program.

50.7 **Sec. 16. APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND**
 50.8 **STANDARDS BOARD.**

50.9 Subdivision 1. Professional Educator Licensing and Standards Board. The sums
 50.10 indicated in this section are appropriated from the general fund to the Professional Educator
 50.11 Licensing and Standards Board for the fiscal years designated.

50.12 Subd. 2. Alternative pathways support position. To fund a position at the Professional
 50.13 Educator Licensing and Standards Board to support candidates through alternative pathway
 50.14 programs, including the licensure via portfolio process, and to support districts, charter
 50.15 schools, and educational cooperatives to become alternative preparation providers:

50.16 \$ 150,000 2026

50.17 \$ 150,000 2027

50.18 Subd. 3. Heritage language and culture teachers. To support an additional licensure
 50.19 pathway program for heritage language and culture teachers under Minnesota Statutes,
 50.20 section 122A.631, including funding for a portfolio liaison and funding for substitute teachers
 50.21 on meeting days, portfolio fees, licensure fees, and licensure exam fees for 50 program
 50.22 participants:

50.23 \$ 208,000 2026

50.24 \$ 208,000 2027

50.25 Subd. 4. Licensure via portfolio online platform. To complete the licensure via portfolio
 50.26 online platform to streamline the portfolio submission and review process:

50.27 \$ 150,000 2026

50.28 \$ 150,000 2027

50.29 Subd. 5. Pathway preparation grants. (a) For grants to support teachers holding a Tier
 50.30 1 or Tier 2 license who are seeking a Tier 3 or Tier 4 license:

50.31 \$ 400,000 2026

50.32 \$ 400,000 2027

51.1 (b) The following are eligible for grants under this subdivision:

51.2 (1) school districts;

51.3 (2) charter schools;

51.4 (3) service cooperatives; and

51.5 (4) partnerships between one or more teacher preparation providers, school districts, or
51.6 charter schools.

51.7 (c) Grant funds must be used to support teachers holding a Tier 1 or Tier 2 license and
51.8 seeking a Tier 3 or Tier 4 license through completion of a teacher preparation program or
51.9 the licensure via portfolio process. A grant recipient must provide teachers holding a Tier
51.10 1 or Tier 2 license with professional development, mentorship, and coursework aligned to
51.11 state standards for teacher licensure.

51.12 (d) The Professional Educator Licensing and Standards Board may collaborate with the
51.13 Department of Education and the Office of Higher Education to administer the grant program.

51.14 (e) The board may retain up to three percent of the appropriation amount to monitor and
51.15 administer the grant.

51.16 Subd. 6. **Teacher recruitment marketing campaign.** (a) To develop two contracts to
51.17 develop and implement an outreach and marketing campaign under this subdivision:

51.18 \$ 500,000 2026

51.19 \$ 500,000 2027

51.20 (b) The Professional Educator Licensing and Standards Board must issue a request for
51.21 proposals to develop and implement an outreach and marketing campaign to elevate the
51.22 profession and recruit teachers, especially teachers of color and American Indian teachers.
51.23 Outreach efforts may include and support current and former Teacher of the Year finalists
51.24 interested in being recruitment fellows to encourage prospective educators throughout the
51.25 state. The board may renew a grant contract with a prior recipient if it determines sufficient
51.26 deliverables were achieved and the plans of the firm or organization are more promising
51.27 than proposals from other entities.

51.28 (c) The outreach and marketing campaign must focus on increasing interest in teaching
51.29 in Minnesota public schools for the following individuals:

51.30 (1) high school and college students of color or American Indian students who have not
51.31 chosen a career path; or

52.1 (2) adults from racial or ethnic groups underrepresented in the teacher workforce who
52.2 may be seeking to change careers.

52.3 (d) The board must award two \$250,000 grants each year to firms or organizations that
52.4 demonstrate capacity to reach wide and varied audiences of prospective teachers based on
52.5 a work plan with quarterly deliverables. Preferences may be given to firms or organizations
52.6 that are led by people of color and that have people of color working on the campaign with
52.7 a proven record of success. The grant recipients must recognize current pathways or programs
52.8 to become a teacher and must partner with educators, schools, institutions, and racially
52.9 diverse communities. The grant recipients are encouraged to provide in-kind contributions
52.10 or seek funds from nonstate sources to supplement the grant award.

52.11 (e) The board may use no more than three percent of the appropriation amount to
52.12 administer the program under this subdivision, and may have an interagency agreement
52.13 with the Department of Education including transfer of funds to help administer the program.

52.14 (f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

52.15 Sec. 17. **REPEALER.**

52.16 Minnesota Statutes 2024, sections 122A.414, subdivisions 1, 2, 3, 4, 4a, 5, 5a, 6, 7, 8,
52.17 9, 10, 11, 12, 13, 14a, 15, and 16; 122A.4144; 122A.415, subdivisions 1, 3, 4, 5, 6, and 7;
52.18 122A.4155; 122A.416; and 122A.417, are repealed for fiscal year 2028 and later.

52.19 **EFFECTIVE DATE.** This section is effective June 30, 2027.

52.20 **ARTICLE 4**

52.21 **AMERICAN INDIAN EDUCATION**

52.22 Section 1. Minnesota Statutes 2024, section 122A.63, subdivision 9, is amended to read:

52.23 Subd. 9. **Eligible programming.** (a) The grantee institutions may provide scholarships
52.24 to eligible students progressing toward educational goals in an early education through
52.25 grade 12 educational setting in any area of teacher licensure, including an associate's,
52.26 bachelor's, master's, or doctoral degree in the following:

52.27 (1) any educational certification necessary for employment;

52.28 (2) early childhood family education or prekindergarten licensure;

52.29 (3) elementary and secondary education;

52.30 (4) school administration; or

53.1 (5) any educational program that provides services to American Indian students in
53.2 prekindergarten through grade 12.

53.3 (b) Scholarships may be used to cover an eligible student's cost of attendance under
53.4 section 136A.126, subdivision 3.

53.5 (c) For purposes of recruitment, the grantees or their contracted partner institutions must
53.6 agree to work with their respective organizations to hire an American Indian work-study
53.7 student or other American Indian staff to conduct initial information queries and to contact
53.8 persons working in schools to provide programming regarding education professions to
53.9 high school students who may be interested in education as a profession.

53.10 (d) At least 80 percent of the grants awarded under this section must be used for student
53.11 scholarships. No more than 20 percent of the grants awarded under this section may be used
53.12 for recruitment or administration of the student scholarships.

53.13 Sec. 2. Minnesota Statutes 2024, section 124D.83, subdivision 2, is amended to read:

53.14 Subd. 2. **Revenue amount.** An American Indian-controlled tribal contract or grant school
53.15 that is located on a reservation within the state and that complies with the requirements in
53.16 subdivision 1 is eligible to receive tribal contract or grant school aid. The amount of aid is
53.17 derived by:

53.18 (1) multiplying the formula allowance under section 126C.10, subdivision 2, less \$170,
53.19 times the difference between (i) the resident pupil units as defined in section 126C.05,
53.20 subdivision 6, in average daily membership, excluding section 126C.05, subdivision 13,
53.21 and (ii) the number of pupils for the current school year, weighted according to section
53.22 126C.05, subdivision 1, ~~receiving benefits under section 123B.42 or 123B.44 or for which~~
53.23 the school is receiving reimbursement under section 124D.69;

53.24 (2) adding to the result in clause (1) an amount equal to the product of the formula
53.25 allowance under section 126C.10, subdivision 2, less \$300 times the tribal contract
53.26 compensation revenue pupil units;

53.27 (3) subtracting from the result in clause (2) the amount of money allotted to the school
53.28 by the federal government through Indian School Equalization Program of the Bureau of
53.29 Indian Affairs, according to Code of Federal Regulations, title 25, part 39, subparts A to E,
53.30 for the basic program as defined by section 39.11, paragraph (b), for the base rate as applied
53.31 to kindergarten through twelfth grade, excluding small school adjustments and additional
53.32 weighting, but not money allotted through subparts F to L for contingency funds, school
53.33 board training, student training, interim maintenance and minor repair, interim administration

54.1 cost, prekindergarten, and operation and maintenance, and the amount of money that is
54.2 received according to section 124D.69;

54.3 (4) dividing the result in clause (3) by the sum of the resident pupil units in average daily
54.4 membership, excluding section 126C.05, subdivision 13, plus the tribal contract compensation
54.5 revenue pupil units; and

54.6 (5) multiplying the sum of the resident pupil units, including section 126C.05, subdivision
54.7 13, in average daily membership plus the tribal contract compensation revenue pupil units
54.8 by the lesser of \$3,230 for fiscal year 2019 and 51.17 percent of the formula allowance for
54.9 fiscal year 2020 and later or the result in clause (4).

54.10 Sec. 3. **APPROPRIATIONS.**

54.11 **Subdivision 1. Department of Education.** The sums indicated in this section are
54.12 appropriated from the general fund to the Department of Education for the fiscal years
54.13 designated.

54.14 **Subd. 2. American Indian education aid.** (a) For American Indian education aid under
54.15 Minnesota Statutes, section 124D.81, subdivision 2a:

54.16 \$ 20,646,000 2026

54.17 \$ 21,548,000 2027

54.18 (b) The 2026 appropriation includes \$1,973,000 for 2025 and \$18,673,000 for 2026.

54.19 (c) The 2027 appropriation includes \$2,074,000 for 2026 and \$19,474,000 for 2027.

54.20 **Subd. 3. Minnesota Indian teacher training program grants.** (a) For joint grants to
54.21 assist people who are American Indian to become teachers under Minnesota Statutes, section
54.22 122A.63:

54.23 \$ 600,000 2026

54.24 \$ 600,000 2027

54.25 (b) This appropriation is subject to the requirements under Minnesota Statutes, section
54.26 122A.63, subdivision 10.

54.27 **Subd. 4. Native language revitalization grants to schools.** (a) For grants to school
54.28 districts, charter schools, and Tribal contract schools to offer language instruction in Dakota
54.29 and Anishinaabe languages or another language indigenous to the United States or Canada:

54.30 \$ 7,500,000 2026

54.31 \$ 7,500,000 2027

55.1 (b) Grant amounts are to be determined based upon the number of schools within a
55.2 district implementing language courses. Eligible expenses include costs for teachers, program
55.3 supplies, and curricular resources.

55.4 (c) Up to five percent of the grant amount is available for grant administration and
55.5 monitoring.

55.6 (d) Up to \$300,000 each year is for administrative and programmatic capacity at the
55.7 Department of Education.

55.8 (e) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

55.9 Subd. 5. **Tribal contract school aid.** (a) For Tribal contract school aid under Minnesota
55.10 Statutes, section 124D.83:

55.11 \$ 2,313,000 2026

55.12 \$ 2,554,000 2027

55.13 (b) The 2026 appropriation includes \$221,000 for 2025 and \$2,092,000 for 2026.

55.14 (c) The 2027 appropriation includes \$232,000 for 2026 and \$2,322,000 for 2027.

55.15 Subd. 6. **Early childhood programs at Tribal contract schools.** (a) For early childhood
55.16 family education programs at Tribal contract schools under Minnesota Statutes, section
55.17 124D.83, subdivision 4:

55.18 \$ 68,000 2026

55.19 \$ 68,000 2027

55.20 (b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

55.21 **ARTICLE 5**

55.22 **SPECIAL EDUCATION**

55.23 Section 1. Minnesota Statutes 2024, section 124E.21, subdivision 1, is amended to read:

55.24 Subdivision 1. **Special education aid.** (a) Except as provided in section 124E.23, special
55.25 education aid, excluding cross subsidy reduction aid under section 125A.76, subdivision
55.26 2e, must be paid to a charter school according to section 125A.76, as though it were a school
55.27 district.

55.28 ~~(b) For fiscal year 2020 and later,~~ The special education aid paid to the charter school
55.29 shall be adjusted as follows:

(1) if the charter school does not receive general education revenue on behalf of the student according to section 124E.20, the aid shall be adjusted as provided in section 125A.11; or

(2) if the charter school receives general education revenue on behalf of the student according to section 124E.20, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraphs (b) to (e), ~~and if the tuition adjustment is computed under section 127A.47, subdivision 7, paragraph (c), it shall also receive an adjustment equal to five percent for fiscal year 2020 or ten percent for fiscal year 2021 and later of the unreimbursed cost of providing special education and services for the student.~~

Sec. 2. Minnesota Statutes 2024, section 125A.76, subdivision 2a, is amended to read:

Subd. 2a. **Special education initial aid.** For fiscal year 2021 and later, a district's special education initial aid equals the sum of:

(1) the least of 62 percent of the district's old formula special education expenditures for the prior fiscal year, excluding pupil transportation expenditures, 50 percent of the district's nonfederal special education expenditures for the prior year, excluding pupil transportation expenditures, or 56 percent of the product of the sum of the following amounts, computed using prior fiscal year data, and the program growth factor:

(i) the product of the district's average daily membership served and the sum of:

(A) \$460; plus

(B) \$405 times the ratio of the sum of the number of pupils enrolled on October 1 who are eligible to receive free meals plus one-half of the pupils enrolled on October 1 who are eligible to receive reduced-price meals to the total October 1 enrollment; plus

(C) .008 times the district's average daily membership served; plus

(ii) \$13,300 times the December 1 child count for the primary disability areas of autism spectrum disorders, developmental delay, and severely multiply impaired; plus

(iii) \$19,200 times the December 1 child count for the primary disability areas of deaf and hard-of-hearing and emotional or behavioral disorders; plus

(iv) \$25,200 times the December 1 child count for the primary disability areas of developmentally cognitive mild-moderate, developmentally cognitive severe-profound, physically impaired, visually impaired, and deafblind; plus

57.1 (2) the cost of providing transportation services for children with disabilities under
57.2 section 123B.92, subdivision 1, paragraph (b), clause (4), reimbursed at 95 percent for fiscal
57.3 year 2026, and 90 percent for fiscal years 2027 and later.

57.4 Sec. 3. **APPROPRIATIONS.**

57.5 Subdivision 1. **Department of Education.** The sums indicated in this section are
57.6 appropriated from the general fund to the Department of Education for the fiscal years
57.7 designated.

57.8 Subd. 2. **Aid for children with disabilities.** (a) For aid under Minnesota Statutes, section
57.9 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
57.10 district boundaries for whom no district of residence can be determined:

57.11 \$ 2,240,000 2026

57.12 \$ 2,570,000 2027

57.13 (b) If the appropriation for either year is insufficient, the appropriation for the other year
57.14 is available.

57.15 Subd. 3. **Court-placed special education revenue.** For reimbursing serving school
57.16 districts for unreimbursed eligible expenditures attributable to children placed in the serving
57.17 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

57.18 \$ 41,000 2026

57.19 \$ 42,000 2027

57.20 Subd. 4. **Special education; regular.** (a) For special education aid under Minnesota
57.21 Statutes, section 125A.76:

57.22 \$ 2,761,642,000 2026

57.23 \$ 2,978,008,000 2027

57.24 (b) The 2026 appropriation includes \$322,670,000 for 2025 and \$2,438,972,000 for
57.25 2026.

57.26 (c) The 2027 appropriation includes \$343,337,000 for 2026 and \$2,634,671,000 for
57.27 2027.

57.28 Subd. 5. **Special education out-of-state tuition.** For special education out-of-state
57.29 tuition under Minnesota Statutes, section 125A.79, subdivision 8:

57.30 \$ 250,000 2026

57.31 \$ 250,000 2027

Subd. 6. Special education separate sites and programs. (a) For aid for special education separate sites and programs under Minnesota Statutes, section 125A.81, subdivision 4:

\$ 4,470,000 2026

\$ 4,695,000 2027

(b) The 2026 appropriation includes \$427,000 for 2025 and \$4,043,000 for 2026.

(c) The 2027 appropriation includes \$449,000 for 2026 and \$4,246,000 for 2027.

Subd. 7. Travel for home-based services. (a) For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

\$ 488,000 2026

\$ 538,000 2027

(b) The 2026 appropriation includes \$44,000 for 2025 and \$444,000 for 2026.

(c) The 2027 appropriation includes \$49,000 for 2026 and \$489,000 for 2027.

ARTICLE 6

FACILITIES

Section 1. Minnesota Statutes 2024, section 123B.595, subdivision 4, is amended to read:

Subd. 4. Facilities plans. (a) To qualify for revenue under this section, a school district or intermediate district, ~~not including a charter school,~~ must have a ten-year facility plan adopted by the school board and approved by the commissioner. The plan must include provisions for implementing a health and safety program that complies with health, safety, and environmental regulations and best practices, including indoor air quality management and remediation of lead hazards. For planning purposes, the plan must also address provisions for providing a gender-neutral single-user restroom at each school site.

(b) The district must annually update the plan, submit the plan to the commissioner for approval by July 31, and indicate whether the district will issue bonds to finance the plan or levy for the costs.

(c) For school districts issuing bonds to finance the plan, the plan must include a debt service schedule demonstrating that the debt service revenue required to pay the principal and interest on the bonds each year will not exceed the projected long-term facilities revenue for that year.

59.1 Sec. 2. Minnesota Statutes 2024, section 123B.595, subdivision 10, is amended to read:

59.2 Subd. 10. **Allowed uses for long-term facilities maintenance revenue.** ~~(a)~~ A district
59.3 may use revenue under this section for any of the following:

59.4 (1) deferred capital expenditures and maintenance projects necessary to prevent further
59.5 erosion of facilities;

59.6 (2) increasing accessibility of school facilities;

59.7 (3) health and safety capital projects under section 123B.57;

59.8 (4) remodeling or constructing a gender-neutral single-user restroom at each school site;

59.9 or

59.10 (5) by board resolution, to transfer money from the general fund reserve for long-term
59.11 facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when
59.12 due, principal and interest on general obligation bonds issued under subdivision 5.

59.13 ~~(b) A charter school may use revenue under this section for any purpose related to the~~
59.14 ~~school.~~

59.15 Sec. 3. Minnesota Statutes 2024, section 126C.40, subdivision 1, is amended to read:

59.16 Subdivision 1. **To lease building or land.** (a) When an independent or a special school
59.17 district or a group of independent or special school districts finds it economically
59.18 advantageous to rent or lease a building or land for any instructional purposes or for school
59.19 storage or furniture repair, ~~and it determines that the operating capital revenue authorized~~
59.20 ~~under section 126C.10, subdivision 13, is insufficient for this purpose,~~ it may apply to the
59.21 commissioner for permission to make an additional capital expenditure levy for this purpose.
59.22 An application for permission to levy under this subdivision must contain ~~financial~~
59.23 ~~justification for the proposed levy,~~ the terms and conditions of the proposed lease, and a
59.24 description of the space to be leased and its proposed use. For any capital or joint powers
59.25 lease application with a total value of over \$2,000,000, a review and comment must be
59.26 submitted prior to a capital lease approval.

59.27 (b) The criteria for approval of applications to levy under this subdivision must include:
59.28 the reasonableness of the price, the appropriateness of the space to the proposed activity,
59.29 the feasibility of transporting pupils to the leased building or land, conformity of the lease
59.30 to the laws and rules of the state of Minnesota, and the appropriateness of the proposed
59.31 lease to the space needs and the financial condition of the district as prescribed by the
59.32 commissioner, including but not limited to a review of statutory operating debt percentage.

60.1 The commissioner must not authorize a levy under this subdivision in an amount greater
60.2 than the cost to the district of renting or leasing a building or land for approved purposes.
60.3 The proceeds of this levy must not be used for custodial or other maintenance services. A
60.4 district may not levy under this subdivision for the purpose of leasing or renting a
60.5 district-owned building or site to itself.

60.6 (c) For agreements finalized after July 1, 1997, a district may not levy under this
60.7 subdivision for the purpose of leasing: (1) a newly constructed building used primarily for
60.8 regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
60.9 building addition or additions used primarily for regular kindergarten, elementary, or
60.10 secondary instruction that contains more than 20 percent of the square footage of the
60.11 previously existing building.

60.12 (d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
60.13 purpose of leasing or renting a district-owned building or site to itself only if the amount is
60.14 needed by the district to make payments required by a lease purchase agreement, installment
60.15 purchase agreement, or other deferred payments agreement authorized by law, and the levy
60.16 meets the requirements of paragraph (c). A levy authorized for a district by the commissioner
60.17 under this paragraph may be in the amount needed by the district to make payments required
60.18 by a lease purchase agreement, installment purchase agreement, or other deferred payments
60.19 agreement authorized by law, provided that any agreement include a provision giving the
60.20 school districts the right to terminate the agreement annually without penalty.

60.21 (e) The total levy under this subdivision for a district for any year must not exceed \$212
60.22 times the adjusted pupil units for the fiscal year to which the levy is attributable.

60.23 (f) For agreements for which a review and comment have been submitted to the
60.24 Department of Education after April 1, 1998, the term "instructional purpose" as used in
60.25 this subdivision excludes expenditures on stadiums.

60.26 (g) The commissioner of education may authorize a school district to exceed the limit
60.27 in paragraph (e) if the school district petitions the commissioner for approval. The
60.28 commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
60.29 for not more than five years if the district meets the following criteria:

60.30 (1) the school district has been experiencing pupil enrollment growth in the preceding
60.31 five years;

60.32 (2) the purpose of the increased levy is in the long-term public interest;

60.33 (3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding over construction of school facilities.

(h) A school district that is a member of an intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 may include in its authority under this section the costs associated with leases of administrative and classroom space for programs of the intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or joint powers district under section 471.59. This authority must not exceed \$65 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. The intermediate school district, other cooperative unit, or joint powers district may specify which member districts will levy for lease costs under this paragraph.

(i) Notwithstanding paragraph (a), a district may levy under this subdivision for the purpose of leasing administrative space if the district can demonstrate to the satisfaction of the commissioner that the lease cost for the administrative space is no greater than the lease cost for instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under this section if the commissioner does not grant authority under this paragraph. The resolution must also certify that the lease cost for administrative space under this paragraph is no greater than the lease cost for the district's proposed instructional lease.

(j) Notwithstanding paragraph (a), a district may levy under this subdivision for the district's proportionate share of deferred maintenance expenditures for a district-owned building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 for any instructional purposes or for school storage.

EFFECTIVE DATE. This section is effective for taxes payable in 2026 and later.

Sec. 4. Minnesota Statutes 2024, section 126C.40, is amended by adding a subdivision to read:

Subd. 7. Definitions. (a) For the purposes of this section, the following terms have the meanings given.

(b) "Capital lease" means an agreement to use, construct, or remodel a site under subdivision 1, paragraph (c), with the end result being site ownership.

(c) "Criteria of approval" means guidelines approved and updated as needed by the commissioner for each levy year.

62.1 (d) Notwithstanding subdivision 1, "instructional purposes" means the use of a building
 62.2 or land being leased leads to educational-related outcomes identified in statute or state
 62.3 program policy.

62.4 (e) "Joint lease" means districts with levy authority agree to contribute to the annual
 62.5 costs of hosted or joint powers operational or capital leases. The host district or joint powers
 62.6 district has the authority to apply leases to member district levies for leases approved by
 62.7 the commissioner.

62.8 (f) "Operating costs" means regular maintenance or custodial supplies and services.

62.9 (g) "Operational lease" means an agreement to use building or land not leading to
 62.10 ownership.

62.11 (h) "Rent or lease" means a formal agreement or Department of Education approval for
 62.12 occasional-use sites, in writing, with the term, cost, and board approval included.

62.13 (i) "Review and comment" means completing the Department of Education review
 62.14 process for any capital lease projected to cost \$2,000,000 or more.

62.15 **EFFECTIVE DATE.** This section is effective for taxes payable in 2026 and later.

62.16 Sec. 5. **APPROPRIATIONS.**

62.17 Subdivision 1. **Department of Education.** The sums indicated in this section are
 62.18 appropriated from the general fund to the Department of Education for the fiscal years
 62.19 designated.

62.20 Subd. 2. **Debt service equalization aid.** (a) For debt service equalization aid under
 62.21 Minnesota Statutes, section 123B.53, subdivision 6:

62.22 \$ 16,218,000 2026

62.23 \$ 14,327,000 2027

62.24 (b) The 2026 appropriation includes \$1,986,000 for 2025 and \$14,232,000 for 2026.

62.25 (c) The 2027 appropriation includes \$1,581,000 for 2026 and \$12,746,000 for 2027.

62.26 Subd. 3. **Equity in telecommunications access.** (a) For equity in telecommunications
 62.27 access:

62.28 \$ 3,375,000 2026

62.29 \$ 3,375,000 2027

(b) If the appropriation amount is insufficient, the commissioner must reduce the reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the revenue for fiscal years 2026 and 2027 must be prorated.

(c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 4. Grants for gender-neutral single-user restrooms. (a) For grants to school districts for remodeling, constructing, or repurposing space for gender-neutral single-user restrooms:

\$ 1,000,000 2026

\$ 1,000,000 2027

(b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24, subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision in the form and manner specified by the commissioner.

(c) The commissioner must ensure that grants are awarded to schools to reflect the geographic diversity of the state.

(d) Up to \$75,000 each year is available for grant administration and monitoring.

(e) By February 1 of each year, the commissioner must annually report to the legislative committees with jurisdiction over kindergarten through grade 12 education on the number of grants that were awarded each year and the number of grant applications that were unfunded each year.

(f) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

Subd. 5. Long-term facilities maintenance equalized aid. (a) For long-term facilities maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

\$ 97,104,000 2026

\$ 94,940,000 2027

(b) The 2026 appropriation includes \$10,719,000 for 2025 and \$86,385,000 for 2026.

(c) The 2027 appropriation includes \$9,597,000 for 2026 and \$85,343,000 for 2027.

Sec. 6. REPEALER.

Minnesota Statutes 2024, section 123B.595, subdivision 2, is repealed.

ARTICLE 7**SCHOOL NUTRITION AND LIBRARIES**

Section 1. Minnesota Statutes 2024, section 124D.111, subdivision 2a, is amended to read:

Subd. 2a. **Federal child and adult care food program and federal summer food service program; criteria and notice; board of directors; salaries.** (a) The commissioner must post on the department's website eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal child and adult care food program and federal summer food service program. The posted criteria and information must inform interested nonprofit organizations about:

(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;

(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and

(3) any appeal or other recourse available to a disapproved applicant.

(b) The commissioner must evaluate financial eligibility as part of the application process. An organization applying to be a prospective nonprofit multisite sponsoring organization for the federal child and adult care food program or the federal summer food service program must provide documentation of financial viability as an organization. Documentation must include:

(1) evidence that the organization has operated for at least one year and has filed at least one tax return;

(2) the most recent tax return submitted by the organization and corresponding forms and financial statements;

(3) a profit and loss statement and balance sheet or similar financial information; and

(4) evidence that at least ten percent of the organization's operating revenue comes from sources other than the United States Department of Agriculture child nutrition program and that the organization has additional funds or a performance bond available to cover at least one month of reimbursement claims.

65.1 (c) When a nonprofit organization applies for sponsorship as a multisite sponsoring
65.2 organization under the federal child and adult care food program and federal summer food
65.3 service program, applications are evaluated on the following criteria in addition to federal
65.4 requirements:

65.5 (1) any sponsor which applies to receive reimbursement over the federal single audit
65.6 threshold, as defined in Code of Federal Regulations, title 2, section 200, must ensure a
65.7 minimum of one full time equivalent (FTE) financial director, or similar role, for the
65.8 organization. This position must be solely dedicated to the responsibilities of a financial
65.9 director, or similar role, and be separate from any other position within the organization;

65.10 (2) volunteers must not be allowed to make organization-level decisions, monitor sites,
65.11 or provide financial oversight. Board members, whether paid or unpaid, are not considered
65.12 volunteers; and

65.13 (3) unless granted special approval by the commissioner, sponsoring organizations are
65.14 limited to an annual maximum increase of 25 percent for the number of sponsored sites and
65.15 total reimbursement.

65.16 (d) A nonprofit multisite sponsoring organization must be governed by a board of
65.17 directors consistent with the following requirements:

65.18 (1) board bylaws must outline the procedures for changing the governance structure,
65.19 following the requirements of chapter 317A;

65.20 (2) board of director meetings must comply with chapter 13D governing open meetings;
65.21 and

65.22 (3) a nonprofit multisite sponsoring organization must publish and maintain:

65.23 (i) the meeting minutes of the board of directors and of members and committees having
65.24 board-delegated authority, within 30 days following the earlier of the date of board approval
65.25 or the next regularly scheduled meeting, and for at least 365 days from the date of publication;
65.26 and

65.27 (ii) directory information for the board of directors and for the members of committees
65.28 having board-delegated authority.

65.29 (e) The commissioner must post annually on the department's website the approved
65.30 salary range for the positions of executive director, financial director, monitoring staff,
65.31 administrative staff, and officer-level positions for multisite sponsoring organizations under
65.32 the federal child and adult care food program and federal summer food service program.
65.33 Salaries charged to the nonprofit food service fund must fall within these ranges.

Sec. 2. Minnesota Statutes 2024, section 124D.111, subdivision 3, is amended to read:

Subd. 3. School food service fund. (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of ~~lunchroom supervision~~, lunchroom custodial services, lunchroom utilities, lunchroom furniture, and other administrative costs of the food service program must be charged to the general fund.

~~That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund provided that the school district does not employ or contract with a food service director or other individual who manages the food service program, or food service management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department.~~

Staff whose primary responsibility is financial or program management of food service operations may charge time spent managing the program to the food service program.

(d) Capital expenditures for the purchase of food service equipment must be made from the general fund and not the food service fund, unless the restricted balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased.

(e) If the condition set out in paragraph (d) applies, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year. ~~However, if a district contracts with a food service management~~

67.1 ~~company during the period in which the deficit has accrued, the deficit must be eliminated~~
 67.2 ~~by a payment from the food service management company.~~

67.3 (g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund
 67.4 for up to three years without making the permanent transfer if the district submits to the
 67.5 commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at
 67.6 the end of the third fiscal year.

67.7 (h) If a surplus in the food service fund exists at the end of a fiscal year for three
 67.8 successive years, a district may recode for ~~that fiscal year~~ the documented costs of lunchroom
 67.9 ~~supervision~~, lunchroom custodial services, lunchroom utilities, lunchroom furniture, and
 67.10 other administrative costs of the food service program charged to the general fund according
 67.11 to paragraph (c) and charge those costs to the food service fund identified by the
 67.12 commissioner in a total amount not to exceed the amount of surplus ~~in the food service~~
 67.13 ~~fund~~.

67.14 (i) For purposes of this subdivision, "lunchroom furniture" means tables and chairs
 67.15 regularly used by pupils in a lunchroom from which they may consume milk, meals, or
 67.16 snacks in connection with school or community service activities.

67.17 Sec. 3. Minnesota Statutes 2024, section 124D.119, subdivision 1, is amended to read:

67.18 Subdivision 1. **Summer ~~Food Service~~ Electronic Benefit Transfer Program**
 67.19 **replacement aid.** State funds are available to compensate ~~department-approved~~ school food
 67.20 authorities who gather student data for the Summer ~~Food Service~~ Electronic Benefit Transfer
 67.21 Program sponsors. Reimbursement shall be made ~~on~~ by December 15 based on ~~total meals~~
 67.22 ~~served by each sponsor from the end of the school year to the beginning of the next school~~
 67.23 ~~year~~ the number of pupil units eligible during the Summer Electronic Benefit Transfer
 67.24 Program eligibility year on a pro rata basis.

67.25 Sec. 4. Minnesota Statutes 2024, section 124D.992, subdivision 1, is amended to read:

67.26 Subdivision 1. **School library aid.** For fiscal year 2024 ~~and later~~ to fiscal year 2026,
 67.27 school library aid for a district equals the greater of \$16.11 times the district's adjusted pupil
 67.28 units for the school year or \$40,000. For fiscal year 2027 and later, school library aid for a
 67.29 district equals the greater of \$10.79 times the district's adjusted pupil units for the school
 67.30 year or \$26,800. For fiscal year 2024 ~~and later~~ to fiscal year 2026, school library aid for a
 67.31 charter school equals the greater of \$16.11 times the charter school's adjusted pupil units
 67.32 for the school year or \$20,000. For fiscal year 2027 and later, school library aid for a charter

68.1 school equals the greater of \$10.79 times the charter school's adjusted pupil units for the
68.2 school year or \$13,400.

68.3 Sec. 5. **APPROPRIATIONS.**

68.4 Subdivision 1. **Department of Education.** The sums indicated in this section are
68.5 appropriated from the general fund to the Department of Education for the fiscal years
68.6 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

68.7 Subd. 2. **Basic system support.** (a) For basic system support aid under Minnesota
68.8 Statutes, section 134.355:

68.9 \$ 17,995,000 2026

68.10 \$ 18,372,000 2027

68.11 (b) The 2026 appropriation includes \$1,752,000 for 2025 and \$16,243,000 for 2026.

68.12 (c) The 2027 appropriation includes \$1,804,000 for 2026 and \$16,568,000 for 2027.

68.13 Subd. 3. **Electronic library for Minnesota.** For statewide licenses to online databases
68.14 selected in cooperation with the Minnesota Office of Higher Education for school media
68.15 centers, public libraries, state government agency libraries, and public or private college or
68.16 university libraries:

68.17 \$ 900,000 2026

68.18 \$ 900,000 2027

68.19 Subd. 4. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
68.20 including the amounts for the free school meals program:

68.21 \$ 264,162,000 2026

68.22 \$ 276,392,000 2027

68.23 Subd. 5. **School breakfast.** For school breakfast aid under Minnesota Statutes, section
68.24 124D.1158:

68.25 \$ 57,642,000 2026

68.26 \$ 60,413,000 2027

68.27 Subd. 6. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
68.28 section 124D.118:

68.29 \$ 387,000 2026

68.30 \$ 387,000 2027

69.1 Subd. 7. **Multicounty, multitype library systems.** (a) For aid under Minnesota Statutes,
69.2 sections 134.353 and 134.354, to multicounty, multitype library systems:

69.3	\$	<u>2,000,000</u>	<u>.....</u>	<u>2026</u>
69.4	\$	<u>2,000,000</u>	<u>.....</u>	<u>2027</u>

- 69.5 (b) The 2026 appropriation includes \$200,000 for 2025 and \$1,800,000 for 2026.
- 69.6 (c) The 2027 appropriation includes \$200,000 for 2026 and \$1,800,000 for 2027.

69.7 Subd. 8. **Regional library telecommunications.** (a) For regional library
69.8 telecommunications aid under Minnesota Statutes, section 134.355:

69.9	\$	<u>2,300,000</u>	<u>.....</u>	<u>2026</u>
69.10	\$	<u>2,300,000</u>	<u>.....</u>	<u>2027</u>

- 69.11 (b) The 2026 appropriation includes \$230,000 for 2025 and \$2,070,000 for 2026.
- 69.12 (c) The 2027 appropriation includes \$230,000 for 2026 and \$2,070,000 for 2027.

69.13 Subd. 9. **School library aid.** (a) For school library aid under Minnesota Statutes, section
69.14 134.356:

69.15	\$	<u>23,698,000</u>	<u>.....</u>	<u>2026</u>
69.16	\$	<u>16,144,000</u>	<u>.....</u>	<u>2027</u>

- 69.17 (b) The 2026 appropriation includes \$2,376,000 for 2025 and \$21,322,000 for 2026.
- 69.18 (c) The 2027 appropriation includes \$2,369,000 for 2026 and \$13,775,000 for 2027.

69.19 Subd. 10. **Summer Electronic Benefit Transfer Program.** To support local education
69.20 agencies uploading data for and administering the Summer Electronic Benefit Transfer
69.21 Program.

69.22	\$	<u>150,000</u>	<u>.....</u>	<u>2026</u>
69.23	\$	<u>150,000</u>	<u>.....</u>	<u>2027</u>

69.24 **ARTICLE 8**

69.25 **EARLY CHILDHOOD EDUCATION**

69.26 Section 1. **APPROPRIATIONS.**

69.27 Subdivision 1. **Department of Education.** The sums indicated in this section are
69.28 appropriated from the general fund to the Department of Education in the fiscal years
69.29 designated.

70.1 Subd. 2. **Kindergarten entry assessment.** (a) For the kindergarten entry assessment
70.2 under Minnesota Statutes, section 124D.162:

70.3 \$ 2,357,000 2026

70.4 \$ 1,743,000 2027

70.5 (b) The base for fiscal year 2028 and later is \$1,743,000.

70.6 Subd. 3. **Early childhood and family education teacher shortage.** (a) For transfer to
70.7 the Office of Higher Education for grants to Minnesota institutions of higher education to
70.8 address the early childhood and family education teacher shortage:

70.9 \$ 500,000 2026

70.10 \$ 500,000 2027

70.11 (b) Grant funds may be used to provide tuition and other supports to students.

70.12 (c) Up to five percent of the grant amount is available for grant administration and
70.13 monitoring.

70.14 (d) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

70.15 **ARTICLE 9**

70.16 **COMMUNITY EDUCATION AND LIFELONG LEARNING**

70.17 Section 1. Minnesota Statutes 2024, section 124D.20, subdivision 5, is amended to read:

70.18 Subd. 5. **Total community education levy.** To obtain total community education revenue,
70.19 a district may levy the amount raised by a maximum tax rate of 0.94 percent through fiscal
70.20 year 2024, 0.375 percent in fiscal year 2025, ~~0.3298~~ 0.44361 percent in fiscal year 2026,
70.21 ~~and 0.3128~~ 0.44325 percent in fiscal year 2027, 0.42602 percent for fiscal year 2028, and
70.22 0.4125 percent for fiscal year 2029 and later, times the adjusted net tax capacity of the
70.23 district. If the amount of the total community education levy would exceed the total
70.24 community education revenue, the total community education levy shall be determined
70.25 according to subdivision 6.

70.26 **Sec. 2. APPROPRIATIONS.**

70.27 Subdivision 1. **Department of Education.** The sums indicated in this section are
70.28 appropriated from the general fund to the Department of Education for the fiscal years
70.29 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

70.30 Subd. 2. **Adult basic education aid.** (a) For adult basic education aid under Minnesota
70.31 Statutes, section 124D.531:

71.1 \$ 55,281,000 2026

71.2 \$ 56,919,000 2027

71.3 (b) The 2026 appropriation includes \$5,401,000 for 2025 and \$49,880,000 for 2026.

71.4 (c) The 2027 appropriation includes \$5,542,000 for 2026 and \$51,377,000 for 2027.

71.5 Subd. 3. **Adults with disabilities program aid.** (a) For adults with disabilities programs
71.6 under Minnesota Statutes, section 124D.56:

71.7 \$ 1,560,000 2026

71.8 \$ 1,580,000 2027

71.9 (b) The 2026 appropriation includes \$151,000 for 2025 and \$1,409,000 for 2026.

71.10 (c) The 2027 appropriation includes \$156,000 for 2026 and \$1,424,000 for 2027.

71.11 Subd. 4. **Community education aid.** (a) For community education aid under Minnesota
71.12 Statutes, section 124D.20:

71.13 \$ 3,725,000 2026

71.14 \$ 3,171,000 2027

71.15 (b) The 2026 appropriation includes \$871,000 for 2025 and \$2,854,000 for 2026.

71.16 (c) The 2027 appropriation includes \$317,000 for 2026 and \$2,854,000 for 2027.

71.17 Subd. 5. **Deaf, deafblind, and hard-of-hearing adults.** For programs for deaf, deafblind,
71.18 and hard-of-hearing adults under Minnesota Statutes, section 124D.57:

71.19 \$ 70,000 2026

71.20 \$ 70,000 2027

71.21 Subd. 6. **High school equivalency tests.** For payment of the costs of the
71.22 commissioner-selected high school equivalency tests under Minnesota Statutes, section
71.23 124D.55:

71.24 \$ 125,000 2026

71.25 \$ 125,000 2027

71.26 Subd. 7. **Neighborhood partnership grants.** (a) For neighborhood partnership grants
71.27 under Minnesota Statutes, section 124D.99:

71.28 \$ 2,600,000 2026

71.29 \$ 2,600,000 2027

71.30 (b) Of the amounts in paragraph (a), \$1,300,000 each year is for the Northside
71.31 Achievement Zone and \$1,300,000 each year is for the St. Paul Promise Neighborhood.

72.1 Subd. 8. Regional neighborhood partnership grants. (a) For regional neighborhood

72.2 partnership grants under Minnesota Statutes, section 124D.99:

72.3 \$ 1,400,000 2026

72.4 \$ 1,400,000 2027

72.5 (b) Of the amounts in paragraph (a), \$200,000 each year is for the following programs:

72.6 (1) Northfield Healthy Community Initiative in Northfield;

72.7 (2) Red Wing Youth Outreach Program in Red Wing;

72.8 (3) United Way of Central Minnesota in St. Cloud;

72.9 (4) Austin Aspires in Austin;

72.10 (5) Rochester Area Foundation in Rochester;

72.11 (6) Greater Twin Cities United Way for Generation Next; and

72.12 (7) Children First and Partnership for Success in St. Louis Park.

72.13 Subd. 9. **School-age care aid.** (a) For school-age care aid under Minnesota Statutes,
72.14 section 124D.22:

72.15 \$ 1,000 2026

72.16 \$ 1,000 2027

72.17 (b) The 2026 appropriation includes \$0 for 2025 and \$1,000 for 2026.

72.18 (c) The 2027 appropriation includes \$0 for 2026 and \$1,000 for 2027.

72.19 **ARTICLE 10**

72.20 **STATE AGENCIES**

72.21 Section 1. Laws 2023, chapter 55, article 12, section 17, subdivision 2, as amended by
72.22 Laws 2024, chapter 115, article 10, section 3, is amended to read:

72.23 Subd. 2. **Department.** (a) For the Department of Education:

72.24 \$ 47,005,000 2024

72.25 \$ 40,052,000 2025

72.26 Of these amounts:

72.27 (1) \$405,000 each year is for the Board of School Administrators;

72.28 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
72.29 section 120B.115;

- 73.1 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
73.2 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;
- 73.3 (4) \$480,000 each year is for the Department of Education's mainframe update;
- 73.4 (5) \$7,500,000 in fiscal year 2024 only is for legal fees and costs associated with
73.5 litigation;
- 73.6 (6) \$595,000 in fiscal year 2024 and \$2,609,000 in fiscal year 2025 are for modernizing
73.7 district data submissions. The base for fiscal year 2026 and later is \$2,359,000;
- 73.8 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
73.9 Disability;
- 73.10 (8) \$150,000 each year is for an ethnic studies specialist in the academic standards
73.11 division to provide support to the ethnic studies working group and to school districts seeking
73.12 to establish or strengthen ethnic studies courses;
- 73.13 (9) \$150,000 each year is for the comprehensive school mental health services lead under
73.14 Minnesota Statutes, section 127A.215;
- 73.15 (10) \$150,000 each year is for a school health services specialist under Minnesota
73.16 Statutes, section 121A.20;
- 73.17 (11) \$2,000,000 each year is for the Office of the Inspector General established under
73.18 Minnesota Statutes, section 127A.21;
- 73.19 (12) \$800,000 each year is for audit and internal control resources;
- 73.20 (13) \$2,000,000 in fiscal year 2024 only is for information technology infrastructure
73.21 and portfolio resources;
- 73.22 (14) \$2,000,000 each year is for staffing the Equity, Diversity and Inclusion (EDI) Center
73.23 at the Department of Education;
- 73.24 (15) \$275,000 in fiscal year 2024 and \$175,000 in fiscal year 2025 are for administrative
73.25 expenses for unemployment aid; and
- 73.26 (16) \$130,000 in fiscal year 2025 only is for the state school librarian under Minnesota
73.27 Statutes, section 127A.151.
- 73.28 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
73.29 Washington, D.C., office.
- 73.30 (c) The expenditures of federal grants and aids as shown in the biennial budget document
73.31 and its supplements are approved and appropriated and must be spent as indicated.

74.1

(d) The base for fiscal year 2026 and later is \$39,667,000.

74.2

(e) All of the amounts appropriated under this subdivision are available until June 30,

74.3

2027.

74.4

EFFECTIVE DATE. This section is effective the day following final enactment.

74.5

Sec. 2. Laws 2023, chapter 55, article 12, section 19, is amended to read:

74.6

Sec. 19. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

74.7

(a) The sums indicated in this section are appropriated from the general fund to the

74.8

Perpich Center for Arts Education for the fiscal years designated:

74.9

\$ 9,243,000 2024

74.10

\$ 8,435,000 2025

74.11

Of these amounts:

74.12

(1) \$1,150,000 in fiscal year 2024 only is for furniture replacement in the agency's

74.13

dormitory and classrooms, including costs associated with moving and disposal. These

74.14

funds may also be used for equipment and technology. This appropriation is available until

74.15

June 30, 2027; and

74.16

(2) \$24,000 each year is for unemployment costs.

74.17

(b) Except for the amount in (1), any balance in the first year does not cancel but is

74.18

available in the second year.

74.19

EFFECTIVE DATE. This section is effective the day following final enactment.

74.20

Sec. 3. Laws 2023, chapter 63, article 9, section 8, is amended to read:

74.21

Sec. 8. **EDUCATION** \$ 180,000 \$ 120,000

74.22

This appropriation is available until June 30,

74.23

2027.

74.24

EFFECTIVE DATE. This section is effective the day following final enactment.

74.25

Sec. 4. Laws 2024, chapter 115, article 22, section 3, is amended to read:

74.26

Sec. 3. **COMMISSIONER OF EDUCATION** \$ 1,882,000 \$ 1,715,000

74.27

(a) **Summer EBT.** \$1,882,000 in fiscal year

74.28

2024 and \$1,542,000 in fiscal year 2025 are

75.1 for administration of the summer electronic
75.2 benefits transfer program under Public Law
75.3 117-328. The base for this appropriation is
75.4 \$572,000 in fiscal year 2026 and \$572,000 in
75.5 fiscal year 2027. This appropriation is
75.6 available until June 30, 2027.

75.7 **(b) Operating Adjustment for Department**
75.8 **of Children, Youth, and Families**
75.9 **Transition.** \$173,000 in fiscal year 2025 is to
75.10 maintain current levels of service after the
75.11 transition of staff and resources to the
75.12 Department of Children, Youth, and Families.
75.13 The base for this appropriation is \$345,000 in
75.14 fiscal year 2026 and \$345,000 in fiscal year
75.15 2027. This appropriation is available until June
75.16 30, 2027.

75.17 **(c) Base Level Adjustment.** The general fund
75.18 base is increased by \$917,000 in fiscal year
75.19 2026 and increased by \$917,000 in fiscal year
75.20 2027.

75.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

75.22 Sec. 5. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

75.23 **Subdivision 1. Department of Education.** The sums indicated in this section are
75.24 appropriated from the general fund to the Department of Education for the fiscal years
75.25 designated. Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

75.26 **Subd. 2. Department.** (a) For the Department of Education:

75.27 \$ 46,628,000 2026

75.28 \$ 41,316,000 2027

75.29 **Of these amounts:**

75.30 (1) \$405,000 each year is for the Board of School Administrators;

75.31 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
75.32 section 120B.115;

- 76.1 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
76.2 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;
- 76.3 (4) \$480,000 each year is for the Department of Education's mainframe update;
- 76.4 (5) \$6,000,000 in fiscal year 2026 only is for legal fees and costs associated with
76.5 litigation;
- 76.6 (6) \$2,359,000 each year is for modernizing district data submissions;
- 76.7 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
76.8 Disability;
- 76.9 (8) \$150,000 each year is for an ethnic studies specialist in the academic standards
76.10 division to provide support to the ethnic studies working group and to school districts seeking
76.11 to establish or strengthen ethnic studies courses;
- 76.12 (9) \$150,000 each year is for the comprehensive school mental health services lead under
76.13 Minnesota Statutes, section 127A.215;
- 76.14 (10) \$150,000 each year is for a school health services specialist under Minnesota
76.15 Statutes, section 121A.20;
- 76.16 (11) \$2,000,000 each year is for the Office of the Inspector General established under
76.17 Minnesota Statutes, section 127A.21;
- 76.18 (12) \$800,000 each year is for audit and internal control resources;
- 76.19 (13) \$2,000,000 each year is for staffing the Equity, Diversity and Inclusion (EDI) Center
76.20 at the Department of Education;
- 76.21 (14) \$175,000 each year is for administrative expenses for unemployment aid;
- 76.22 (15) \$550,000 each year is for fraud prevention and detection;
- 76.23 (16) \$120,000 each year is to support schools and districts in accessing resources on
76.24 cannabis use and substance use;
- 76.25 (17) \$572,000 each year is for administration of the Summer Electronic Benefits Transfer
76.26 Program; and
- 76.27 (18) \$345,000 each year is to maintain current levels of service after the transition of
76.28 staff and resources to the Department of Children, Youth, and Families.
- 76.29 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
76.30 Washington, D.C., office.

77.1 (c) The expenditures of federal grants and aids as shown in the biennial budget document
77.2 and its supplements are approved and appropriated and must be spent as indicated.

77.3 (d) The base for fiscal year 2028 and later is \$41,316,000.

77.4 Sec. 6. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

77.5 (a) The sums indicated in this section are appropriated from the general fund to the
77.6 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

77.7 \$ 17,838,000 2026

77.8 \$ 17,937,000 2027

77.9 Of these amounts:

77.10 (1) \$185,000 in fiscal year 2026 and \$185,000 in fiscal year 2027 are for a mental health
77.11 day treatment program. These funds are available until June 30, 2027. The base amount for
77.12 the allocation under this clause is \$185,000 in fiscal year 2028 and later; and

77.13 (2) \$321,000 each year is for unemployment costs.

77.14 (b) The base for fiscal year 2028 is \$17,937,000 and the base for fiscal year 2029 and
77.15 later is \$17,937,000.

77.16 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

77.17 Sec. 7. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

77.18 (a) The sums indicated in this section are appropriated from the general fund to the
77.19 Perpich Center for Arts Education for the fiscal years designated:

77.20 \$ 8,637,000 2026

77.21 \$ 8,818,000 2027

77.22 (b) \$24,000 each year is for unemployment costs.

77.23 (c) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

77.24 Sec. 8. **APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND**
77.25 **STANDARDS BOARD.**

77.26 Subdivision 1. Professional Educator Licensing and Standards Board. (a) The sums
77.27 indicated in this section are appropriated from the general fund to the Professional Educator
77.28 Licensing and Standards Board for the fiscal years designated:

78.1

\$

3,703,000

.....

2026

78.2

\$

3,776,000

.....

2027

78.3

(b) Any balance remaining in fiscal year 2026 is available in fiscal year 2027.

78.4

Subd. 2. **Licensure by portfolio.** (a) For licensure by portfolio:

78.5

\$

25,000

.....

2026

78.6

\$

25,000

.....

2027

78.7

(b) This appropriation is from the education licensure portfolio account in the special

78.8

revenue fund.

78.9

ARTICLE 11

78.10

FORECAST

78.11

A. GENERAL EDUCATION

78.12

Section 1. Laws 2023, chapter 55, article 1, section 36, subdivision 2, as amended by Laws

78.13

2024, chapter 81, section 1, and Laws 2024, chapter 115, article 1, section 15, is amended

78.14

to read:

78.15

Subd. 2. **General education aid.** (a) For general education aid under Minnesota Statutes,

78.16

section 126C.13, subdivision 4:

78.17

\$

8,103,909,000

.....

2024

78.18

~~8,333,843,000~~

78.19

\$

8,280,528,000

.....

2025

78.20

(b) The 2024 appropriation includes \$707,254,000 for 2023 and \$7,396,655,000 for

78.21

2024.

78.22

(c) The 2025 appropriation includes \$771,421,000 for 2024 and ~~\$7,562,422,000~~

78.23

\$7,509,107,000 for 2025.

78.24

Sec. 2. Laws 2023, chapter 55, article 1, section 36, subdivision 3, as amended by Laws

78.25

2024, chapter 81, section 2, is amended to read:

78.26

Subd. 3. **Enrollment options transportation.** For transportation of pupils attending

78.27

postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation

78.28

of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

78.29

\$

23,000

.....

2024

78.30

~~25,000~~

78.31

\$

23,000

.....

2025

79.1 Sec. 3. Laws 2023, chapter 55, article 1, section 36, subdivision 4, as amended by Laws
79.2 2024, chapter 81, section 3, is amended to read:

79.3 Subd. 4. **Abatement aid.** (a) For abatement aid under Minnesota Statutes, section
79.4 127A.49:

79.5 \$ 2,318,000 2024

79.6 ~~2,516,000~~

79.7 \$ 1,503,000 2025

79.8 (b) The 2024 appropriation includes \$126,000 for 2023 and \$2,192,000 for 2024.

79.9 (c) The 2025 appropriation includes \$243,000 for 2024 and ~~\$2,273,000~~ \$1,260,000 for
79.10 2025.

79.11 Sec. 4. Laws 2023, chapter 55, article 1, section 36, subdivision 5, as amended by Laws
79.12 2024, chapter 81, section 4, is amended to read:

79.13 Subd. 5. **Consolidation transition aid.** (a) For districts consolidating under Minnesota
79.14 Statutes, section 123A.485:

79.15 \$ 7,000 2024

79.16 ~~180,000~~

79.17 \$ 0 2025

79.18 (b) The 2024 appropriation includes \$7,000 for 2023 and \$0 for 2024.

79.19 (c) The 2025 appropriation includes \$0 for 2024 and ~~\$180,000~~ \$0 for 2025.

79.20 Sec. 5. Laws 2023, chapter 55, article 1, section 36, subdivision 6, as amended by Laws
79.21 2024, chapter 81, section 5, is amended to read:

79.22 Subd. 6. **Nonpublic pupil education aid.** (a) For nonpublic pupil education aid under
79.23 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

79.24 \$ 21,176,000 2024

79.25 ~~24,478,000~~

79.26 \$ 23,337,000 2025

79.27 (b) The 2024 appropriation includes \$1,925,000 for 2023 and \$19,251,000 for 2024.

79.28 (c) The 2025 appropriation includes \$2,138,000 for 2024 and ~~\$22,340,000~~ \$21,199,000
79.29 for 2025.

80.1 Sec. 6. Laws 2023, chapter 55, article 1, section 36, subdivision 7, as amended by Laws
80.2 2024, chapter 81, section 6, is amended to read:

80.3 Subd. 7. **Nonpublic pupil transportation.** (a) For nonpublic pupil transportation aid
80.4 under Minnesota Statutes, section 123B.92, subdivision 9:

80.5 \$ 22,979,000 2024

80.6 ~~27,177,000~~

80.7 \$ 25,802,000 2025

80.8 (b) The 2024 appropriation includes \$2,115,000 for 2023 and \$20,864,000 for 2024.

80.9 (c) The 2025 appropriation includes \$2,318,000 for 2024 and ~~\$24,859,000~~ \$23,484,000
80.10 for 2025.

80.11 Sec. 7. Laws 2023, chapter 55, article 1, section 36, subdivision 9, as amended by Laws
80.12 2024, chapter 81, section 7, is amended to read:

80.13 Subd. 9. **Career and technical aid.** (a) For career and technical aid under Minnesota
80.14 Statutes, section 124D.4531, subdivision 1b:

80.15 \$ 1,664,000 2024

80.16 ~~874,000~~

80.17 \$ 937,000 2025

80.18 (b) The 2024 appropriation includes \$183,000 for 2023 and \$1,481,000 for 2024.

80.19 (c) The 2025 appropriation includes \$164,000 for 2024 and ~~\$710,000~~ \$773,000 for 2025.

80.20 **B. EDUCATION EXCELLENCE**

80.21 Sec. 8. Laws 2023, chapter 55, article 2, section 64, subdivision 2, as amended by Laws
80.22 2024, chapter 81, section 8, and Laws 2024, chapter 115, article 2, section 13, is amended
80.23 to read:

80.24 Subd. 2. **Achievement and integration aid.** (a) For achievement and integration aid
80.25 under Minnesota Statutes, section 124D.862:

80.26 \$ 82,818,000 2024

80.27 ~~85,043,000~~

80.28 \$ 84,300,000 2025

80.29 (b) The 2024 appropriation includes \$8,172,000 for 2023 and \$74,646,000 for 2024.

80.30 (c) The 2025 appropriation includes \$8,294,000 for 2024 and ~~\$76,749,000~~ \$76,006,000
80.31 for 2025.

81.1 Sec. 9. Laws 2023, chapter 55, article 2, section 64, subdivision 6, as amended by Laws
81.2 2024, chapter 81, section 9, and Laws 2024, chapter 115, article 6, section 3, is amended
81.3 to read:

81.4 Subd. 6. **Charter school building lease aid.** (a) For building lease aid under Minnesota
81.5 Statutes, section 124E.22:

81.6	\$	91,457,000	.....	2024
81.7		94,906,000		
81.8	\$	<u>93,684,000</u>	.....	2025

81.9 (b) The 2024 appropriation includes \$9,047,000 for 2023 and \$82,410,000 for 2024.

81.10 (c) The 2025 appropriation includes \$9,156,000 for 2024 and ~~\$85,750,000~~ \$84,528,000
81.11 for 2025.

81.12 Sec. 10. Laws 2023, chapter 55, article 2, section 64, subdivision 21, as amended by Laws
81.13 2024, chapter 81, section 10, is amended to read:

81.14 Subd. 21. **Interdistrict desegregation or integration transportation grants.** For
81.15 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
81.16 section 124D.87:

81.17	\$	14,828,000	.....	2024
81.18		16,413,000		
81.19	\$	<u>14,799,000</u>	.....	2025

81.20 Sec. 11. Laws 2023, chapter 55, article 2, section 64, subdivision 23, as amended by Laws
81.21 2024, chapter 81, section 11, is amended to read:

81.22 Subd. 23. **Literacy incentive aid.** (a) For literacy incentive aid under Minnesota Statutes,
81.23 section 124D.98:

81.24	\$	41,071,000	.....	2024
81.25		41,588,000		
81.26	\$	<u>40,570,000</u>	.....	2025

81.27 (b) The 2024 appropriation includes \$4,606,000 for 2023 and \$36,465,000 for 2024.

81.28 (c) The 2025 appropriation includes \$4,051,000 for 2024 and ~~\$37,537,000~~ \$36,519,000
81.29 for 2025.

82.1 Sec. 12. Laws 2023, chapter 55, article 2, section 64, subdivision 34, is amended to read:

82.2 Subd. 34. **Paraprofessional training.** (a) For compensation associated with paid
82.3 orientation and professional development for paraprofessionals under Minnesota Statutes,
82.4 section 121A.642:

82.5 \$ 0 2024

82.6 ~~7,230,000~~

82.7 \$ 1,997,000 2025

82.8 (b) The 2025 appropriation includes \$0 for 2024 and ~~\$7,230,000~~ \$1,997,000 for 2025.

82.9 Sec. 13. Laws 2023, chapter 55, article 4, section 21, subdivision 2, as amended by Laws
82.10 2024, chapter 81, section 12, is amended to read:

82.11 Subd. 2. **American Indian education aid.** (a) For American Indian education aid under
82.12 Minnesota Statutes, section 124D.81, subdivision 2a:

82.13 \$ 18,131,000 2024

82.14 ~~19,672,000~~

82.15 \$ 19,649,000 2025

82.16 (b) The 2024 appropriation includes \$1,159,000 for 2023 and \$16,972,000 for 2024.

82.17 (c) The 2025 appropriation includes \$1,885,000 for 2024 and ~~\$17,787,000~~ \$17,764,000
82.18 for 2025.

82.19 Sec. 14. Laws 2023, chapter 55, article 4, section 21, subdivision 5, as amended by Laws
82.20 2024, chapter 81, section 13, is amended to read:

82.21 Subd. 5. **Tribal contract school aid.** (a) For Tribal contract school aid under Minnesota
82.22 Statutes, section 124D.83:

82.23 \$ 1,673,000 2024

82.24 ~~2,131,000~~

82.25 \$ 2,153,000 2025

82.26 (b) The 2024 appropriation includes \$255,000 for 2023 and \$1,418,000 for 2024.

82.27 (c) The 2025 appropriation includes \$157,000 for 2024 and ~~\$1,974,000~~ \$1,996,000 for
82.28 2025.

83.1

C. TEACHERS

83.2

83.3

83.4

Sec. 15. Laws 2023, chapter 55, article 5, section 64, subdivision 3, as amended by Laws 2024, chapter 81, section 14, and Laws 2024, chapter 115, article 5, section 11, is amended to read:

83.5

83.6

Subd. 3. **Alternative teacher compensation aid.** (a) For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

83.7

83.8

83.9

\$	88,706,000	.....	2024
	89,012,000		
\$	<u>88,206,000</u>	.....	2025

83.10

83.11

(b) The 2024 appropriation includes \$8,824,000 for fiscal year 2023 and \$79,882,000 for fiscal year 2024.

83.12

83.13

(c) The 2025 appropriation includes \$8,875,000 for fiscal year 2024 and ~~\$80,137,000~~ \$79,331,000 for fiscal year 2025.

83.14

83.15

Sec. 16. Laws 2023, chapter 55, article 5, section 64, subdivision 14, as amended by Laws 2024, chapter 81, section 15, is amended to read:

83.16

83.17

Subd. 14. **Student support personnel aid.** (a) For aid to support schools in addressing students' social, emotional, and physical health under Minnesota Statutes, section 124D.901:

83.18

83.19

83.20

\$	30,255,000	.....	2024
	36,498,000		
\$	<u>36,259,000</u>	.....	2025

83.21

83.22

(b) The 2024 appropriation includes \$0 for fiscal year 2023 and \$30,255,000 for fiscal year 2024.

83.23

83.24

(c) The 2025 appropriation includes \$3,361,000 for fiscal year 2024 and ~~\$33,137,000~~ \$32,898,000 for fiscal year 2025.

83.25

D. SPECIAL EDUCATION

83.26

83.27

Sec. 17. Laws 2023, chapter 55, article 7, section 18, subdivision 2, as amended by Laws 2024, chapter 81, section 16, is amended to read:

83.28

83.29

83.30

Subd. 2. **Aid for children with disabilities.** (a) For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

84.1 \$ 1,597,000 2024

84.2 ~~1,844,000~~

84.3 \$ 1,952,000 2025

84.4 (b) If the appropriation for either year is insufficient, the appropriation for the other year
84.5 is available.

84.6 Sec. 18. Laws 2023, chapter 55, article 7, section 18, subdivision 3, as amended by Laws
84.7 2024, chapter 81, section 17, is amended to read:

84.8 Subd. 3. **Court-placed special education revenue.** For reimbursing serving school
84.9 districts for unreimbursed eligible expenditures attributable to children placed in the serving
84.10 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

84.11 \$ 39,000 2024

84.12 \$ ~~40,000~~ -0- 2025

84.13 Sec. 19. Laws 2023, chapter 55, article 7, section 18, subdivision 4, as amended by Laws
84.14 2024, chapter 81, section 18, and Laws 2024, chapter 115, article 7, section 4, is amended
84.15 to read:

84.16 Subd. 4. **Special education; regular.** (a) For special education aid under Minnesota
84.17 Statutes, section 125A.75:

84.18 \$ 2,288,826,000 2024

84.19 ~~2,486,181,000~~

84.20 \$ 2,582,007,000 2025

84.21 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,058,966,000 for
84.22 2024.

84.23 (c) The 2025 appropriation includes \$289,842,000 for 2024 and ~~\$2,196,339,000~~
84.24 \$2,292,165,000 for 2025.

84.25 Sec. 20. Laws 2023, chapter 55, article 7, section 18, subdivision 6, as amended by Laws
84.26 2024, chapter 81, section 19, is amended to read:

84.27 Subd. 6. **Special education separate sites and programs.** (a) For aid for special
84.28 education separate sites and programs under Minnesota Statutes, section 125A.81, subdivision
84.29 4:

84.30 \$ 3,880,000 2024

84.31 ~~4,505,000~~

84.32 \$ 4,282,000 2025

85.1 (b) The 2024 appropriation includes \$0 for 2023 and \$3,880,000 for 2024.

85.2 (c) The 2025 appropriation includes \$431,000 for 2024 and ~~\$4,074,000~~ \$3,851,000 for
85.3 2025.

85.4 Sec. 21. Laws 2023, chapter 55, article 7, section 18, subdivision 7, as amended by Laws
85.5 2024, chapter 81, section 20, is amended to read:

85.6 Subd. 7. **Travel for home-based services.** (a) For aid for teacher travel for home-based
85.7 services under Minnesota Statutes, section 125A.75, subdivision 1:

85.8 \$ 425,000 2024

85.9 ~~475,000~~

85.10 \$ 440,000 2025

85.11 (b) The 2024 appropriation includes \$32,000 for 2023 and \$393,000 for 2024.

85.12 (c) The 2025 appropriation includes \$43,000 for 2024 and ~~\$432,000~~ \$397,000 for 2025.

85.13 **E. FACILITIES**

85.14 Sec. 22. Laws 2023, chapter 55, article 8, section 19, subdivision 6, as amended by Laws
85.15 2024, chapter 81, section 22, and Laws 2024, chapter 115, article 8, section 5, is amended
85.16 to read:

85.17 Subd. 6. **Long-term facilities maintenance equalized aid.** (a) For long-term facilities
85.18 maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

85.19 \$ 107,905,000 2024

85.20 ~~107,865,000~~

85.21 \$ 107,262,000 2025

85.22 (b) The 2024 appropriation includes \$10,821,000 for 2023 and \$97,084,000 for 2024.

85.23 (c) The 2025 appropriation includes \$10,787,000 for 2024 and ~~\$97,078,000~~ \$96,475,000
85.24 for 2025.

85.25 **F. NUTRITION**

85.26 Sec. 23. Laws 2023, chapter 18, section 4, subdivision 2, as amended by Laws 2023,
85.27 chapter 55, article 9, section 16, Laws 2024, chapter 81, section 23, and Laws 2024, chapter
85.28 115, article 9, section 8, is amended to read:

85.29 Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
85.30 including the amounts for the free school meals program:

86.1 \$ 218,801,000 2024
86.2 ~~239,686,000~~
86.3 \$ 251,667,000 2025

86.4 Sec. 24. Laws 2023, chapter 18, section 4, subdivision 3, as amended by Laws 2023,
86.5 chapter 55, article 9, section 17, Laws 2024, chapter 81, section 24, and Laws 2024, chapter
86.6 115, article 9, section 9, is amended to read:

86.7 Subd. 3. **School breakfast.** For school breakfast aid under Minnesota Statutes, section
86.8 124D.1158:

86.9 \$ 44,178,000 2024
86.10 ~~48,747,000~~
86.11 \$ 54,835,000 2025

86.12 Sec. 25. Laws 2023, chapter 55, article 9, section 18, subdivision 4, as amended by Laws
86.13 2024, chapter 81, section 25, is amended to read:

86.14 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
86.15 section 124D.118:

86.16 \$ 428,000 2024
86.17 ~~428,000~~
86.18 \$ 387,000 2025

86.19 Sec. 26. Laws 2023, chapter 55, article 9, section 18, subdivision 8, as amended by Laws
86.20 2024, chapter 81, section 26, is amended to read:

86.21 Subd. 8. **School library aid.** (a) For school library aid under Minnesota Statutes, section
86.22 ~~134.356~~ 124D.992:

86.23 \$ 21,586,000 2024
86.24 ~~23,903,000~~
86.25 \$ 23,791,000 2025

86.26 (b) The 2024 appropriation includes \$0 for 2023 and \$21,586,000 for 2024.

86.27 (c) The 2025 appropriation includes \$2,398,000 for 2024 and ~~\$21,505,000~~ \$21,393,000
86.28 for 2025.

87.1

G. EARLY EDUCATION

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Sec. 27. Laws 2023, chapter 54, section 20, subdivision 7, as amended by Laws 2024, chapter 81, section 27, is amended to read:

Subd. 7. **Early childhood family education aid.** (a) For early childhood family education aid under Minnesota Statutes, section ~~124D.135~~ 142D.11:

\$	37,209,000	.....	2024
	38,985,000		
\$	<u>37,874,000</u>	.....	2025

(b) The 2024 appropriation includes \$3,518,000 for 2023 and \$33,691,000 for 2024.

(c) The 2025 appropriation includes \$3,743,000 for 2024 and ~~\$35,242,000~~ \$34,131,000 for 2025.

Sec. 28. Laws 2023, chapter 54, section 20, subdivision 9, as amended by Laws 2024, chapter 81, section 28, is amended to read:

Subd. 9. **Developmental screening aid.** (a) For developmental screening aid under Minnesota Statutes, sections ~~121A.17~~ 142D.091 and ~~121A.19~~ 142D.093:

\$	4,148,000	.....	2024
	4,151,000		
\$	<u>4,156,000</u>	.....	2025

(b) The 2024 appropriation includes \$349,000 for 2023 and \$3,799,000 for 2024.

(c) The 2025 appropriation includes \$422,000 for 2024 and ~~\$3,729,000~~ \$3,734,000 for 2025.

Sec. 29. Laws 2023, chapter 54, section 20, subdivision 17, as amended by Laws 2024, chapter 81, section 29, is amended to read:

Subd. 17. **Home visiting aid.** (a) For home visiting aid under Minnesota Statutes, section ~~124D.135~~ 142D.11:

\$	382,000	.....	2024
	300,000		
\$	<u>290,000</u>	.....	2025

(b) The 2024 appropriation includes \$41,000 for 2023 and \$341,000 for 2024.

(c) The 2025 appropriation includes \$37,000 for 2024 and ~~\$263,000~~ \$253,000 for 2025.

88.1

H. COMMUNITY EDUCATION AND LIFELONG LEARNING

88.2

Sec. 30. Laws 2023, chapter 55, article 11, section 11, subdivision 2, as amended by Laws

88.3

2024, chapter 81, section 30, is amended to read:

88.4

Subd. 2. **Adult basic education aid.** (a) For adult basic education aid under Minnesota

88.5

Statutes, section 124D.531:

88.6

\$

52,566,000

.....

2024

88.7

~~53,684,000~~

88.8

\$

53,880,000

.....

2025

88.9

(b) The 2024 appropriation includes \$5,179,000 for 2023 and \$47,387,000 for 2024.

88.10

(c) The 2025 appropriation includes \$5,265,000 for 2024 and ~~\$48,419,000~~ \$48,615,000

88.11

for 2025.

88.12

Sec. 31. Laws 2023, chapter 55, article 11, section 11, subdivision 3, as amended by Laws

88.13

2024, chapter 81, section 31, is amended to read:

88.14

Subd. 3. **Adults with disabilities program aid.** (a) For adults with disabilities programs

88.15

under Minnesota Statutes, section 124D.56:

88.16

\$

710,000

.....

2024

88.17

~~1,520,000~~

88.18

\$

1,433,000

.....

2025

88.19

(b) The 2024 appropriation includes \$71,000 for 2023 and \$639,000 for 2024.

88.20

(c) The 2025 appropriation includes \$71,000 for 2024 and ~~\$1,449,000~~ \$1,362,000 for

88.21

2025.

88.22

Sec. 32. Laws 2023, chapter 55, article 11, section 11, subdivision 10, as amended by

88.23

Laws 2024, chapter 81, section 33, is amended to read:

88.24

Subd. 10. **School-age care aid.** (a) For school-age care aid under Minnesota Statutes,

88.25

section 124D.22:

88.26

\$

0

.....

2024

88.27

~~1,000~~

88.28

\$

0

.....

2025

88.29

(b) The 2024 appropriation includes \$0 for 2023 and \$0 for 2024.

88.30

(c) The 2025 appropriation includes \$0 for 2024 and ~~\$1,000~~ \$0 for 2025.

89.1 Sec. 33. **EFFECTIVE DATE.**

89.2 Article 11 is effective the day following final enactment.