

Funding: ([View all the statewide totals and all statewide changes.](#))

Description	Statewide Funding Impact
1. 1.5% / 1.5% on the formula in FY '14 and FY '15 <ul style="list-style-type: none"> a. FY '13 \$5,224 (Base) b. FY '14 \$5,302 c. FY '15 \$5,806 (includes changes in pupil weights) 	\$234 million
2. All Day Every Day Kindergarten funded in FY '15 K = 1.0 for K students who receive a minimum of 850 instructional hours per year	\$134 million
3. Adjusted Pupil Units APUs replace AMPCUs <ul style="list-style-type: none"> a. K-6 1.0 b. 7-12 1.2 c. APUs = weighted pupil units served + tuition students paid – tuition students received d. See MREA article on this change. e. View your district's expected APUs for Fy '15 with K at 1.0 and K at .55 	
4. Operating Referendum allowances are adjusted in FY '15 to reflect the change from AMPCUs to APUs to maintain same revenue as districts would have received under current law (resident pupils with adjustments to the equalization aid for open enrolled students). <ul style="list-style-type: none"> a. Starting in FY '16: referendum revenue = APUs X new referendum allowance. b. Most district allowances will go up because there are fewer APUs than AMPCUs c. Districts with significant open enrollment in will see their referendum allowance go down since there will be more serving APUs than resident AMPCUs d. See MREA article explaining this change. 	
5. Declining enrollment aid is a new General Education Revenue line calculated at 28% of the difference between the previous year's APUs and the current year's APUs for districts experiencing a decline in enrollment.	
6. Early Learning Scholarships for children ages 3-5 in families whose income falls below 185% of poverty <ul style="list-style-type: none"> a. Maximum scholarship is \$5,000 b. FY '14 \$23 million (note: \$6 m was in FY '13 base year) 	\$40 million

Description	State-wide Funding Impact
c. FY'15 \$23 million	
d. Unused FY '14 \$'s can be allocated in FY '15	
e. Office of Early Learning Established	
f. Quality ratings system established for providers	
g. See MREA Map of projected scholarships over the two year biennium	
7. Special Education	\$40 million
a. Formula changes similar to those recommended by Finance Working Group	
b. Regular special education revenue increases, excess cost revenue decreases	
c. Net increases in both FY' 14 at \$20 m and FY '15 at \$20 m	
8. Pension adjustment revenue eliminates the Pension Subtraction—not an insignificant change	
9. Achievement and Integration Revenue Program:	
a. New percentages making fairer allocation due to non-majority populations	
b. Little overall funding changes	
c. Districts guaranteed 90% of current year funding	
10. Small School Revenue (SSR) includes multiple small high schools within one school district	
11. School lunch reimbursement increases ½ cent to \$0.125. No other changes to school lunch.	
12. Starbase STEM education Center	\$1 m
13. School Climate Center	\$1 m

Taxes: ([View all the statewide levies and statewide levy changes](#)).

Description	State-wide Property Tax Impact
1. General Education Levy (GEL) established to raise \$20 million beginning FY '15	\$20 m
2. Operating capital levy reduced 23% with a levy/aid mixture	(\$23.685 m)
3. Safe schools levy increases \$6 per pupil, expands uses to security enhancements, school climate improvements, and collaborating and colocation of services with mental health providers.	\$3.6 M
4. Cyrus and Morris school consolidation allows Cyrus Board to levy to demolish Cyrus school.	\$85 K
5. K-12 Conference Omnibus Education Bill State-Wide Levy Changes	\$0
6. Operating Referendum Equalization and related changes in tax bill	(\$60.5 m in FY '15)
a. Boards set the first \$300 of Operating Referendum equalized at \$880,000 RMV per APU (now the 1 st Tier of equalization)	
b. 100% of school districts qualify for the first \$300 of equalized levy. Boards can under levy any or all of this \$300.	

- c. 2nd Tier equalization up to \$760 in operating referendum equalized at \$510,00 of RMV per APU
- d. 3rd Tier (new) equalization of up to another \$461 (25% of cap \$1845) equalized at \$290,000 of RMV per APU
- e. The 2nd and 3rd Tiers are the old Tiers 1 and 2 adjusted for the change from AMPCU to APUs.
- f. Metro district boards can set a Location Equity Levy up to \$424 which reduces their voter approved operating levy by the same amount.
- g. Greater Minnesota School Districts over 2,000 students can set a Location Equity Levy up to \$212 which reduces their voter approved levy by the same amount.
- h. Boards can set these Location Equity Levies without voter approval.
- i. When Boards set the LEI, their voter approved cap is \$1845 which is now adjusted for inflation. Districts who receive sparsity aid are exempt from the cap.
- j. 100 school districts in the state qualify for the LEI Levies
- k. Boards must pass a resolution by June 30 to reserve the right to seek voter approval for increases in referendums in November 2013. MSBA has sent out a model resolution.
- l. Boards need to consider the implications of these new authorities prior to acting.
- m. Estimated cost to the state for all these changes \$60.5 m

Policies:

1. GRAD Rule repealed as recommended by Assessment and Accountability Working Group
 - a. GRAD tests and required cut scores repealed
 - b. Transition period for graduating class of '14-16 with a mixture of tests
 - c. Beginning with graduating class of '17 (8th graders in '13-14)
 - i. Career assessments
 - ii. Aligned assessment with college readiness benchmarks
 - iii. Student progress recorded on transcript
 - iv. Career and college counseling required
 - d. [See MREA articles on these changes.](#)
2. Grades 3-7 computer adaptive testing language
3. World's Best Workforce and Regional Centers of Excellence
 - a. School Boards must establish goals and align strategic plan and budgets to achieve world class student achievement by 2027 and hold an annual public meeting
 - b. Districts Standards and Accountability Committees monitor and report progress
 - c. Regional Centers of excellence established to assist districts achieve goals \$20 m
 - d. Commissioner may intervene with restrictions in underperforming school districts to direct their use of 2% of revenue on programs of commissioners choosing

- e. In the waning days of the session when it was apparent that Chairman Marquart was going to get this World's Best Workforce Program MREA sent [letter to Marquart](#) to soften and suggest improvements to the program
4. Parents of kindergartners can excuse students for parts of ADK with no penalty
5. Board of Teaching can grant up to two additional 1 year licenses for teachers who have not passed the MTLE or Basic Testing
6. Possession and use of epinephrine auto injectors:
7. Restrictive procedures for special education students:
8. Minnesota math corp established
9. Safe and Supportive Schools passed House and on the Senate Floor Sunday in separate bill.
This was not voted on in 2013, but is very much alive for 2014. Sessions run two years.
 - a. Defines bullying
 - b. Specifies actions required by school district
 - c. Specifies reporting requirements
 - d. See MREA [article on Safe and Supportive Schools](#)
 - e. See MREA [article on costs of bill and debate over costs](#)
10. Charter schools are subject to following:
 - a. Truancy reporting
 - b. Teacher Evaluation
 - c. World's Best Workforce

For the full text of the Conference Committee's Omnibus K-12 Education Bill:

<https://www.revisor.mn.gov/bills/text.php?number=hf0630&type=ccr&session=1s88>

Task Forces and Working Groups:

In addition, the Omnibus K-12 Bill Task Established 7 Task Forces and Working Groups:

1. Career Pathways and Technical Education Advisory Task Force
2. Adult High School Diploma Task Force
3. Teacher Licensing Advisory Task Force
4. On Line and Digital Learning Advisory Council
5. School Facilities Financing Working Group
6. Special Education Case Load Task Force
7. Minnesota Youth Council Committee