Overview

Contains the governor's recommendations on families and early childhood education and kindergarten through grade 12 education.

Section

Article 1

General Education

(p. 2)

1. **Nonpublic pupil transportation aid.** Clarifies the calculation of nonpublic pupil transportation aid.

2. **Learning year pupil units.** Adjusts the computation of learning year pupil units to reflect the lengthening of the regular school year by the three additional days adopted by the 1997 Legislature.

3. **General education revenue.** Includes class size reduction revenue in the definition of general education revenue.

4. **Basic revenue.** Increases the funding for prekindergarten disabled students. Increases the basic formula allowance by $88 per pupil for fiscal year 2000 and by an additional $94 per pupil unit.

5. **Basic skills revenue.** Simplifies the calculation of assurance of mastery revenue.

6. **Class size reduction revenue.** Creates additional funding for class size reduction. Sets the funding equal to $370 per pupil for children in grades 1 to 3 and $185 per kindergarten pupil.

7. **Class size reduction and learning and development revenue.** Integrates the proposed and current class size reduction programs. Tightens the definition of classroom teacher and "class size." Requires school district to submit a class size reduction plan to the commissioner of children, families and learning. Defines the content of the plan. Authorizes a waiver to school
districts that face exceptional circumstances. Requires districts that receive class size reduction revenue to submit an annual report to the commissioner.

8 **General education levy.** Clarifies the definition of the general education levy.

9 **Basic skills revenue.** Reserves all of basic skills revenue, not just compensatory revenue. Continues to have the school site decision team recommend how to spend compensatory revenue.

10 **Referendum equalization revenue.** Increases the portion of the operating referendum subject to equalization from $350 per pupil unit in fiscal year 2000, to $415 per pupil unit in fiscal year 2001, $455 per pupil unit in fiscal year 2002 and $465 per pupil unit in fiscal years 2003 and later.

11 **Aid payments definitions.** Simplifies a portion of the calculation of the annual aid payments to school districts.

12 **Alternative attendance programs.** Adds the equalized portion of referendum revenue to the amount of general education aid that is transferred when a student enrolls under an alternative attendance program.

13 **Charter schools.** Adds the equalized portion of referendum revenue to the amount of general education revenue that is paid to a charter school based on the student's resident district characteristics.

14 **Learning year pupil unit repealer.** Repeals the repealer of the learning year pupil unit.

15 **General education revenue repealer.** Delays the repeal of the general education revenue program by one year.

16 **Appropriations.** See attache fiscal worksheet.

17 **Repealer.** Repeals the following:
   
   (a) July 1, 1999
   student transportation (123B.89);
   school bus safety training (123B.90);
   school bus safety responsibilities (123B.91);
   transportation aid entitlement (123B.92, subds. 6, 7, 8 and 10);
   appropriations transfers 9127A.41, subds. 8 and 9).
   (Laws 1997, First Special Session chapter 4, article 1, section 62, subdivision 5)

   (b) For fiscal year 2000
   historic building aid (123B.64, subd. 4);
   transportation safety aid (123B.92, subd. 4).

   (c) For fiscal year 2001
   historic building revenue (123B.64, subds. 1, 2 and 3).

   **Article 2**

   **Special Programs**

   *(p. 18)*

1 **Reserve revenue.** Clarifies the amount of revenue that a school district must reserve for its pupils that attend an area learning center.

2 **Secondary vocational aid.** Reduces the secondary vocational aid from $80 to $42 times the district's 10th through 12th grade enrollment for fiscal year 2000 and then eliminates the aid for
following fiscal years.

3 **Secondary vocational aid guarantee.** Cuts the secondary vocational aid guarantee from 95 percent to 50 percent of the previous year's aid.

4 **State total school-to-work program disabled revenue.** Adjusts the statewide revenue targets for the school-to-work program.

5 **State total LEP revenue.** Increases the state total LEP revenue amounts from $14.629 million in fiscal year 2000 to $27.454 million and the fiscal year 2001 from $16.092 million to $31.752 million.

6 **Alternative attendance programs.** Authorizes integration aid to follow students to charter schools. Makes an adjustment to the amount of the aid reduction to the resident school district to reflect the resident school district's former level of desegregation transportation revenue.

7 **Special education definitions.** Eliminates an obsolete cross reference. Adds a 2 percent growth factor.

8 **State total special education aid.** Increases the state total amount of special education aid for fiscal year 2000 from $358,542,000 to $463,000,000 and for fiscal year 2001 from $435,322,000 to $474,000,000.

9 **Special education excess cost definitions.** Adds a growth limit to special education excess cost revenue. Sets the growth factor at 1.044 for fiscal year 2002 and 1.02 for fiscal years 2003 and later.

10 **Excess cost aid; fiscal years 2000 and 2001.** Lowers a district's out-of-pocket unreimbursed special ed costs before the excess cost formula applies from 5.7 percent of the formula allowance (roughly $200 per pupil unit) to 4.36 percent of the formula allowance ($165 per pupil unit).

11 **Initial excess cost aid.** Defines an initial excess cost aid equal to 70% of the unreimbursed special education costs in excess of 4.36% of the formula allowance ($165 per pupil unit), or for districts with fast growing special education costs, 70% of the increase in the special costs over 1.6% of the formula allowance ($60 per pupil units).

12 **State total special education excess costs.** Sets the statewide total amount of special education excess costs equal to the product of the program growth factor times the preceding year’s excess cost revenue times the statewide change in enrollment.

13 **District special education excess cost aid.** Limits a school district's special education excess cost aid to its initial aid amount times the statewide proration factor, if any.

14 **Appropriations.** See attached fiscal worksheet.

15 **Repealer.** Repeals the following:

- American sign language/English interpreter requirements and reimbursement for interpreter services (122A.31);
- 1998 LEP aid (124D.65, subd. 3);
- additional revenue for homeless students who are eligible to participate in the graduation incentives program (124D.70);
- procedures for districts to make decisions involving identification, assessment, and educational placement of disabled children (125A.09);
- calculation for determining a district's special education aid for FY 1996 and later (125A.76, subd. 6);
- FY 1999 special education levy equalization revenue (125A.77);
- special education excess cost aid for FY 1996 and later (125A.79, subd. 3);
options plus pilot program (Laws 1995, First Special Session ch. 3, art. 3, sec. 11);
Mexican origin education grants (Laws 1997, First Special Session ch. 4, art. 2, sec. 51, subd. 10);
in-school behavior intervention grants (Laws 1998, ch 398, art. 2, sec. 57).

Article 3

Lifework Development

(p. 30)

1 Appropriations. See attached fiscal worksheet.
2 Repealer. Repeals the following:
   payment of state aid for secondary vocational education programs (124D.453, subd. 1);
   work study grants (136A.233).

Article 4

Facilities and Technology

(p. 31)

1 Continuing disclosure agreements. Authorizes the commissioner of finance to enter into
   agreements requiring continuing disclosure of information necessary to further the issuance of
   certain debt obligations in accordance with federal securities laws.
2 Grant application process. Authorizes the school district members of interdistrict
   desegregation magnet schools to enter into long-term lease agreements.
3 Appropriations. See attached fiscal worksheet.

Article 5

Education Excellence

(p. 35)

1 General education revenue. Authorizes the equalized portion of referendum revenue to follow
   students to charter schools.
2 Charter school aid, grants revenue. Clarifies the aid payment schedule for charter schools.
3 Payment of aids to charter schools. Sets an aid payment schedule for charter schools. Makes
   23 equal payments to charter schools. Authorizes a different payment schedule for a charter
   school in its first year of operation, paying 10% of the aid in the first payment.
4 Extended instruction program grants. Creates a new grant program for additional basic skills
   instruction provided through extended day, year or week program. Sets the revenue equal to the
   general education revenue amount times the ratio of the extra hours of instruction to 952 hours
   for elementary students and to 1038 hours for secondary students.
5 Software development. Clarifies the role of the department of children, families and learning in
   approving software systems used by school districts and charter schools.
6 Appropriations. See attached fiscal worksheet.
7 Repealer. Repeals the following:
   the school enrichment partnership program encouraging districts to participate with the
   private sector in delivering academic programs using a 1:2, public to private match.
Article 6

Other Programs

(p. 41)

1 Reports to superintendents. Requires a home school instructor to provide the district superintendent with information about the birth date, instead of the age, of each child receiving instruction.

2 English as a second language (ESL). Allows a person with a BA or MA in ESL or a related degree to teach ESL in an adult basic education program. Requires such teachers to meet continuing education requirements under the board of teaching continuing education rule.

3 District board adoption of proposed plat. Clarifies the consolidation process when a school board is unable to obtain a majority of members to accept or reject a plat and plan. Authorizes a vote upon petition of 20% of the residents in order to adopt or reject a plat and plan when the board is unable to make a decision.

4 Abatement levy. Reduces the number of years that an abatement levy can be spread from 3 years to 2 years, unless the district receives approval from the commissioner to spread the abatement levy over 3 years.

5 Board of directors. Removes a reference to the state board of education from the establishment of the board of the Minnesota academic excellence foundation (MAEF).

6 Contracts Changes MAEF's contract approval process to mirror that of the department of children instead of the state board of education.

7 Foundation staff. Changes the appointment process for MAEF from the state board of education to the department of children, families and learning.

8 Appropriations. See attached fiscal worksheet.

9 Repealer. Repeals the following:
   the citation to the Minnesota Family Connections Act (124D.24);
   the purpose of the Minnesota Family Connections Act (124D.25);
   the improved learning program under the Minnesota Family Connections Act (124D.26);
   the advisory council in a district providing a family connections program (124D.27);
   family connections program components (124D.28);
   the career teacher component of a family connections program (124D.29);
   family connections aid (124D.30).

Article 7

Nutrition Programs

(p. 45)

1 Fast break to learning grants.
   Subd. 1. Establishment. Establishes a grant program to ensure that all school children eat breakfast each school day.
   Subd. 2. Eligibility. Requires an applicant to be a public elementary school that participates in the federal school breakfast and lunch programs. Gives first priority to schools where at least 33
percent of school lunches served during the preceding school year were provided free or at a reduced price.

**Subd. 3. Application process.** Requires an applicant to apply to the CFL commissioner, describing how the applicant will encourage all children to participate in the program and provide a 1:3 local to state funding match that the applicant raises by charging students ineligible for free and reduced price meals a maximum of the actual cost the applicant incurs in providing breakfast based on students' ability to pay.

**Subd. 4. Grant awards.** Directs the commissioner to award grants to 41 existing grant recipients and then to recipients according to need for providing children with breakfast every school day. Directs the commissioner to determine the grant amount using average statewide statistics and individual school statistics adjusted for other state and federal reimbursements.

**Subd. 5. Expiration.** Causes the section to expire June 30, 2004.

2 **Appropriations.** See attached fiscal summary.

3 **Repealer.** Repeals the following:
   - revolving funds to pay for storage and handling charges that school lunch recipients incur and for commodity processing and related charges recipients of USDA donated commodities incur (124D.112).

Article 8

**Libraries**

(p. 48)

1 **Appropriations.** See attached fiscal worksheet.

2 **Repealer.** Repeals the following:
   - the librarians of color program (134.155);
   - the requirement that the school-to-work student organization foundation board review and approve board contracts, which are subject to the same review and approval procedures as state board of education contracts (Laws 1997, First Special Session ch. 4, art. 3, sec. 5.);
   - library appropriations (Laws 1997, First Special Session ch. 4, art. 8, sec. 5.).

Article 9

**Children and Family Support Programs**

(p. 49)

1 **General; data privacy.** Adds child care assistance programs and the department of children, families and learning to existing exceptions to the data privacy act. Data to administer programs can be disclosed between named departments.

2 **Applicant.** Technical changes to definition of applicant in the child care assistance programs. Caretaker is changed to caregiver in sections 2 and 3.

3 **Family.** Changes the definition of family in the child care assistance program by including specified adults who are temporarily absent from the household. Eliminates the definition of dependent adult family member.

4 **Income.** Technical changes to the definition of income in the child care assistance programs. Adds foster care assistance and child care assistance to the exclusions from income.
Provider. Technical changes to the definition of provider in the child care assistance programs. Day care is replaced with child care, legal nonlicensed is replaced with license exempt, and AFDC is replaced with Minnesota family investment program. Specifies that a provider cannot be a member of the family receiving child care assistance.

Minnesota family investment program. Substitutes the definition of Minnesota family investment program for AFDC in the child care assistance program. The substitution of MFIP for MFIP-S or AFDC also occurs in sections 7, 11, 12, 15, 16, 17, 19, 20, 21, 26, and 27.

Transition year families. Technical change substituting Minnesota family investment program for AFDC.

Child care fund. Adds job search to the eligible uses of the child care fund and makes technical change.

Child care services. Technical change.

Supervision of counties. Authorizes the commissioner of children, families and learning to supervise and distribute money to counties that administer child care programs. The commissioner is required to provide training and support services for the counties and adopt rules, under chapter 14, to establish minimum standards for child care services.

Eligible recipients. Technical change.

Funding priority. Technical change.

Portability pool. Technical change.

Commissioner to administer program. Technical change.

Eligible recipients. Eliminates obsolete program references and makes technical changes.

At-home infant child care program. Specifies that receipt of child care assistance does not establish an employer-employee relationship between the county or state and a member of the assisted family. Also makes clarifying and technical changes.

Use of money. Eliminates a second year of assistance for students that is contingent on successful completion of the first year. Makes technical changes.

Child care fund plan. Technical and clarifying changes.

General eligibility requirements for all applicants for child care assistance. Clarifies that recipients of child care assistance must cooperate with child support enforcement for all children in the family. Makes technical changes.

Priorities; allocation. Technical change.

Provider choice. Adds immunization and health and safety requirements for legally unlicensed providers who receive a subsidy from the child care assistance programs. Unlicensed providers must register with the county. Parents are required to sign a release acknowledging their responsibility to choose legal care and to allow the name of the provider to be transferred to the child care resource and referral agency.

Children in registered care are required to have age appropriate immunizations or a schedule to complete immunization within 90 days of the start of subsidized care. The immunization records must be given to the registered provider who must make them available to the county upon request.

Registered providers and parents must comply with state and local health ordinances, building and fire code provisions. Counties must identify any additional requirements for registered providers in its child care fund allocation plan. A county that has identified criminal background checks or FBI record checks as an additional requirement may request a criminal history check from the appropriate agency. With reasonable cause, a county may require an unlicensed
provider to submit fingerprints. Reasonable cause includes information from the bureau of criminal apprehension that the subject is a multistate offender or the multistate offender status is unclear, or a report that the subject has a criminal history outside of Minnesota.

Counties cannot deny a subsidy to a licensed child care provider.

22 **Eligibility for assistance.** Technical change.

23 **Assistance for person seeking and retaining employment.** Reduces the 20 hour minimum work requirement to be eligible for child care to 10 hours for full-time students. Also makes technical changes.

24 **Parent fee.** Removes the prohibition against lowering parent fees after the initial determination of eligibility with the addition of family members.

25 **Child care rates.** Eliminates the definition of *accredited* for the payment of a ten percent bonus for providers participating in the child care assistance programs. The commissioner retains the authority to approve credentials for the accreditation bonus. Authorizes both parents or providers to bill the county for child care assistance depending on the counties choice of payee. Also makes technical and clarifying changes.

26 **Extension of employment opportunities.** Technical change.

27 **Administrative expenses.** Technical change.

28 **Insurance; family service collaboratives.** Authorizes the commissioner of children, families and learning to designate a single collaborative to act as the lead in obtaining liability insurance coverage.

29 **School-age care programs.** Authorizes school districts without board sponsored school-age care programs to allow appropriate, insured groups to use school facilities for school-age care programs. Adds a requirement that school-age care programs must have access to school facilities if the facilities are not in use. A school district may establish reasonable rules for the use of school facilities, including a requirement for a schedule of use, proof of adequate insurance, and a plan to ensure adequate training of staff to supervise the use.

School districts are encouraged to coordinate school-age care programs with other education programs, instruction and services provided by the district and other government and nonprofit agencies.

*Extended day* is changed to *school-age care* in this section and in section 30.

30 **School-age care revenue.** Technical change.

31 **Municipality.** Clarifies that a collaborative must have a plan approved by the children’s cabinet as a condition of being defined as a municipality.

32 **Appropriations.** Makes general fund appropriations to the department of children, families and learning for learning readiness revenue, early childhood family education aid, health and developmental screening aid, way to grow grants, head start, extended day aid, basic sliding fee child care, MFIP child care, and child care development. See spreadsheet for appropriations.

33 **Federal TANF transfers.** Transfers TANF funds to the basic sliding fee program. See spreadsheet.

34 **Repealer.** Repeals sections:

- 119B.01, subdivision 12a, the definition of MFIP-S in the child care assistance program;
- 119B.03, subdivision 7, the temporary allocation of funds to counties for child care assistance;
- 119B.05, subdivision 6, the expired Access child care program;
- 119B.075 the reserve account in the general fund for child care funds;
Article 10

Community and Systems Change

(p. 79)

1 Appropriations. Makes general fund appropriations to the department of children, families and learning for family collaboratives, community education aid, adults with disabilities program aid, and hearing-impaired adults. See spreadsheet.

Article 11

Prevention and Intervention

(p. 80)

1 Appropriations. Makes general fund appropriations to the department of children, families and learning for violence prevention education grants, abused children, children's trust fund, after school enrichment grants ($200,000 is for armories for youth recreational and enrichment activities), and alcohol-impaired driver (from the special revenue fund). See spreadsheet.

2 Repealer. Repeals section 124D.14 additional early childhood family education (ECFE) revenue used for in-service education.

Article 12

Self-sufficiency and Lifelong Learning

(p. 81)

1 Software safe fund. Requires proceeds to be credited to the weatherization program from the sale or licensing of software products or services developed by or for the department of children, families and learning to support the Achieved Savings Assessment Program.

2 ABE Aid. Converts the adult basic education aid formula from 65 percent of the general education formula for each full time equivalent student to a fixed dollar amount multiplied by the number of full time equivalent students. The amount is $2,295 for fiscal year 2000 and $2,338 for fiscal year 2001. The FY2000 amount is equal to 65% of the FY99 general education formula of $3,530. The FY2001 amount is a 1.8 percent increase or approximately equal to 65% of a general education formula of $3,597.

3 Appropriations. Makes general fund appropriations to the department of children, families and learning for Minnesota economic opportunity grants, transitional housing programs, food bank program, adult basic education aid, adult graduation aid, and GED tests.

4 Repealer. Repeals section 119A.46, the lead abatement program that provides grants to develop swab team services.

Article 13

State Agencies

(p. 84)
Abolishment; establishment; purpose; and goals.

**Subd. 1. Abolishment.** Transfer children, families and learning employees to the department of education, children and families.

**Subd. 2. Establishment.** Establishes a department of education, children, and families instead of a department of children, families and learning.

**Subd. 3. Purpose.** Realizes the purpose of the department by adopting goals for and exercising general supervision over a general and uniform system of public education as provided in the state constitution and according to the education code and related law.

Transfer of programs. Transfers department powers and duties related to drug policy and violence prevention to the department of public safety.

Exemption to Labor Day school start restriction. Allows the Lola and Rudy Perpich Minnesota center for arts education to begin the 1999-2000 and 2000-2001 school years any day before Labor Day.

Appropriations. See attached fiscal worksheet.

Riders include:

Appropriations: Perpich center for arts education. See attached fiscal worksheet.

Riders include:

Appropriations: Faribault academies. See attached fiscal worksheet.

Rider include:

Revisor instruction. Directs the revisor to change all references from the commissioner of the department of children, families and learning to the commissioner of the department of education, children, and families.

Repealer. Repeals the following:

transfer of the drug policy and violence prevention program from the department of public safety to the department of children, families and learning (119A.04, subd. 5).