



**Subject** School District and Library Telecommunications Funding

**Authors** Baker and others

**Analyst** Tim Strom

**Date** February 22, 2019

## Overview

School districts, charter schools, and nonpublic schools are eligible for state aid to pay for a portion of their telecommunications and Internet access costs. The telecommunications/Internet access aid program grants school districts and charter schools that belong to a telecommunication cluster state aid equal to 90 percent of the schools' net unreimbursed telecommunications costs; if the district or charter school is not a member of a telecommunications cluster, the aid equals 90 percent of the unreimbursed cost exceeding \$15 per pupil unit. In order to qualify for the aid, schools must submit their actual telecommunications and Internet access costs to the commissioner of education and file applications for federal Internet funds (commonly referred to as e-rate funds). Under current law, the aid amount is prorated to the state appropriations cap, which substantially reduces each school district's aid payment. The statewide revenue cap is currently set at \$3.75 million per year.

The base budget for regional library systems' telecommunications aid is \$2.3 million per year. In recent years, this aid, paying for costs not covered by the e-rate funding, has been in excess of the regional libraries' actual costs and a portion of the appropriation has canceled back to the state general fund.

H.F. 1178 fully funds the school district telecommunications/Internet equity aid, authorizes regional library systems to use their unspent telecommunications connectivity money for other technology purposes, and provides funding for another round of broadband innovative grants under a 2016 law that was funded on a onetime basis.

## Summary

Section	Description
1	<b>Award of funds; regional library telecommunications aid.</b> Authorizes any unspent regional library telecommunications aid to remain in the regional library system budget for broadband innovations programs including equipment purchases and hot-spot access. Requires the commissioner of education to annually report to the legislature on the reallocated spending under this section.

Section	Description
2	<b>Broadband Wi-Fi hot spots.</b> Extends a 2016 law creating a grant program to expand Internet access through innovative grants. Makes clear that an organization that received a grant in fiscal year 2017 remains eligible for the new round of grants.
3	<b>Appropriations; school district connectivity.</b> Appropriates the following for increased connectivity: <ul style="list-style-type: none"><li>• \$5,000,000 on a onetime basis for school district innovative connectivity grants;</li><li>• \$9 million per year for school district telecommunications access; and</li><li>• \$2.3 million per year for regional library telecommunications aid.</li></ul>



*Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.*

[www.house.mn/hrd](http://www.house.mn/hrd) | 651-296-6753 | 600 State Office Building | St. Paul, MN 55155