

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-FIRST SESSION**

**S.F. No. 2990**

(SENATE AUTHORS: NELSON)

DATE	D-PG	OFFICIAL STATUS
02/11/2020	4719	Introduction and first reading Referred to E-12 Finance and Policy
02/27/2020	5013a	Comm report: To pass as amended
	5015	Second reading

1.1 A bill for an act

1.2 relating to student literacy; teacher training; requiring literacy incentive aid to be

1.3 used for certain purposes; modifying the required uses of compensatory revenue;

1.4 amending Minnesota Statutes 2018, sections 124D.98, by adding a subdivision;

1.5 126C.10, subdivision 3.

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

1.7 Section 1. Minnesota Statutes 2018, section 124D.98, is amended by adding a subdivision

1.8 to read:

1.9 Subd. 5. **Allowed uses for literacy incentive aid.** Literacy incentive aid must be used

1.10 by the school to provide Language Essentials for Teachers of Reading and Spelling (LETRS)

1.11 training, as soon as practicable. A licensed elementary school teacher who has not already

1.12 completed LETRS training must participate in the training, to the extent aid and training

1.13 opportunities are available. If additional aid is available after all licensed elementary school

1.14 teachers in a school have completed LETRS training, the remaining aid may be used for

1.15 any purpose.

1.16 **EFFECTIVE DATE.** This section is effective July 1, 2020.

1.17 Sec. 2. Minnesota Statutes 2018, section 126C.10, subdivision 3, is amended to read:

1.18 Subd. 3. **Compensatory education revenue.** (a) The compensatory education revenue

1.19 for each building in the district equals the formula allowance minus \$839 times the

1.20 compensation revenue pupil units computed according to section 126C.05, subdivision 3.

1.21 A district's compensatory revenue equals the sum of its compensatory revenue for each

1.22 building in the district and the amounts designated under Laws 2015, First Special Session

2.1 chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017. Revenue shall be paid  
2.2 to the district and must be allocated according to section 126C.15, subdivision 2.

2.3 (b) When the district contracting with an alternative program under section 124D.69  
2.4 changes prior to the start of a school year, the compensatory revenue generated by pupils  
2.5 attending the program shall be paid to the district contracting with the alternative program  
2.6 for the current school year, and shall not be paid to the district contracting with the alternative  
2.7 program for the prior school year.

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

2.11 (d) Of the amount of revenue under this subdivision, ~~1.7 percent for fiscal year 2018,~~  
2.12 ~~3.5 percent for fiscal year 2019, and for fiscal year 2020 and later,~~ 3.5 percent plus the  
2.13 percentage change in the formula allowance from fiscal year 2019, must be used for: (i)  
2.14 extended time activities under subdivision 2a, paragraph (c); or (ii) Language Essentials  
2.15 for Teachers of Reading and Spelling (LETRS) training. The training must be provided to  
2.16 licensed elementary school principals and teachers who have not already completed LETRS  
2.17 training. A school must provide LETRS training to teachers based on the grade level the  
2.18 teacher instructs, with priority given in the following order: kindergarten, first grade, second  
2.19 grade, and third grade. A school must ensure all licensed teachers in the highest priority  
2.20 group complete LETRS training before using funding under this subdivision to provide  
2.21 LETRS training to a teacher in the next priority group. If additional revenue is available  
2.22 after all licensed kindergarten through third grade teachers in the school have completed  
2.23 LETRS training, the remaining revenue must be used for any of the acceptable uses for  
2.24 compensatory education revenue under section 126C.15, subdivision 1.