

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 3948

(SENATE AUTHORS: PAPPAS and Dziedzic)

DATE
03/14/2022

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Introduction and first reading
Referred to Education Finance and Policy

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to education finance; creating a funding formula for English learner cross
- 1.3 subsidy aid; increasing special education cross subsidy reduction aid; appropriating
- 1.4 money; amending Minnesota Statutes 2020, sections 124D.65, subdivision 5;
- 1.5 125A.76, subdivision 2e; Laws 2021, First Special Session chapter 13, article 5,
- 1.6 section 3, subdivision 2.
- 1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.8 Section 1. Minnesota Statutes 2020, section 124D.65, subdivision 5, is amended to read:
- 1.9 Subd. 5. **School district EL revenue.** (a) A district's English learner programs revenue
- 1.10 equals:
- 1.11 (1) the product of ~~(1)~~ \$704 times ~~(2)~~ the greater of 20 or the adjusted average daily
- 1.12 membership of eligible English learners enrolled in the district during the current fiscal
- 1.13 year; and
- 1.14 (2) a district's English learner cross subsidy aid equals the greater of zero or:
- 1.15 (i) 25 percent of the district's English learner cross subsidy for fiscal year 2023;
- 1.16 (ii) 50 percent of the district's English learner cross subsidy for fiscal year 2024;
- 1.17 (iii) 75 percent of the district's English learner cross subsidy for fiscal year 2025; and
- 1.18 (iv) 100 percent of the district's English learner cross subsidy for fiscal years 2026 and
- 1.19 later.
- 1.20 (b) A district's English learner cross subsidy equals the difference between the district's
- 1.21 expenditure for qualifying English learner services for the second previous year and the
- 1.22 district's English learner revenue for the second previous year.

(b) (c) A pupil ceases to generate state English learner aid in the school year following the school year in which the pupil attains the state cutoff score on a commissioner-provided assessment that measures the pupil's emerging academic English.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 2. Minnesota Statutes 2020, section 125A.76, subdivision 2e, is amended to read:

Subd. 2e. **Cross subsidy reduction aid.** (a) A school district's annual cross subsidy reduction aid equals the school district's initial special education cross subsidy for the previous fiscal year times the cross subsidy aid factor for that fiscal year.

(b) The cross subsidy aid factor equals ~~2.6~~:

(i) 25 percent for fiscal year 2020 and 6.43 2023;

(ii) 50 percent for fiscal year 2021 and later. 2024;

(iii) 75 percent for fiscal year 2025; and

(iv) 100 percent for fiscal year 2026 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2023 and later.

Sec. 3. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 2, is amended to read:

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

\$ 1,822,998,000 2022

~~1,945,533,000~~

\$ 2023

The 2022 appropriation includes \$215,125,000 for 2021 and \$1,607,873,000 for 2022.

The 2023 appropriation includes \$226,342,000 for 2022 and ~~\$1,719,191,000~~ \$..... for 2023.

Sec. 4. **APPROPRIATION.**

Subdivision 1. **Department of Education.** The sum indicated in this section is appropriated from the general fund to the Department of Education in the fiscal year designated.

3.1

Subd. 2. **Additional general education aid; English learner aid; appropriation.** For

3.2

additional English learner general education aid under Minnesota Statutes, section 124D.65:

3.3

\$ 2023