Overview

Article 1 corrects technical errors and omissions in the 1999 Health and Human Services Omnibus Appropriations bill. Article 2 corrects errors made in the 1999 Omnibus Education Finance bill. The errors were brought to the attention of the executive branch by a letter from the chairs of the K-12 education funding committees.

Section

Article 1

Department of Human Services

1 **Obligation to pay.** Amends § 125A.21, subd. 1. (This provision was adopted by the conference committee on the health and human services omnibus bill but did not appear in the act.) Requires school districts to pay the nonfederal share of MA services. Specifies that expenditures must not be made from federal funds or funds used to match federal funds, and that federal disallowances are the responsibility of the school district.

2 **ICF/MR rate increases beginning October 1, 1999, and October 1, 2000.** Amends § 256B.501, by adding subd. 13. (This provision was adopted and funded by the conference committee but did not appear in the act.) Provides ICF/MR rate increases as follows:
   
   for the rate year beginning October 1, 1999, requires the commissioner to make available a 3.6 percent rate increase for compensation costs and a 2 percent increase for all other operating costs.
   
   for the rate year beginning October 1, 2000, requires the commissioner to make available a 3.6 percent rate increase for compensation related costs and a 2 percent increase for all other operating costs.

3 **Capitation payment.** Amends § 256B.77, subd. 10. Corrects a typographical error in the risk-sharing percentage for the demonstration project for persons with disabilities.
Amends Laws 1999, chapter 245, article 1, section 3, subd. 2. (This rider was adopted and funded by the conference committee but did not appear in the act.) Provides $150,000 in FY 2000 and $150,000 in FY 2001 to the commissioner of health for administrative costs in implementing medical education and medical research provisions.

Amends Laws 1999, chapter 245, article 4, section 121. This section corrects effective dates, to conform to decisions made by the conference committee. Provides an effective date of July 1, 2000 for sections related to school district reimbursement for the federal share of special education services (section 4) and retroactive MinnesotaCare coverage for persons terminated from MA or GAMC (section 95), and that portion of section 97 which provides retroactive MinnesotaCare enrollment for persons disenrolled for nonpayment of premiums.

Effective date. Provides that section 1 is effective July 1, 2000, and sections 2 to 4 are effective retroactive to July 1, 1999.

Article 2
Education Code: Prekindergarten-Grade 12

1 State total LEP revenue. Removes an unnecessary state limit on LEP revenue for Fiscal Year (FY) 2001 as all LEP revenue will be based on per pupil amounts for FY 2001 and later.

2 Class size ratio. Clarifies that the additional money reserved for class size reduction ($3 in FY 00 and $11 in FY 01) must be allocated to school sites according to a plan adopted by the school board.

3 Basic revenue. Clarifies that the general education basic formula revenue is computed using a school district's adjusted marginal cost pupil units.

4 Referendum offset adjustment. Clarifies that referendum offset adjustment revenue is computed by using a school district's adjusted marginal cost pupil units.

5 Class size reduction reserved revenue. Clarifies the measure of pupils used to determine the reserved revenue for class size reduction.

6 Effective dates. Clarifies that the referendum revenue cap is based on 25 percent of the formula allowance (instead of 25 percent of the formula allowance less $300) for fiscal years 2001 and later.

7 Repealer. Reinstates a whole variety of sections related to school district capital funding programs that were inadvertently repealed by the 1999 legislature.

8 Department of children, families and learning. Replaces the funding for the divisions of the department of children, families and learning with a single appropriation to the department. Keeps the same riders on the department's budget.

9 Repealer without effect. Makes the inadvertent repeal of school district capital funding programs without effect.

10 Repealer. Repeals the department of children, families and learning's funding as it was initially structured by the K-12 conference committee.

11 Effective date. Makes section 8 effective retroactive to July 1, 1999. Makes sections 7, paragraph (a) and section 9 effective retroactive to May 26, 1999.