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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4333

02/28/2024 Authored by Youakim
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; increasing special education excess cost aid for
1.3 intermediate school districts and other special education cooperatives; appropriating
1.4 money; amending Minnesota Statutes 2022, section 125A.79, subdivision 1; Laws
1.5 2023, chapter 55, article 7, section 18, subdivision 4.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2022, section 125A.79, subdivision 1, is amended to read:

1.8 Subdivision 1. Definitions. For the purposes of this section, the definitions in this
1.9 subdivision apply.

1.10 (a) "Unreimbursed old formula special education expenditures" means:

1.11 (1) old formula special education expenditures for the prior fiscal year; minus

1.12 (2) for fiscal year 2016 and later, the special education initial aid under section 125A.76,
1.13 subdivision 2a; minus

1.14 (3) for fiscal year 2016 and later a school district or charter school only, the amount of
1.15 general education revenue, excluding local optional revenue, plus local optional aid and
1.16 referendum equalization aid for the prior fiscal year attributable to pupils receiving special
1.17 instruction and services outside the regular classroom for more than 60 percent of the school
1.18 day for the portion of time the pupils receive special instruction and services outside the
1.19 regular classroom, excluding portions attributable to district and school administration,
1.20 district support services, operations and maintenance, capital expenditures, and pupil
1.21 transportation.

1.22 (b) "Unreimbursed nonfederal special education expenditures" means:

- 2.1 (1) nonfederal special education expenditures for the prior fiscal year; minus
- 2.2 (2) special education initial aid under section 125A.76, subdivision 2a; minus
- 2.3 (3) for a school district or charter school only, the amount of general education revenue,
- 2.4 excluding local optional revenue, plus local optional aid, and referendum equalization aid
- 2.5 for the prior fiscal year attributable to pupils receiving special instruction and services
- 2.6 outside the regular classroom for more than 60 percent of the school day for the portion of
- 2.7 time the pupils receive special instruction and services outside of the regular classroom,
- 2.8 excluding portions attributable to district and school administration, district support services,
- 2.9 operations and maintenance, capital expenditures, and pupil transportation.

2.10 (c) "General revenue" for a school district means the sum of the general education
 2.11 revenue according to section 126C.10, subdivision 1, excluding transportation sparsity
 2.12 revenue, local optional revenue, and total operating capital revenue. "General revenue" for
 2.13 a charter school means the sum of the general education revenue according to section
 2.14 124E.20, subdivision 1, and transportation revenue according to section 124E.23, excluding
 2.15 referendum equalization aid, transportation sparsity revenue, and operating capital revenue.

2.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2025 and later.

2.17 Sec. 2. Laws 2023, chapter 55, article 7, section 18, subdivision 4, is amended to read:

2.18 Subd. 4. **Special education; regular.** (a) For special education aid under Minnesota
 2.19 Statutes, section 125A.75:

2.20	\$	2,271,000,000	2024
2.21		2,434,933,000		
2.22	\$	<u>.....</u>	2025

2.23 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,041,140,000 for
 2.24 2024.

2.25 (c) The 2025 appropriation includes \$287,333,000 for 2024 and ~~\$2,147,600,000~~ \$.....
 2.26 for 2025.