

STATE OF MINNESOTA FORTY-FIRST
MN HOUSE OF REPRESENTATIVES NINETY FIRST SESSION

EDUCATION FINANCE DIVISION
MINUTES

Representative Jim Davnie, Chair of the Education Finance Division, called the virtual meeting to order at 9:4am on April 21, 2020 pursuant to House rule 10.01. The meeting is being broadcast via Zoom and House Public Information Services.

The Committee Legislative Assistant noted the roll.

Members present:

DAVNIE, Jim
SANDSTEDE, Julie
KRESHA, Ron
BENNETT, Peggy
DANIELS, Brian
DETTMER, Bob
DEMUTH, Lisa
EDELSON, Heather
ERICKSON, Sondra
HUOT, John
JURGENS, Tony
KOTYZA-WITTHUHN, Carlie
KUNESH-PODEIN, Mary
MARQUART, Paul
MURPHY, Mary
NORNES, Bud
PRYOR, Laurie
RICHARDSON, Ruth
SANDELL, Steve
YOUAKIM, Cheryl

A quorum was present.

HF 4415 (Davnie) The first engrossment, as amended by the H4415A14 amendment, provides for compensation for hourly school employees and allows entities that contract with schools to provide services to be reimbursed for paying their employees, for changes in school employment practices related to COVID-19 related school closures and the conversion to distance learning programs. The bill addresses school finance formula glitches resulting from the conversion to the distance learning model. The bill also creates and legislatively approves certain waivers of state law regarding assessments, graduation and course requirements, and potential licensure issues faced by prospective and current teachers.

Rep. Davnie moved that HF 4415 be presented before the committee with the recommendation it be moved to the Committee on Ways and Means.

Non-partisan staff presented fiscal note information.

Rep. Davnie moved that the A17 amendment be incorporated into the A14 amendment. The A17 amendment is technical in nature that corrects some drafting errors in the A14 author's amendment.

Roll call vote was taken on A14 as incorporated: 'aye' - 20, 'nay' - 0. Motion prevailed.

Rep. Jurgens moved that the A15 amendment be presented before the committee.

Rep. Jurgens presented the A15 amendment.

Roll call vote was taken on A15: 'aye' - 8, 'nay' - 12. Motion did not prevail.

Rep. Erickson moved that an oral amendment be added to the A16 amendment as follows, "Line 1.22 Strike *allowable uses and fund*; insert **'process for approval of fund'**". Motion prevailed.

Rep. Erickson moved that the A16 as amended by the oral amendment be adopted by the committee.

Roll call vote was taken on the A16 amendment as amended by the oral amendment: 'aye' - 20, 'nay' - 0. Motion prevailed.

Rep. Kresha moved that the A18 amendment be adopted by the committee.

Rep. Kresha presented the A18 amendment.

Roll call vote was taken on the A18 amendment: 'aye' - 8, 'nay' - 12. Motion did not prevail.

Rep. Davnie renewed the motion that HF 4415 as amended be moved to the Committee on Ways and Means.

Roll call vote was taken to send HF 4415, as amended, to the Committee on Ways and Means: 'aye' - 12, 'nay' - 8. Motion prevailed.

Rep. Kresha moved that HF 3192 be presented before the committee; be moved to the general register.

HF 3192 (Fabian) School districts are required to adopt and use a uniform system of records and accounting. The adopted system, a modified accrual accounting system, is known as Uniform Financial Accounting and Reporting System (UFARS). Under UFARS every district must maintain a number of operating funds (e.g., general fund, food service, community service) and

nonoperating funds (e.g., building construction, debt service, trust, and agency). UFARS, statutory reserves, and the state's public indebtedness statute prohibit certain types of fund transfers between funds and from certain reserved accounts. For fiscal years 2012 through 2017, a special law allowed districts to make transfers among reserved accounts as long as those transfers did not affect state aid payments or levy amounts. This bill authorizes Independent School District No. 441, Marshall County Central, to transfer \$45,000 from its Early Childhood Family Education (ECFE) reserve account to the School Readiness reserve account, both of which are located within the community service fund.

Rep. Fabian presented HF 3192 before the committee.

Rep Kresha renewed the motion that HF 3192 be moved to the general register.

Roll call vote to move HF 3192 to the general register: 'aye' - 20, 'nay' - 0. Motion prevailed.

Testifiers:

Scott Vrieze, Executive Director, Metropolitan Library Service Agency

Michelle Koffa, Policy Manager, Ed Allies

Laura Strand, Junior & Senior High School Art Teacher, Pine City High School

The meeting of the Education Finance Division was adjourned 10:48 am.

Representative Jim Davnie, Chair

Brittney Sunderland, Committee Legislative Assistant