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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3171

03/17/2014 Authored by Marquart  
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act  
1.2 relating to education; providing funding and policy modifications for early  
1.3 childhood, kindergarten through grade 12, and adult education, including general  
1.4 education, education excellence, special education, nutrition, and self-sufficiency  
1.5 and lifelong learning; making forecast adjustments; appropriating money;  
1.6 amending Minnesota Statutes 2012, sections 122A.415, subdivision 1; 123A.05,  
1.7 subdivision 2; 124D.09, subdivision 13; 124D.111, by adding a subdivision;  
1.8 124D.522; 124D.531, subdivision 3; 125A.76, subdivision 2; 126C.10,  
1.9 subdivisions 25, 26; Minnesota Statutes 2013 Supplement, sections 124D.11,  
1.10 subdivision 1; 124D.111, subdivision 1; 124D.531, subdivision 1; 124D.862,  
1.11 subdivisions 1, 2; 125A.11, subdivision 1; 125A.76, subdivisions 1, 2a, 2b, 2c;  
1.12 125A.79, subdivisions 1, 5, 8; 126C.05, subdivision 15; 126C.10, subdivisions  
1.13 2a, 24, 31; 126C.17, subdivisions 6, 7b, 9, 9a; 126C.44; 127A.47, subdivision 7;  
1.14 Laws 2013, chapter 116, article 1, section 58, subdivisions 2, 3, 4, 5, 6, 7, 11;  
1.15 article 3, section 37, subdivisions 3, 4, 5, 6, 8, 20; article 4, section 9, subdivision  
1.16 2; article 5, section 31, subdivisions 2, 3, 4; article 6, section 12, subdivisions  
1.17 2, 3, 4, 6; article 7, section 21, subdivisions 2, 3, 4, 6, 7, 9; article 8, section 5,  
1.18 subdivisions 2, 3, 4, 10, 11, 14; article 9, section 2.

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

1.20 ARTICLE 1

1.21 GENERAL EDUCATION

1.22 Section 1. Minnesota Statutes 2012, section 123A.05, subdivision 2, is amended to read:

1.23 Subd. 2. **Reserve revenue.** Each district that is a member of an area learning center  
1.24 or alternative learning program must reserve revenue in an amount equal to the sum of  
1.25 (1) ~~at least~~ between 90 and 100 percent of the district average general education revenue  
1.26 per adjusted pupil unit minus an amount equal to the product of the formula allowance  
1.27 according to section 126C.10, subdivision 2, times ~~.0485~~ .0466, calculated without  
1.28 basic skills revenue and transportation sparsity revenue, times the number of pupil units  
1.29 attending an area learning center or alternative learning program under this section, plus

2.1 (2) the amount of basic skills revenue generated by pupils attending the area learning  
 2.2 center or alternative learning program. The amount of reserved revenue under this  
 2.3 subdivision may only be spent on program costs associated with the area learning center  
 2.4 or alternative learning program.

2.5 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 2.6 and later.

2.7 Sec. 2. Minnesota Statutes 2012, section 124D.09, subdivision 13, is amended to read:

2.8 Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this  
 2.9 section, the department must make payments according to this subdivision for courses that  
 2.10 were taken for secondary credit.

2.11 The department must not make payments to a school district or postsecondary  
 2.12 institution for a course taken for postsecondary credit only. The department must not  
 2.13 make payments to a postsecondary institution for a course from which a student officially  
 2.14 withdraws during the first 14 days of the quarter or semester or who has been absent from  
 2.15 the postsecondary institution for the first 15 consecutive school days of the quarter or  
 2.16 semester and is not receiving instruction in the home or hospital.

2.17 A postsecondary institution shall receive the following:

2.18 (1) for an institution granting quarter credit, the reimbursement per credit hour shall  
 2.19 be an amount equal to 88 percent of the product of the formula allowance minus ~~\$415~~  
 2.20 \$425, multiplied by ~~1.3~~ 1.2, and divided by 45; or

2.21 (2) for an institution granting semester credit, the reimbursement per credit hour  
 2.22 shall be an amount equal to 88 percent of the product of the general revenue formula  
 2.23 allowance minus ~~\$415~~ \$425, multiplied by ~~1.3~~ 1.2, and divided by 30.

2.24 The department must pay to each postsecondary institution 100 percent of the  
 2.25 amount in clause (1) or (2) within 30 days of receiving initial enrollment information  
 2.26 each quarter or semester. If changes in enrollment occur during a quarter or semester,  
 2.27 the change shall be reported by the postsecondary institution at the time the enrollment  
 2.28 information for the succeeding quarter or semester is submitted. At any time the  
 2.29 department notifies a postsecondary institution that an overpayment has been made, the  
 2.30 institution shall promptly remit the amount due.

2.31 Sec. 3. Minnesota Statutes 2013 Supplement, section 124D.11, subdivision 1, is  
 2.32 amended to read:

2.33 Subdivision 1. **General education revenue.** General education revenue must be  
 2.34 paid to a charter school as though it were a district. The general education revenue for

3.1 each adjusted pupil unit is the state average general education revenue per pupil unit, plus  
 3.2 the referendum equalization aid allowance in the pupil's district of residence, minus an  
 3.3 amount equal to the product of the formula allowance according to section 126C.10,  
 3.4 subdivision 2, times .0466, calculated without declining enrollment revenue, location  
 3.5 equity revenue, basic skills revenue, extended time revenue, pension adjustment revenue,  
 3.6 transition revenue, and transportation sparsity revenue, plus declining enrollment revenue,  
 3.7 basic skills revenue, extended time revenue, pension adjustment revenue, and transition  
 3.8 revenue as though the school were a school district. The general education revenue for  
 3.9 each extended time pupil unit equals \$4,794.

3.10 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 3.11 and later.

3.12 Sec. 4. Minnesota Statutes 2013 Supplement, section 126C.05, subdivision 15, is  
 3.13 amended to read:

3.14 Subd. 15. **Learning year pupil units.** (a) When a pupil is enrolled in a learning  
 3.15 year program under section 124D.128, an area learning center or an alternative learning  
 3.16 program approved by the commissioner under sections 123A.05 and 123A.06, or a  
 3.17 contract alternative program under section 124D.68, subdivision 3, paragraph (d), or  
 3.18 subdivision 4, for more than 1,020 hours in a school year for a secondary student, more  
 3.19 than 935 hours in a school year for an elementary student, more than 850 hours in a school  
 3.20 year for a kindergarten student without a disability in an all-day kindergarten program,  
 3.21 or more than 425 hours in a school year for a half-day kindergarten student without a  
 3.22 disability, that pupil may be counted as more than one pupil in average daily membership  
 3.23 for purposes of section 126C.10, subdivision 2a. The amount in excess of one pupil must  
 3.24 be determined by the ratio of the number of hours of instruction provided to that pupil in  
 3.25 excess of: (i) the greater of 1,020 hours or the number of hours required for a full-time  
 3.26 secondary pupil in the district to 1,020 for a secondary pupil; (ii) the greater of 935 hours  
 3.27 or the number of hours required for a full-time elementary pupil in the district to 935 for  
 3.28 an elementary pupil in grades 1 through 6; and (iii) the greater of ~~425~~ 850 hours or the  
 3.29 number of hours required for a full-time kindergarten student without a disability in the  
 3.30 district to ~~425~~ 850 for a kindergarten student without a disability; ~~and (iv) the greater of~~  
 3.31 ~~425 hours or the number of hours required for a half-time kindergarten student without a~~  
 3.32 ~~disability in the district to 425 for a half-day kindergarten student without a disability.~~  
 3.33 Hours that occur after the close of the instructional year in June shall be attributable to  
 3.34 the following fiscal year. A student in kindergarten or grades 1 through 12 must not be  
 3.35 counted as more than 1.2 pupils in average daily membership under this subdivision.

4.1 (b)(i) To receive general education revenue for a pupil in an area learning center  
4.2 or alternative learning program that has an independent study component, a district  
4.3 must meet the requirements in this paragraph. The district must develop, for the pupil,  
4.4 a continual learning plan consistent with section 124D.128, subdivision 3. Each school  
4.5 district that has an area learning center or alternative learning program must reserve  
4.6 revenue in an amount equal to at least 90 percent of the district average general education  
4.7 revenue per pupil unit, minus an amount equal to the product of the formula allowance  
4.8 according to section 126C.10, subdivision 2, times .0466, calculated without basic skills  
4.9 and transportation sparsity revenue, times the number of pupil units generated by students  
4.10 attending an area learning center or alternative learning program. The amount of reserved  
4.11 revenue available under this subdivision may only be spent for program costs associated  
4.12 with the area learning center or alternative learning program. Basic skills revenue  
4.13 generated according to section 126C.10, subdivision 4, by pupils attending the eligible  
4.14 program must be allocated to the program.

4.15 (ii) General education revenue for a pupil in a state-approved alternative program  
4.16 without an independent study component must be prorated for a pupil participating for less  
4.17 than a full year, or its equivalent. The district must develop a continual learning plan for the  
4.18 pupil, consistent with section 124D.128, subdivision 3. Each school district that has an area  
4.19 learning center or alternative learning program must reserve revenue in an amount equal to  
4.20 at least 90 percent of the district average general education revenue per pupil unit, minus  
4.21 an amount equal to the product of the formula allowance according to section 126C.10,  
4.22 subdivision 2, times .0466, calculated without basic skills and transportation sparsity  
4.23 revenue, times the number of pupil units generated by students attending an area learning  
4.24 center or alternative learning program. The amount of reserved revenue available under this  
4.25 subdivision may only be spent for program costs associated with the area learning center or  
4.26 alternative learning program. Basic skills revenue generated according to section 126C.10,  
4.27 subdivision 4, by pupils attending the eligible program must be allocated to the program.

4.28 (iii) General education revenue for a pupil in a state-approved alternative program  
4.29 that has an independent study component must be paid for each hour of teacher contact  
4.30 time and each hour of independent study time completed toward a credit or graduation  
4.31 standards necessary for graduation. Average daily membership for a pupil shall equal the  
4.32 number of hours of teacher contact time and independent study time divided by 1,020.

4.33 (iv) For a state-approved alternative program having an independent study  
4.34 component, the commissioner shall require a description of the courses in the program, the  
4.35 kinds of independent study involved, the expected learning outcomes of the courses, and  
4.36 the means of measuring student performance against the expected outcomes.

5.1 Sec. 5. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 2a, is  
5.2 amended to read:

5.3 Subd. 2a. **Extended time revenue.** (a) A school district's extended time revenue for  
5.4 fiscal year 2014 is equal to the product of \$4,601 and the sum of the adjusted marginal  
5.5 cost pupil units of the district for each pupil in average daily membership in excess of 1.0  
5.6 and less than 1.2 according to section 126C.05, subdivision 8. A school district's extended  
5.7 time revenue for fiscal year 2015 and later is equal to the product of \$5,017 and the sum  
5.8 of the adjusted pupil units of the district for each pupil in average daily membership in  
5.9 excess of 1.0 and less than 1.2 according to section 126C.05, subdivision 8.

5.10 (b) A school district's extended time revenue may be used for extended day  
5.11 programs, extended week programs, summer school, and other programming authorized  
5.12 under the learning year program.

5.13 **EFFECTIVE DATE.** This section is effective the day following final enactment  
5.14 and applies to revenue for fiscal year 2014 and later.

5.15 Sec. 6. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 24, is  
5.16 amended to read:

5.17 Subd. 24. **Equity revenue.** (a) A school district qualifies for equity revenue if:

5.18 (1) the school district's adjusted pupil unit amount of basic revenue, transition  
5.19 revenue, and referendum revenue is less than the value of the school district at or  
5.20 immediately above the 95th percentile of school districts in its equity region for those  
5.21 revenue categories; and

5.22 (2) the school district's administrative offices are not located in a city of the first  
5.23 class on July 1, 1999.

5.24 (b) Equity revenue for a qualifying district that receives referendum revenue under  
5.25 section 126C.17, subdivision 4, equals the product of (1) the district's adjusted pupil  
5.26 units for that year; times (2) the sum of (i) \$14, plus (ii) \$80, times the school district's  
5.27 equity index computed under subdivision 27.

5.28 (c) Equity revenue for a qualifying district that does not receive referendum revenue  
5.29 under section 126C.17, subdivision 4, equals the product of the district's adjusted pupil  
5.30 units for that year times \$14.

5.31 (d) A school district's equity revenue is increased by the greater of zero or an amount  
5.32 equal to the district's ~~resident~~ adjusted pupil units times the difference between ten percent  
5.33 of the statewide average amount of referendum revenue per ~~resident~~ adjusted pupil unit for  
5.34 that year and the district's referendum revenue per ~~resident~~ adjusted pupil unit. A school  
5.35 district's revenue under this paragraph must not exceed \$100,000 for that year.

6.1 (e) A school district's equity revenue for a school district located in the metro equity  
6.2 region equals the amount computed in paragraphs (b), (c), and (d) multiplied by 1.25.

6.3 (f) A school district's additional equity revenue equals \$50 times its adjusted pupil  
6.4 units.

6.5 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
6.6 and later.

6.7 Sec. 7. Minnesota Statutes 2012, section 126C.10, subdivision 25, is amended to read:

6.8 Subd. 25. **Regional equity gap.** The regional equity gap equals the difference  
6.9 between the value of the school district at or immediately above the fifth percentile of  
6.10 adjusted general revenue per adjusted ~~marginal-cost~~ pupil unit and the value of the school  
6.11 district at or immediately above the 95th percentile of adjusted general revenue per  
6.12 adjusted ~~marginal-cost~~ pupil unit.

6.13 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
6.14 and later.

6.15 Sec. 8. Minnesota Statutes 2012, section 126C.10, subdivision 26, is amended to read:

6.16 Subd. 26. **District equity gap.** A district's equity gap equals the greater of zero  
6.17 or the difference between the district's adjusted general revenue and the value of the  
6.18 school district at or immediately above the regional 95th percentile of adjusted general  
6.19 revenue per adjusted ~~marginal-cost~~ pupil unit.

6.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
6.21 and later.

6.22 Sec. 9. Minnesota Statutes 2013 Supplement, section 126C.10, subdivision 31, is  
6.23 amended to read:

6.24 Subd. 31. **Transition revenue.** (a) A district's transition allowance equals the  
6.25 sum of the transition revenue the district would have received for fiscal year 2015 under  
6.26 Minnesota Statutes 2012, section 126C.10, subdivisions 31, 31a, and 31c, and the greater  
6.27 of zero or the difference between:

6.28 (1) the sum of:

6.29 (i) the general education revenue the district would have received for fiscal year  
6.30 2015 according to Minnesota Statutes 2012, section 126C.10;

6.31 (ii) the integration revenue the district received for fiscal year 2013 under Minnesota  
6.32 Statutes 2012, section 124D.86;

7.1 (iii) the pension adjustment the district would have received for fiscal year 2015  
7.2 under Minnesota Statutes 2012, section 127A.50;

7.3 (iv) the special education aid the district would have received for fiscal year 2015  
7.4 under Minnesota Statutes 2012, section 125A.76; and

7.5 (v) the special education excess cost aid the district would have received for fiscal  
7.6 year 2015 under Minnesota Statutes 2012, section 125A.79; and

7.7 (2) the sum of the district's:

7.8 (i) general education revenue for fiscal year 2015 excluding transition revenue  
7.9 under this section;

7.10 (ii) achievement and integration revenue for fiscal year 2015 under section  
7.11 124D.862; ~~and~~

7.12 (iii) special education aid for fiscal year 2015 under section 125A.76; and

7.13 (iv) alternative teacher compensation revenue for fiscal year 2015 under section  
7.14 122A.415,

7.15 divided by the number of adjusted pupil units for fiscal year 2015.

7.16 (b) A district's transition revenue for fiscal year 2015 and later equals the product of  
7.17 the district's transition allowance times the district's adjusted pupil units.

7.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
7.19 and later.

7.20 Sec. 10. Minnesota Statutes 2013 Supplement, section 126C.17, subdivision 6, is  
7.21 amended to read:

7.22 Subd. 6. **Referendum equalization levy.** (a) ~~For fiscal year 2003 and later,~~

7.23 A district's referendum equalization levy equals the sum of the first tier referendum  
7.24 equalization levy, the second tier referendum equalization levy, and the third tier  
7.25 referendum equalization levy.

7.26 (b) A district's first tier referendum equalization levy equals the district's first tier  
7.27 referendum equalization revenue times the lesser of one or the ratio of the district's  
7.28 referendum market value per resident pupil unit to \$880,000.

7.29 (c) A district's second tier referendum equalization levy equals the district's second  
7.30 tier referendum equalization revenue times the lesser of one or the ratio of the district's  
7.31 referendum market value per resident pupil unit to \$510,000.

7.32 (d) A district's third tier referendum equalization levy equals the district's third  
7.33 tier referendum equalization revenue times the lesser of one or the ratio of the district's  
7.34 referendum market value per resident pupil unit to \$290,000.

8.1 Sec. 11. Minnesota Statutes 2013 Supplement, section 126C.17, subdivision 7b,  
8.2 is amended to read:

8.3 Subd. 7b. **Referendum aid guarantee.** (a) Notwithstanding subdivision 7, the sum  
8.4 of a district's referendum equalization aid and location equity aid under section 126C.10,  
8.5 subdivision 2e, for fiscal year 2015 must not be less than the sum of the referendum  
8.6 equalization aid the district would have received for fiscal year 2015 under Minnesota  
8.7 Statutes 2012, section 126C.17, subdivision 7, and the adjustment the district would have  
8.8 received under Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs  
8.9 (a), (b), and (c).

8.10 (b) Notwithstanding subdivision 7, the sum of referendum equalization aid and  
8.11 location equity aid under section 126C.10, subdivision 2e, for fiscal year 2016 and later,  
8.12 for a district qualifying for additional aid under paragraph (a) for fiscal year 2015, must  
8.13 not be less than the product of (1) the district's referendum equalization aid for fiscal year  
8.14 2015, times (2) the lesser of one or the ratio of the district's referendum revenue for that  
8.15 school year to the district's referendum revenue for fiscal year 2015, times (3) the lesser  
8.16 of one or the ratio of the district's referendum market value used for fiscal year 2015  
8.17 referendum equalization calculations to the district's referendum market value used for  
8.18 that year's referendum equalization calculations.

8.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
8.20 and later.

8.21 Sec. 12. Minnesota Statutes 2013 Supplement, section 126C.17, subdivision 9, is  
8.22 amended to read:

8.23 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,  
8.24 subdivision 1, may be increased in the amount approved by the voters of the district  
8.25 at a referendum called for the purpose. The referendum may be called by the board.  
8.26 The referendum must be conducted one or two calendar years before the increased levy  
8.27 authority, if approved, first becomes payable. Only one election to approve an increase  
8.28 may be held in a calendar year. Unless the referendum is conducted by mail under  
8.29 subdivision 11, paragraph (a), the referendum must be held on the first Tuesday after the  
8.30 first Monday in November. The ballot must state the maximum amount of the increased  
8.31 revenue per adjusted pupil unit. The ballot may state a schedule, determined by the board,  
8.32 of increased revenue per adjusted pupil unit that differs from year to year over the number  
8.33 of years for which the increased revenue is authorized or may state that the amount shall  
8.34 increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the  
8.35 annual inflationary increase calculated under subdivision 2, paragraph (b). The ballot may



9.1 state that existing referendum levy authority is expiring. In this case, the ballot may also  
 9.2 compare the proposed levy authority to the existing expiring levy authority, and express  
 9.3 the proposed increase as the amount, if any, over the expiring referendum levy authority.  
 9.4 The ballot must designate the specific number of years, not to exceed ten, for which the  
 9.5 referendum authorization applies. The ballot, including a ballot on the question to revoke  
 9.6 or reduce the increased revenue amount under paragraph (c), must abbreviate the term  
 9.7 "per adjusted pupil unit" as "per pupil." The notice required under section 275.60 may  
 9.8 be modified to read, in cases of renewing existing levies at the same amount per pupil  
 9.9 as in the previous year:

9.10 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING  
 9.11 TO EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS  
 9.12 SCHEDULED TO EXPIRE."

9.13 The ballot may contain a textual portion with the information required in this  
 9.14 subdivision and a question stating substantially the following:

9.15 "Shall the increase in the revenue proposed by (petition to) the board of .....,  
 9.16 School District No. ..., be approved?"

9.17 If approved, an amount equal to the approved revenue per adjusted pupil unit times  
 9.18 the adjusted pupil units for the school year beginning in the year after the levy is certified  
 9.19 shall be authorized for certification for the number of years approved, if applicable, or  
 9.20 until revoked or reduced by the voters of the district at a subsequent referendum.

9.21 (b) The board must prepare and deliver by first class mail at least 15 days but no more  
 9.22 than 30 days before the day of the referendum to each taxpayer a notice of the referendum  
 9.23 and the proposed revenue increase. The board need not mail more than one notice to any  
 9.24 taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be  
 9.25 those shown to be owners on the records of the county auditor or, in any county where  
 9.26 tax statements are mailed by the county treasurer, on the records of the county treasurer.  
 9.27 Every property owner whose name does not appear on the records of the county auditor  
 9.28 or the county treasurer is deemed to have waived this mailed notice unless the owner  
 9.29 has requested in writing that the county auditor or county treasurer, as the case may be,  
 9.30 include the name on the records for this purpose. The notice must project the anticipated  
 9.31 amount of tax increase in annual dollars for typical residential homesteads, agricultural  
 9.32 homesteads, apartments, and commercial-industrial property within the school district.

9.33 The notice for a referendum may state that an existing referendum levy is expiring  
 9.34 and project the anticipated amount of increase over the existing referendum levy in  
 9.35 the first year, if any, in annual dollars for typical residential homesteads, agricultural  
 9.36 homesteads, apartments, and commercial-industrial property within the district.

10.1 The notice must include the following statement: "Passage of this referendum will  
 10.2 result in an increase in your property taxes." However, in cases of renewing existing levies,  
 10.3 the notice may include the following statement: "Passage of this referendum extends an  
 10.4 existing operating referendum at the same amount per pupil as in the previous year."

10.5 (c) A referendum on the question of revoking or reducing the increased revenue  
 10.6 amount authorized pursuant to paragraph (a) may be called by the board. A referendum to  
 10.7 revoke or reduce the revenue amount must state the amount per ~~resident marginal cost~~  
 10.8 adjusted pupil unit by which the authority is to be reduced. Revenue authority approved  
 10.9 by the voters of the district pursuant to paragraph (a) must be available to the school  
 10.10 district at least once before it is subject to a referendum on its revocation or reduction for  
 10.11 subsequent years. Only one revocation or reduction referendum may be held to revoke or  
 10.12 reduce referendum revenue for any specific year and for years thereafter.

10.13 (d) The approval of 50 percent plus one of those voting on the question is required to  
 10.14 pass a referendum authorized by this subdivision.

10.15 (e) At least 15 days before the day of the referendum, the district must submit a  
 10.16 copy of the notice required under paragraph (b) to the commissioner and to the county  
 10.17 auditor of each county in which the district is located. Within 15 days after the results  
 10.18 of the referendum have been certified by the board, or in the case of a recount, the  
 10.19 certification of the results of the recount by the canvassing board, the district must notify  
 10.20 the commissioner of the results of the referendum.

10.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 10.22 and later.

10.23 Sec. 13. Minnesota Statutes 2013 Supplement, section 126C.17, subdivision 9a,  
 10.24 is amended to read:

10.25 Subd. 9a. **Board-approved referendum allowance.** Notwithstanding subdivision  
 10.26 9, a school district may convert up to \$300 per adjusted pupil unit of referendum authority  
 10.27 from voter approved to board approved by a board vote. A district with less than \$300 per  
 10.28 adjusted pupil unit of referendum authority after the location equity revenue subtraction  
 10.29 under subdivision 1 may authorize new referendum authority up to the difference between  
 10.30 \$300 per adjusted pupil unit and the district's referendum authority. The board may  
 10.31 authorize this levy for up to five years and may subsequently reauthorize that authority  
 10.32 in increments of up to five years.

10.33 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 10.34 and later.

11.1 Sec. 14. Minnesota Statutes 2013 Supplement, section 126C.44, is amended to read:

11.2 **126C.44 SAFE SCHOOLS LEVY.**

11.3 (a) Each district may make a levy on all taxable property located within the district  
11.4 for the purposes specified in this section. The maximum amount which may be levied for  
11.5 all costs under this section shall be equal to \$36 multiplied by the district's adjusted pupil  
11.6 units for the school year. The proceeds of the levy must be reserved and used for directly  
11.7 funding the following purposes or for reimbursing the cities and counties who contract  
11.8 with the district for the following purposes:

11.9 (1) to pay the costs incurred for the salaries, benefits, and transportation costs of  
11.10 peace officers and sheriffs for liaison in services in the district's schools;

11.11 (2) to pay the costs for a drug abuse prevention program as defined in section  
11.12 609.101, subdivision 3, paragraph (e), in the elementary schools;

11.13 (3) to pay the costs for a gang resistance education training curriculum in the  
11.14 district's schools;

11.15 (4) to pay the costs for security in the district's schools and on school property;

11.16 (5) to pay the costs for other crime prevention, drug abuse, student and staff safety,  
11.17 voluntary opt-in suicide prevention tools, and violence prevention measures taken by  
11.18 the school district;

11.19 (6) to pay costs for licensed school counselors, licensed school nurses, licensed  
11.20 school social workers, licensed school psychologists, and licensed alcohol and chemical  
11.21 dependency counselors to help provide early responses to problems;

11.22 (7) to pay for facility security enhancements including laminated glass, public  
11.23 announcement systems, emergency communications devices, and equipment and facility  
11.24 modifications related to violence prevention and facility security;

11.25 (8) to pay for costs associated with improving the school climate; or

11.26 (9) to pay costs for collocating and collaborating with mental health professionals  
11.27 who are not district employees or contractors.

11.28 (b) For expenditures under paragraph (a), clause (1), the district must initially  
11.29 attempt to contract for services to be provided by peace officers or sheriffs with the  
11.30 police department of each city or the sheriff's department of the county within the district  
11.31 containing the school receiving the services. If a local police department or a county  
11.32 sheriff's department does not wish to provide the necessary services, the district may  
11.33 contract for these services with any other police or sheriff's department located entirely or  
11.34 partially within the school district's boundaries.

11.35 (c) A school district that is a member of an intermediate school district may  
11.36 include in its authority under this section the costs associated with safe schools activities

12.1 authorized under paragraph (a) for intermediate school district programs. This authority  
12.2 must not exceed \$10 times the adjusted ~~marginal-cost~~ pupil units of the member districts.  
12.3 This authority is in addition to any other authority authorized under this section. Revenue  
12.4 raised under this paragraph must be transferred to the intermediate school district.

12.5 Sec. 15. Minnesota Statutes 2013 Supplement, section 127A.47, subdivision 7, is  
12.6 amended to read:

12.7 Subd. 7. **Alternative attendance programs.** (a) The general education aid and  
12.8 special education aid for districts must be adjusted for each pupil attending a nonresident  
12.9 district under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The  
12.10 adjustments must be made according to this subdivision.

12.11 (b) For purposes of this subdivision, the "unreimbursed cost of providing special  
12.12 education and services" means the difference between: (1) the actual cost of providing  
12.13 special instruction and services, including special transportation and unreimbursed  
12.14 building lease and debt service costs for facilities used primarily for special education, for  
12.15 a pupil with a disability, as defined in section 125A.02, or a pupil, as defined in section  
12.16 125A.51, who is enrolled in a program listed in this subdivision, minus (2) if the pupil  
12.17 receives special instruction and services outside the regular classroom for more than  
12.18 60 percent of the school day, the amount of general education revenue and referendum  
12.19 equalization aid as defined in section 125A.11, subdivision 1, paragraph (c), attributable  
12.20 to that pupil for the portion of time the pupil receives special instruction and services  
12.21 outside of the regular classroom, excluding portions attributable to district and school  
12.22 administration, district support services, operations and maintenance, capital expenditures,  
12.23 and pupil transportation, minus (3) special education aid under section 125A.76  
12.24 attributable to that pupil, that is received by the district providing special instruction and  
12.25 services. For purposes of this paragraph, general education revenue and referendum  
12.26 equalization aid attributable to a pupil must be calculated using the serving district's  
12.27 average general education revenue and referendum equalization aid per adjusted pupil unit.

12.28 (c) For fiscal year 2015 and later, special education aid paid to a resident district  
12.29 must be reduced by an amount equal to 90 percent of the unreimbursed cost of providing  
12.30 special education and services.

12.31 (d) Notwithstanding paragraph (c), special education aid paid to a resident district  
12.32 must be reduced by an amount equal to 100 percent of the unreimbursed cost of special  
12.33 education and services provided to students at an intermediate district, cooperative, or  
12.34 charter school where the percent of students eligible for special education services is at  
12.35 least 70 percent of the charter school's total enrollment.

13.1 (e) Special education aid paid to the district or cooperative providing special  
 13.2 instruction and services for the pupil, or to the fiscal agent district for a cooperative,  
 13.3 must be increased by the amount of the reduction in the aid paid to the resident district  
 13.4 under paragraphs (c) and (d). If the resident district's special education aid is insufficient  
 13.5 to make the full adjustment, the remaining adjustment shall be made to other state aids  
 13.6 due to the district.

13.7 (f) An area learning center operated by a service cooperative, intermediate district,  
 13.8 education district, or a joint powers cooperative may elect through the action of the  
 13.9 constituent boards to charge the resident district tuition for pupils rather than to have the  
 13.10 general education revenue paid to a fiscal agent school district. Except as provided in  
 13.11 paragraph (e), the district of residence must pay tuition equal to ~~at least~~ between 90 and 100  
 13.12 percent of the district average general education revenue per pupil unit minus an amount  
 13.13 equal to the product of the formula allowance according to section 126C.10, subdivision  
 13.14 2, times .0466, calculated without compensatory revenue and transportation sparsity  
 13.15 revenue, times the number of pupil units for pupils attending the area learning center.

13.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 13.17 and later.

13.18 Sec. 16. Laws 2013, chapter 116, article 1, section 58, subdivision 2, is amended to read:

13.19 Subd. 2. **General education aid.** For general education aid under Minnesota  
 13.20 Statutes, section 126C.13, subdivision 4:

13.21		<del>6,051,766,000</del>		
13.22	\$	<u>6,851,972,000</u>	.....	2014
13.23		<del>6,370,640,000</del>		
13.24	\$	<u>6,435,898,000</u>	.....	2015

13.25 The 2014 appropriation includes ~~\$781,842,000~~ 780,709,000 for 2013 and  
 13.26 ~~\$5,269,924,000~~ \$6,071,263,000 for 2014.

13.27 The 2015 appropriation includes ~~\$823,040,000~~ \$589,097,000 for 2014 and  
 13.28 ~~\$5,547,600,000~~ \$5,846,801,000 for 2015.

13.29 **ARTICLE 2**

13.30 **EDUCATION EXCELLENCE**

13.31 Section 1. Minnesota Statutes 2012, section 122A.415, subdivision 1, is amended to  
 13.32 read:

13.33 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,  
 13.34 school site, or charter school that meets the conditions of section 122A.414 and submits an

14.1 application approved by the commissioner is eligible for alternative teacher compensation  
14.2 revenue.

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

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

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

14.12 Alternative teacher compensation revenue for a qualifying school district or site in  
14.13 which the school board and the exclusive representative of the teachers agree to place  
14.14 teachers in the district or at the site on the alternative teacher professional pay system  
14.15 equals \$260 times the number of pupils enrolled at the district or site on October 1 of  
14.16 the previous fiscal year. Alternative teacher compensation revenue for a qualifying  
14.17 intermediate school district must be calculated under ~~section 126C.10, subdivision 34~~  
14.18 subdivision 4, paragraphs (a) and (b).

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

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

14.27 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
14.28 and later.

14.29 Sec. 2. Minnesota Statutes 2013 Supplement, section 124D.862, subdivision 1, is  
14.30 amended to read:

14.31 Subdivision 1. **Initial achievement and integration revenue.** (a) An eligible  
14.32 district's initial achievement and integration revenue equals the lesser of 100.3 percent of  
14.33 the district's expenditures under the budget approved by the commissioner under section  
14.34 124D.861, subdivision 3, paragraph (c), excluding expenditures used to generate incentive  
14.35 revenue under subdivision 2, or the sum of (1) \$350 times the district's adjusted pupil

15.1 units for that year times the ratio of the district's enrollment of protected students for the  
 15.2 previous school year to total enrollment for the previous school year and (2) the greater of  
 15.3 zero or 66 percent of the difference between the district's integration revenue for fiscal  
 15.4 year 2013 and the district's integration revenue for fiscal year 2014 under clause (1).

15.5 (b) In each year, 0.3 percent of each district's initial achievement and integration  
 15.6 revenue is transferred to the department for the oversight and accountability activities  
 15.7 required under this section and section 124D.861.

15.8 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 15.9 and applies to revenue for fiscal year 2014 and later.

15.10 Sec. 3. Minnesota Statutes 2013 Supplement, section 124D.862, subdivision 2, is  
 15.11 amended to read:

15.12 Subd. 2. **Incentive revenue.** An eligible school district's maximum incentive  
 15.13 revenue equals \$10 per adjusted pupil unit. ~~In order to receive this revenue, a district must~~  
 15.14 ~~be~~ A district's incentive revenue equals the lesser of the maximum incentive revenue  
 15.15 or the district's expenditures for implementing a voluntary plan to reduce racial and  
 15.16 economic enrollment disparities through intradistrict and interdistrict activities that have  
 15.17 been approved as a part of the district's achievement and integration plan under the budget  
 15.18 approved by the commissioner under section 124D.861, subdivision 3, paragraph (c).

15.19 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 15.20 and applies to revenue for fiscal year 2014 and later.

### 15.21 **ARTICLE 3**

#### 15.22 **SPECIAL EDUCATION**

15.23 Section 1. Minnesota Statutes 2013 Supplement, section 125A.11, subdivision 1,  
 15.24 is amended to read:

15.25 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and  
 15.26 later, when a school district provides special instruction and services for a pupil with  
 15.27 a disability as defined in section 125A.02 outside the district of residence, excluding  
 15.28 a pupil for whom an adjustment to special education aid is calculated according to  
 15.29 section 127A.47, subdivision 7, paragraphs (b) to (d), special education aid paid to the  
 15.30 resident district must be reduced by an amount equal to (1) the actual cost of providing  
 15.31 special instruction and services to the pupil, including a proportionate amount for special  
 15.32 transportation and unreimbursed building lease and debt service costs for facilities used  
 15.33 primarily for special education, plus (2) the amount of general education revenue and

16.1 referendum equalization aid attributable to that pupil, calculated using the resident district's  
16.2 average general education revenue and referendum equalization aid per adjusted pupil  
16.3 unit excluding basic skills revenue, elementary sparsity revenue and secondary sparsity  
16.4 revenue, minus (3) the amount of special education aid for children with a disability  
16.5 under section 125A.76 received on behalf of that child, minus (4) if the pupil receives  
16.6 special instruction and services outside the regular classroom for more than 60 percent  
16.7 of the school day, the amount of general education revenue and referendum equalization  
16.8 aid, excluding portions attributable to district and school administration, district support  
16.9 services, operations and maintenance, capital expenditures, and pupil transportation,  
16.10 attributable to that pupil for the portion of time the pupil receives special instruction  
16.11 and services outside of the regular classroom, calculated using the resident district's  
16.12 average general education revenue and referendum equalization aid per adjusted pupil unit  
16.13 excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue  
16.14 and the serving district's basic skills revenue, elementary sparsity revenue and secondary  
16.15 sparsity revenue per adjusted pupil unit. Notwithstanding clauses (1) and (4), for pupils  
16.16 served by a cooperative unit without a fiscal agent school district, the general education  
16.17 revenue and referendum equalization aid attributable to a pupil must be calculated using  
16.18 the resident district's average general education revenue and referendum equalization aid  
16.19 excluding compensatory revenue, elementary sparsity revenue, and secondary sparsity  
16.20 revenue. Special education aid paid to the district or cooperative providing special  
16.21 instruction and services for the pupil must be increased by the amount of the reduction in  
16.22 the aid paid to the resident district. Amounts paid to cooperatives under this subdivision  
16.23 and section 127A.47, subdivision 7, shall be recognized and reported as revenues and  
16.24 expenditures on the resident school district's books of account under sections 123B.75  
16.25 and 123B.76. If the resident district's special education aid is insufficient to make the full  
16.26 adjustment, the remaining adjustment shall be made to other state aid due to the district.

16.27 (b) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs  
16.28 (b) to (d), a charter school where more than 30 percent of enrolled students receive special  
16.29 education and related services, a site approved under section 125A.515, an intermediate  
16.30 district, a special education cooperative, or a school district that served as the applicant  
16.31 agency for a group of school districts for federal special education aids for fiscal year  
16.32 2006 may apply to the commissioner for authority to charge the resident district an  
16.33 additional amount to recover any remaining unreimbursed costs of serving pupils with  
16.34 a disability. The application must include a description of the costs and the calculations  
16.35 used to determine the unreimbursed portion to be charged to the resident district. Amounts  
16.36 approved by the commissioner under this paragraph must be included in the tuition billings



17.1 or aid adjustments under paragraph (a), or section 127A.47, subdivision 7, paragraphs  
17.2 (b) to (d), as applicable.

17.3 (c) For purposes of this subdivision and section 127A.47, subdivision 7, ~~paragraphs~~  
17.4 ~~(d) and (e)~~ paragraph (b), "general education revenue and referendum equalization aid"  
17.5 means the sum of the general education revenue according to section 126C.10, subdivision  
17.6 1, excluding the location equity levy according to section 126C.10, subdivision 2e,  
17.7 paragraph (c), plus the referendum equalization aid according to section 126C.17,  
17.8 subdivision 7.

17.9 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
17.10 and later.

17.11 Sec. 2. Minnesota Statutes 2013 Supplement, section 125A.76, subdivision 1, is  
17.12 amended to read:

17.13 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 125A.79,  
17.14 the definitions in this subdivision apply.

17.15 (b) "Basic revenue" has the meaning given it in section 126C.10, subdivision 2.  
17.16 For the purposes of computing basic revenue pursuant to this section, each child with a  
17.17 disability shall be counted as prescribed in section 126C.05, subdivision 1.

17.18 (c) "Essential personnel" means teachers, cultural liaisons, related services, and  
17.19 support services staff providing services to students. Essential personnel may also include  
17.20 special education paraprofessionals or clericals providing support to teachers and students  
17.21 by preparing paperwork and making arrangements related to special education compliance  
17.22 requirements, including parent meetings and individualized education programs. Essential  
17.23 personnel does not include administrators and supervisors.

17.24 (d) "Average daily membership" has the meaning given it in section 126C.05.

17.25 (e) "Program growth factor" means 1.046 for fiscal years 2012 ~~through~~ through 2015,  
17.26 1.0 for fiscal year 2016, 1.046 for fiscal year 2017, and the product of 1.046 and the  
17.27 program growth factor for the previous year for fiscal year 2018 and later.

17.28 (f) "Nonfederal special education expenditure" means all direct expenditures that  
17.29 are necessary and essential to meet the district's obligation to provide special instruction  
17.30 and services to children with a disability according to sections 124D.454, 125A.03 to  
17.31 125A.24, 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by  
17.32 the department under section 125A.75, subdivision 4, excluding expenditures:

17.33 (1) reimbursed with federal funds;

17.34 (2) reimbursed with other state aids under this chapter;

17.35 (3) for general education costs of serving students with a disability;

18.1 (4) for facilities;

18.2 (5) for pupil transportation; and

18.3 (6) for postemployment benefits.

18.4 (g) "Old formula special education expenditures" means expenditures eligible for  
18.5 revenue under Minnesota Statutes 2012, section 125A.76, subdivision 2.

18.6 (h) For the Minnesota State Academy for the Deaf and the Minnesota State Academy  
18.7 for the Blind, expenditures under paragraphs (f) and (g) are limited to the salary and  
18.8 fringe benefits of one-to-one instructional and behavior management aides and one-to-one  
18.9 licensed, certified professionals assigned to a child attending the academy, if the aides or  
18.10 professionals are required by the child's individualized education program.

18.11 (h) (i) "Cross subsidy reduction aid percentage" means 1.0 percent for fiscal year  
18.12 2014 and 2.27 percent for fiscal year 2015.

18.13 (h) (j) "Cross subsidy reduction aid limit" means \$20 for fiscal year 2014 and \$48  
18.14 for fiscal year 2015.

18.15 (h) (k) "Special education aid increase limit" means \$80 for fiscal year 2016, \$100  
18.16 for fiscal year 2017, and, for fiscal year 2018 and later, the sum of the special education  
18.17 aid increase limit for the previous fiscal year and \$40.

18.18 Sec. 3. Minnesota Statutes 2012, section 125A.76, subdivision 2, is amended to read:

18.19 Subd. 2. **Special education initial aid.** The special education initial aid equals the  
18.20 sum of the following amounts computed using current year data:

18.21 (1) 68 percent of the salary of each essential person employed in the district's program  
18.22 for children with a disability during the fiscal year, whether the person is employed by one  
18.23 or more districts or a Minnesota correctional facility operating on a fee-for-service basis;

18.24 (2) for the Minnesota State Academy for the Deaf or the Minnesota State Academy  
18.25 for the Blind, 68 percent of the salary of each ~~one-to-one~~ one-to-one instructional and  
18.26 behavior management aide and one-to-one licensed, certified professional assigned to  
18.27 a child attending the academy, if the aides or professionals are required by the child's  
18.28 individualized education program;

18.29 (3) for special instruction and services provided to any pupil by contracting with  
18.30 public, private, or voluntary agencies other than school districts, in place of special  
18.31 instruction and services provided by the district, 52 percent of the difference between  
18.32 the amount of the contract and the general education revenue, excluding basic skills  
18.33 revenue and alternative teacher compensation revenue, and referendum equalization aid  
18.34 attributable to a pupil, calculated using the resident district's average general education  
18.35 revenue and referendum equalization aid per adjusted pupil unit for the fraction of the

19.1 school day the pupil receives services under the contract. This includes children who  
 19.2 are residents of the state, receive services under this subdivision and subdivision 1, and  
 19.3 are placed in a care and treatment facility by court action in a state that does not have a  
 19.4 reciprocity agreement with the commissioner under section 125A.155 as provided for in  
 19.5 section 125A.79, subdivision 8;

19.6 (4) for special instruction and services provided to any pupil by contracting for  
 19.7 services with public, private, or voluntary agencies other than school districts, that are  
 19.8 supplementary to a full educational program provided by the school district, 52 percent of  
 19.9 the amount of the contract for that pupil;

19.10 (5) for supplies and equipment purchased or rented for use in the instruction of  
 19.11 children with a disability, an amount equal to 47 percent of the sum actually expended by  
 19.12 the district, or a Minnesota correctional facility operating on a fee-for-service basis, but  
 19.13 not to exceed an average of \$47 in any one school year for each child with a disability  
 19.14 receiving instruction;

19.15 (6) for fiscal years 1997 and later, special education base revenue shall include  
 19.16 amounts under clauses (1) to (5) for special education summer programs provided during  
 19.17 the base year for that fiscal year;

19.18 (7) the cost of providing transportation services for children with disabilities under  
 19.19 section 123B.92, subdivision 1, paragraph (b), clause (4); and

19.20 (8) the district's transition-disabled program initial aid according to section  
 19.21 124D.454, subdivision 3.

19.22 The department shall establish procedures through the uniform financial accounting  
 19.23 and reporting system to identify and track all revenues generated from third-party billings  
 19.24 as special education revenue at the school district level; include revenue generated from  
 19.25 third-party billings as special education revenue in the annual cross-subsidy report; and  
 19.26 exclude third-party revenue from calculation of excess cost aid to the districts.

19.27 Sec. 4. Minnesota Statutes 2013 Supplement, section 125A.76, subdivision 2a, is  
 19.28 amended to read:

19.29 Subd. 2a. **Special education initial aid.** For fiscal year 2016 and later, a district's  
 19.30 special education initial aid equals the sum of:

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

- 20.1 (i) the product of the district's average daily membership served and the sum of:
- 20.2 (A) \$450; plus
- 20.3 (B) \$400 times the ratio of the sum of the number of pupils enrolled on October 1
- 20.4 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1
- 20.5 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus
- 20.6 (C) .008 times the district's average daily membership served; plus
- 20.7 (ii) \$10,400 times the December 1 child count for the primary disability areas of
- 20.8 autism spectrum disorders, developmental delay, and severely multiply impaired; plus
- 20.9 (iii) \$18,000 times the December 1 child count for the primary disability areas of
- 20.10 deaf and hard-of-hearing and emotional or behavioral disorders; plus
- 20.11 (iv) \$27,000 times the December 1 child count for the primary disability areas of
- 20.12 developmentally cognitive mild-moderate, developmentally cognitive severe-profound,
- 20.13 physically impaired, visually impaired, and deafblind; plus
- 20.14 (2) the cost of providing transportation services for children with disabilities under
- 20.15 section 123B.92, subdivision 1, paragraph (b), clause (4).

20.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016

20.17 and later.

20.18 Sec. 5. Minnesota Statutes 2013 Supplement, section 125A.76, subdivision 2b, is

20.19 amended to read:

20.20 Subd. 2b. **Cross subsidy reduction aid.** For fiscal years 2014 and 2015, the cross

20.21 subsidy reduction aid for a school district, not including a charter school, equals the

20.22 lesser of (a) the product of the cross subsidy reduction aid limit and the district's average

20.23 daily membership served or (b) the sum of the product of the cross subsidy reduction aid

20.24 percentage, the district's average daily membership served, and the sum of:

- 20.25 (1) \$450; plus
- 20.26 (2) \$400 times the ratio of the sum of the number of pupils enrolled on October 1
- 20.27 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1
- 20.28 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus
- 20.29 (3) .008 times the district's average daily membership served; plus the product of the
- 20.30 cross subsidy aid percentage and the sum of:
- 20.31 (i) \$10,100 times the December 1 child count for the primary disability areas of
- 20.32 autism spectrum disorders, developmental delay, and severely multiply impaired; plus
- 20.33 (ii) \$17,500 times the December 1 child count for the primary disability areas of
- 20.34 deaf and hard-of-hearing and emotional or behavioral disorders; plus

21.1 (iii) \$26,000 times the December 1 child count for the primary disability areas of  
 21.2 developmentally cognitive mild-moderate, developmentally cognitive severe-profound,  
 21.3 physically impaired, visually impaired, and deafblind.

21.4 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 21.5 and applies to revenue for fiscal year 2014 and later.

21.6 Sec. 6. Minnesota Statutes 2013 Supplement, section 125A.76, subdivision 2c, is  
 21.7 amended to read:

21.8 Subd. 2c. **Special education aid.** (a) For fiscal year 2014 and fiscal year 2015, a  
 21.9 district's special education aid equals the sum of the district's special education ~~initial~~ aid  
 21.10 under subdivision 5, the district's cross subsidy reduction aid under subdivision 2b, and  
 21.11 the district's excess cost aid under section 125A.79, subdivision 7.

21.12 (b) For fiscal year 2016 and later, a district's special education aid equals the sum of  
 21.13 the district's special education initial aid under subdivision 2a and the district's excess cost  
 21.14 aid under section 125A.79, subdivision 5.

21.15 (c) Notwithstanding paragraph (b), for fiscal year 2016, the special education aid for  
 21.16 a school district must not exceed the sum of the special education aid the district would  
 21.17 have received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76  
 21.18 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11 and  
 21.19 127A.47, subdivision 7, and the product of the district's average daily membership served  
 21.20 and the special education aid increase limit.

21.21 (d) Notwithstanding paragraph (b), for fiscal year 2017 and later, the special education  
 21.22 aid for a school district must not exceed the sum of: (i) the product of the district's average  
 21.23 daily membership served and the special education aid increase limit and (ii) the product  
 21.24 of the sum of the special education aid the district would have received for fiscal year 2016  
 21.25 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according  
 21.26 to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of  
 21.27 the district's average daily membership served for the current fiscal year to the district's  
 21.28 average daily membership served for fiscal year 2016, and the program growth factor.

21.29 (e) Notwithstanding paragraph (b), for fiscal year 2016 and later the special education  
 21.30 aid for a school district, not including a charter school, must not be less than the lesser of  
 21.31 (1) the district's nonfederal special education expenditures for that fiscal year or (2) the  
 21.32 product of the sum of the special education aid the district would have received for fiscal  
 21.33 year 2016 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted  
 21.34 according to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the

22.1 ratio of the district's adjusted daily membership for the current fiscal year to the district's  
 22.2 average daily membership for fiscal year 2016, and the program growth factor.

22.3 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 22.4 and applies to revenue for fiscal year 2014 and later.

22.5 Sec. 7. Minnesota Statutes 2013 Supplement, section 125A.79, subdivision 1, is  
 22.6 amended to read:

22.7 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this  
 22.8 subdivision apply.

22.9 (a) "Unreimbursed old formula special education expenditures" means:

22.10 (1) old formula special education expenditures for the prior fiscal year; minus

22.11 (2) for fiscal years 2014 and 2015, the sum of the special education aid under section  
 22.12 125A.76, subdivision 5, for the prior fiscal year and the cross subsidy reduction aid under  
 22.13 section 125A.76, subdivision 2b, and for fiscal year 2016 and later, the special education  
 22.14 initial aid under section 125A.76, subdivision 2a; minus

22.15 (3) the amount of general education revenue, excluding location equity revenue, plus  
 22.16 location equity aid and referendum equalization aid for the prior fiscal year attributable  
 22.17 to pupils receiving special instruction and services outside the regular classroom for  
 22.18 more than 60 percent of the school day for the portion of time the pupils receive special  
 22.19 instruction and services outside the regular classroom, excluding portions attributable to  
 22.20 district and school administration, district support services, operations and maintenance,  
 22.21 capital expenditures, and pupil transportation.

22.22 (b) "Unreimbursed nonfederal special education expenditures" means:

22.23 (1) nonfederal special education expenditures for the prior fiscal year; minus

22.24 (2) special education initial aid under section 125A.76, subdivision 2a; minus

22.25 (3) the amount of general education revenue and referendum equalization aid for the  
 22.26 prior fiscal year attributable to pupils receiving special instruction and services outside the  
 22.27 regular classroom for more than 60 percent of the school day for the portion of time the  
 22.28 pupils receive special instruction and services outside of the regular classroom, excluding  
 22.29 portions attributable to district and school administration, district support services,  
 22.30 operations and maintenance, capital expenditures, and pupil transportation.

22.31 (c) "General revenue" for a school district means the sum of the general education  
 22.32 revenue according to section 126C.10, subdivision 1, excluding alternative teacher  
 22.33 compensation revenue, ~~minus~~ transportation sparsity revenue ~~minus~~, location equity  
 22.34 revenue, and total operating capital revenue. "General revenue" for a charter school means  
 22.35 the sum of the general education revenue according to section 124D.11, subdivision 1, and

23.1 transportation revenue according to section 124D.11, subdivision 2, excluding alternative  
 23.2 teacher compensation revenue, ~~minus~~ referendum equalization aid ~~minus~~, transportation  
 23.3 sparsity revenue ~~minus~~, and operating capital revenue.

23.4 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 23.5 and applies to revenue for fiscal year 2014 and later.

23.6 Sec. 8. Minnesota Statutes 2013 Supplement, section 125A.79, subdivision 5, is  
 23.7 amended to read:

23.8 Subd. 5. **Initial Excess cost aid.** For fiscal year 2016 and later, a district's ~~initial~~  
 23.9 excess cost aid equals the greater of:

23.10 (1) 56 percent of the difference between (i) the district's unreimbursed nonfederal  
 23.11 special education expenditures and (ii) 7.0 percent of the district's general revenue;

23.12 (2) 62 percent of the difference between (i) the district's unreimbursed old formula  
 23.13 special education expenditures and (ii) 2.5 percent of the district's general revenue; or

23.14 (3) zero.

23.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2016  
 23.16 and later.

23.17 Sec. 9. Minnesota Statutes 2013 Supplement, section 125A.79, subdivision 8, is  
 23.18 amended to read:

23.19 Subd. 8. **Out-of-state tuition.** For children who are residents of the state, receive  
 23.20 services under section 125A.76, subdivisions 1 and 2, and are placed in a care and  
 23.21 treatment facility by court action in a state that does not have a reciprocity agreement with  
 23.22 the commissioner under section 125A.155, the resident school district shall ~~submit the~~  
 23.23 ~~balance~~ receive special education out-of-state tuition aid equal to the amount of the tuition  
 23.24 bills, minus (1) the general education revenue, excluding basic skills revenue and the  
 23.25 location equity levy attributable to the pupil, calculated using the resident district's average  
 23.26 general education revenue per adjusted pupil unit, and (2) the referendum equalization aid  
 23.27 attributable to the pupil, calculated using the resident district's average general education  
 23.28 ~~revenue and~~ referendum equalization aid per adjusted pupil unit minus, and (3) the special  
 23.29 education contracted services initial revenue aid attributable to the pupil.

23.30 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 23.31 and later.

23.32 Sec. 10. Laws 2013, chapter 116, article 9, section 2, is amended to read:

24.1 Sec. 2. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

24.2 The sums indicated in this section are appropriated from the general fund to the  
24.3 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

24.4 \$ 11,749,000 ..... 2014

24.5 ~~11,664,000~~

24.6 \$ 11,964,000 ..... 2015

24.7 \$85,000 of the fiscal year 2014 appropriation is for costs associated with upgrading  
24.8 kitchen facilities. Any balance in the first year does not cancel but is available in the  
24.9 second year.

24.10 **ARTICLE 4**

24.11 **NUTRITION**

24.12 Section 1. Minnesota Statutes 2013 Supplement, section 124D.111, subdivision 1,  
24.13 is amended to read:

24.14 Subdivision 1. **School lunch aid computation.** Each school year, the state must  
24.15 pay participants in the national school lunch program the amount of 12.5 cents for each  
24.16 full paid, ~~reduced-price,~~ and free student lunch and 52 cents for each reduced-price lunch  
24.17 served to students.

24.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
24.19 and later.

24.20 Sec. 2. Minnesota Statutes 2012, section 124D.111, is amended by adding a  
24.21 subdivision to read:

24.22 Subd. 4. **No fees.** A participant that receives school lunch aid under this section  
24.23 must make lunch available without charge to all participating students who qualify for free  
24.24 or reduced-price meals.

24.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
24.26 and later.

24.27 Sec. 3. Laws 2013, chapter 116, article 7, section 21, subdivision 2, is amended to read:

24.28 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes,  
24.29 section 124D.111, and Code of Federal Regulations, title 7, section 210.17:



25.1		<del>13,032,000</del>		
25.2	\$	<u>12,417,000</u>	.....	2014
25.3		<del>13,293,000</del>		
25.4	\$	<u>16,185,000</u>	.....	2015

**ARTICLE 5**

**SELF-SUFFICIENCY AND LIFELONG LEARNING**

Section 1. Minnesota Statutes 2012, section 124D.522, is amended to read:

**124D.522 ADULT BASIC EDUCATION SUPPLEMENTAL SERVICE GRANTS.**

(a) The commissioner, in consultation with the policy review task force under section 124D.521, may make grants to nonprofit organizations to provide services that are not offered by a district adult basic education program or that are supplemental to either the statewide adult basic education program, or a district's adult basic education program. The commissioner may make grants for: staff development for adult basic education teachers and administrators; training for volunteer tutors; training, services, and materials for serving disabled students through adult basic education programs; statewide promotion of adult basic education services and programs; development and dissemination of instructional and administrative technology for adult basic education programs; programs which primarily serve communities of color; adult basic education distance learning projects, including television instruction programs; and other supplemental services to support the mission of adult basic education and innovative delivery of adult basic education services.

(b) The commissioner must establish eligibility criteria and grant application procedures. Grants under this section must support services throughout the state, focus on educational results for adult learners, and promote outcome-based achievement through adult basic education programs. Beginning in fiscal year 2002, the commissioner may make grants under this section from the state total adult basic education aid set aside for supplemental service grants under section 124D.531. Up to one-fourth of the appropriation for supplemental service grants must be used for grants for adult basic education programs to encourage and support innovations in adult basic education instruction and service delivery. A grant to a single organization cannot exceed ~~20~~ 40 percent of the total supplemental services aid. Nothing in this section prevents an approved adult basic education program from using state or federal aid to purchase supplemental services.

26.1 Sec. 2. Minnesota Statutes 2013 Supplement, section 124D.531, subdivision 1, is  
 26.2 amended to read:

26.3 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic  
 26.4 education aid for fiscal year 2011 equals \$44,419,000, plus any amount that is not paid  
 26.5 during the previous fiscal year as a result of adjustments under subdivision 4, paragraph  
 26.6 (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later  
 26.7 fiscal years equals:

26.8 (1) the state total adult basic education aid for the preceding fiscal year plus any  
 26.9 amount that is not paid for during the previous fiscal year, as a result of adjustments under  
 26.10 subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

26.11 (2) the lesser of:

26.12 (i) 1.025; or

26.13 (ii) the average growth in state total contact hours over the prior ten program years.

26.14 ~~Beginning in fiscal year 2002, two~~ Three percent of the state total adult basic  
 26.15 education aid must be set aside for adult basic education supplemental service grants  
 26.16 under section 124D.522.

26.17 (b) The state total adult basic education aid, excluding basic population aid, equals  
 26.18 the difference between the amount computed in paragraph (a), and the state total basic  
 26.19 population aid under subdivision 2.

26.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015  
 26.21 and later.

26.22 Sec. 3. Minnesota Statutes 2012, section 124D.531, subdivision 3, is amended to read:

26.23 Subd. 3. **Program revenue.** Adult basic education programs established under  
 26.24 section 124D.52 and approved by the commissioner are eligible for revenue under this  
 26.25 subdivision. For fiscal year 2001 and later, adult basic education revenue for each  
 26.26 approved program equals the sum of:

26.27 (1) the basic population aid under subdivision 2 for districts participating in the  
 26.28 program during the current program year; plus

26.29 (2) 84 percent times the amount computed in subdivision 1, paragraph (b), times the  
 26.30 ratio of the contact hours for students participating in the program during the first prior  
 26.31 program year to the state total contact hours during the first prior program year; plus

26.32 (3) eight percent times the amount computed in subdivision 1, paragraph (b), times  
 26.33 the ratio of the enrollment of English learners during the second prior school year in  
 26.34 districts participating in the program during the current program year to the state total

27.1 enrollment of English learners during the second prior school year in districts participating  
27.2 in adult basic education programs during the current program year; plus

27.3 (4) eight percent times the amount computed in subdivision 1, paragraph (b), times  
27.4 the ratio of the latest federal census count of the number of adults aged ~~20~~ 25 or older  
27.5 with no diploma residing in the districts participating in the program during the current  
27.6 program year to the latest federal census count of the state total number of adults aged ~~20~~  
27.7 25 or older with no diploma residing in the districts participating in adult basic education  
27.8 programs during the current program year.

27.9 **ARTICLE 6**

27.10 **FORECAST ADJUSTMENTS**

27.11 **A. GENERAL EDUCATION**

27.12 Section 1. Laws 2013, chapter 116, article 1, section 58, subdivision 3, is amended to  
27.13 read:

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

27.17		<del>44,000</del>		
27.18	\$	<u>37,000</u>	.....	2014
27.19		<del>48,000</del>		
27.20	\$	<u>40,000</u>	.....	2015

27.21 Sec. 2. Laws 2013, chapter 116, article 1, section 58, subdivision 4, is amended to read:

27.22 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section  
27.23 127A.49:

27.24		<del>2,747,000</del>		
27.25	\$	<u>2,876,000</u>	.....	2014
27.26		<del>3,136,000</del>		
27.27	\$	<u>3,103,000</u>	.....	2015

27.28 The 2014 appropriation includes \$301,000 for 2013 and ~~\$2,446,000~~ \$2,575,000  
27.29 for 2014.

27.30 The 2015 appropriation includes ~~\$385,000~~ \$286,000 for 2014 and ~~\$2,751,000~~  
27.31 \$2,817,000 for 2015.

27.32 Sec. 3. Laws 2013, chapter 116, article 1, section 58, subdivision 5, is amended to read:

28.1 Subd. 5. **Consolidation transition.** For districts consolidating under Minnesota  
28.2 Statutes, section 123A.485:

28.3 ~~472,000~~  
28.4 \$ 585,000 ..... 2014  
28.5 ~~480,000~~  
28.6 \$ 254,000 ..... 2015

28.7 The 2014 appropriation includes \$40,000 for 2013 and ~~\$432,000~~ \$545,000 for 2014.

28.8 The 2015 appropriation includes ~~\$68,000~~ \$60,000 for 2014 and ~~\$412,000~~ \$194,000  
28.9 for 2015.

28.10 Sec. 4. Laws 2013, chapter 116, article 1, section 58, subdivision 6, is amended to read:

28.11 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under  
28.12 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

28.13 ~~15,582,000~~  
28.14 \$ 16,068,000 ..... 2014  
28.15 ~~16,169,000~~  
28.16 \$ 16,074,000 ..... 2015

28.17 The 2014 appropriation includes \$2,099,000 for 2013 and ~~\$13,483,000~~ \$13,969,000  
28.18 for 2014.

28.19 The 2015 appropriation includes ~~\$2,122,000~~ \$1,552,000 for 2014 and ~~\$14,047,000~~  
28.20 \$14,522,000 for 2015.

28.21 Sec. 5. Laws 2013, chapter 116, article 1, section 58, subdivision 7, is amended to read:

28.22 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid  
28.23 under Minnesota Statutes, section 123B.92, subdivision 9:

28.24 ~~18,565,000~~  
28.25 \$ 18,566,000 ..... 2014  
28.26 ~~18,946,000~~  
28.27 \$ 17,646,000 ..... 2015

28.28 The 2014 appropriation includes \$2,668,000 for 2013 and ~~\$15,897,000~~ \$15,898,000  
28.29 for 2014.

28.30 The 2015 appropriation includes ~~\$2,502,000~~ \$1,766,000 for 2014 and ~~\$16,444,000~~  
28.31 \$15,880,000 for 2015.

28.32 Sec. 6. Laws 2013, chapter 116, article 1, section 58, subdivision 11, is amended to read:

28.33 Subd. 11. **Career and technical aid.** For career and technical aid under Minnesota  
28.34 Statutes, section 124D.4531, subdivision 1b:

29.1 ~~4,320,000~~  
 29.2 \$ 3,959,000 ..... 2014  
 29.3 ~~5,680,000~~  
 29.4 \$ 5,172,000 ..... 2015

29.5 The 2014 appropriation includes \$0 for 2014 and ~~\$4,320,000~~ \$3,959,000 for 2015.  
 29.6 The 2015 appropriation includes ~~\$680,000~~ \$439,000 for 2014 and ~~\$5,000,000~~  
 29.7 \$4,733,000 for 2015.

**B. EDUCATION EXCELLENCE**

29.9 Sec. 7. Laws 2013, chapter 116, article 3, section 37, subdivision 3, is amended to read:  
 29.10 Subd. 3. **Achievement and integration aid.** For achievement and integration aid  
 29.11 under Minnesota Statutes, section 124D.862:

29.12 ~~58,911,000~~  
 29.13 \$ 55,609,000 ..... 2014  
 29.14 ~~68,623,000~~  
 29.15 \$ 62,692,000 ..... 2015

29.16 The 2014 appropriation includes \$0 for 2013 and ~~\$58,911,000~~ \$55,609,000 for 2014.  
 29.17 The 2015 appropriation includes ~~\$9,273,000~~ \$6,178,000 for 2014 and ~~\$59,350,000~~  
 29.18 \$56,514,000 for 2015.

29.19 Sec. 8. Laws 2013, chapter 116, article 3, section 37, subdivision 4, is amended to read:  
 29.20 Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota  
 29.21 Statutes, section 124D.98:

29.22 ~~52,514,000~~  
 29.23 \$ 50,998,000 ..... 2014  
 29.24 ~~53,818,000~~  
 29.25 \$ 47,458,000 ..... 2015

29.26 The 2014 appropriation includes \$6,607,000 for 2013 and ~~\$45,907,000~~ \$44,391,000  
 29.27 for 2014.

29.28 The 2015 appropriation includes ~~\$7,225,000~~ \$4,932,000 for 2014 and ~~\$46,593,000~~  
 29.29 \$42,526,000 for 2015.

29.30 Sec. 9. Laws 2013, chapter 116, article 3, section 37, subdivision 5, is amended to read:  
 29.31 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For  
 29.32 interdistrict desegregation or integration transportation grants under Minnesota Statutes,  
 29.33 section 124D.87:

30.1 ~~13,968,000~~  
 30.2 \$ 13,521,000 ..... 2014  
 30.3 ~~14,712,000~~  
 30.4 \$ 14,248,000 ..... 2015

30.5 Sec. 10. Laws 2013, chapter 116, article 3, section 37, subdivision 6, is amended to read:

30.6 Subd. 6. **Success for the future.** For American Indian success for the future grants  
 30.7 under Minnesota Statutes, section 124D.81:

30.8 ~~2,137,000~~  
 30.9 \$ 2,214,000 ..... 2014  
 30.10 \$ 2,137,000 ..... 2015

30.11 The 2014 appropriation includes \$290,000 for 2013 and ~~\$1,847,000~~ \$1,924,000  
 30.12 for 2014.

30.13 The 2015 appropriation includes ~~\$290,000~~ \$213,000 for 2014 and ~~\$1,847,000~~  
 30.14 \$1,924,000 for 2015.

30.15 Sec. 11. Laws 2013, chapter 116, article 3, section 37, subdivision 8, is amended to read:

30.16 Subd. 8. **Tribal contract schools.** For tribal contract school aid under Minnesota  
 30.17 Statutes, section 124D.83:

30.18 ~~2,080,000~~  
 30.19 \$ 2,144,000 ..... 2014  
 30.20 ~~2,230,000~~  
 30.21 \$ 2,152,000 ..... 2015

30.22 The 2014 appropriation includes \$266,000 for 2013 and ~~\$1,814,000~~ \$1,878,000  
 30.23 for 2014.

30.24 The 2015 appropriation includes ~~\$285,000~~ \$208,000 for 2014 and ~~\$1,945,000~~  
 30.25 \$1,944,000 for 2015.

30.26 Sec. 12. Laws 2013, chapter 116, article 3, section 37, subdivision 20, is amended to  
 30.27 read:

30.28 Subd. 20. **Alternative compensation.** For alternative teacher compensation aid  
 30.29 under Minnesota Statutes, section 122A.415, subdivision 4:

30.30 ~~60,340,000~~  
 30.31 \$ 71,599,000 ..... 2015

30.32 The 2015 appropriation includes \$0 for 2014 and ~~\$59,711,000~~ \$71,599,000 for 2015.

30.33 **C. CHARTER SCHOOLS**

31.1 Sec. 13. Laws 2013, chapter 116, article 4, section 9, subdivision 2, is amended to read:

31.2 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota  
31.3 Statutes, section 124D.11, subdivision 4:

31.4		<del>54,484,000</del>		
31.5	\$	<u>54,763,000</u>	.....	2014
31.6		<del>59,533,000</del>		
31.7	\$	<u>58,294,000</u>	.....	2015

31.8 The 2014 appropriation includes \$6,819,000 for 2013 and ~~\$47,665,000~~ \$47,944,000  
31.9 for 2014.

31.10 The 2015 appropriation includes ~~\$7,502,000~~ \$5,327,000 for 2014 and ~~\$52,031,000~~  
31.11 \$52,967,000 for 2015.

#### 31.12 D. SPECIAL PROGRAMS

31.13 Sec. 14. Laws 2013, chapter 116, article 5, section 31, subdivision 2, is amended to read:

31.14 Subd. 2. **Special education; regular.** For special education aid under Minnesota  
31.15 Statutes, section 125A.75:

31.16		<del>997,725,000</del>		
31.17	\$	<u>1,038,514,000</u>	.....	2014
31.18		<del>1,108,211,000</del>		
31.19	\$	<u>1,111,641,000</u>	.....	2015

31.20 The 2014 appropriation includes \$118,232,000 for 2013 and ~~\$802,884,000~~  
31.21 \$920,282,000 for 2014.

31.22 The 2015 appropriation includes ~~\$169,929,000~~ \$129,549,000 for 2014 and  
31.23 ~~\$938,282,000~~ \$982,092,000 for 2015.

31.24 Sec. 15. Laws 2013, chapter 116, article 5, section 31, subdivision 3, is amended to read:

31.25 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes,  
31.26 section 125A.75, subdivision 3, for children with disabilities placed in residential facilities  
31.27 within the district boundaries for whom no district of residence can be determined:

31.28		<del>1,655,000</del>		
31.29	\$	<u>1,548,000</u>	.....	2014
31.30		<del>1,752,000</del>		
31.31	\$	<u>1,674,000</u>	.....	2015

31.32 If the appropriation for either year is insufficient, the appropriation for the other  
31.33 year is available.

31.34 Sec. 16. Laws 2013, chapter 116, article 5, section 31, subdivision 4, is amended to read:

32.1 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based  
32.2 services under Minnesota Statutes, section 125A.75, subdivision 1:

32.3 345,000  
32.4 \$ 351,000 ..... 2014  
32.5 355,000  
32.6 \$ 346,000 ..... 2015

32.7 The 2014 appropriation includes \$45,000 for 2013 and ~~\$300,000~~ \$306,000 for 2014.

32.8 The 2015 appropriation includes ~~\$47,000~~ \$33,000 for 2014 and ~~\$308,000~~ \$313,000  
32.9 for 2015.

## 32.10 E. FACILITIES AND TECHNOLOGY

32.11 Sec. 17. Laws 2013, chapter 116, article 6, section 12, subdivision 2, is amended to read:

32.12 Subd. 2. **Health and safety revenue.** For health and safety aid according to  
32.13 Minnesota Statutes, section 123B.57, subdivision 5:

32.14 463,000  
32.15 \$ 473,000 ..... 2014  
32.16 434,000  
32.17 \$ 651,000 ..... 2015

32.18 The 2014 appropriation includes \$26,000 for 2013 and ~~\$437,000~~ \$447,000 for 2014.

32.19 The 2015 appropriation includes ~~\$68,000~~ \$49,000 for 2014 and ~~\$366,000~~ \$602,000  
32.20 for 2015.

32.21 Sec. 18. Laws 2013, chapter 116, article 6, section 12, subdivision 3, is amended to read:

32.22 Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota  
32.23 Statutes, section 123B.53, subdivision 6:

32.24 19,083,000  
32.25 \$ 19,778,000 ..... 2014  
32.26 25,060,000  
32.27 \$ 22,591,000 ..... 2015

32.28 The 2014 appropriation includes \$2,397,000 for 2013 and ~~\$16,686,000~~ \$17,381,000  
32.29 for 2014.

32.30 The 2015 appropriation includes ~~\$2,626,000~~ \$1,931,000 for 2014 and ~~\$22,434,000~~  
32.31 \$20,660,000 for 2015.

32.32 Sec. 19. Laws 2013, chapter 116, article 6, section 12, subdivision 4, is amended to read:

32.33 Subd. 4. **Alternative facilities bonding aid.** For alternative facilities bonding aid,  
32.34 according to Minnesota Statutes, section 123B.59, subdivision 1:



- 33.1 19,287,000
- 33.2 \$ 19,982,000 ..... 2014
- 33.3 \$ 19,287,000 ..... 2015

33.4 The 2014 appropriation includes \$2,623,000 for 2013 and ~~\$16,664,000~~ \$17,359,000

33.5 for 2014.

33.6 The 2015 appropriation includes ~~\$2,623,000~~ \$1,928,000 for 2014 and ~~\$16,664,000~~

33.7 \$17,359,000 for 2015.

33.8 Sec. 20. Laws 2013, chapter 116, article 6, section 12, subdivision 6, is amended to read:

33.9 Subd. 6. **Deferred maintenance aid.** For deferred maintenance aid, according to

33.10 Minnesota Statutes, section 123B.591, subdivision 4:

- 33.11 3,564,000
- 33.12 \$ 3,858,000 ..... 2014
- 33.13 3,730,000
- 33.14 \$ 4,024,000 ..... 2015

33.15 The 2014 appropriation includes \$456,000 for 2013 and ~~\$3,108,000~~ \$3,402,000

33.16 for 2014.

33.17 The 2015 appropriation includes ~~\$489,000~~ \$378,000 for 2014 and ~~\$3,241,000~~

33.18 \$3,646,000 for 2015.

33.19 **F. NUTRITION AND LIBRARIES**

33.20 Sec. 21. Laws 2013, chapter 116, article 7, section 21, subdivision 3, is amended to read:

33.21 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota

33.22 Statutes, section 124D.1158:

- 33.23 5,711,000
- 33.24 \$ 5,308,000 ..... 2014
- 33.25 6,022,000
- 33.26 \$ 5,607,000 ..... 2015

33.27 Sec. 22. Laws 2013, chapter 116, article 7, section 21, subdivision 4, is amended to read:

33.28 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,

33.29 section 124D.118:

- 33.30 1,039,000
- 33.31 \$ 992,000 ..... 2014
- 33.32 1,049,000
- 33.33 \$ 1,002,000 ..... 2015

33.34 Sec. 23. Laws 2013, chapter 116, article 7, section 21, subdivision 6, is amended to read:

34.1 Subd. 6. **Basic system support.** For basic system support grants under Minnesota  
34.2 Statutes, section 134.355:

34.3		<del>13,570,000</del>		
34.4	\$	<u>14,058,000</u>	.....	2014
34.5		<del>13,570,000</del>		
34.6	\$	<u>13,570,000</u>	.....	2015

34.7 The 2014 appropriation includes \$1,845,000 for 2013 and ~~\$11,725,000~~ \$12,213,000  
34.8 for 2014.

34.9 The 2015 appropriation includes ~~\$1,845,000~~ \$1,357,000 for 2014 and ~~\$11,725,000~~  
34.10 \$12,213,000 for 2015.

34.11 Sec. 24. Laws 2013, chapter 116, article 7, section 21, subdivision 7, is amended to read:

34.12 Subd. 7. **Multicounty, multitype library systems.** For grants under Minnesota  
34.13 Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

34.14		<del>1,300,000</del>		
34.15	\$	<u>1,346,000</u>	.....	2014
34.16	\$	1,300,000	.....	2015

34.17 The 2014 appropriation includes \$176,000 for 2013 and ~~\$1,124,000~~ \$1,170,000  
34.18 for 2014.

34.19 The 2015 appropriation includes ~~\$176,000~~ \$130,000 for 2014 and ~~\$1,124,000~~  
34.20 \$1,170,000 for 2015.

34.21 Sec. 25. Laws 2013, chapter 116, article 7, section 21, subdivision 9, is amended to read:

34.22 Subd. 9. **Regional library telecommunications aid.** For regional library  
34.23 telecommunications aid under Minnesota Statutes, section 134.355:

34.24		<del>2,300,000</del>		
34.25	\$	<u>2,382,000</u>	.....	2014
34.26	\$	2,300,000	.....	2015

34.27 The 2014 appropriation includes \$312,000 for 2013 and ~~\$1,988,000~~ \$2,070,000  
34.28 for 2014.

34.29 The 2015 appropriation includes ~~\$312,000~~ \$230,000 for 2014 and ~~\$1,988,000~~  
34.30 \$2,070,000 for 2015.

34.31 **G. EARLY CHILDHOOD EDUCATION, SELF-SUFFICIENCY,**  
34.32 **AND LIFELONG LEARNING**

34.33 Sec. 26. Laws 2013, chapter 116, article 8, section 5, subdivision 2, is amended to read:

35.1 Subd. 2. **School readiness.** For revenue for school readiness programs under  
35.2 Minnesota Statutes, sections 124D.15 and 124D.16:

35.3		<del>10,095,000</del>		
35.4	\$	<u>10,458,000</u>	.....	2014
35.5		<del>10,159,000</del>		
35.6	\$	<u>10,162,000</u>	.....	2015

35.7 The 2014 appropriation includes \$1,372,000 for 2013 and ~~\$8,723,000~~ \$9,086,000  
35.8 for 2014.

35.9 The 2015 appropriation includes ~~\$1,372,000~~ \$1,009,000 for 2014 and ~~\$8,787,000~~  
35.10 \$9,153,000 for 2015.

35.11 Sec. 27. Laws 2013, chapter 116, article 8, section 5, subdivision 3, is amended to read:

35.12 Subd. 3. **Early childhood family education aid.** For early childhood family  
35.13 education aid under Minnesota Statutes, section 124D.135:

35.14		<del>22,078,000</del>		
35.15	\$	<u>22,797,000</u>	.....	2014
35.16		<del>22,425,000</del>		
35.17	\$	<u>22,001,000</u>	.....	2015

35.18 The 2014 appropriation includes \$3,008,000 for 2013 and ~~\$19,070,000~~ \$19,789,000  
35.19 for 2014.

35.20 The 2015 appropriation includes ~~\$3,001,000~~ \$2,198,000 for 2014 and ~~\$19,424,000~~  
35.21 \$19,803,000 for 2015.

35.22 Sec. 28. Laws 2013, chapter 116, article 8, section 5, subdivision 4, is amended to read:

35.23 Subd. 4. **Health and developmental screening aid.** For health and developmental  
35.24 screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

35.25		<del>3,421,000</del>		
35.26	\$	<u>3,527,000</u>	.....	2014
35.27		<del>3,344,000</del>		
35.28	\$	<u>3,330,000</u>	.....	2015

35.29 The 2014 appropriation includes \$474,000 for 2013 and ~~\$2,947,000~~ \$3,053,000  
35.30 for 2014.

35.31 The 2015 appropriation includes ~~\$463,000~~ \$339,000 for 2014 and ~~\$2,881,000~~  
35.32 \$2,991,000 for 2015.

35.33 Sec. 29. Laws 2013, chapter 116, article 8, section 5, subdivision 10, is amended to read:

35.34 Subd. 10. **Community education aid.** For community education aid under  
35.35 Minnesota Statutes, section 124D.20:

36.1                    ~~935,000~~  
 36.2            \$        955,000        ..... 2014  
 36.3                    ~~1,056,000~~  
 36.4            \$        1,060,000        ..... 2015

36.5            The 2014 appropriation includes \$118,000 for 2013 and ~~\$817,000~~ \$837,000 for 2014.

36.6            The 2015 appropriation includes ~~\$128,000~~ \$93,000 for 2014 and ~~\$928,000~~ \$967,000  
 36.7 for 2015.

36.8            Sec. 30. Laws 2013, chapter 116, article 8, section 5, subdivision 11, is amended to read:

36.9            Subd. 11. **Adults with disabilities program aid.** For adults with disabilities  
 36.10 programs under Minnesota Statutes, section 124D.56:

36.11                    ~~710,000~~  
 36.12            \$        735,000        ..... 2014  
 36.13            \$        710,000        ..... 2015

36.14            The 2014 appropriation includes \$96,000 for 2013 and ~~\$614,000~~ \$639,000 for 2014.

36.15            The 2015 appropriation includes ~~\$96,000~~ \$71,000 for 2014 and ~~\$614,000~~ \$639,000  
 36.16 for 2015.

36.17            Sec. 31. Laws 2013, chapter 116, article 8, section 5, subdivision 14, is amended to read:

36.18            Subd. 14. **Adult basic education aid.** For adult basic education aid under  
 36.19 Minnesota Statutes, section 124D.531:

36.20                    ~~47,005,000~~  
 36.21            \$        48,782,000        ..... 2014  
 36.22                    ~~48,145,000~~  
 36.23            \$        48,202,000        ..... 2015

36.24            The 2014 appropriation includes \$6,284,000 for 2013 and ~~\$40,721,000~~ \$42,498,000  
 36.25 for 2014.

36.26            The 2015 appropriation includes ~~\$6,409,000~~ \$4,722,000 for 2014 and ~~\$41,736,000~~  
 36.27 \$43,480,000 for 2015.

APPENDIX  
Article locations in 14-5555

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ARTICLE 2	EDUCATION EXCELLENCE .....	Page.Ln 13.29
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