

A bill for an act

relating to education finance; modifying school district aid payment shift; modifying contract terms after expiration of a collective bargaining agreement; amending Minnesota Statutes 2010, section 179A.20, subdivision 6, by adding a subdivision; Minnesota Statutes 2011 Supplement, section 127A.45, subdivision 2.

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

Section 1. Minnesota Statutes 2011 Supplement, section 127A.45, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) "Other district receipts" means payments by county treasurers pursuant to section 276.10, apportionments from the school endowment fund pursuant to section 127A.33, apportionments by the county auditor pursuant to section 127A.34, subdivision 2, and payments to school districts by the commissioner of revenue pursuant to chapter 298.

(b) "Cumulative amount guaranteed" means the product of
(1) the cumulative disbursement percentage shown in subdivision 3; times
(2) the sum of
(i) the current year aid payment percentage of the estimated aid and credit entitlements paid according to subdivision 13; plus
(ii) 100 percent of the entitlements paid according to subdivisions 11 and 12; plus
(iii) the other district receipts.

(c) "Payment date" means the date on which state payments to districts are made by the electronic funds transfer method. If a payment date falls on a Saturday, a Sunday, or a weekday which is a legal holiday, the payment shall be made on the immediately preceding business day. The commissioner may make payments on dates other than

those listed in subdivision 3, but only for portions of payments from any preceding payment dates which could not be processed by the electronic funds transfer method due to documented extenuating circumstances.

(d) The current year aid payment percentage equals 73 in fiscal year 2010 and 70 in fiscal year 2011, and ~~60~~ 64.3 in fiscal ~~years 2012~~ year 2012 and 70 in fiscal year 2013 and later.

EFFECTIVE DATE. This section is effective July 1, 2012.

Sec. 2. Minnesota Statutes 2010, section 179A.20, subdivision 6, is amended to read:

Subd. 6. **Contract in effect.** During the period after contract expiration and prior to the date when the right to strike matures, and for additional time if the parties agree, the terms of an existing contract shall continue in effect and shall be enforceable upon both parties, except as provided in subdivision 6a for school districts.

Sec. 3. Minnesota Statutes 2010, section 179A.20, is amended by adding a subdivision to read:

Subd. 6a. **Contract in effect; school districts.** If a contract term would provide a wage or salary increase to an employee, including, but not limited to, an increase based on cost of living, longevity, education or training, or performance or merit, the contract term does not continue in effect and is not enforceable after the expiration date stated in the contract between a school district and the exclusive representative. The parties may not agree to extend or honor such a contract term beyond the expiration date of the contract.

EFFECTIVE DATE. This section is effective the day following final enactment. For a collective bargaining agreement that expired before the effective date of this section, the requirements of this section apply to limit wages to the levels and amounts in effect on the effective date of this section.