

K-12 education bill will be heading to House, Senate floors soon

By Kimberley Dunn Lewis – MN School Boards Association May 15, 2023

The K-12 education bill is in the final stages of conference committee approval. Once that is finalized, the Conference Committee Report will be signed and it will go to the House and Senate floors for a straight up-or-down vote. We are including a link to the [K-12 Education Finance Budget spreadsheet](#) that includes all the finance provisions.

The highlights of the final report are:

- A formula increase of 4 percent for FY2024 and 2 percent for FY2025 and the formula will be linked to inflation, with a 2 percent floor and a 3 percent ceiling beginning in FY2026.
- Special education cross-subsidy reduction aid is increased by \$662.8 million for the 2024-25 biennium and \$821.2 million for the 2026-27 biennium. This represents a reduction in the cross-subsidy by 44 percent for FY2024, FY2025 and FY2026 and 50 percent for FY2027.
- English learner cross-subsidy reduction aid is established and funded at \$40.5 million in FY2024, \$46.4 million in FY2025, \$47.8 million in FY2026, and \$124 million in FY2027.
- \$35 million for professional development and \$34 million for curriculum acquisition to promote evidence-based reading programs through the READ Act.
- The compensatory funding formula is increased by \$20.6 million in the 2026-27 biennium to hold funding harmless due to the enactment of universal meals.
- Funding for 4,000 VPK seats is made permanent for FY2024-25 at \$31.7 and increased 5,200 VPK seats at \$149.3 million for FY2026-27.
- Transportation Sparsity aid is increased by \$9.8 million in the 2024-25 biennium and \$11.6 million in the 2026-27 biennium.
- Student Support Personnel Aid is established and funded at \$29.1 million for FY2024, \$35.2 million for FY2025, \$57.6 million for FY2026, and \$60 million for FY2027.
- School Library Aid is funded at \$45.2 million for FY2024 and \$47.5 million in FY2026.
- Full Service Community Schools are funded at \$7.5 million per year for the 2024-25 biennium and \$5 million per year for the 2026-27 biennium.
- Multi-Tiered Systems of Support (MTSS) is funded at \$13.5 million per year through the 2026-27 biennium.
- Paid orientation for paraprofessionals is funded at \$7.23 million in FY2025, \$8.2 million in FY2026, and \$8.4 million in FY2027.
- Grow Your Own Program funding increased by \$18.5 million per year in the 2024-25 biennium and \$25.4 million per year in the 2026-27 biennium.

- Funding for the Collaborative Urban and Greater Minnesota Educators of Color program is increased by \$4.44 million per year.
- Community Education aid is increased by \$4.835 million in FY2025, \$5.411 million in FY2026, and \$5.455 million in FY2027.
- School hourly workers are eligible for unemployment benefits during the summer months and \$135 million is provided in FY2024.
- School boards may renew one-time an expiring referendum.

The Public Employee Labor Relations Act (PELRA) language changes on terms and conditions of employment to include adult-to-student ratios in the classroom, student testing, and student-to-personnel ratios, and inherent managerial rights are proposed in the Omnibus Jobs and Labor Finance and Policy Conference Committee (SF 3035). The committee could meet as early as today to pass the \$1.2 billion bill.

Paid Family Medical Leave (HF 2) also wrapped up over the weekend. The major changes that came out of the conference committee was a six-month delayed start of the benefit to January 1, 2026, and a reduction from 24 weeks to 20 weeks of benefits.