

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

S.F. No. 3978

(SENATE AUTHORS: OUMOU VERBETEN)

DATE
02/19/2024

D-PG
11657 Introduction and first reading
Referred to Education Finance

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to early education; modifying the voluntary prekindergarten program;
1.3 amending Minnesota Statutes 2022, section 124D.151, by adding a subdivision;
1.4 Minnesota Statutes 2023 Supplement, section 124D.151, subdivisions 5, 6.

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

1.6 Section 1. Minnesota Statutes 2023 Supplement, section 124D.151, subdivision 5, is
1.7 amended to read:

1.8 Subd. 5. **Application process; priority for high poverty schools.** (a) ~~To qualify for~~
1.9 ~~program approval for fiscal year 2017, a district or charter school must submit an application~~
1.10 ~~to the commissioner by July 1, 2016.~~ To qualify for program approval for fiscal year 2018
1.11 ~~and later~~, a district or charter school must submit an application to the commissioner by
1.12 January 30 of the fiscal year prior to the fiscal year in which the program will be
1.13 implemented. The application must include:

1.14 (1) a description of the proposed program, including the number of hours per week the
1.15 program will be offered at each school site or mixed-delivery location;

1.16 (2) an estimate of the number of eligible children to be served in the program at each
1.17 school site or mixed-delivery location; and

1.18 (3) a statement of assurances signed by the superintendent or charter school director that
1.19 the proposed program meets the requirements of subdivision 2.

1.20 (b) The commissioner ~~must review all applications submitted for fiscal year 2017 by~~
1.21 ~~August 1, 2016, and~~ must review all applications submitted for fiscal year 2018 and later

2.1 by March 1 of the fiscal year in which the applications are received and determine whether
2.2 each application meets the requirements of paragraph (a).

2.3 (c) The commissioner must divide all applications for new or expanded voluntary
2.4 prekindergarten programs under this section meeting the requirements of paragraph (a) and
2.5 school readiness plus programs into ~~four~~ five groups as follows: the Minneapolis ~~and school~~
2.6 district; ~~the St. Paul school districts~~ district; other school districts located in the metropolitan
2.7 equity region as defined in section 126C.10, subdivision 28; school districts located in the
2.8 rural equity region as defined in section 126C.10, subdivision 28; and charter schools.
2.9 Within each group, the applications must be ordered by rank using a sliding scale based on
2.10 the following criteria:

2.11 (1) concentration of kindergarten students eligible for free or reduced-price meals by
2.12 school site on October 1 of the previous school year. A school site may contract to partner
2.13 with a community-based provider or Head Start under subdivision 3 or establish an early
2.14 childhood center and use the concentration of kindergarten students eligible for free or
2.15 reduced-price meals from a specific school site as long as those eligible children are
2.16 prioritized and guaranteed services at the mixed-delivery site or early education center. For
2.17 school district programs to be operated at locations that do not have free and reduced-price
2.18 meals concentration data for kindergarten programs for October 1 of the previous school
2.19 year, including mixed-delivery programs, the school district average concentration of
2.20 kindergarten students eligible for free or reduced-price meals must be used for the rank
2.21 ordering;

2.22 (2) presence or absence of a three- or four-star Parent Aware rated program within the
2.23 school district or close proximity of the district. School sites with the highest concentration
2.24 of kindergarten students eligible for free or reduced-price meals that do not have a three-
2.25 or four-star Parent Aware program within the district or close proximity of the district shall
2.26 receive the highest priority, and school sites with the lowest concentration of kindergarten
2.27 students eligible for free or reduced-price meals that have a three- or four-star Parent Aware
2.28 rated program within the district or close proximity of the district shall receive the lowest
2.29 priority; and

2.30 (3) whether the district has implemented a mixed delivery system.

2.31 ~~(d) The limit on participation for the programs as specified in subdivision 6 must initially~~
2.32 ~~be allocated among the four groups based on each group's percentage share of the statewide~~
2.33 ~~kindergarten enrollment on October 1 of the previous school year. Within each group, the~~
2.34 ~~participation limit for fiscal years 2018 and 2019 must first be allocated to school sites~~

3.1 approved for aid in the previous year to ensure that those sites are funded for the same
 3.2 number of participants as approved for the previous year. The remainder of the participation
 3.3 limit for each group must be allocated among school sites in priority order until that region's
 3.4 share of the participation limit is reached. If the participation limit is not reached for all
 3.5 groups, the remaining amount must be allocated to the highest priority school sites, as
 3.6 designated under this section, not funded in the initial allocation on a statewide basis. For
 3.7 fiscal year 2020 and later, the participation limit must first be allocated to school sites
 3.8 approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year
 3.9 2018 based on the statewide rankings under paragraph (e).

3.10 (e) Once a school site or a mixed delivery site under subdivision 3 is approved for aid
 3.11 under this subdivision, it shall remain eligible for aid if it continues to meet program
 3.12 requirements, regardless of changes in the concentration of students eligible for free or
 3.13 reduced-price meals.

3.14 (f) If the total number of participants approved based on applications submitted under
 3.15 paragraph (a) is less than the participation limit under subdivision 6, the commissioner must
 3.16 notify all school districts and charter schools of the amount that remains available within
 3.17 30 days of the initial application deadline under paragraph (a), and complete a second round
 3.18 of allocations based on applications received within 60 days of the initial application deadline.

3.19 (g) Procedures for approving applications submitted under paragraph (f) shall be the
 3.20 same as specified in paragraphs (a) to (d), except that the allocations shall be made to the
 3.21 highest priority school sites not funded in the initial allocation on a statewide basis.

3.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.23 Sec. 2. Minnesota Statutes 2022, section 124D.151, is amended by adding a subdivision
 3.24 to read:

3.25 **Subd. 5a. Participation limit allocation.** (a) Beginning July 1, 2024, the participation
 3.26 limit specified in subdivision 6 must be initially allocated as follows:

3.27 (1) a school site or mixed delivery site must receive the same number of seats the site
 3.28 received in fiscal year 2024; and

3.29 (2) the remaining seats must be allocated among the five groups identified under
 3.30 subdivision 5, paragraph (c), based on each group's percentage share of the statewide
 3.31 kindergarten enrollment on October 1 of the previous school year.

3.32 (b) Within each group:

4.1 (1) the seats must be first allocated to any school sites and mixed delivery sites approved
4.2 for aid in the previous year; and

4.3 (2) any remaining seats must be allocated among school sites in priority order, as
4.4 determined under subdivision 5, paragraph (c), until the group's share of seats are allocated.

4.5 (c) If a group's entire share of seats is not allocated under paragraphs (a) and (b), then
4.6 the remaining seats must be allocated to the highest priority school sites and mixed delivery
4.7 sites in the state, as designated under subdivision 5, paragraph (c), not funded in the allocation
4.8 under paragraphs (a) and (b).

4.9 (d) Once a school site or a mixed delivery site is approved for aid under subdivision 5
4.10 and is allocated seats under this subdivision, it shall remain eligible for aid and seats if it
4.11 continues to meet program requirements, regardless of changes in the concentration of
4.12 students eligible for free or reduced-price meals.

4.13 (e) If the total number of participants approved based on applications submitted under
4.14 subdivision 5, paragraph (a), is less than the participation limit under subdivision 6, the
4.15 commissioner must notify all school districts and charter schools of the amount that remains
4.16 available within 30 days of the initial application deadline under subdivision 5, paragraph
4.17 (a), and complete a second round of allocations based on applications received within 60
4.18 days of the initial application deadline.

4.19 (f) Procedures for approving applications submitted under paragraph (e) shall be the
4.20 same as specified in subdivision 5, and the allocations shall be made to the highest priority
4.21 school sites in the state as designated under subdivision 5, paragraph (c), not funded in the
4.22 initial allocation under paragraphs (a) and (b).

4.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.24 Sec. 3. Minnesota Statutes 2023 Supplement, section 124D.151, subdivision 6, is amended
4.25 to read:

4.26 Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1,
4.27 paragraph (c), the pupil units for a voluntary prekindergarten program for an eligible school
4.28 district or charter school must not exceed 60 percent of the kindergarten pupil units for that
4.29 school district or charter school under section 126C.05, subdivision 1, paragraph (d).

4.30 (b) In reviewing applications under subdivision 5 and allocating seats under subdivision
4.31 5a, the commissioner must limit the total number of participants in the voluntary
4.32 prekindergarten and school readiness plus programs under Laws 2017, First Special Session

5.1 chapter 5, article 8, section 9, to not more than 7,160 participants for fiscal years 2023,
5.2 2024, and 2025, and 12,360 participants for fiscal year 2026 and later.

5.3 **Sec. 4. DIRECTION TO THE COMMISSIONER OF EDUCATION; ADJUSTING**
5.4 **VOLUNTARY PREKINDERGARTEN PARTICIPATION LIMITS.**

5.5 If the legislature acts, prior to July 1, 2024, to increase the voluntary prekindergarten
5.6 participation limit under Minnesota Statutes, section 124D.165, subdivision 6, for fiscal
5.7 year 2025, then the commissioner must retroactively adjust the seat allocation for fiscal
5.8 year 2025 to match the participation limit. The commissioner of education, in consultation
5.9 with the Department of Children, Youth, and Families Implementation Office, must finish
5.10 allocating the new seats for fiscal year 2025 by June 1, 2024, and must notify qualifying
5.11 school districts and charter schools about the new seats by June 15, 2024.

5.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.