

MN Legislative Session up-date (March 19, 2023)
Up-date provided by: MN Association of School Administrators

The budget-setting process will begin to unfold

With the release of the February budget forecast, the legislature must now decide how to allocate the funds toward a two-year state budget. The first step in this process is for the House and Senate leaders to determine committee budget targets, which break down how much finance committees can expect to appropriate for their budget bills. We expect the leaders to announce these targets soon. Once the committee chairs have their targets, they will work quickly to meet that April 4 finance bill deadline.

Universal meals bill signed into law Friday

The bill to provide [universal free meals](#) became law Friday, March 17. Last Tuesday, the Senate passed the bill, which included language to [hold compensatory pupil counts at the FY24 level for one year](#), on a bipartisan vote of 38-26. The House quickly agreed to the Senate changes, repassed the bill, and sent it to the Governor for his signature.

Governor's revised budget plan

With the release of the updated budget forecast, Governor Walz announced the revised "One Minnesota Budget" this week. The Governor announced some changes to the E12 education funding recommendations, most notably on compensatory and the timeline to begin eligibility for unemployment insurance for hourly school employees. Here is a [link](#) to his updated education recommendations.

The proposal to change the compensatory formula includes the following:

- Simplifies the funding formula by using pupils identified as eligible for free or reduced-price meals via direction certification as the new count to calculate the revenue per building.
- Creates a building concentration factor comparing pupils eligible for free or reduced-price meals via direct certification to total fall enrollment.
- Establishes a building compensatory allowance calculated by multiplying the building concentration factor by a statewide compensatory allowance.
- Establishes a statewide compensatory allowance in FY25 that creates stability in transitioning to the new formula compared to FY24 statewide compensatory revenue; this allowance increases annually by the same percentage as the general education basic formula allowance.
- Allows for the allocation of additional compensatory revenue in FY25 through FY27 if the statewide sum of the building formulas does not reach a minimum allocation.

The Governor also revised the implementation timeline for his proposal to extend unemployment insurance to hourly school employees to begin this summer rather than FY25.

In last week's update, I provided information on legislation advancing to make changes to PELRA. Attached is a letter outlining concerns the education organizations sent to the authors of the bill and House and Senate leadership

Committee hearings – week of March 13, 2023

Senate Education Policy

The committee heard legislation allowing students to earn [elective credits through employment with healthcare providers](#). The committee also heard bills to [increase teacher preparation time](#) and provide funding to school districts for literacy instruction, also known as the [Read Act](#).

Senate Education Finance

The committee heard a slate of bills to address school district property taxes – one to increase [local optional revenue](#), and two others to increase equalization for operating and [debt service](#) referendum. The committee also heard bills outlining standards if a district performs [active shooter drills](#), require an hour of [personal safety instruction](#), and establish a new [Department of Children, Youth, and Families](#).

The committee also reviewed the [Governor's E12 budget bill](#). Here is a link to district runs showing the [aid](#) and [levy](#) impact on individual school districts.

House Education Finance

The committee reviewed the [Governor's E12 budget bill](#) and bills to provide funding for teacher time to fill out due process forms, [American Indian education](#), [create a special education teacher pipeline](#) and establish a new [Department of Children, Youth, and Families](#). The committee also heard the bill to increase the per-pupil formula by 20%, require districts to [negotiate class size](#) with its teachers and establish class size ratios for each grade if no other collective bargaining agreement is reached.

House Education Policy

The committee heard bills to outline standards if a district performs [active shooter drills](#), require [climate justice instruction](#), more discussion on civics, and add a requirement to state statute for schools to offer [education on the Holocaust and other genocides](#) in the middle and high school curriculum.

Dates to remember

March 24: Committees must act favorably on bills that met the first deadline in the other body.

April 4: Committees must act favorably on major appropriation and finance bills.

April 5- 10: Legislative break.

May 22: Last day of the 2023 legislative session.

Second Deadline Week, Failed Bonding Bill

The legislature is now facing its second deadline week. Bill introductions have slowed down, but the committee agendas continue to grow as legislators make a push to get individual proposals teed up for inclusion in one of the major budget or policy omnibus bills. The end of last week saw a failed bonding bill vote on the Senate floor, with the Senate Republicans making good on their promise to withhold support until a tax relief bill is acted upon, specifically a repeal of state income taxes on social security income.

Dubbed as “last session’s bonding bill,” it has major bi-partisan support and rural-metro balance, but denying a supermajority vote for this bill is the only power the GOP minorities have at this point. The trouble is, a tax relief bill won’t emerge until later in April, with final passage slated for the end of May. That means loading up a new capital projects bill is now in a more precarious situation. Later this week, the majority caucuses will hash out budget targets behind the scenes. We don’t expect the budget committee chairs to get their targets until late in the week and even then, they might not be public until a week from today. A week from today we’ll likely see the omnibus Education budget bills roll out.

This week in Education Committees

SENATE EDUCATION FINANCE

No committee hearings are currently scheduled for Senate Education Finance.

SENATE EDUCATION POLICY

No committee hearings are currently scheduled for Senate Education Policy.

HOUSE EDUCATION POLICY

House Education Policy will discuss the following bill:

- HF2037 (Berg) – school health services provided*

HOUSE EDUCATION FINANCE

House Education Finance will discuss the following bills:

- HF629 (Edelson) – Read Act; required literacy curriculum and literacy specialists*
- HF1269 (Pryor) – preK-12 gen ed accountability and transparency provisions*
- HF2042 (Pursell) – CTE consortium grant funding*
- HF2696 (Greenman) – civic education grant funding*

- *HF2068 (Clardy) - Sanneh Foundation funding*
- *HF2214 (Frazier) - Black Men Teach Twin Cities program*
- *HF2131 (Hicks) - Alliance of Chicanos, Hispanics, and Latin Americans funding*
- *HF2398 (Acomb) - schools required to maintain supply of opiate antagonists*
- *HF1502 (Sencer-Mura) - ethnic studies requirement*
- *HF651 (Hassan) - personal finance class requirement*
- *HF759 (Lee, K.) - computer science education advancement provided*
- *HF2968 (Hornstein) - Holocaust and genocide education required in social studies*
- *HF1628 (Jordan) - pupil transportation services for homeless students*
- *HF2696 (Richardson) - prohibition on dismissal of K-3 students*
- *HF2068 (Kozlowski) - gender-neutral, single-user restroom and locker room facilities*
- *HF2214 (Norris) - economic development and housing challenge program, schools added as eligible recipients*
- *HF2131 (Frederick) - Project Success grants authorized*
- *HF2398 (Youakim) - medical assistance coverage for SPED school social work services*
- *HF1502 (Youakim) - education finance; forecast adjustments*
- *HF651 (Hill) - Playworks grant funding for social-emotional programming*
- *HF759 (Sencer-Mura) - grant funding to improve students' writing skills*
- *HF2968 (Pérez-Vega) - MN Alliance of Boys and Girls Clubs grant funding*
- *HF1628 (Pérez-Vega) - music education grant programs*

Resources

- [Bill Search, Status, and MyBills - Minnesota State Legislature \(mn.gov\)](#)
- *MREA members are encouraged to join Advocacy Briefings to hear directly from our Advocacy team, who is at the Capitol every day advocating for Greater Minnesota education. Check your Insider Brief for the invite.*