

Subject K12 Finance Bill

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Overview

H.F. 5237 is the K12 education finance bill for the 2024 legislative session. This bill contains funding for a paid student teacher demonstration program, a student attendance pilot program and makes changes to, and provides additional funding, for the Read Act. The bill also provides a onetime funding increase for the Professional Educators Licensing and Standards Board (PELSB) for technology costs, and transfers a onetime appropriation for expanded voluntary prekindergarten (VPK) programming in fiscal year 2025 to the actual appropriations affected by the expansion of the VPK program. The bill creates a process to develop and implement a statewide health curriculum and makes other policy and technical changes to Minnesota's education code.

Article 1: General Education

This article creates a student attendance pilot project, establishes a student attendance truancy legislative study group, provides money for Promise Fellows to expand student connectivity and attendance, creates an English learner task force, and makes other adjustments to general education programs.

Section	Description - Article 1: General Education
1	Length of school year; hours of instruction. Removes an obsolete reference to certain kindergarten students.
2	Area learning center transportation aid. Clarifies that either a school district or a cooperative unit may provide reimbursable pupil transportation services for students attending area learning center (ALC) programming.

Section Description - Article 1: General Education

- 3 **School English learner revenue.**
Clarifies a cross reference. Defines “qualifying English learner services” for purposes of determining a district’s cross subsidy aid.
- 4 **Money appropriated. [Unemployment aid]**
Makes school district unemployment aid for summer employment for hourly workers payable to school districts on a 90 percent/10 percent basis as are most other school district aid payments (90 percent of the aid entitlement is paid during the current year and 10 percent of the aid is paid in the cleanup payments in the following fiscal year).
- 5 **Learning year pupil units.**
Removes an obsolete reference.
- 6 **Local optional revenue.**
Adjusts the equalizing factor for local optional revenue (LOR) for fiscal year 2025. The higher LOR equalizing factor lowers the LOR levy and increases LOR aid in an amount sufficient to cover the referendum market value levy costs of expanding the number of students served by the VPK program.
- 7 **Compensatory education revenue.**
Restores the separate calculation of compensatory revenue for the seven school districts participating in the compensatory revenue pilot program for fiscal year 2026 and later. Extends the compensatory revenue floor for fiscal years 2028 and later. Requires the commissioner of education to adjust each district’s compensatory revenue proportionately if there is space under the compensatory revenue floor.
- 8 **Statewide compensatory allowance.**
Modifies the calculation of compensatory revenue for fiscal year 2026 and later.
- 9 **Total operating capital revenue.**
Clarifies the calculation of the equalized portion of operating capital revenue.
- 10 **Operating capital levy.**
Increases the operating capital revenue equalizing factor for fiscal year 2025. This lowers the statewide operating capital levy by an amount equal to the increase in net tax capacity levies due to the expansion of the number of seats in the VPK program for fiscal year 2025.

Section Description - Article 1: General Education

- 11 Pupil transportation adjustment.**
Includes any transportation aid for reimbursement of students to and from an ALC in a school district's pupil transportation adjustment revenue calculations.
- 12 Statewide average revenue.**
Clarifies an errant statutory cross reference.
- 13 General education aid.**
Increases the general education aid appropriation by the amount necessary to cover the costs of the expansion of the VPK program by 5,200 seats.
- 14 One-room schoolhouse.**
Clarifies that the ongoing payments to the Warroad school district for the Angle Inlet school are state aid and not grants.
- 15 Basic skills revenue account transfers.**
Requires a school district to transfer any balance in the basic skills revenue account reserved for extended time programming to the restricted balance for all basic skills revenue amounts.
- 16 Task force on English learner programs.**
Establishes a task force to analyze how public schools use English learner (EL) revenue at the site level and the administrative level. Requires the task force to examine how microcredentials or other certifications may improve collaboration. Specifies task force members. Sets the duties for the task force. Requires the Department of Education to provide administrative support for the task force.
- 17 Student attendance pilot program.**
Creates a pilot program to demonstrate and model ways to improve student attendance. Names the nine participating school districts, including a lead district. Requires the districts to designate a lead staff person for the pilot project. Lists the strategies the participants may pursue. Requires periodic coordination of the pilot participants' activities. Requires reporting from the pilot program districts to the legislature of their activities and requires data to be reported on different rates of absenteeism.
- 18 Student attendance and truancy legislative study group.**
Establishes a student attendance and truancy legislative study group consisting of four House members and four Senators. Requires the study group to evaluate ways to increase student attendance and reduce truancy. Requires the group to review current laws, available attendance data, the effects of existing attendance programs, and the roles of school principals, the Minnesota Department of Education (MDE),

Section Description - Article 1: General Education

and county officials. Requires the group to examine how data is transferred when students move among counties.

Requires the Legislative Coordinating Committee to provide administrative and technical support for the study group. Requires MDE to provide data and information as needed. After consulting with stakeholders, requires the study group to prepare and submit a report to the legislature by December 31, 2024.

19 Appropriations.

Appropriates money in fiscal year 2025 as follows:

- \$3.334 million for aid payments to the nine school districts participating in the student attendance pilot program;
- \$1.5 million to the Minnesota Alliance with youth for the Promise Fellow program;
- \$64,000 for transfer to the Legislative Coordinating Commission for the student attendance and truancy legislative study group; and
- \$117,000 for the English learner program task force.

Article 2: Education Excellence

This article establishes statewide academic standards for health education. Modifies the P-TECH program. Allocates expanded VPK funding among the actual appropriations affected by the expansion of the program and makes technical and clarifying changes.

Section Description - Article 2: Education Excellence

1 Required standard. [Definitions]

Adds health to the list of content areas for which statewide standards are required but maintains local standards until the end of the 2026-2027 school year or statewide rules implementing state standards are effective, whichever is later.

2 Required academic standards. [Required academic standards]

Requires statewide standards in health education but maintains locally developed academic standards until the end of the 2026-2027 school year or statewide rules implementing state standards are effective, whichever is later.

Section Description - Article 2: Education Excellence

- 3 **Standards development. [Required academic standards]**
Adds health standards to statute relating the process for developing state academic standards. Adds current students to the list of groups from whom the commissioner must consider advice when developing standards.
- 4 **Rulemaking. [Required academic standards]**
Requires the commissioner to adopt statewide rules for implementing state standards in health education.
- 5 **Revisions and reviews required. [Required academic standards]**
Adds health standards to the statute requiring a ten-year cycle of review and revision for each set of standards. Requires health standards review to begin in the 2034-2035 school year.
- 6 **Graduation requirements. [Graduation requirements]**
Requires students to complete sufficient credits to satisfy the state health standards.
- 7 **Health education standards.**
Subd. 1. Statewide standards. Requires the commissioner to begin rulemaking to adopt statewide academic standards in health. Requires the rules to include the expectations listed in subdivision 2 and allows the rules to include the expectations in subdivision 3, in addition to other expectations identified through the standards development process.
Subd. 2. Required subject areas. Requires the commissioner to include specific expectations in the health standards; the listed expectations are currently required under other statutes, except for mental health education, which is currently encouraged.
Subd. 3. Other subject areas. Allows the commissioner to include listed expectations in the health standards; the listed expectations are currently allowed or encouraged under other statutes. Allows the commissioner to include other expectations identified through the standards development process.
- 8 **Application process. [P-TECH]**
Modifies the existing application process to apply to implementation (support) grants.
- 9 **Approval process. [P-TECH]**
Removes an obsolete reference.

Section Description - Article 2: Education Excellence

- 10 **P-TECH grants.**
Divides P-TECH funding into different types of grants, including support, start-up, and mentoring grants. Sets the maximum support grant at not more than \$500,000 per year per recipient. Allows a support grant to be awarded for not more than two years. Sets the maximum amount of the start-up grants at \$50,000 per grant. Creates mentorship and technical assistance grants not to exceed \$50,000 per grant. Allows MDE to retain five percent of the appropriation for grant administration and program oversight.
- 11 **Establishment and membership. [Minnesota Youth Council]**
Changes the student eligibility standards for members of the Minnesota Youth Council from students between the ages of 13 and 19 to students in grades 8 through 12.
- 12 **Achievement and integration aid.**
Modifies the appropriation for achievement and integration to accommodate the additional VPK seats in fiscal year 2025.
- 13 **Ethnic studies school grants.**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 14 **Full-service community schools.**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 15 **Nonexclusionary discipline. [Appropriation]**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 16 **P-TECH schools. [Appropriation]**
Adjusts the distribution and timing of the P-TECH appropriations. Awards the full amount of the fiscal year 2024 appropriation to Independent School District No. 535, Rochester. Awards \$500,000 of the fiscal year 2025 appropriation to Rochester. Makes clear the remaining money is for start-up and technical assistance grants.
- 17 **Appropriations.**
Appropriates the following:
- \$150,000 for civic education grants to the YMCA;
 - \$750,000 for the activities of the Minnesota Youth Council; and

Section Description - Article 2: Education Excellence

- \$627,000 to MDE for the health standards rulemaking process.

Article 3: The Read Act

This article modifies the deadlines for teachers to complete approved training, requires a third screening for students each year, modifies local literacy plan requirements, modifies uses of literacy incentive aid, requires PELSB to conduct an audit of teacher preparation programs, establishes a working group, appropriates additional funding for professional development and other Read Act uses, modifies the appropriations in the 2023 legislation, and makes other changes to the Read Act.

Section Description – Article 3: The Read Act

- 1 Title; the Read Act.**
Makes technical change to reflect renumbering of some statutes in the Read Act.
- 2 Certified trained facilitator. [Definitions]**
Defines “certified trained facilitator” as a person employed by a district or regional literacy network, who has completed particular training, and meets other requirements.
- 3 Literacy specialist. [Definitions]**
Strikes deadline for literacy specialist at the Department of Education or as a literacy lead by a district to complete approved training by August 30, 2025.
- 4 Oral language. [Definitions]**
Modifies definition of “oral language” to include sign language.
- 5 Literacy goal. [Read Act goal and interventions]**
Adds meeting grade level proficiency to legislature’s literacy goal. Strikes timeline for training requirements; the timeline is provided in section 120B.123, subdivision 5 (section 13 of this article).
- 6 Identification; report. [Read Act goal and interventions]**
Requires districts to screen students in kindergarten through third grade three times each school year.
- 7 Parent notification and involvement. [Read Act goal and interventions]**
Requires districts to administer approved screeners by February 15 each year in addition to other two times during the school year.

Section Description – Article 3: The Read Act

- 8 Intervention. [Read Act goal and interventions]**
Requires districts to use only evidence-based literacy interventions starting in the 2025-2026 school year.
- 9 Staff development. [Read Act goal and interventions]**
Modifies requirements for teacher and instructional staff training. Requires the literacy plan to identify professional development. Requires approved training for classroom teachers in early childhood programs.
- 10 Local literacy plan. [Read Act goal and interventions]**
Requires district literacy plan to include the plan and timeline for adopting approved curricula and materials, the number of teachers and other staff proposed for training, and how the district used funding under the Read Act. Requires commissioner’s summary of local literacy plans to include the number of teachers and other staff required to complete training. Requires the commissioner to submit updated reports by December 1, 2026, and December 1, 2027.
- 11 Approved screeners. [Read Act implementation]**
Requires districts to administer approved screeners to students in kindergarten through third grade three times each school year. Requires district staff, contracts, and volunteers to use only screeners approved by the department.
- 12 Progress monitoring. [Read Act implementation]**
Makes technical change to reflect renumbering of statutes.
- 13 Professional development. [Read Act implementation]**
Sets two phases for training to be completed. Phase one is for teachers and staff that must complete training by July 1, 2026, and phase two is for teachers who must complete training by July 1, 2027. Allows training provided by a department-approved certified trained facilitator to satisfy the professional development requirements. Lowers the number of hours of required instruction by 5.5 hours for the 2024-2025 school year only to allow teachers to receive training required under the Read Act, if the district and teachers’ collective bargaining representative enter into an agreement.
- 14 Department of Education. [Read Act implementation]**
Requires the department to partner with CAREI to approve literacy intervention models and post a list of the approved models; provide coaching and support to certified trained facilitators; collaborate with publishers of approved curriculum and intervention models on updating curriculum and materials to reflect students’

Section Description – Article 3: The Read Act

- cultural diversity and students with disabilities; and partner with the regional literacy networks to identify or develop training for paraprofessionals.
- 15 **Special revenue fund. [Read Act implementation]**
Establishes a Read Act program account in the special revenue fund for curriculum, training, and other programming necessary to implement the Read Act.
- 16 **Resources. [Read Act implementation partnership]**
Requires the department and CAREI to identify or develop training for volunteers, develop a coaching and mentorship program for certified trained facilitators, and identify at least 15 evidence-based literacy intervention models. Allows CAREI and the department to partner to approve literacy curriculum and supporting materials again starting in 2033.
- 17 **Reconsideration. [Read Act implementation partnership]**
Requires the department and CAREI to conduct a final review of previously submitted curriculum by March 3, 2025, to review curriculum that is available to districts at no cost. Requires the department and CAREI to provide districts an opportunity to seek reconsideration of literacy intervention models that were not approved.
- 18 **Training for volunteers. [Read Act implementation partnership]**
Requires the department and CAREI to identify or develop training for volunteers and other persons not employed by a district that provides Tier 2 intervention to students in Minnesota school districts on a regular basis by June 10, 2025.
- 19 **Minnesota reading corps program. [Reading and math corps]**
Requires reading corps to use evidence-based reading instruction and interventions focused on structured literacy, and provide training that meets or exceeds the requirements for volunteer training.
- 20 **Literacy incentive aid uses. [Literacy incentive aid]**
Expands uses of literacy incentive aid to include employing an intervention specialist, screeners, and stipends for teachers completing training required under the Read Act.
- 21 **Read Act curriculum and intervention materials reimbursement. [Appropriations in 2023 session law]**
Modifies distribution of 2024 appropriation for curriculum and intervention materials. Requires funding to be distributed as aid to districts, charter schools, and cooperatives at the greater of \$2,000 or \$39.91 times the number of students served. Requires districts, charter schools, and cooperatives to place the aid in a reserved

Section Description – Article 3: The Read Act

- account used to implement the requirements of the Read Act or for literacy incentive aid uses.
- 22 **Read Act professional development. [Appropriations in 2023 session law]**
Appropriates \$4 million for professional development in fiscal year 2025. Requires the department to develop a data collection system for the local literacy plans and student screening data. Allows funding to be used to provide training to fourth and fifth grade teachers and literacy professors from the Minnesota institutions of higher education. Requires unspent funds to be transferred to the Read Act account in the special revenue fund.
- 23 **PELSB reading audit report.**
Requires PELSB to conduct an audit that evaluates whether an approved teacher preparation program for candidates in a specified licensure area meets subject matter standards for reading. Requires PELSB to report its findings to the legislature.
- 24 **Read Act deaf, deafblind, and hard of hearing working group.**
Requires the commissioner to establish a working group to make recommendations on literacy training, screeners, and curriculum for students who cannot fully access sound-based approaches. Requires the working group to make recommendations for adapting curriculum, screeners, and training, and report to the legislature.
- 25 **Appropriations; supplemental Read Act funding.**
Appropriates \$33,225,000 to the Read Act account in the special revenue fund, and sets aside the following amounts:
- \$31,375,000 for districts, charter schools, and cooperatives allocated based on the number of teachers required to complete training;
 - \$1,000,000 for CAREI to collaborate with publishers of approved curriculum and intervention materials to improve materials’ cultural responsiveness;
 - \$500,000 for the department to develop training for paraprofessionals;
 - \$250,000 for the department to partner with CAREI to develop training for volunteers; and
 - \$100,000 for the deaf, deafblind, and hard of hearing working group.
- 26 **Revisor instruction.**
Instructs the revisor of statutes to renumber two statutes in the Read Act.

Article 4: American Indian Education

This article increases the length of time that a school district may carry forward American Indian education aid from six months to a full year.

Section	Description - Article 4: American Indian Education
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| 1 | <p>Carry forward of funds. [American Indian program aid]
Expands the carry-forward of American Indian program aid from six months to a full year.</p> |
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Article 5: Teachers

This article requires an evaluation of the standards necessary to qualify paraprofessionals, requires MDE to analyze and adjust the paraprofessional test scores, requires PELSB to modify its paraprofessional competency grid, and requires schools, for the 2024-2025 school year only, to reduce the minimum hours of training for all paraprofessionals from 8 to 6 hours and requires the schools to pay for paraprofessional test and training materials to help paraprofessionals to become fully qualified. Requires paid leave for school employees for school closures if the district or charter school counts the day as an instructional day. Modifies student support personnel aid. Allocates expanded VPK funding among the actual appropriations affected by the expansion of the program, expands the number of eligible participants in the special education teacher pipeline program, and makes technical and clarifying changes.

Section	Description - Article 5: Teachers
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| 1 | <p>Paraprofessional training.
Clarifies that cooperative units, the Perpich Center for Arts Education, and the Minnesota State Academies are subject to the paraprofessional training requirements. Requires schools to work with their paraprofessionals when developing the training programs.</p> <p>For the 2024-2025 school year only, reduces the annual required minimum hours of training for paraprofessionals from 8 to 6 hours. Requires schools to pay the fees for paraprofessional training and testing for the 2024-2025 school year.</p> <p>Creates a process for MDE and PELSB to work with interested parties to adjust the paraprofessional test cut scores and the paraprofessional competency grid.</p> |
| 2 | <p>Basic alternative teacher compensation aid. [QComp]
Increases the basic QComp aid by the amount necessary to adjust for the additional VPK pupils.</p> |

Section Description - Article 5: Teachers

- 3 **Revenue reserved. [QComp]**
Requires QComp revenue to be reserved and spent only for the purposes authorized in the QComp statute.
- 4 **Grow Your Own district programs.**
Authorizes the four Tribal contract schools to apply for a teacher preparation program grant.
- 5 **Grants for programs serving secondary school students. [Grow Your Own secondary student programs]**
Authorizes a Tribal contract school to apply for a grant under the Grow Your Own secondary student program. Allows grant funds to be used on scholarships to an institution that has an articulated transfer pathway with a board-approved teacher preparation program.
- 6 **Grant procedure. [Grow Your Own programs]**
Strikes obsolete language.
- 7 **Grant program established. [Special education teacher pipeline program]**
Authorizes a Tribal contract school to participate in the special education teacher pipeline program.
- 8 **Grant uses. [Special education teacher pipeline program]**
Expands the individuals who may participate in the special education teacher pipeline program to any school employee who demonstrates a willingness to be a special education teacher.
- 9 **Paid leave for school closures.**
Requires that when a scheduled instructional day is canceled for any or all of that school day, that all school employees must be paid their full wage for that day if the school day is counted as an instructional day for any student served by the school district or charter school.
- 10 **Student support personnel aid.**
Delays the impact of a fund balance penalty for school districts, charter schools, and cooperatives for fiscal year 2024 only. Limits future years' fund balances to no more than the previous year's student support personnel aid.
- 11 **Alternative teacher compensation aid. [Appropriation]**
Increases the alternative teacher compensation aid to include the amounts necessary to cover the expansion of VPK students for fiscal year 2025.

Section Description - Article 5: Teachers

- 12 **Closing education opportunity gap grants. [Appropriation]**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 13 **Grow Your Own pathways to teacher licensure grants.**
Authorizes the commissioner to allow a grant recipient to modify its program to align with statutory changes (expanding eligible members).
- 14 **Special education teacher pipeline. [Appropriation]**
Authorizes the commissioner to allow a grant recipient to modify its program to align with statutory changes (expanding eligible members).
- 15 **Statewide teacher mentoring program. [Appropriation]**
Expands the individuals who may participate in the teacher mentoring program to include Tier 2 (as well as Tier 1) special education teachers.
- 16 **Student support personnel workforce pipeline. [Appropriation]**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 17 **Teacher residency program. [Appropriation]**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 18 **Collaborative urban and greater Minnesota educators of color grants.**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 19 **Mentoring, induction, and retention incentive program grants for teachers of color.**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 20 **Pathway preparation grants.**
Authorizes pathway preparation grants to be used to help Tier 1 teachers (as well as Tier 2 teachers) to qualify for Tier 3 or Tier 4 teaching licenses.
- 21 **Student teacher stipend pilot program.**
Creates a student teaching stipend pilot program. Lists the seven public postsecondary institutions qualifying for funding. Requires each qualifying postsecondary institution to provide a stipend to each student teacher placed in a Minnesota public school for a 12-week student teaching experience.

Section Description - Article 5: Teachers

Excludes the income from the stipend from the recipients' definition of income for purposes of eligibility for certain income assistance programs.

Requires PELSB to develop and administer a survey of student teachers participating in the stipend program and interview a representative sample. Requires PELSB to issue a preliminary report to the legislature by February 1, 2025, and a final report by July 1, 2025, summarizing quantitative and qualitative information about the stipend program.

22 Paraprofessional qualifications examined.

Requires MDE and PELSB, in consultation with school administrators and groups representing paraprofessionals, to examine and revise the test cut scores and competency grid used to qualify paraprofessionals. Requires the new cut scores and a revised competency grid to be implemented by September 1, 2024. Requires MDE and PELSB to post this information on their websites and notify schools of the new standards.

23 Appropriations; MDE.

Appropriates a onetime grant of \$1,030,000 in fiscal year 2025 from the general fund to the Department of Education for grants to the four intermediate school districts for their special education registered apprenticeship program. Allows the grant proceeds to be used for:

- program oversight;
- stipends, tuition, fees, and program costs incurred by the apprentices;
- stipends for mentor teachers; and
- the cost of substitute teachers.

24 Appropriations; PELSB.

Appropriates \$7,000,000 for paid student teacher pilot program grants for student teachers from specified teacher preparation program providers.

Article 6: Charter Schools

This article makes clarifying changes to the charter school building lease aid program and increases the charter school building lease aid to accommodate the additional VPK seats.

Section Description - Article 6: Charter Schools

- 1 Leased space. [Charter schools]**
Clarifies that the commissioner approves or disapproves a lease aid application, not the lease itself.
- 2 Building lease aid. [Charter schools]**
Makes clear the commissioner may request additional information about a building lease before approving or disapproving a lease aid application.
- 3 Charter school building lease aid.**
Modifies the appropriation for charter school building lease aid to accommodate the additional VPK seats in fiscal year 2025.

Article 7: Special Education

This article modifies the process for MDE to approve each school district's adults with disabilities program. Adjusts the special education aid appropriation to accommodate the increased number of VPK students.

Section Description - Article 7: Special Education

- 1 Program approval. [Adults with disabilities program]**
Simplifies the adults with disabilities program approval process. Eliminates a standalone approval process. Requires each school district to describe its program in its annual community education plan submitted to the Department of Education. Requires the local community education advisory council to evaluate their adults with disabilities program at least once every five years.
- 2 Special education services. [Medical assistance third-party billing]**
Clarifies the 2023 law authorizing certain school social worker services to be included in third-party billing to the state's medical assistance program.
- 3 Psychotherapy for crisis. [Medical assistance third-party billing]**
Defines "psychotherapy for crisis" as a treatment of client to reduce the client's crisis through immediate assessment and psychotherapeutic interventions, including emergency assessment of the crisis situation, mental status exam, psychotherapeutic interventions to reduce the crisis, and development of a post-crisis plan.

Includes psychotherapy for crisis as eligible for medical assistance when the recipient is in need of an immediate response due to specific mental illness symptoms.

Section Description - Article 7: Special Education

- 4 Special education; regular. [Appropriation]**
Increases the regular special education aid appropriation to include the amounts necessary to cover the expansion of VPK students for fiscal year 2025.
- 5 Special education funding recommendations.**
Requires the commissioner to contract with an external consultant to review special education delivery and costs and recommend changes to reduce costs. Requires the consultant to consult with stakeholders and report recommendations to the commissioner. Requires the commissioner to submit the consultant's report to the legislature by January 5, 2025.
- 6 Appropriation.**
Appropriates in fiscal year 2025:
 - \$440,000 for the special education funding report required under section 4.

Article 8: School Facilities

This article adjusts the long-term facilities maintenance (LTFM) aid appropriation to accommodate the increased number of VPK students. Clarifies language.

Section Description - Article 8: School Facilities

- 1 Grants for gender-neutral single-user restrooms.**
Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.
- 2 Long-term facilities maintenance equalized aid. [Appropriation]**
Increases the LTFM aid appropriation to include the amounts necessary to cover the expansion of VPK students for fiscal year 2025.

Article 9: School Nutrition and Libraries

This article expands uses of the school food service fund, allocates expanded VPK funding among the actual appropriations affected by the expansion of the VPK program, and makes other changes.

Section Description - Article 9: School Nutrition and Libraries

- 1 School food service fund.**
Authorizes a school district with a three-year surplus in its school food service fund to charge the costs of lunchroom furniture (tables and chairs) to its food service fund instead of recording the costs as general fund expenditures.
- 2 Payment percentage for certain aids. [Nutrition programs]**
Makes a technical adjustment to the 100 percent payment percentage for school nutrition aid by moving this requirement from Minnesota Statutes, section 127A.45, subdivision 12, to subdivision 14a (there is no practical effect to this change).
- 3 Aid payment percentage. [Nutrition programs]**
Clarifies a statutory cross reference.
- 4 State nutrition programs.**
Clarifies a statutory cross reference.
- 5 School lunch. [Appropriation]**
Increases the school lunch appropriation to include the amounts necessary to cover the expansion of VPK students for fiscal year 2025.
- 6 School breakfast. [Appropriation]**
Increases the school breakfast appropriation to include the amounts necessary to cover the expansion of VPK students for fiscal year 2025.

Article 10: Early Childhood Education

This article applies the funding appropriated in the 2023 legislative session for additional fiscal year 2025 VPK program seats to the specific statutory appropriations in earlier articles, adds the added VPK pupil count to statute, and repeals the onetime fiscal year 2025 line item appropriation for added VPK seats. The article also directs the Department of Education to make prospective, rather than retrospective, early learning scholarship payments to early care and learning providers, requires that the department create and implement new infrastructure technology systems for the scholarship program, and sets aside two percent of the state's Head Start appropriation for fiscal year 2025 for administrative purposes.

Section Description - Article 10: Early Childhood Education

1 Participation limits. [VPK]

Increases the statutory number of students that may participate in the VPK program in fiscal year 2025 (the 2024-2025 school year) from 7,160 participants to 12,360 participants (the level currently in statute for fiscal year 2026 and later).

2 Administration. [Early learning scholarships]

Beginning January 1, 2026:

- directs the commissioner to make scholarship payments to early care and learning programs prior to or at the beginning of the delivery of services, rather than after services have been provided; and
- directs the commissioner to implement a process for transferring scholarship awards between programs when initiated by a scholarship recipient.

Requires that the department have information technology systems in place that support specified functions by January 1, 2026. Directs the department to consider integration with the great start scholarships program when creating the information technology systems.

3 Early learning scholarship account.

Removes the caps on the amounts of scholarship funds that the commissioner may use to create and maintain information technology systems for the program. Directs the commissioner to annually report to the legislature on the use of scholarship funds for any activities other than providing scholarships to children.

4 Head Start program. [Appropriation]

Allows MDE to use up to two percent of the fiscal year 2025 state appropriation for Head Start for program administration.

5 Early childhood curriculum grants. [Appropriation]

Clarifies that any balance in the fiscal year 2024 appropriation carries forward into fiscal year 2025.

6 Repealer. [Onetime VPK money]

Repeals the onetime line item appropriation for VPK as the amounts necessary to expand the program are added to each of the appropriations affected by enhanced VPK program participation.

Article 11: State Agencies

This article provides additional funding for the Professional Educator Licensing and Standards Board (PELSB) for information technology costs.

Section Description - Article 11: State Agencies

- 1 Professional Educator Licensing and Standards Board (PELSB). [Appropriation]**
Appropriates an additional \$2,767,000 to PELSB for information technology costs. Makes the appropriation onetime and allows the appropriation to be spent over three years.



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