



## **S.F. No. 2255 – Omnibus E-12 Finance (Second Engrossment)**

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### **ARTICLE 1 GENERAL EDUCATION**

**Section 1. [Consolidation transition] aid.** Increases the consolidation transition aid for newly created consolidated school districts. Strikes other obsolete language. [SF82, Rarick]

**Sec. 2. Dissolution; referendum revenue.** Clarifies that both voter-approved and board-approved referendum allowances may be recalculated or discontinued under the existing reorganization procedures in cases of school district dissolution or consolidation. [Kunesch]

**Sec. 3. Consolidation; maximum authorized referendum revenues.** Provides that the referendum authority recalculated for a consolidated school district upon its consolidation may be renewed by the school board of the newly created district under 126C.17, subdivision 9b. Effective retroactively from June 16, 2024, and applies to school board renewal resolutions adopted on or after that date. [SF2713, Clark; SF3163, Farnsworth]

**Sec. 4. Alternative method.** Provides that the referendum authority adopted in the consolidation plan for a consolidated school district may be renewed by the school board of the newly created district under 126C.17, subdivision 9b. Effective retroactively from June 16, 2024, and applies to school board renewal resolutions adopted on or after that date. [SF2713, Clark; SF3163, Farnsworth]

**Sec. 5. Discontinued referendum revenue.** Clarifies that a consolidation plan may provide for discontinuation of referendum revenue that was previously approved by the voters or authorized by the school board under its renewal authority. [Kunesch]

**Sec. 6. Nonpublic education council.** Strikes language regarding the duties of the Nonpublic Education Council (to conform with the repeal of nonpublic pupil aid under this bill). [Kunesch]

**Sec. 7. [Pupil transportation] policy.** Clarifies the policy of the state regarding transportation of children attending public schools (to conform with the repeal of nonpublic pupil transportation aid under this bill). [Governor recommendation]

**Sec. 8. General provisions [regarding pupil transportation].** Clarifies that a district is required to provide equal transportation within the district for all children attending public schools (to conform with the repeal of nonpublic pupil transportation aid under this bill). [Governor recommendation]

**Sec. 9. Board control [of pupil transportation].** Strikes language regarding school district transportation of nonpublic pupils (to conform with the repeal of nonpublic pupil transportation aid under this bill). [Governor recommendation, modified]

**Sec. 10. Funds and aids.** Clarifies that state transportation aids must be for the equal benefit of all children attending public schools (to conform with the repeal of nonpublic pupil transportation aid under this bill). [Governor recommendation]

**Sec. 11. Definitions [applicable to school transportation].** Strikes language regarding school district transportation of nonpublic pupils (to conform with the repeal of nonpublic pupil aid and transportation aid under this bill). [Governor recommendation]

**Sec. 12. English learner cross subsidy aid.** Increases the English learner cross subsidy reduction rate from 25% to 31.367% for school districts and charter schools beginning in fiscal year 2028. (All else equal, an increase in the rate increases English learner cross subsidy aid to districts and reduces the portion of English learner expenditures that a district must fund with general education revenue or other district revenue.) [SF1125, Clark; SF1612, Oumou Verbeten; Kunesh]

**Sec. 13. Expiration [of school unemployment aid program].** Delays the expiration of the school unemployment aid program until June 30, 2028. (Any remaining balance in the school unemployment aid account in the special revenue fund following the final payment of school district aids for fiscal year 2027 would cancel to the general fund on that date.) [SF2188, McEwen]

**Sec. 14. Additional general education revenue [for a charter school].** Increases general education revenue for a charter school by \$132 per adjusted pupil unit (APU). (The revenue increase under this section is equal to the revenue reduction for charter schools under the long-term facility maintenance (LTFM) proposal later in the bill.) [Gustafson, by amendment]

**Sec. 15. Compensation revenue pupil units.** Provides that the pupil units used to calculate fiscal year 2026 compensatory aid for each building in a district equals the greater of the building's fiscal year 2026 (Fall 2024) pupil unit count or its fiscal year 2024 (Fall 2022) pupil unit count as adjusted for total enrollment decline at the building over that two-year period. Under the proposal, students identified by direct certification or by an application for educational benefits would be included in the fiscal year 2026 calculation. [Governor recommendation; SF2002, Clark; Kunesh]

**Sec 16. Basic revenue.** Sets the formula allowance at \$7,481 in fiscal year 2026 (2.74% increase over fiscal year 2025) and \$7,705 in fiscal year 2027 through 2029 (3% increase over fiscal year 2026). (The amount in fiscal year 2026 is the amount established by the commissioner under current law. The amount in fiscal year 2027 is the amount projected under the February 2025 budget forecast.) Provides that the formula allowance in fiscal year 2030 and later is annually increased by the greater of 2% or the rate of inflation, not to exceed 3%. [Kunesh]

**Sec. 17. Compensatory education revenue.** Delays the transition to the new compensatory formula enacted in Laws 2023, chapter 55, until fiscal year 2027. For fiscal year 2027 only, directs the commissioner to increase the compensatory revenue for each school district as necessary to ensure that the district's compensatory revenue is at least equal to its revenue in fiscal year 2026, as adjusted for any decline in the district's total average daily membership between fiscal year 2024 and 2025. [Governor recommendation; SF2002, Clark; Kunesh]

**Sec. 18. Statewide compensatory allowance.** Delays the transition to the new compensatory formula enacted in Laws 2023, chapter 55, until fiscal year 2027. (The allowance indicated for fiscal year 2027 is the amount projected under current law under the February 2025 budget forecast.) [Governor recommendation; SF2002, Clark]

**Sec. 19. Renewal by school board.** Clarifies the time period during which a school board may adopt a resolution to renew an expiring voter-approved operating referendum. Clarifies that the renewal period is a continuous period of time that begins July 1 of the second fiscal year prior to the last fiscal year of the expiring referendum and extends until June 15 of the fiscal year prior to the last year of the expiring referendum. Requires that a district renewing a referendum submit a copy of the adopted resolution to the commissioner of education and to the county auditor no later than August 15 of the fiscal year in which the referendum expires. Effective retroactively from June 16, 2024, and applies to school board renewal resolutions adopted on or after that date. [SF2713, Clark; SF3163, Farnsworth; SF1612, Oumou Verbeten]

**Sec. 20. Alternative attendance programs.** Increases the minimum tuition rate for an area learning center (ALC) operated by a service cooperative, intermediate district, education district, or joint powers cooperative. Provides that a resident school district must pay tuition equal to 100% of the district average general education revenue per pupil, as adjusted for certain general education programs. Effective for fiscal year 2026 and later. [SF3188, Dornink]

**Sec. 21. Unemployment insurance report.** Requires that the annual unemployment insurance report prepared by MDE separately identify costs attributable to special education paraprofessionals. Effective for reports filed after July 1, 2025. [SF2188, McEwen]

**Sec. 22. Career and technical program expansion; aeronautics pilot program.** Provides that the school district's program expenditures before the official grant award are eligible to be reimbursed from the grant. Effective retroactively from May 23, 2023. [SF1290, Rarick]

**Sec. 23. Laws 2023, chapter 55 effective date.** Delays the repeal of various statutory provisions governing the compensatory aid program to conform with the alternative fiscal

year 2026 aid calculation under an earlier section of this article. [Governor recommendation; SF2002, Clark]

**Sec. 24. Compensatory revenue task force.** Establishes a compensatory revenue task force to examine the compensatory revenue formula, including revenue amounts under the program, purposes of the program, and eligible uses of the revenue. Provides for the membership, duties, administration, and expiration of the task force. Requires the task force to make a preliminary and final report to the legislature. [SF2002 (as introduced), Clark, modified; SF1357, Kunesh, modified]

**Sec. 25. Appropriations.** See fiscal tracking documents.

**Sec. 26. Revisor instruction.** Directs the revisor to amend current law to allow Tribal contract schools to be considered eligible applicants for certain competitive grant programs established in statute or under Laws 2023, Chapter 55, or Laws 2024, Chapter 115, for which school districts and charter schools are currently eligible. [Governor recommendation]

**Sec. 27. Repealer.** Repeals various statutory provisions related to nonpublic pupil aid and nonpublic pupil transportation aid. [Governor recommendation]

## **ARTICLE 2 EDUCATION EXCELLENCE**

**Section 1. [Read Act] Volunteer and paraprofessional training.** Requires the Department of Education to develop and provide training on evidence-based literacy interventions. Requires the department to collaborate with the regional literacy networks to ensure that training provided by the networks is consistent across providers. [Maye Quade, by amendment]

**Sec. 2. Computer science working group.** Strikes the requirement that the Commissioner make updates to the strategic plan related to implementation of computer science education. [Governor recommendation]

**Sec. 3. Qualifications [for paraprofessionals].** Establishes the competency criteria for a Minnesota paraprofessional to meet federal personnel qualifications. Requires a school, upon request from a paraprofessional employed by the school, to provide administrative assistance to the paraprofessional when completing the competencies. Effective immediately. [SF3368, Clark]

**Sec. 4. Full-service community schools.** Modifies the full-service community schools program requirements, including the types of community organizations eligible to partner with full-service community schools. Establishes statutory criteria for the commissioner to prioritize grant awards. Modifies the composition of the school leadership team. [SF2007, Oumou Verbeten]

**Sec. 5. Minnesota math corps program.** Requires the program to use evidence-based instructional support to evaluate and accelerate student learning on foundational mathematics skills. [SF1323, Gustafson]

**Sec. 6. [Achievement and Integration] Public engagement; progress report and budget process.** Requires that a school board annually submit its most recent achievement and integration progress report to the commissioner. [Governor recommendation, modified]

**Sec. 7. [Achievement and Integration] Timeline and implementation.** Strikes obsolete language. [Governor recommendation]

**Sec. 8. Initial achievement and integration revenue.** Increases the amount of each district's initial achievement and integration revenue that MDE may retain for administration of the program. The administrative amount increases from 0.3% to 1.3% of initial achievement and integration revenue for the second prior fiscal year. Effective for revenue in fiscal year 2026 and later. [Governor recommendation]

**Sec. 9. [Achievement and Integration] Commissioner authority to withhold revenue.** Amends the deadline for the commissioner to review district achievement and integration results from August 1 to January 1. Clarifies that the commissioner directs districts to use up to 20% of their integration revenue to implement the improvement plan until the district's goals are met. [Governor recommendation]

**Sec. 10. Literacy Aid.** Beginning in fiscal year 2027, establishes a new literacy aid formula based on counts of student enrollment, students who are English learners, and students determined eligible for free or reduced-price meals. Beginning in fiscal year 2026, requires that literacy aid be used to meet the requirements and goals adopted in the district's local literacy plan. Effective for revenue in fiscal year 2026 and later. [SF3186, Maye Quade]

**Sec. 11. Full-service community schools.** Extends the availability of the fiscal year 2024 and 2025 appropriations for full-service community schools until June 30, 2027. Effective immediately. [Governor recommendation]

**Sec. 12. Innovation service-learning grants.** Extends the availability of the fiscal year 2024 appropriation for innovation service-learning grants until June 30, 2026. Effective immediately. [Kunesh]

**Sec. 13. Read Act literacy aid.** Cancels the fiscal year 2024 appropriation for Read Act administration to the general fund. Effective immediately. [Maye Quade, by amendment]

**Sec. 14. Administrative process [for distribution of Read Act funding].** Requires a district to distribute Read Act funding in the form of stipends to each teacher eligible for compensation if the district has not otherwise entered into a memorandum of understanding (MOU) with the exclusive representative of teachers by August 1, 2025. [Maye Quade, by amendment]

**Sec. 15. Regional literacy network paraprofessional and volunteer training.** Clarifies that the regional literacy networks may use the fiscal year 2025 appropriation to develop and administer literacy training. Effective immediately. [Maye Quade, by amendment]

**Sec. 16. Appropriation cancellation; CAREI paraprofessional and volunteer training.**

Cancels the fiscal year 2025 appropriation for CAREI paraprofessional and volunteer training to the general fund. Effective immediately. [Maye Quade, by amendment]

**Sec. 17. Appropriations.** See fiscal tracking documents.

**Sec. 18. Repealer.** Repeals section 120B.241, subdivisions 2 (computer science education supervisor), 4 (computer science educator training and capacity building), and 6 (computer science education data collection). [Governor recommendation]

**ARTICLE 3  
TEACHERS**

**Section 1. Reporting [Teachers of color and American Indian teachers.]** Requires the Department of Education (MDE), instead of the Professional Educators Licensing and Standards Board (PELSB), to report on programs receiving state funds that have the purpose of increasing the racial and ethnic diversity of the teacher workforce. [Governor recommendation; SF1462, Kunesh]

**Sec. 2. Expiration.** Expires the Come Teach in Minnesota Hiring Bonus program on June 30, 2029, and cancels any remaining balance in the program account to the general fund on that date. [Kunesh]

**Sec. 3. Collaborative Urban and Greater Minnesota Educators of Color Grant Program (CUGMEC).** Transfers responsibility for awarding grants from PELSB to MDE. Modifies the grant award criteria, the grant award uses, the process for establishing the amount of direct financial assistance to candidates, and the grant award timeline. Provides for the transfer of staff positions from PELSB to MDE. Makes other conforming changes. [Governor recommendation; SF1462, Kunesh]

**Sec. 4. [Teacher mentorship] Grants.** Transfers responsibility for administering the teacher mentorship grant program from PELSB to MDE. Expands individual grant eligibility to additional entities, including nonprofit organizations or professional organizations. [Governor recommendation; SF1462, Kunesh]

**Sec. 5. Criteria for selection [for teacher mentorship grants].** Removes the requirement that the commissioner give priority to grant applications from programs specifically serving Tier 2 or Tier 3 teachers. Makes other conforming changes. [Governor recommendation; SF1462, Kunesh]

**Sec. 6. Program implementation [for teacher mentorship grants].** Makes conforming changes related to the transfer of the grant program from PELSB to MDE. [Governor recommendation; SF1462, Kunesh]

**Sec. 7. Grant program administration [for teacher mentorship grants].** Makes conforming changes related to the transfer of the grant program from PELSB to MDE. [Governor recommendation; SF1462, Kunesh]

**Sec. 8. Report [on teacher mentorship grants].** Reduces the frequency of the report on teacher mentorship grants from an annual report to a biennial report. Makes other conforming changes. [Governor recommendation; SF1462, Kunesh]

**Sec. 9. Positions transferred [for teacher mentorship grants].** Provides for the transfer of staff positions from PELSB to MDE related to the transfer of the grant program. [Governor recommendation]

**Sec. 10. Definitions [for student support personnel aid program].** Adds individuals working to reduce chronic student absenteeism to the list of student support services personnel positions that can be supported with state aid under the program. Defines eligible cooperative unit as an intermediate school district or other cooperative unit that directly serves students. Effective for revenue in fiscal year 2026 and later. [SF133, Weber; SF474, Kunesh; Governor recommendation, modified]

**Sec. 11. Purpose [of student support personnel aid program].** Modifies the statutory purpose of the program to include improving student attendance. [SF133, Weber; SF474, Kunesh]

**Sec. 12. Student support personnel aid.** Clarifies that an independent or special school district is eligible to generate student support personnel aid. Modifies the calculation of student support personnel aid to a district or charter school by increasing the minimum aid amount for a district or charter school and reducing the per-pupil allowance beginning in fiscal year 2026. Strikes language relating to cooperative units that is recodified and modified in a subsequent section. Effective for revenue in fiscal year 2026 and later. [Kunesh]

**Sec. 13. Student support personnel aid; cooperative units.** Modifies the calculation of student support personnel aid for intermediate districts and other eligible cooperative units. Requires that the aid be paid directly to a cooperative unit. Effective for revenue in fiscal year 2026 and later. [Governor recommendation, modified; Kunesh]

**Sec. 14. Allowed uses [of student support personnel aid].** Authorizes a district, charter school, or cooperative unit to use student support personnel aid to maintain student support personnel positions that had previously provided services to nonpublic pupils and had been funded with state aid allotted to the district to provide such services. Authorizes a district, charter school, or cooperative unit to use student support personnel aid to pay the costs of certain transportation, training, and technology upgrades for student support services personnel. Makes other conforming changes. Effective for revenue in fiscal year 2025 and later. [SF133, Weber; SF474, Kunesh]

**Sec. 15. Additional uses [of student support personnel aid] for a school with declining enrollment upon board approval.** Authorizes a school district, charter school, or cooperative unit with declining enrollment to use student support personnel aid to maintain a

student support services personnel position if the position would otherwise be eliminated due to budgetary concerns. Clarifies that a district with declining enrollment in any fiscal year that elects to maintain a current student support personnel position may continue to maintain that position with SSPA in later fiscal years, even if the district no longer has declining enrollment. Requires a school board to adopt a resolution approving the use of aid under this subdivision after allowing for public testimony on the proposal at a regularly scheduled school board meeting. [SF844, Hauschild; Governor recommendation, modified; Kunesh]

**Sec. 16. Report [on alternative teacher preparation program grants].** Clarifies that an alternative teacher preparation program must submit a report only for years in which the program received grant funding. [SF1462, Kunesh]

**Sec. 17. Transfer of grant administration and staff.** Provides for transfer of contracts, obligations, unexpended funds, and staff from PELSB to MDE relating to the transfer of the CUGMEC grants and teacher mentorship grants. Provides a framework for future transfer of facilities, services, or operations related to the transferred grant programs. [SF1462, Kunesh]

**Sec. 18. Appropriations; Department of Education.** See fiscal tracking documents.

**Sec. 19. Appropriations; Professional Educator Licensing and Standards Board.** See fiscal tracking documents.

**Sec. 20. Revisor instruction.** Directs the revisor of statutes to codify the Agricultural Educators grant program under chapter 122A. [Kunesh]

## **ARTICLE 4 AMERICAN INDIAN EDUCATION**

**Section 1. [Minnesota Indian Teacher Training Program] eligible programming.** Clarifies that the Minnesota Indian Teacher Training Program (MITTP) scholarships are available to eligible students progressing toward educational goals in an early education through grade 12 educational setting. [Governor recommendation]

**Sec. 2. Carry forward of [American Indian education aid] funds.** Removes the requirement that the school's American Indian Parent Advisory Committee concurs with the school's American Indian education programs for a portion of unspent American Indian education aid amounts to carry forward into the following fiscal year. Effective immediately. [SF2285, Lucero]

**Sec. 3. [Tribal contract] revenue amount.** Strikes language to conform with the repeal of nonpublic pupil aid programs under article 1 of this bill. [Governor recommendation]

**Sec. 4. Appropriations.** See fiscal tracking documents.



## **ARTICLE 5 SPECIAL EDUCATION**

**Section 1. Cross subsidy reduction aid.** Increases the special education cross subsidy reduction rate from 50% to 53.26% for fiscal year 2028 and later. (All else equal, an increase in the rate increases special education aid to school districts and reduces the portion of special education expenditures that a district must fund with general education revenue or other district revenue.) [SF1819, Coleman; SF1612, Oumou Verbeten; SF1125, Clark; modified]

**Sec. 2. Appropriations.** See fiscal tracking documents.

## **ARTICLE 6 FACILITIES, HEALTH, AND SAFETY**

**Section 1. Cardiac Emergency Response Plan.** Defines cardiac emergency response plan. Requires a school district or charter school to develop a cardiac emergency response plan beginning in the 2026-2027 school year. Establishes minimum requirements for the plan. Requires a district to provide the training necessary to implement a cardiac emergency response plan. [SF1457, Westlin]

**Sec. 2. Resolution [for consolidation].** Provides that capital project referendum authority for a school district may continue if that district consolidates with another district before the current authority expires, unless the consolidation plan provides otherwise. [Kunesh]

**Sec. 3. Supporting statement [for consolidation].** Requires that the county auditor's supporting statement regarding school district consolidation include information about the disposition of capital project referendum revenue of the component districts. [Kunesh]

**Sec. 4. Consolidation; capital project referendum revenue.** Provides a process for recalculating and establishing the remaining term of the capital project referendum authority for the consolidated district. Clarifies that the consolidated school board may later renew an expiring capital project referendum that was previously approved by voters of one or more component districts. [Kunesh]

**Sec. 5. Long-term facilities maintenance revenue.** Authorize a school district to include roof repair and replacement costs totaling \$100,000 or more per site in the district's annual long-term facilities maintenance (LTFM) revenue authority. (For most districts, this specific authority would increase revenues potentially available for roof repair and replacement and free up money currently being spent for that purpose for reallocation toward other deferred maintenance projects.) Effective for fiscal year 2027 and later. [SF1198, Hauschild]

**Sec. 6. [Long-term facilities maintenance] facilities plans.** Makes a conforming change related to the repeal of charter school LTFM revenue authority in a later section of this article. Beginning for fiscal year 2027, requires each district to include information about roof repair and replacement in its ten-year LTFM facility plan. [Governor recommendation; SF1198, Hauschild]

**Sec. 7. Long-term facilities maintenance equalized levy.** Increases the LTFM equalizing factor beginning in fiscal year 2027 to offset projected increases in statewide LTFM levies with additional equalization aid. [SF1198, Hauschild]

**Sec. 8. Allowed uses for long-term facilities maintenance revenue.** Clarifies that repair and replacement of roofs is an allowable use of LTFM revenue. [SF1198, Hauschild]

**Sec. 9. Capital project levy referendum.** Modifies the required ballot information for a capital project levy referendum to include information about the proposed school board renewal authority under this section. Authorizes a school board to renew an expiring capital projects referendum that had initially been authorized by school district voters. Requires that the renewed capital projects referendum authority must be the same annual amount as the amount expiring and for a renewed term no longer than the initial term authorized by the voters. Requires a school board to adopt a resolution by recorded vote to authorize the renewal, after holding a public meeting and allowing public testimony on the proposed renewal. Effective immediately and applies to elections occurring on or after November 4, 2025. [SF1460, Maye Quade, modified]

**Sec. 10. Review and comment.** Removes the current-law review and comment exemption for projects funded only with proceeds from an additional capital expenditure levy (building lease levy). Effective for taxes payable in 2026 and later. [Governor recommendation, modified]

**Sec. 11. Internet access for students.** Strikes language to conform with the repeal of the equity in telecommunications access aid program. [Kunesh]

**Sec. 12. To lease building or land.** Provides that projects funded by the building lease levy may be subject to review and comment if the project exceeds certain expenditure thresholds. Requires the commissioner to annually prescribe criteria for approval of lease levy applications. Makes other clarifying and technical changes. Effective for taxes payable in 2026 and later. [Governor recommendation, modified]

**Sec. 13. Definitions [for the building lease levy program].** Provides definitions applicable to the building lease levy program. Effective for taxes payable in 2026 and later. [Governor recommendation, modified]

**Sec. 14. Ice arena levy.** Authorizes two or more school districts to apportion the levy for the costs of cooperative operation of an ice arena among cooperating districts. Requires each cooperating district to report information about the apportionment to the commissioner. Effective for taxes payable in 2026 and later. [SF1679, Rarick]

**Sec. 15. Payment percentage for reimbursement aids.** Strikes language to conform with the repeal of the equity in telecommunications access aid program. [Kunesh]

**Sec. 16. Appropriations.** See fiscal tracking documents.

**Sec. 17. Repealer.** Repeals long-term facilities maintenance (LTFM) revenue authority for charter schools. Repeals the equity in telecommunications access aid program. [Governor recommendation; Kunesh]

## **ARTICLE 7 SCHOOL NUTRITION AND LIBRARIES**

**Section 1. Federal food programs.** Establishes statutory criteria for evaluating applications from nonprofit organizations applying for sponsorship as a multisite sponsoring organization under the federal child and adult care food program and federal summer food service program. Requires certain financial staffing and board governance. Requires the commissioner to establish salary guidelines and limits the amount of salary costs that may be charged to the nonprofit food service fund. [Governor recommendation]

**Sec. 2. School food service fund.** Modifies the eligible expenditures from the school food service fund. Provides that costs for lunchroom supervision, waste management related to food service activities, and costs of serving food, including related technology and systems costs are eligible costs in the food service fund. Limits the scope of financial or program management costs that may be charged to the food service fund. Strikes language requiring that a contracted food service management company make a payment to the district to eliminate a deficit in the food service fund. Provides that, if a surplus exists in the food service fund for three successive years, the district may recode certain costs that ordinarily must be charged to the general fund, including the costs of certain food service remodeling or reconfiguration, facility expansion, or costs of plumbing, electrical, air handling, ventilation or other building utility work essential for food service activities or to remediate certain health and safety hazards. Effective for fiscal year 2026 and later. [Governor recommendation; SF2965, Kunesh, modified]

**Sec. 3. Second lunch.** Requires a school to allow a student to purchase a second lunch. Provides that the meal price for the second lunch must not exceed the price charged to nonprogram adults. [Draheim, by amendment]

**Sec. 4. Second breakfast.** Requires a school to allow a student to purchase a second breakfast. Provides that the meal price for the second breakfast must not exceed the price charged to nonprogram adults. [Draheim, by amendment]

**Sec. 5. Summer Electronic Benefit Transfer Program replacement aid.** Repurposes the money previously appropriated for Summer Food Service Program (SFSP) sponsor participation to instead be distributed to schools for administrative costs for the Summer Electronic Benefit Transfer Program (S-EBT). [Governor recommendation]

**Sec. 6. School library aid.** Clarifies that only independent and special school districts are eligible to receive school library aid, not including common school districts or “nonoperating” school districts. Strikes other obsolete language. [Kunesh]

**Sec. 7. Uses of school library aid.** Removes electronic, computer, and audiovisual equipment; and information technology infrastructure and digital tools from the list of eligible uses of school library aid. Effective for fiscal year 2026 and later. [SF2486, Kunesh]

**Sec. 8. Licensed library media specialists.** Extends the availability of the Laws 2023 appropriation for aid to multicounty, multitype library systems. [Kunesh]

**Sec. 9. Appropriations.** See fiscal tracking documents.

**Sec. 10. Repealer.** Repeals the statutory authority for MDE to retain a portion of the annual appropriation for school library aid for the costs of the state school librarian. (The costs of the librarian are instead funded by a direct appropriation to the agency in a later article of this bill.) Effective for fiscal year 2026 and later. [Kunesh]

## **ARTICLE 8 EARLY CHILDHOOD EDUCATION**

**Section 1. Appropriation transfers.** Removes obsolete references to early childhood education programs that were transferred from MDE to the Department of Children, Youth, and Families (DCYF). [Governor recommendation]

**Sec. 2. Appropriation transfers for community education programs.** Removes obsolete references to early childhood education programs that were transferred from MDE to DCYF. [Governor recommendation]

**Sec. 3. Aid payment percentage.** Clarifies the state aid payment schedule for certain early childhood education programs that were transferred from MDE to DCYF. [Governor recommendation]

**Sec. 4. [School readiness aid] funding.** Clarifies the state aid administration and payment schedule for the school readiness program that was transferred from MDE to DCYF. [Governor recommendation]

**Sec. 5. [Voluntary prekindergarten program] funding.** Clarifies the state aid administration and payment schedule for the voluntary prekindergarten program that was transferred from MDE to DCYF. [Governor recommendation]

**Sec. 6. Developmental screening aid.** Clarifies the state aid administration and payment schedule for the developmental screening aid program that was transferred from MDE to DCYF. [Governor recommendation]

**Sec. 7. [Early childhood family education] revenue.** Makes a technical correction to provide a statutory cross-reference to the basic revenue formula allowance. [Governor recommendation]

**Sec. 8. [Early childhood family education] population.** Makes a technical correction to specifically identify that school district population data are reported to MDE. [Governor recommendation]

**Sec. 9. [Early childhood family education] funding.** Clarifies the state aid administration and payment schedule for the early childhood family education (ECFE) program that was transferred from MDE to DCYF. [Governor recommendation]

**Sec. 10. Appropriations; Department of Education.** See fiscal tracking documents.

**Sec. 11. Appropriations; Department of Children, Youth, and Families.** See fiscal tracking documents.

## **ARTICLE 9 COMMUNITY EDUCATION AND LIFELONG LEARNING**

**Section 1. Appropriations.** See fiscal tracking documents.

## **ARTICLE 10 STATE AGENCIES**

**Section 1. Excess tax increment.** Directs the county auditor to certify to the commissioner the amount of any excess tax increment by February 1 of each year. Modifies the calculation of a school district's aid and levy limitations upon return of excess tax increment or decertification of a tax increment financing (TIF) district. (The amendment to paragraph (b)(2)(i)(A) is a technical change to correctly reference the name and statutory reference of the long-term facilities maintenance (LTFM) program. The amendment to paragraph (b)(2)(i)(K) adds the equalized local optional revenue (LOR) program to the list of programs adjusted for excess tax increment.) Various effective dates. [Governor recommendation; SF1740, Cwodzinski; SF1202, Kunesh]

**Sec. 2. Department [of Education FY2024-2025 appropriation].** Cancels a portion of MDE's fiscal year 2025 appropriation for the Office of the Inspector General and engagement and rulemaking costs related to Specific Learning Disabilities that are expected to go unspent. Effective immediately. [Kunesh]

**Sec. 3. Appropriations; Perpich Center for Arts Education [FY2024-25 appropriation].** Extends the Perpich Center's fiscal year 2024 appropriation for furniture replacement until June 30, 2027. Expands the allowable uses of the funds to include equipment and technology. Effective immediately. [Governor recommendation]

**Sec. 4. Administrative Costs.** Requires that MDE only retain grant administration costs allocated to the agency under this act. (Under section 16B.98, subdivision 14, a state agency may retain up to five percent of an appropriation for legislatively named grants and ten percent for competitively awarded grants.) [Kunesh]

**Sec. 5. Appropriations; Department of Education.** See fiscal tracking documents.

**Sec. 6. Appropriations; Minnesota State Academies.** See fiscal tracking documents.

**Sec. 7. Appropriations; Perpich Center for Arts Education.** See fiscal tracking documents.

**Sec. 8. Appropriations; Professional Educator Licensing and Standards Board.** See fiscal tracking documents.

## **ARTICLE 11 FORECAST**

This article amends various previous appropriations for fiscal year 2025 to conform with the February 2025 budget and economic forecast. The appropriation changes proposed in this article are cost-neutral relative to the February 2025 forecast baseline. The article is effective immediately.



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