

DFLers call education budget bill that clears conference committee ‘historic’

By Steve Abrams
MN House of Representatives Session Daily
www.house.mn.gov/SessionDaily/Story

“Generational impact.” “Historic investment.” “This is why I ran for office.”

Those were the words of DFLers at Saturday’s close of the [education finance and policy bill conference committee](#).

Following adoption of the final articles, as amended, of [HF2497](#), the state is on track to appropriate \$2.26 billion in new education spending during the 2024-25 biennium, a 10.8% increase over base. Once crafted, a conference committee report will be sent to both chambers for final approval.

Conferees had to untangle many contentious issues before reaching that agreement, with the most pressing being the basic funding formula. Both chambers recommended a 4% increase in fiscal year 2024, but the Senate wanted a further 5% jump in fiscal year 2025. The House proposed only a 2% increase that year, while indexing the formula to inflation starting in fiscal year 2026.

In the end, the House’s position won out. The agreement lays out \$705 million in a formula allowance increase in the upcoming biennium, then uses [certain parameters](#) to guarantee an increase of between 2% and 3% per year depending on the rate of inflation.

The House also got its way regarding the special education cross-subsidy.

Districts could expect to have 44% of this budgetary shortfall covered through fiscal year 2026, then ramping up to 50% starting with fiscal year 2027. The cost in the upcoming biennium would total \$663 million.

Plans to [extend unemployment insurance to hourly school workers](#) cleared the committee as well, with conferees committing \$135 million to reimburse districts for this new expense.

The future looks bright for English Learners: the agreement earmarks \$87 million next biennium and nearly doubles the per-pupil funding formula to take a large bite out of this cross-subsidy in future years.

A statewide overhaul of literacy education is set to net \$75 million, with large chunks set aside for the purchase of new curriculum materials and the professional development of educators.

And \$81.7 million would go toward pre-Kindergarten education. This money would both preserve 4,000 seats in danger of disappearing and establish an additional 5,200 seats in fiscal year 2025, as requested by the House.

Other major appropriations include:

- \$74.4 million for student support personnel aid and workforce development;
- \$45.2 million for school library aid;
- \$37 million for Grow Your Own teacher grants;
- \$35 million to up the budget of the Department of Education, including \$4 million to establish an Office of Inspector General;
- \$30.1 million over base for American Indian education funding;
- \$30 million for a special education teacher pipeline;
- \$30 million for afterschool programming; and
- \$24.3 million for building and cybersecurity grants.

Aspects of the agreement will leave some folks disappointed, though. The Senate sought \$56.1 million in disparity aid, to be distributed to property poor school districts, while the House desired \$50 million to compensate special education teachers for due process prep time. Neither is in the final product.

Many smaller appropriations did make the cut, including:

- \$15 million for full-service community school grants;
- \$9.9 million to cover 35% of the transportation sparsity aid cross-subsidy, up from the current rate of 18.2%;
- \$7.2 million for paraprofessional paid orientation;
- \$4 million to increase funding for the Rural CTE Consortium;
- \$3.5 million for menstrual products and naloxone;
- \$3.5 million for nonexclusionary discipline training and \$2 million to kick start construction of gender-neutral bathrooms;
- \$1.6 million funding increase for museums and education centers; and
- \$416,000 to cultivate heritage language and culture teachers.

Let's dig into policy

While there was much [agreement](#) when the two chambers introduced their bills, meaningful differences abounded on numerous policy issues that demanded resolution.

Both chambers agreed seclusion-based punishments ought to end for students through grade 3. The only question was when, with a compromise reached for the proposed prohibition to take effect Sept. 1, 2024.

Much wrangling occurred over the elimination of American Indian mascots and logos, with discussions mainly centering around the Warroad Warriors. While the Senate carved out an exemption for the school district, the House plan won the day: all districts would have to dump such mascots by Sept. 1, 2025. An exemption could be granted only if all 11 of Minnesota's tribal nations sign off.

Changes are also primed for the classroom. The agreement calls for embedding Holocaust and genocide studies in the social studies curriculum by the 2026-27 school year. Additionally, high schools would have to begin offering ethnic studies courses that same year, while elementary and middle schools have until the 2027-28 school year to develop these classes.

Regarding compensatory revenue, 80% of these funds would have to be utilized at the generating school site and the list of allowable uses would be reconfigured.

Currently, some higher education institutions participating in the postsecondary enrollment option program require faith statements from applicants. This state of affairs generated much debate around religious freedom throughout session. In the end, a House provision explicitly prohibiting this practice is in the final agreement.

The Senate achieved success on other fronts, though. Modifications are due to be made to active shooter drills and the Tier 2 to Tier 3 experience pathway is set to remain in place.

Finally, conferees gave their blessing to the following House provisions in the adopted articles:

- all school employees would receive full pay and benefits on e-learning days;
- Indigenous Peoples' Day would replace Columbus Day on the school calendar; and
- Tier 1, 2, and 3 teachers of world languages and culture, performing arts, and visual arts would be exempt from the requirement to hold a bachelor's degree.