

HOUSE RESEARCH

Bill Summary

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Overview

Proposes various amendments to repeals of certain kindergarten through grade 12 statutes as well as the repeal of several obsolete rules.

Section

- 1 **Specific authority.** Deletes a provision exempting school districts from state aid penalties for loss of instructional time as a result of emergency school closings ordered by the commissioner at the request of the governor. This exemption is obsolete because there is no longer a state aid penalty in law for operating schools fewer than a fixed minimum number of days.
- 2 **Elementary school.** Deletes a sentence that does not conform to the current definition of "elementary school."
- 3 **Review and comment.** Corrects the title of the "American Indian Education Committee."
- 4 **Hours of instruction exemption.** Deletes obsolete references to hours per day and per year and to the state board.
- 5 **Extended year instruction.** Removes obsolete language relating to the number of hours required in the school year.
- 6 **Voluntary dissolution referendum revenue.** Eliminates obsolete language relating to referendum revenues for reorganized districts.
- 7 **Consolidation; maximum authorized referendum revenues.** Eliminates obsolete language relating to referendum revenues for reorganized districts.
- 8 **Alternative method.** Eliminates obsolete language relating to referendum revenue for reorganized districts.
- 9 **Lease real property.** Clarifies that school districts have authority to lease land as well as

Section

buildings for school purposes.

- 10 Lease for nonschool purpose.** Clarifies that school districts have authority to lease land as well as buildings for nonschool purposes. Eliminate obsolete references to the capital expenditure fund and replace with references to the operating capital account.
- 11 Health and safety levy.** Codifies the actual equalizing factor for the health and safety revenue program (the existing statutory equalizing factor was modified by the 2001 legislative changes to property tax class rates).
- 12 Creation of a capital project referendum account.** Changes the name of the "down payment" levy to the "capital projects" levy. This more accurately reflects the current usage of this program by school districts.
- 13 Uses of the account.** Changes the term "down payment" to "capital projects."
- 14 Capital project levy referendum.** Renames the down payment levy program the capital project program.
- 15 Excess levy proceeds.** Makes conforming changes.
- 16 Comprehensive policy.** Removes the requirement that school districts must "develop and implement" a comprehensive, written policy governing pupil transportation safety. Districts would be required to "maintain" the policies, which have already been developed. Deletes obsolete language relating to the original development of these policies.
- 17 Definitions.** Clarifies the definitions of regular and excess transportation by including specific references to transportation of nonresident open enrolled students. These students ride the same bus routes as resident regular and excess students, and are currently being reported by school districts on MARSS and UFARS in the regular and excess categories.
- 18 Alternative attendance programs.** Deletes obsolete reference to 124D.07, which was repealed in 2001. Clarifies that nonresident students enrolled into a district are to receive the same level of transportation service within the attendance area of the school they attend as resident students attending that school. This reflects current CFL practice in administering this law.
- 19 Enrollment priority - post secondary enrollment options (PSEO).** Clarifies language.
- 20 Courses according to agreements - (PSEO).** Corrects a cross reference.
- 21 Financial arrangements for courses provided according to agreements - (PSEO).** Corrects a cross reference.
- 22 General education revenue.** Removes an obsolete reference to the old transition revenue, which was repealed in 2001.
- 23 Transportation revenue.** Removes an obsolete reference to transition revenue, which was repealed in 2001.
- 24 Reserve account limit.** Clarifies the calculation of revenue reduction for excess ECFE fund balances.
- 25 Reserve account limit.** Clarifies the calculation of revenue reduction for excess school readiness fund balances.
- 26 Community education director.** Corrects a reference relating to the transfer of state licensing authority from the commissioner of CFL to the Minnesota board of school administrators.
- 27 Total community education levy.** Codifies the actual tax rates for the community education revenue program (the existing statutory tax rates were modified by the 2001 legislative changes to property tax class rates).
- 28 School-age care levy.** Codifies the actual equalizing factor for the school age care revenue program (the existing statutory equalizing factor was modified by the 2001 legislative change

Section

to property tax class rates).

- 29 **Definitions - transition system for children with disability.** Updates provisions governing the payment of state aid for transition programs for children with disabilities. These changes would reflect the shift from a combined aid-levy revenue program to the current one, which is based on all state aid.
- 30 **Use of aid - transition system for children with a disability.** Eliminates a reference to 124D.453, which has been repealed; adds a reference to the new subdivision 12 (see section 0below); and updates a reference to a division in CFL.
- 31 **Exclusion - transition system for children with a disability.** Eliminates a reference to 124D.453, which has been repealed.
- 32 **Compliance with rules - transition system for children with a disability.** Specifies requirements that must be followed for payment of state aid for transition programs for children with disabilities. These compliance requirements have been part of 124D.453, the funding statute for career and technical education, which has been repealed; therefore, this is not a change from current policy.
- 33 **School district LEP revenue.** Removes an obsolete fiscal year 2000 LEP aid formula, which was replaced with a different formula beginning in fiscal year 2001.
- 34 **Budget approval process; integration revenue.** Updates cross references that were inadvertently overlooked during the 2001 First Special Session, when subdivision 3 was amended. Without the updated cross references, there would be unintended changes in the budget approval process and the flow of integration revenue for open-enrolled students. Amendments to 124D.86, subdivision 1a, and 124D.86, subdivision 3, are effective retroactively for fiscal year 2002 and later. Amendments to 124D.86, subdivision 6, is effective retroactively for fiscal year 2000 and later.
- 35 **Integration revenue.** Updates a cross reference.
- 36 **Alternative attendance programs.** Updates a cross reference.
- 37 **Third party reimbursement.** Corrects a reference to a section within the Code of Federal Regulations.
- 38 **Definitions; sparsity revenue.** Deletes obsolete provisions relating to school districts with no high schools. Sparsity revenue is now calculated on pupils served, rather than resident pupils. There is no need to designate a school within the district as a high school if there is no operating high school in the district.
- 39 **Use of basic skills revenue.** Removes an obsolete reference to the old transition revenue, which was repealed in 2001.
- 40 **Referendum tax base replacement aid.** Deletes a provision that distinguishes the referendum levy into equalizing levels. This is not needed because the \$415 referendum transfer, passed in 2001, eliminated the portion of school referendum levies that were equalized in 2002.
- 41 **Referendum revenue.** Clarifies language and removes obsolete references.
- 42 **County apportionment deduction.** Removes an obsolete reference to the old transition revenue, which was repealed in 2001.
- 43 **Statutory operating debt.** Codifies the actual tax rate and the statutory operating debt levy (the existing statutory tax rate was modified by the 2001 legislative changes to property tax class rates).
- 44 **Adjustments.** Updates a levy adjustment to reflect the repeal of the general education levy.
- 45 **Levy.** Clarifies a district's maximum effort net debt service levy and codifies the actual maximum effort tax rate (the existing statutory tax rate was modified by the 2001 legislative

Section

changes to property tax class rates).

- 46 **Maximum effort debt service levy.** Clarifies a district's maximum effort net debt service levy and codifies the actual tax rate (the existing statutory tax rate was modified by the 2001 legislative changes to property tax class rates).
- 47 **Capital loans eligibility.** Codifies the actual minimum tax rate needed to qualify for the maximum effort capital loan program (the existing statutory tax rate was modified by the 2001 legislative changes to property tax class rates).
- 48 **Loan amount limits.** Codifies the actual loan amount limits for the maximum effort capital loan program (the existing statutory loan limits were modified by the 2001 legislative changes to property tax class rates).
- 49 **Alternative attendance programs.** Updates the statute to conform with 1999 law that changed the pupil accounting system from paying districts based on resident pupil units, with an open enrollment adjustment, to paying the serving district directly. The proposed change reflects current CFL practice in administering the law consistent with the new pupil accounting method.
- 50 **Charter schools.** Removes an obsolete reference to the old transition revenue, which was repealed in 2001.
- 51 **Abatements.** Deletes references to the community education grandfather levy and the adults with disabilities levy in the abatement aid computation. These levies were inadvertently added to the calculation. Eliminates obsolete references to general education levy.
- 52 **Excess tax increment.** Deletes references to the community education grandfather levy and the adults with disabilities levy in the excess tax increment computation. These levies were inadvertently added to the calculation. Eliminates obsolete references to general education levy.
- 53 **Net debt limits; Minneapolis.** Adjusts the net debt limit for the Minneapolis school district to match the tax base changes that resulted from the 2001 legislative changes to property tax class rates.
- 54 **Driver training.** Deletes an obsolete reference to driver education courses approved by the commissioner of CFL.
- 55 **Commissioner's authority; rules and curriculum for drivers clinics.** Removes the commissioner of CFL from a consultative role with the commissioner of public safety who is charged with promulgating rules relating to driver improvement clinics.
- 56 **Members; apprentice advisory council.** Updates a reference regarding the title of the person in CFL who will be an ex officio member of the apprentice advisory council, which is appointed by the commissioner of labor and industry.
- 57 **Attached machinery aid.** Updates the statute to reflect repeal of the general education levy.
- 58 **School districts; taconite aid.** Clarifies that the amount of taconite referendum aid reserved for early childhood or outcome-based learning programs equals the lesser of \$25 per pupil or the amount received from this program.
- 59 **Surplus funds.** Updates the statute to reflect repeal of the general education levy.
- 60 **St. Paul school district severance levy.** Updates the St. Paul school district severance levy tax rate to reflect the actual rate (the existing statutory tax rate was modified by the 2001 legislative changes to property tax class rates).
- 61 **Revisor instruction.**

- ▶ Updates all references to the "commissioner of children, families and learning" to the "commissioner of public safety" in statutes related to school bus

Section

transportation. Public safety, not CFL, now promulgates rules regarding school bus transportation.

- ▶ Changes reference to "Part H" to Part C" in several sections of statute relating to special education. This would update references to a provision in federal law - Individuals with Disabilities Act (IDEA).
- ▶ Codifies a 1965 law authorizing a St. Paul public school severance levy. -

62 Repealer.

(a) Repeals the following Minnesota Statutes:

- ▶ 123A.73, subdivision 7, 10, and 11 - Updates provisions in consolidation referendum levy computation, supplemental revenue, and aid deductions
- ▶ 123B.81, subdivision 6 - obsolete reference to a one-time report
- ▶ 124D.65, subdivision 4 - obsolete fiscal year 2000 LEP aid formula, which was replaced with a different formula in fiscal year 2001
- ▶ 124D.84, subdivision 2 - obsolete committee
- ▶ 125A.023, subdivision 5 - removes purpose statement regarding coordinated interagency agency services
- ▶ 125A.47 - removes obsolete data collection requirement
- ▶ 125B.11 - regional clearinghouse for improving education technology
- ▶ 126C.01, subdivision 4 - obsolete definition
- ▶ 127A.41, subdivision 6 - there is no longer a state aid adjustment for the property tax shift and the provision for this aid adjustment referenced in subdivision 6 was repealed in Laws 2001, First Special Session chapter 6, article 1, section 55, subdivision 1

(b) The following Minnesota Statutes are repealed effective for revenue for fiscal year 2003:

- ▶ 126C.14 - obsolete because of the repeal of the general education levy in 2001

(c) Laws 2001, First Special Session chapter 6, article 5, section 12, as amended by Laws 2002, chapter 377, article 12, section 15, is repealed. Repeals the laws directing CFL to recalculate tax rates due to the 2001 property tax changes.

(d) The following obsolete Minnesota Rules are repealed:

- ▶ 3500.0600 - teachers' duty free lunch
- ▶ 3520.0400 - transportation data reporting requirements
- ▶ 3520.1400 - regulations relating to equal transportation
- ▶ 3520.3300 - transportation of pupils with disabilities
- ▶ 3530.1500 - service for the blind and physically handicapped and institutions
- ▶ 3530.2700 - school lunch program
- ▶ 3530.4400 - civil defense; disaster plan

Section

- ▶ 3530.4500 - civil defense; planning coordinator in districts
- ▶ 3530.4700 - civil defense school building construction
- ▶ 3545.2100 - capital loan program; preapplication requirement
- ▶ 3545.2200 - capital loan program; review and comment
- ▶ 3545.2400 - capital loan program; approval recommendation by commissioner
- ▶ 3545.2500 - capital loan program; information required by commissioner
- ▶ 3545.2600 - capital loan program; denial recommendation by commissioner
- ▶ 3545.3008 - cooperative secondary facilities grants; receipt of application
- ▶ 3545.3010 - cooperative secondary facilities grants; maximum grant
- ▶ 3545.3018 - cooperative secondary facilities grants; approval of pilot projects
- ▶ 3545.3020 - cooperative secondary facilities grants; referendum; bond issue
- ▶ 3550.0100 - training an experience index

NOTE: These rules have been reported as obsolete in CFL's 2001 "Obsolete Rules Report" to the legislature.