Overview

House File 3585 provides a series of increases in school funding formulas. Formula increases include special education aid, LEP aid, full-day kindergarten, charter school and nonpublic pupil transportation aid, and restoration of aid for secondary vocational programs. Other provisions include covering school district employees in the group plan for state employees, authorizing larger earnings for retired teachers before being subject to an annuity reduction, averaging the sales ratio, and broadening the uses of the crime levy.

Section

1 Teacher residency program. Increases the salary a school district must pay a teacher participating in the state's teacher residency program from 75% to 90% of the salary for a first-year teacher in the district.

2 Nonpublic pupil transportation aid. Reimburses a school district for the cost of transporting nonpublic pupils using the expenses associated with transporting those students (current law bases the reimbursement on the district's average transportation expenses for both public and nonpublic students).

3 Charter school transportation aid. Creates a categorical aid for charter school pupil transportation. Under current law, a charter may choose either to transport its own students and keep the full general education formula allowance, or request the district where the charter school is located to provide the transportation service and lose $170 per pupil unit in general education revenue.

4 Qualifying school site. Extends the full-day kindergarten program to all school sites where the percentage of free and reduced children is above the regional average in each of the four full-day kindergarten regions.

5 Career and technical aid. Eliminates the repeal of secondary vocational aid. Continues the aid at the lesser of $73 per pupil in grades 10 to 12 or 25% of the district's approved expenditures
Grant application process. Eliminates the ambiguity associated with the metropolitan magnet school facility grants (it is unclear whether the dollar limit applies to each grant or to the total grants provided to for a single school facility) by eliminating any specific dollar reference to a maximum dollar amount.

Allocation of health and safety costs. Allows a metropolitan magnet school to adopt a health and safety plan. Authorizes the magnet school to allocate its health and safety costs back to its member districts. Allows a member district to include these costs in either its health and safety revenue or its alternative facilities revenue.

Definitions. Increases the program growth factor for special education revenue from 1.2% per year to 10% per year.

Special education base revenue. Increases the amount of a school district's special education base revenue by increasing the eligible expense from 68% of the salary to 80% of the salary of each essential person providing special education services.

Definitions. Defines "aid percentage factor" to mean 80% of a district's unreimbursed special education costs in FY 2001, and 90% in FY 2002.

Excess cost aid. Increases special education excess cost aid by expanding the percentage of unreimbursed costs using the aid percentage factor established in section 11.

Adjusted pupil units. Modifies the calculation of adjusted marginal cost pupil units by including the district's count of resident pupil units attending charter school in the minuend of the equation.

LEP pupil units. Allows the LEP concentration percentage to exceed 1.0.

Open and standing appropriation. Adds integration aid to the general education revenue open and standing appropriation.

School employee and insurance and benefits. Makes all school district employees eligible to participate in the group plan for state paid insurance and benefits beginning July 1, 2000. Requires the coverage and allocation of premiums to be the same as for state employees who are covered by the plan. Requires the employer's share of the premiums to be paid by the state.

Crime-related costs levy. Broadens the eligible uses of the crime levy to include any expenses designed to improve student or staff personal safety.

Sales ratio computation. Dampens swings in the year-to-year level of the sales ratio by making the sales ratio a moving average of the past three years' ratio.

No election. Extends and increases the authority for the Minneapolis school district to sell and issue bonds without voter approval. Authorizes the district to sell up to $15 million per year for calendar years 2004 to 2008.

Resumption of teaching after retirement. Doubles the amount of annual maximum earnings that a retired teacher may earn teaching before that teacher is subject to a reduction in annuity payments.


Teaching and learning program. Increases the appropriation to the board of teaching to pay for professional development activities for teacher residents.

Repealer. Repeals the statewide revenue cap on special education excess cost aid. Repeals the repeal of the secondary vocational aid program.

Effective date. Makes sections 6, 19, 20, and 21 paragraph (b) effective the day following final