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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5004

03/18/2024 Authored by Tabke and Bakeberg 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 finance; increasing participation in and funding for the
1.3 alternative teacher compensation program; authorizing a district to qualify under
1.4 the long-term facilities maintenance revenue program as a district eligible for
1.5 alternative facilities revenue; appropriating money; amending Minnesota Statutes
1.6 2023 Supplement, section 122A.415, subdivision 4; Laws 1999, chapter 241, article
1.7 4, section 25, subdivision 3, as added; Laws 2023, chapter 55, article 5, section
1.8 64, subdivision 3.

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

1.10 Section 1. Minnesota Statutes 2023 Supplement, section 122A.415, subdivision 4, is
1.11 amended to read:

1.12 Subd. 4. Basic alternative teacher compensation aid. (a) The basic alternative teacher
1.13 compensation aid for a school with a plan approved under section 122A.414, subdivision
1.14 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
1.15 The basic alternative teacher compensation aid for a charter school with a plan approved
1.16 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
1.17 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
1.18 for a charter school in the first year of operation, times the ratio of the sum of the alternative
1.19 teacher compensation aid and alternative teacher compensation levy for all participating
1.20 school districts to the maximum alternative teacher compensation revenue for those districts
1.21 under subdivision 1.

1.22 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
1.23 teacher compensation aid entitlement must not exceed \$88,118,000 for fiscal year 2023;
1.24 \$88,461,000 for fiscal year 2024; \$88,461,000 \$110,000,000 for fiscal year 2025; and
1.25 \$89,486,000 \$111,000,000 for fiscal year 2026 and later. The commissioner must limit the

2.1 amount of alternative teacher compensation aid approved under this section so as not to
 2.2 exceed these limits by not approving new participants or by prorating the aid among
 2.3 participating districts, intermediate school districts, school sites, and charter schools. The
 2.4 commissioner may also reallocate a portion of the allowable aid for the biennium from the
 2.5 second year to the first year to meet the needs of approved participants.

2.6 (c) Basic alternative teacher compensation aid for an intermediate district or other
 2.7 cooperative unit equals \$3,000 times the number of licensed teachers employed by the
 2.8 intermediate district or cooperative unit on October 1 of the previous school year.

2.9 Sec. 2. Laws 1999, chapter 241, article 4, section 25, subdivision 3, as added by Laws
 2.10 2011, First Special Session chapter 11, article 4, section 7, is amended to read:

2.11 Subd. 3. **Independent School District No. 284, Wayzata; Independent School District**
 2.12 **No. 720, Shakopee.** (a) Independent School District No. 284, Wayzata, is eligible for the
 2.13 alternative facilities revenue program under Minnesota Statutes, section 123B.59, for the
 2.14 purposes of financing school facilities in the district.

2.15 (b) Notwithstanding any law to the contrary, beginning in fiscal year 2026, Independent
 2.16 School District No. 720, Shakopee, is a qualifying alternative facilities district for purposes
 2.17 of long-term facilities maintenance revenue under Minnesota Statutes, section 123B.595.

2.18 **EFFECTIVE DATE.** This section is effective for fiscal year 2026 and later.

2.19 Sec. 3. Laws 2023, chapter 55, article 5, section 64, subdivision 3, is amended to read:

2.20 Subd. 3. **Alternative teacher compensation aid.** (a) For alternative teacher compensation
 2.21 aid under Minnesota Statutes, section 122A.415, subdivision 4:

2.22	\$	88,443,000	2024
2.23		88,430,000		
2.24	\$	<u>107,846,000</u>	2025

2.25 (b) The 2024 appropriation includes \$8,824,000 for fiscal year 2023 and \$79,619,000
 2.26 for fiscal year 2024.

2.27 (c) The 2025 appropriation includes \$8,846,000 for fiscal year 2024 and ~~\$79,584,000~~
 2.28 \$99,000,000 for fiscal year 2025.