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<https://education.mn.gov/>

AT A GLANCE

Services provided by the Minnesota Department of Education (MDE) support three overarching strategies:

- Direct Support: MDE directly supports the continuous improvement of teaching and learning to schools, teachers, children, students, and parents.
- E-12 Systems: MDE provides systems support through program/policy development and assessment.
- Guidance, Technical Assistance, and Funding: MDE provides supportive leadership to all education entities through guidance, technical assistance to meet state and federally legislated requirements, and administration of school funding programs.

MDE also supports customers and stakeholders (2021):

- 850,575 students in prekindergarten through grade 12.
- Over 135,000 children participating in early learning programs.
- 330 school districts, 173 charter schools, and four tribal schools.
- 37,898 adult learners in fiscal year (FY) 2021.

PURPOSE

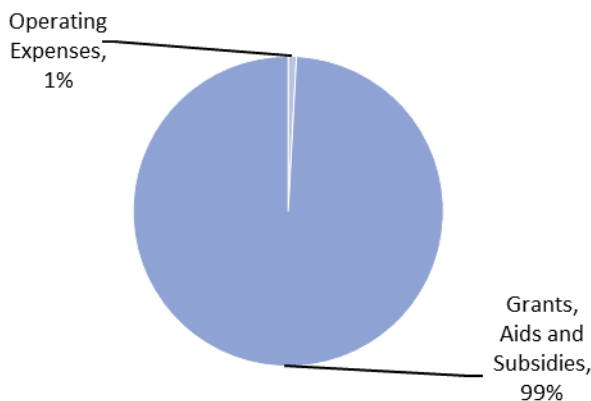
The goal for education is: “Ensuring every child receives a quality education, no matter their race or zip code.” The Minnesota Department of Education (MDE) is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

In this work, MDE key objectives include:

- Meeting the needs of students during and after the COVID-19 pandemic.
- Every student deserves a world-class education.
- Every student deserves to learn in a safe, nurturing environment.
- Every student deserves to learn in a classroom with caring, qualified teachers.

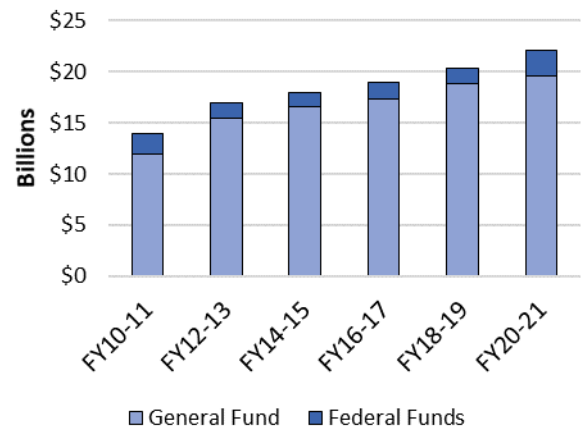
BUDGET

**Spending by Category
FY 2021 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Note: “Other Funds” omitted; see Agency Expenditure Overview.
Source: Consolidated Fund Statement

In FY 2020-2021, 87.7 percent of education funding was from the state general fund, 11.2 percent was from federal funds, and 1.1 percent was from other funds. In FY 2021, actual spending was \$11.6 billion; \$11.5 billion was passed through the agency as grants and aids, \$24.8 million was passed through as testing/assessment/other contracts, and \$45.3 million was spent on salary/fringe and other operating costs.

STRATEGIES

In order to reach measurable goals for student achievement, Minnesota must prioritize diversity, equity, inclusion, and support for the student's entire experience with school.

To achieve its mission, MDE provides leadership and support to students, teachers, and schools using the following strategies:

- **Direct Support**

Department programs provide direct support in continuous improvement of teaching and learning to schools and districts. The Regional Centers of Excellence provide strategic instructional and leadership support and implementation of best practice strategies to improve teaching and learning in the classroom. While the most intensive support is aimed at those schools that need the most assistance, direct support is available to all districts, as needed, through the Regional Centers.

- **Prekindergarten through grade 12 Systems**

MDE programs provide support for systems improvement through a comprehensive, collaborative approach. For example, MDE works to improve teacher and leader quality by supporting and improving implementation of local teacher and principal professional development and evaluation support systems that will benefit all Minnesota students. The state accountability system under the federal Every Student Succeeds Act and state World's Best Workforce legislation measures student performance from pre-K through postsecondary education and provides a comprehensive model of continuous system improvement for all districts.

- **Guidance, Technical Assistance, and Funding**

Department programs provide supportive leadership to all educational entities by providing guidance and technical assistance to meet the myriad of state and federally legislated requirements. For instance, the technical assistance to districts in the development of their World's Best Workforce plans results in a plan for continuous improvement of school districts through the systemic alignment of legislative requirements in a manner that is streamlined, equitable, and effective for all districts. The department also administers school funding programs, including the calculation and distribution of various funding sources.

M.S. 119A; M.S. 120-129; M.S. 134-135

Education

Agency Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Enacted Budget	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	9,736,226	9,820,395	9,856,556	10,113,562	10,510,768	10,572,987	11,659,548	11,894,414
2000 - Restrict Misc Special Revenue	6,560	6,664	6,820	8,732	8,654	10,701	8,683	10,708
2001 - Other Misc Special Revenue	75,348	73,907	84,299	78,210	77,596	77,607	381,834	235,436
2301 - Arts & Cultural Heritage	2,550	2,573	2,602	2,820			3,000	2,750
2403 - Gift	101	102	124	234	164	133	164	133
3000 - Federal	844,552	1,393,936	1,972,232	1,957,418	1,926,104	1,459,438	1,926,104	1,459,438
3010 - Coronavirus Relief	302	258,220						
3015 - ARP-State Fiscal Recovery		9,947	49,599	58,800				
3801 - Endowment School	39,090	36,678	35,327	39,123	39,757	40,171	39,757	40,171
6000 - Miscellaneous Agency	2	3	1	1	2	1	2	1
Total	10,704,730	11,602,425	12,007,559	12,258,900	12,563,045	12,161,038	14,019,092	13,643,051
Biennial Change			1,959,303		457,624		3,395,684	
Biennial % Change			9		2		14	
Enacted Budget Change from Base							2,938,060	
Enacted Budget % Change from Base							12	

Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
1000 - General								
Entitlement	9,618,813	9,711,550	9,771,818	10,056,480	10,451,539	10,476,464	11,445,569	11,684,698
Levies	3,119,279	3,314,470	3,366,835	3,383,990	3,566,681	3,778,175	3,566,681	3,778,175
District Revenue	12,738,092	13,026,020	13,138,653	13,440,470	14,018,220	14,254,639	15,012,250	15,462,873
Direct Appropriation	9,825,481	9,976,064	10,287,641	10,181,351	10,590,725	10,652,944	12,045,343	12,132,700
Open Appropriation	3,290	3,264	3,288					
Balance Forward In	8,619	23,771	3,200	13,668				
Transfers In	1,382	2,177	1,075	331	324	342	324	342
Transfers Out	79,036	76,503	82,029	80,288	80,281	80,299	386,119	238,628
Cancellations	16,767	108,359	342,952	1,500				
Balance Forward Out	6,744	19	13,667					
Expenditures	9,736,226	9,820,395	9,856,556	10,113,562	10,510,768	10,572,987	11,659,548	11,894,414
Biennial Change in Expenditures			413,497		1,113,637		3,583,844	
Biennial % Change in Expenditures			2		6		18	
Enacted Budget Change from Base							2,470,207	
Enacted Budget % Change from Base							12	

2000 - Restrict Misc Special Revenue

Balance Forward In	3,666	4,301	4,886	5,625	7,705	8,794	7,705	8,765
Receipts	7,273	7,188	7,560	10,812	9,743	8,242	9,743	8,242
Internal Billing Receipts	6,215	6,306	6,366	9,624	8,581	7,413	8,581	7,413
Transfers Out	118							
Balance Forward Out	4,262	4,824	5,626	7,705	8,794	6,335	8,765	6,299
Expenditures	6,560	6,664	6,820	8,732	8,654	10,701	8,683	10,708
Biennial Change in Expenditures				2,328		3,803		3,839
Biennial % Change in Expenditures				18		24		25
Enacted Budget Change from Base								36
Enacted Budget % Change from Base								0

2001 - Other Misc Special Revenue

Balance Forward In	0	2,753	7,164	575	175	164	175	164
Receipts	248	904	300	401	176	176	176	176
Transfers In	75,209	70,709	77,427	77,459	77,409	77,409	381,647	235,238
Transfers Out		300	18	50				

Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward Out	109	159	575	175	164	142	164	142
Expenditures	75,348	73,907	84,299	78,210	77,596	77,607	381,834	235,436
Biennial Change in Expenditures				13,253		(7,306)		454,761
Biennial % Change in Expenditures				9		(5)		280
Enacted Budget Change from Base								462,067
Enacted Budget % Change from Base								298

2301 - Arts & Cultural Heritage

Balance Forward In		50	38	110				
Direct Appropriation	2,600	2,600	2,710	2,710	0	0	3,000	2,750
Cancellations		40	35					
Balance Forward Out	50	38	110					
Expenditures	2,550	2,573	2,602	2,820			3,000	2,750
Biennial Change in Expenditures				300		(5,422)		328
Biennial % Change in Expenditures				6		(100)		6
Enacted Budget Change from Base								5,750
Enacted Budget % Change from Base								

2403 - Gift

Balance Forward In	173	169	151	164	31		31	
Receipts	98	83	137	101	133	133	133	133
Balance Forward Out	169	150	164	31				
Expenditures	101	102	124	234	164	133	164	133
Biennial Change in Expenditures				155		(61)		(61)
Biennial % Change in Expenditures				76		(17)		(17)
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

2820 - Maximum Effort School Loan

Balance Forward In	287	959	42	28	27	27	27	27
Receipts	854							
Transfers Out	287	959	42	28	27	27	27	27
Net Loan Activity	105	42	28	27	27	30	27	30

Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward Out	959	42	28	27	27	30	27	30

3000 - Federal

Balance Forward In	26	106	3					
Receipts	844,553	1,393,831	1,972,229	1,957,418	1,926,104	1,459,438	1,926,104	1,459,438
Transfers Out			0					
Balance Forward Out	27	2	0					
Expenditures	844,552	1,393,936	1,972,232	1,957,418	1,926,104	1,459,438	1,926,104	1,459,438
Biennial Change in Expenditures				1,691,162		(544,108)		(544,108)
Biennial % Change in Expenditures				76		(14)		(14)
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

3010 - Coronavirus Relief

Direct Appropriation	323	259,581						
Cancellations	21	1,360						
Expenditures	302	258,220						
Biennial Change in Expenditures				(258,522)		0		0
Biennial % Change in Expenditures				(100)				
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								

3015 - ARP-State Fiscal Recovery

Balance Forward In			57,917	57,300				
Direct Appropriation	67,864		48,981	1,500	0	0	0	0
Balance Forward Out	57,917		57,300					
Expenditures	9,947	49,599	58,800					
Biennial Change in Expenditures				98,452		(108,399)		(108,399)
Biennial % Change in Expenditures						(100)		(100)
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								

3801 - Endowment School

Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward In	0							
Transfers In	39,090	36,678	35,327	39,123	39,757	40,171	39,757	40,171
Expenditures	39,090	36,678	35,327	39,123	39,757	40,171	39,757	40,171
Biennial Change in Expenditures				(1,318)		5,478		5,478
Biennial % Change in Expenditures				(2)		7		7
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

6000 - Miscellaneous Agency

Balance Forward In		1	1	1	1		1	
Receipts	3	4	1	1	1	1	1	1
Balance Forward Out	1	1	1	1				
Expenditures	2	3	1	1	2	1	2	1
Biennial Change in Expenditures				(4)		1		1
Biennial % Change in Expenditures				(69)		73		73
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

Education

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	10,638,594	10,638,594	10,638,594	21,277,188
Base Adjustments				
Current Law Base Change		(1,681)	(1,681)	(3,362)
Pension Allocation		18	18	36
Approved Transfer Between Appropriation		0	0	0
Forecast Open Appropriation Adjustment	(241,867)	(89,341)	99	(89,242)
November Forecast Adjustment	(176,202)	19,100	(9,649)	9,451
February Forecast Adjustment	(39,574)	24,035	25,563	49,598
Forecast Base	10,180,951	10,590,725	10,652,944	21,243,669
Change Items				
General Education Formula Allowance Increase and Indexation to Inflation		272,126	442,533	714,659
Special Education Cross Subsidy Reduction Aid Increase		304,172	358,651	662,823
Universal School Meals	400	189,713	197,495	387,208
Compensatory Revenue FY 2025 Change (CH 18; Free School Meals Program)			5,434	5,434
Voluntary Prekindergarten		16,949	18,871	35,820
Voluntary Prekindergarten Reserve			50,000	50,000
Early Learning Scholarships Expansion		126,028	126,029	252,057
Great Start Scholarships Program		1,656		1,656
Office of Inspector General - Minnesota Department of Education		2,000	2,000	4,000
English Learner Cross Subsidy Reduction		40,516	46,393	86,909
Student Support Personnel Aid		29,138	35,270	64,408
Student Support Personnel Workforce Pipeline		5,000	5,000	10,000
Nonexclusionary Discipline		1,750	1,750	3,500
American Indian Education Aid Increase		6,048	6,926	12,974
READ Act - Center for Applied Research and Educational Improvement		4,200		4,200
READ Act - Curriculum and Intervention Materials		35,000		35,000
READ Act - MDE Literacy Specialist		250	250	500
READ Act - Professional Development		34,950		34,950
Unemployment Aid		135,275	175	135,450
Grow Your Own Expansion		18,500	18,500	37,000
Grow Your Own Early Educators		2,500	2,500	5,000
Special Education Teacher Pipeline Program		20,000	10,000	30,000
Early Childhood and Family Education Teacher Shortage		500	500	1,000
Teacher Licensing and Exam Fees		1,400		1,400
Statewide Teacher Mentoring Program		9,940		9,940
Coalition to Increase Teachers of Color and American Indian Teachers		100	100	200
Come Teach in Minnesota Hiring Bonuses			200	200
Black Men Teach		500	500	1,000
Teacher Residency Program		3,000	3,000	6,000

Education

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Paraprofessional Training			7,230	7,230
Minnesota Indian Teacher Training Program Modification		1,610		1,610
Native Language Revitalization Grants		7,500	7,500	15,000
Online Learning for Students Enrolled at Bureau of Indian Education Schools		3	3	6
MN Multi-Tiered System of Support and Collaborative MN Partnerships to Advance Student Success		13,500	13,500	27,000
Computer Science Education Advancement		500	500	1,000
Extended Time Revenue for Residential Treatment Facilities		614	669	1,283
Operating Capital Increase (Menstrual Products and Opiate Antagonists)		1,677	1,858	3,535
Levy Offset Using Local Optional Revenue			6,069	6,069
Area Learning Center Transportation Aid		1,000	1,000	2,000
Transportation Sparsity		4,809	5,086	9,895
Windom School District Onetime Supplemental Aid		1,000		1,000
Career and Technical Education Consortium		2,000	2,000	4,000
Career and Technical Program Expansion; Aeronautics Pilot Program		450		450
Emergency Medical Training		500	500	1,000
Adult Basic Education Aid Increase		900	1,959	2,859
High School Equivalency Tests Increase		490		490
Developmental Screening Aid Increase		1,059	1,096	2,155
English Learner and Breakfast Aid for ECSE Students		570	671	1,241
ADM Change for Kindergarten Students with a Disability		67	73	140
Quality Rating and Improvement System		1,100		1,100
Head Start Program Increase		10,000	10,000	20,000
Kindergarten Entry Assessment		768	1,756	2,524
Reach Out and Read Minnesota		250	250	500
ParentChild+		900	900	1,800
Onetime Grants (Early Education)		1,550	750	2,300
Special Education Separate Sites and Programs Aid		4,378	5,083	9,461
Special Instruction and Services Extended to Age 22		4,567	5,108	9,675
Specific Learning Disability Criteria Change		573	573	1,146
Homeless Student Transportation		1,121	1,356	2,477
Foster Student Transportation			519	519
Registry of Interpreters for the Deaf (RID) Certified Interpreters			333	333
Regional Libraries Basic System Support Increase		4,000	4,000	8,000
School Library Aid		21,435	23,799	45,234
Multicounty, Multitype Library Systems Increase		700	700	1,400
Licensed Library Media Specialists		1,000		1,000
Full-Service Community Schools		7,500	7,500	15,000
Closing Educational Opportunity Gaps Grants		3,000	3,000	6,000
Ethnic Studies		1,000	1,000	2,000
Genocide/Holocaust Education Requirement		75	75	150
Student Organizations Increase		316	316	632

Education

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Museums and Education Centers Increase		781	781	1,562
MN Center for the Book		200	200	400
MN Math Corps Increase		500	500	1,000
Sanneh Foundation		1,500	1,500	3,000
Onetime Grants (Education Excellence Article)		11,850	3,800	15,650
After School Community Learning Grant Program		30,000		30,000
Adults With Disabilities Program Aid Increase			1,072	1,072
Community Education Aid Increase			4,835	4,835
Levy Offset Using Community Education			3,114	3,114
Regional Neighborhood Partnership Grants Increase		920	920	1,840
Building and Cybersecurity Grant Program		24,332		24,332
Gender-Neutral Single-User Restroom Grants		1,000	1,000	2,000
Information Technology Infrastructure and Portfolio Resources		2,000		2,000
Ed-Fi Data Collection System and Reporting		595	2,609	3,204
Reasonable Force Reporting		47		47
Athletic Race/Ethnicity Data Collection		110	70	180
Audit and Internal Control Resources		800	800	1,600
Equity, Diversity, and Inclusion (EDI) Center Staff		2,000	2,000	4,000
Maintain Current Service Levels		4,604	4,992	9,596
Board of School Administrators Staffing and Outreach		64	64	128
Legal Costs		7,500		7,500
Mental Health Services Lead		150	150	300
School Health Services Specialist		150	150	300
Early Childhood Family Education Support Staff		375	375	750
Legalizing Adult-Use Cannabis: Educational Program Resources		180	120	300
Interactions		1,267	1,895	3,162
Total Enacted Budget	10,181,351	12,045,343	12,132,700	24,178,043
Fund: 2301 - Arts & Cultural Heritage				
FY2023 Appropriations	2,710	2,710	2,710	5,420
Base Adjustments				
One-Time Legacy Fund Appropriations		(2,710)	(2,710)	(5,420)
Forecast Base	2,710	0	0	0
Change Items				
Regional Library Systems Grants (ACHF - Legacy)		2,750	2,750	5,500
Water Safety Grants (ACHF - Legacy)		250		250
Total Enacted Budget	2,710	3,000	2,750	5,750
Fund: 3015 - ARP-State Fiscal Recovery				
FY2023 Appropriations	1,500	1,500	1,500	3,000
Base Adjustments				

Education

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
All Other One-Time Appropriations		(1,500)	(1,500)	(3,000)
Forecast Base	1,500	0	0	0
Total Enacted Budget	1,500	0	0	0
<i>Dedicated</i>				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	8,732	8,654	10,701	19,355
Forecast Base	8,732	8,654	10,701	19,355
Change Items				
Online Learning Application Fee Spending Authority		29	7	36
Total Enacted Budget	8,732	8,683	10,708	19,391
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	78,210	77,596	77,607	155,203
Forecast Base	78,210	77,596	77,607	155,203
Change Items				
Early Learning Scholarships Expansion		126,028	126,029	252,057
Unemployment Aid		135,000		135,000
Grow Your Own Expansion		18,500	18,500	37,000
Grow Your Own Early Educators		2,500	2,500	5,000
Special Education Teacher Pipeline Program		20,000	10,000	30,000
Come Teach in Minnesota Hiring Bonuses			200	200
Minnesota Indian Teacher Training Program Modification		2,210	600	2,810
Total Enacted Budget	78,210	381,834	235,436	617,270
Fund: 2403 - Gift				
Planned Spending	234	164	133	297
Forecast Base	234	164	133	297
Total Enacted Budget	234	164	133	297
Fund: 3000 - Federal				
Planned Spending	1,957,418	1,926,104	1,459,438	3,385,542
Forecast Base	1,957,418	1,926,104	1,459,438	3,385,542
Total Enacted Budget	1,957,418	1,926,104	1,459,438	3,385,542
Fund: 6000 - Miscellaneous Agency				
Planned Spending	1	2	1	3
Forecast Base	1	2	1	3
Total Enacted Budget	1	2	1	3

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	10,812	9,743	8,242	17,985
Total Enacted Budget	10,812	9,743	8,242	17,985
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	401	176	176	352
Total Enacted Budget	401	176	176	352
Fund: 2403 - Gift				
Forecast Revenues	101	133	133	266
Total Enacted Budget	101	133	133	266
Fund: 3000 - Federal				
Forecast Revenues	1,957,418	1,926,104	1,459,438	3,385,542
Total Enacted Budget	1,957,418	1,926,104	1,459,438	3,385,542
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	1	1	1	2
Total Enacted Budget	1	1	1	2
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	737	757	782	1,539
Total Enacted Budget	737	757	782	1,539

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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General Education Formula Allowance Increase and Indexation to Inflation

This provision increases the general education basic formula allowance from \$6,863 to \$7,138 per pupil for FY 2024 (4 percent increase) and to \$7,281 per pupil for FY 2025 (2 percent increase). For FY 2026 and later the basic formula allowance is increased by the rate of inflation as measured by the Consumer Price Index, though the increase can be no less than 2 percent and no greater than 3 percent per year. The basic formula is the largest source of flexible operating funds for districts and charters. A number of aid formulas are linked to the basic formula allowance, both within general education (the largest being compensatory revenue) and categoricals, and the increased costs associated with those formulas are reflected in this item. The increase to early childhood family education aid in Chapter 54 is one of the linked formulas whose costs are reflected here.

1000 - General Fund Cost (Savings)	0	272,126	442,533	714,659	598,638	770,679	1,369,317
Expenditures	0	272,126	442,533	714,659	598,638	770,679	1,369,317

Special Education Cross Subsidy Reduction Aid Increase

This provision increases special education cross subsidy aid from 6.43 percent in FY 2023 to 44 percent in FY 2024-26, and then to 50 percent in FY 2027 and later. A school district's special education cross subsidy is the difference between the amount the district spends on qualifying special education services, and the sum of the state and federal special education revenue and the general education revenue generated by special education students served primarily outside of the regular classroom for that year. Cross subsidy aid is the final step in the special education aid formula and is equal to the specified percent of the district's cross subsidy for the previous fiscal year.

1000 - General Fund Cost (Savings)	0	304,172	358,651	662,823	375,312	445,906	821,218
Expenditures	0	304,172	358,651	662,823	375,312	445,906	821,218

Universal School Meals

This provision establishes a free school meals program that funds a no cost school breakfast to all students enrolled in schools participating in the federal School Breakfast Program (SBP) and a no cost school lunch to all students enrolled in a school participating in the National School Lunch Program (NSLP) in Minnesota. Participating schools must provide both breakfast and lunch. Schools receive state aid for any amount above the amount provided in federal funds from the SBP and NSLP, up to the cost of a meal as published annually by the US Department of Agriculture, plus an additional 12.5 cents for each lunch served. The provision requires that certain schools with a high percentage of students in poverty must participate in the federal Community Eligibility Provision (CEP) in order to participate in the free school meals program. Funding is provided via the existing school lunch and school breakfast appropriations. The provision includes administrative costs for MDE of \$400 thousand in FY 2023 which is available until June 30, 2025, and \$202 thousand per year in FY 2025 and later.

1000 - General Fund Cost (Savings)	400	189,713	197,495	387,208	205,377	213,600	418,977
Expenditures	400	189,713	197,495	387,208	205,377	213,600	418,977

Compensatory Revenue FY 2025 Change (CH 18; Free School Meals Program)

This provision – enacted in March 2023 as part of Chapter 18, which created the Free School Meals Program – changes the FY 2025 entitlement calculation for compensatory revenue (which is within general education). For FY 2025 only, compensatory revenue earned at each school building be either the amount resulting from the usual statutory calculation or the amount earned in FY 2024, whichever is greater. This one year “hold harmless” was enacted due to uncertainty about how the school meal program changes might impact the submission of free and reduced price lunch forms, which is one of the ways that eligibility is determined for the compensatory revenue calculation.

1000 - General Fund Cost (Savings)	0	0	5,434	5,434	604	0	604
Expenditures	0	0	5,434	5,434	604	0	604

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Compensatory Revenue Formula Change

This provision changes the calculation of compensatory revenue (within general education) for FY 2026 and later. (See also "Compensatory Revenue FY 2025 Change"). The new formula uses only students who qualify for free or reduced-price meals through the direct certification process. The new formula, like the old one, calculates revenue on a building-by-building basis, and contains a concentration factor that provides more revenue for buildings with higher percentages of qualifying students. The provision also ensures that statewide total compensatory spending in FYs 2026-27 does not fall below FY 2024 levels as adjusted for increases in the general education basic formula. A related provision increases the percentage of compensatory revenue that must be spent at the site where the student generating it attends (rather than being allocated elsewhere in the district) from 50 percent to 80 percent.

1000 - General Fund Cost (Savings)	0	0	0	0	13,321	7,337	20,658
Expenditures	0	0	0	0	13,321	7,337	20,658

Voluntary Prekindergarten

This provision increases the number of children eligible for voluntary prekindergarten/school readiness plus (VPK/SRP) funding. Beginning in FY 2024 it makes permanent 4,000 seats that were set to expire. In FY 2026 and later, it adds another 5,200 VPK/SRP seats for a total of 12,360 seats ongoing (which includes 3,160 seats in the base). Figures for this item also include administrative and IT costs for VPK from Chapter 54 in the amount of \$340 thousand in FY 2024 and \$691 thousand in FY 2025 and later.

1000 - General Fund Cost (Savings)	0	16,949	18,871	35,820	79,618	85,258	164,876
Expenditures	0	16,949	18,871	35,820	79,618	85,258	164,876

Voluntary Prekindergarten Reserve

This provision sets aside \$50 million in fiscal year 2025 that must be reserved by the commissioner of education for future allocation towards 3,000 voluntary prekindergarten seats. The 2024 legislature must provide direction to the commissioner on allocating the money. The appropriation is available until June 30, 2026.

1000 - General Fund Cost (Savings)	0	0	50,000	50,000	0	0	0
Expenditures	0	0	50,000	50,000	0	0	0

Early Learning Scholarships Expansion

This provision increases funding for early learning scholarships to a total of \$197 million per year in FY 2024-25 and \$100 million per year in FY 2026 and later, and makes other programmatic changes. Funds are transferred to an account in the special revenue fund. Administrative funding is increased to up to \$2.1 million annually, and a separate IT administrative allowance of \$5 million onetime and \$750 thousand per year thereafter is provided. Scholarship size varies, but at an estimated average of \$10 thousand per scholarship, the new funding in this item provides 12,500 new scholarships per year in FY 2024-25 and 2,950 scholarships per year thereafter. Early learning scholarships pay for child care and early education.

1000 - General Fund Cost (Savings)	0	126,028	126,029	252,057	29,464	29,464	58,928
Transfers Out	0	126,028	126,029	252,057	29,464	29,464	58,928
2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	126,028	126,029	252,057	29,464	29,464	58,928
Expenditures	0	126,028	126,029	252,057	29,464	29,464	58,928

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Great Start Scholarships Program

This provision contains onetime funding for MDE for establishing and implementing the great start scholarships program. MDE may transfer the appropriation to the new department of children, youth, and families (DCYF) beginning July 1, 2024. The appropriation is available until June 30, 2027. This provision is in Laws 2023, Chapter 54, which contains a similar \$2.61 million appropriation to DHS. Chapter 54 contains a new statute requiring DCYF, MDE, and DHS to develop and implement the great start scholarships program to ensure affordable access to high-quality early care and learning for children from birth to kindergarten entry. The statute envisions transitioning early learning scholarships and the child care assistance program to the new great start scholarships program.

1000 - General Fund Cost (Savings)	0	1,656	0	1,656	0	0	0
Expenditures	0	1,656	0	1,656	0	0	0

Office of Inspector General - Minnesota Department of Education

This provision funds a new Office of the Inspector General (OIG) at MDE. Funds will be used to pay salaries, benefits, and expenses for an inspector general, deputy inspector general, and sufficient assistant inspectors general to staff the MDE-OIG. The Office of the Inspector General is charged with protecting the integrity of MDE and the state by detecting and preventing fraud, waste, and abuse in MDE programs.

1000 - General Fund Cost (Savings)	0	2,000	2,000	4,000	2,000	2,000	4,000
Expenditures	0	2,000	2,000	4,000	2,000	2,000	4,000

English Learner Cross Subsidy Reduction

This provision increases two aspects of English Learner (EL) funding (within general education) and beginning in FY 2027 adds an additional component. For FY 2024 through FY 2026, the EL basic allowance increases from \$704 to \$1,228 per qualifying EL student, and in FY 2027 and later it increases to \$1,775. For FY 2024 through FY 2026, EL concentration revenue – which provides increased per-pupil funding for districts that have higher percentages of EL students – increases from \$250 to \$436 per EL pupil unit, and in FY 2027 and later it increases to \$630. For FY 2027 and later, the provision creates a new component of EL revenue; EL “cross subsidy aid” equals 25 percent of the difference between the district's expenditures for qualifying EL services for the second previous year and the district's EL revenue for the second previous year.

1000 - General Fund Cost (Savings)	0	40,516	46,393	86,909	47,833	124,044	171,877
Expenditures	0	40,516	46,393	86,909	47,833	124,044	171,877

Student Support Personnel Aid

This provision creates a new ongoing forecast state aid program to help fund additional school support personnel to address students' social, emotional, and physical health. Aid must be used to address shortages and decrease caseloads of student support services personnel (counselors, psychologists, social workers, nurses, or chemical dependency counselors) among other purposes. Aid amounts are established in M.S. 124D.901 and vary by year, status as a district vs charter school, and status as an intermediate school district or other cooperative unit.

1000 - General Fund Cost (Savings)	0	29,138	35,270	64,408	57,640	60,090	117,730
Expenditures	0	29,138	35,270	64,408	57,640	60,090	117,730

Student Support Personnel Workforce Pipeline

This provision funds grants to develop a student support personnel workforce pipeline focused on increasing school psychologists, school nurses, school counselors, and school social workers of color and Indigenous providers, professional respecialization, recruitment, and retention. To the extent possible, grants are to be used to support equal numbers of students pursuing careers as psychologists, nurses, counselors, and social workers. \$150 thousand annually is for providing support to school nurses across the state.

1000 - General Fund Cost (Savings)	0	5,000	5,000	10,000	5,000	5,000	10,000
Expenditures	0	5,000	5,000	10,000	5,000	5,000	10,000

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Nonexclusionary Discipline

This provision provides grants to school districts and charter schools to train staff on nonexclusionary disciplinary practices that maintain the respect, trust, and attention of students and help keep students in classrooms. Related provisions in Chapter 55 define “nonexclusionary disciplinary policies and practices” and modify provisions related to student dismissals.

1000 - General Fund Cost (Savings)	0	1,750	1,750	3,500	1,750	1,750	3,500
Expenditures	0	1,750	1,750	3,500	1,750	1,750	3,500

American Indian Education Aid Increase

This provision implements an approximately 56 percent increase to American Indian Education Aid. It increases the minimum aid per district from \$20,000 to \$40,000 and increases the amount for each student served above the minimum from \$358 to \$500 per American Indian student. Related provisions extend aid to cooperative units and amend current statutes to make clear that American Indian education aid may only be used for non-Native students after all American Indian students’ specific cultural and academic needs are met.

1000 - General Fund Cost (Savings)	0	6,048	6,926	12,974	7,250	7,501	14,751
Expenditures	0	6,048	6,926	12,974	7,250	7,501	14,751

READ Act - Center for Applied Research and Educational Improvement

This provision provides MDE funding to contract with the Center for Applied Research and Educational Improvement at the University of MN for the Read Act implementation partnership established in statute. The partnership must identify appropriate literacy curricula, professional development programs, literacy intervention materials, literacy specialist training programs, and other measures, guidance, and model plans to be used by schools. The appropriation is available until June 30, 2026.

1000 - General Fund Cost (Savings)	0	4,200	0	4,200	0	0	0
Expenditures	0	4,200	0	4,200	0	0	0

READ Act - Curriculum and Intervention Materials

This provision appropriates funds for MDE to reimburse schools for the purchase of approved evidence-based structured literacy curriculum and supporting materials and intervention materials. The appropriation is available until June 30, 2028.

1000 - General Fund Cost (Savings)	0	35,000	0	35,000	0	0	0
Expenditures	0	35,000	0	35,000	0	0	0

READ Act - MDE Literacy Specialist

This provision funds a full-time literacy specialist at MDE.

1000 - General Fund Cost (Savings)	0	250	250	500	250	250	500
Expenditures	0	250	250	500	250	250	500

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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READ Act - Professional Development

This provision funds evidence-based training on structured literacy for teachers. It provides \$18 million for regional literacy networks as a partnership between MDE and the service cooperatives, consisting of teams of trained literacy coaches; and \$16.7 million to administer statewide training at no cost. The appropriation is available until June 30, 2028. The base for FY 2026 and later consists of \$7.75 million for the regional literacy networks and \$1.125 million for statewide training.

1000 - General Fund Cost (Savings)	0	34,950	0	34,950	7,750	7,750	15,500
Expenditures	0	34,950	0	34,950	7,750	7,750	15,500

Unemployment Aid

This provision establishes a school unemployment aid account in the special revenue fund and funds it with a onetime \$135 million transfer from the general fund. It creates a procedure for MDE to reimburse each school district, charter school, and cooperative unit for their unemployment insurance costs associated with hourly workers over the summer term. The account expires June 30, 2027. A related provision makes school employees working in other than instructional, research, or principal administrative capacities eligible for unemployment benefits between school terms if they otherwise meet unemployment eligibility requirements. This provision also includes \$275 thousand in FY 2024 and \$175 thousand in FY 2025 and later for administrative costs at MDE related to unemployment aid.

1000 - General Fund Cost (Savings)	0	135,275	175	135,450	175	175	350
Transfers Out	0	135,000	0	135,000	0	0	0
Expenditures	0	275	175	450	175	175	350

2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	135,000	0	135,000	0	0	0
Expenditures	0	135,000	0	135,000	0	0	0

Special Education Unemployment Insurance Costs

This provision reflects the anticipated costs to the special education appropriation of the provision in Chapter 55 that makes hourly school workers eligible for unemployment insurance over the summer term. A related provision (see "Unemployment Aid") provides \$135 million to reimburse schools for unemployment insurance costs; it was estimated that these funds would be fully expended in FY 2024, and that costs in FY 2025 and later would be borne by other funding streams available to districts. This provision reflects the estimated impact to the special education appropriation, which reimburses for prior year costs (e.g. unemployment costs that are incurred in FY 2025 are reimbursed by state funds in FY 2026).

1000 - General Fund Cost (Savings)	0	0	0	0	64,000	64,000	128,000
Expenditures	0	0	0	0	64,000	64,000	128,000

Grow Your Own Expansion

This provision expands the existing Grow Your Own grant program from \$6.5 million per year to \$25 million year, with a goal of developing a teaching workforce that more closely reflects the state's increasingly diverse student population and ensuring all students have equitable access to effective and diverse teachers. Grow Your Own programs are partnerships between educator preparation programs, schools, and community organizations that recruit and prepare local community members to enter the teaching profession. Related provisions make charter schools and cooperatives eligible for grants, specify grantee partnership requirements, and allow use of grant funds for teacher licensure fees and exams.

1000 - General Fund Cost (Savings)	0	18,500	18,500	37,000	25,454	25,454	50,908
Transfers Out	0	18,500	18,500	37,000	25,454	25,454	50,908

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	18,500	18,500	37,000	25,454	25,454	50,908
Expenditures	0	18,500	18,500	37,000	25,454	25,454	50,908

Grow Your Own Early Educators

This provision creates a new Grow Your Own program for early childhood and family educators with a goal of developing an early childhood education workforce that more closely reflects the state's increasingly diverse student population and ensures all students have equitable access to high-quality early educators. Child care programs, schools, Head Start programs, higher education institutions, and nonprofits are eligible to receive funds to host, build, or expand programs that lead to individuals earning the credential or degree needed to enter or advance in the early childhood education workforce. Funds are transferred to an account in the special revenue fund, and an administrative allowance is established.

1000 - General Fund Cost (Savings)	0	2,500	2,500	5,000	500	500	1,000
Transfers Out	0	2,500	2,500	5,000	500	500	1,000

2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	2,500	2,500	5,000	500	500	1,000
Expenditures	0	2,500	2,500	5,000	500	500	1,000

Special Education Teacher Pipeline Program

This provision creates a new program to develop a pipeline of trained, licensed Tier 3 or Tier 4 special education teachers. School districts, charters, and cooperatives are eligible recipients and must partner with a teacher preparation program. Funds must be used to support participants who are employed by the grant recipient as either a paraprofessional or other unlicensed staff, or a teacher with a Tier 1 or Tier 2 license, and demonstrate a willingness to be a special education teacher after completing the program. Funds may be used for tuition assistance or stipends; mentoring, test preparation, or other support; and participant recruitment. MDE must prioritize funding for training to allow participants holding a Tier 1 or Tier 2 special education license to obtain a Tier 3 special education license. The program is similar to the existing Grow Your Own program, including that funds are transferred to the special revenue fund.

1000 - General Fund Cost (Savings)	0	20,000	10,000	30,000	0	10,000	10,000
Transfers Out	0	20,000	10,000	30,000	0	10,000	10,000

2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	20,000	10,000	30,000	0	10,000	10,000
Expenditures	0	20,000	10,000	30,000	0	10,000	10,000

Early Childhood and Family Education Teacher Shortage

This provision funds grants to Minnesota institutions of higher education to address the early childhood and family education teacher shortage. Funds are appropriated to the Minnesota Department of Education for transfer to the Officer of Higher Education.

1000 - General Fund Cost (Savings)	0	500	500	1,000	500	500	1,000
Transfers Out	0	500	500	1,000	500	500	1,000

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Teacher Licensing and Exam Fees

This provision funds costs associated with Minnesota teacher licensing exams and first professional teacher license fees for newly graduated teachers, including application fees for initial licensure and exam fees for required licensure exams to obtain a teaching license in Minnesota. The appropriation is available until June 30, 2027.

1000 - General Fund Cost (Savings)	0	1,400	0	1,400	0	0	0
Expenditures	0	1,400	0	1,400	0	0	0

Statewide Teacher Mentoring Program

This provision funds a statewide teacher induction and mentoring program that may consist of: 1) competitive grants to groups – including institutions of higher education, regional service cooperatives, and professional organizations – to provide mentoring supports for new teachers as well as training and technical assistance; 2) competitive grants to schools to fund Teacher of Record mentorships to Tier 1 special education teachers; and 3) contracts with entities to assist in developing Minnesota's induction model, to provide ongoing training to mentors and principals, and to evaluate the program over time. The appropriation is available until June 30, 2027.

1000 - General Fund Cost (Savings)	0	9,940	0	9,940	0	0	0
Expenditures	0	9,940	0	9,940	0	0	0

Coalition to Increase Teachers of Color and American Indian Teachers

This provision provides funds from MDE to the Minnesota Humanities Center for a grant to the Coalition to Increase Teachers of Color and American Indian Teachers in Minnesota for nonlobbying activities and general operating expenses that support the recruitment and retention of racially and ethnically diverse teachers underrepresented in the state's workforce.

1000 - General Fund Cost (Savings)	0	100	100	200	100	100	200
Expenditures	0	100	100	200	100	100	200

Come Teach in Minnesota Hiring Bonuses

This provision doubles funding for the existing Come Teach in MN Hiring Bonuses program beginning in FY 2025. Related provisions expand eligibility for hiring bonuses, increase the bonus amounts, change certain bonus requirements, and allow participating districts to use funds to administer the program.

1000 - General Fund Cost (Savings)	0	0	200	200	200	200	400
Transfers Out	0	0	200	200	200	200	400

2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	0	200	200	200	200	400
Expenditures	0	0	200	200	200	200	400

Black Men Teach

This provision provides a grant to the Black Men Teach organization to establish partnerships with public elementary schools with a goal of increasing the number of black male teachers. Grant money may be used for scholarships, student teacher stipends, mentoring activities, professional development, and housing stipends.

1000 - General Fund Cost (Savings)	0	500	500	1,000	500	500	1,000
Expenditures	0	500	500	1,000	500	500	1,000

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Teacher Residency Program

This provision provides funding for the teacher residency program that meets the requirements of Minnesota Rules, part 8705.2100, subpart 2, item D, subitem (5), unit (g). That unit contains a definition of “residency” that includes various requirements, including that it be a program offered in partnership with a designated school partner that provides a year-long clinical experience integrating learning opportunities and student teaching.

1000 - General Fund Cost (Savings)	0	3,000	3,000	6,000	3,000	3,000	6,000
Expenditures	0	3,000	3,000	6,000	3,000	3,000	6,000

Paraprofessional Training

This provision establishes a new forecast program that reimburses schools for prior year compensation associated with providing up to eight hours of paid orientation and professional development for paraprofessionals. A related provision requires that schools provide a minimum of eight hours of paid orientation or professional development annually to all paraprofessionals, Title I aides, and other instructional support staff, six of which must be completed before the first instructional day of the school year or within 30 days of hire.

1000 - General Fund Cost (Savings)	0	0	7,230	7,230	8,213	8,418	16,631
Expenditures	0	0	7,230	7,230	8,213	8,418	16,631

Minnesota Indian Teacher Training Program Modification

This provision adds onetime funding to the MN Indian Teacher Training Program of \$1.61 million and requires that all program funding be transferred to an account in the special revenue fund. The table below shows that \$600 thousand per year in existing funding is no longer expended in the general fund but is now transferred to the special revenue fund and expended there. Grants may be used over the course of up to 5 years. This program assists American Indian people in becoming teachers and provides additional education for American Indian teachers.

1000 - General Fund Cost (Savings)	0	1,610	0	1,610	0	0	0
Transfers Out	0	2,210	600	2,810	600	600	1,200
Expenditures	0	(600)	(600)	(1,200)	(600)	(600)	(1,200)

2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	2,210	600	2,810	600	600	1,200
Expenditures	0	2,210	600	2,810	600	600	1,200

Native Language Revitalization Grants

This provision funds grants to schools to offer language instruction in Dakota and Anishinaabe languages or another language indigenous to the United States or Canada. Eligible expenses include costs for teachers, program supplies, and curricular resources. Up to \$300 thousand per year is available for administrative and programmatic capacity at MDE.

1000 - General Fund Cost (Savings)	0	7,500	7,500	15,000	7,500	7,500	15,000
Expenditures	0	7,500	7,500	15,000	7,500	7,500	15,000

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Online Learning for Students Enrolled at Bureau of Indian Education Schools

This provision makes students enrolled at schools authorized to receive Tribal contract or grant aid (i.e. Bureau of Indian Education schools) eligible to generate online learning (OLL) aid, which is within general education. OLL aid is paid to OLL programs on behalf of students who have completed supplemental OLL courses while enrolled in another public school district or charter school.

1000 - General Fund Cost (Savings)	0	3	3	6	3	3	6
Expenditures	0	3	3	6	3	3	6

MN Multi-Tiered System of Support and Collaborative MN Partnerships to Advance Student Success

This provision funds the MnMTSS Framework, the state's systemic, continuous school improvement framework for ensuring positive social, emotional, behavioral, developmental, and academic outcomes for every student and COMPASS – Collaborative Minnesota Partnerships to Advance Student Success – the state's comprehensive school improvement model. COMPASS will provide support for schools in the areas of literacy, math, social-emotional learning, and mental health using the Minnesota Multi-tiered System of Supports (MnMTSS) framework. Funding is provided for: implementation by MDE and the MN Service Cooperatives (\$5 million per year); grants to schools for MTSS coordinators, training, and other purposes (\$5 million per year); regional math instruction networks (\$3 million per year); and implementation and evaluation of the MnMTSS framework by the University of MN (\$500 thousand per year).

1000 - General Fund Cost (Savings)	0	13,500	13,500	27,000	13,500	13,500	27,000
Expenditures	0	13,500	13,500	27,000	13,500	13,500	27,000

Computer Science Education Advancement

This provision provides funding for various purposes related to computer science education, including \$150 thousand per year for a computer science supervisor at MDE, and expenses related to the development, advancement, and promotion of K-12 computer science education. MDE must establish a computer science education working group, collect data on computer science course offerings and enrollment, and provide teacher recruitment and educator training programs for computer science courses, including through grants and contracts.

1000 - General Fund Cost (Savings)	0	500	500	1,000	500	500	1,000
Expenditures	0	500	500	1,000	500	500	1,000

Extended Time Revenue for Residential Treatment Facilities

This provision expands extended time revenue (within general education) to include summer services to students who are attending a day treatment program or who are placed at a children's residential facility. "Children's residential facility" refers to a residential facility for children, including a psychiatric residential treatment facility, licensed by DHS or DOC and subject to Minnesota Rules, chapter 2960, or an inpatient hospitalization that includes mental health services. "Day treatment program" means either a site-based structured mental health program or any other day treatment program designated by MDE consistent with existing reporting procedures.

1000 - General Fund Cost (Savings)	0	614	669	1,283	687	708	1,395
Expenditures	0	614	669	1,283	687	708	1,395

Operating Capital Increase (Menstrual Products and Opiate Antagonists)

This provision adds \$2 per adjusted pupil unit (APU) to every district's operating capital revenue for the purposes of supplying menstrual products and opiate antagonists. The budget bill (Laws 2023, Chapter 55) mandates that school districts provide menstrual products at no cost to students and that at least two doses of opiate antagonists be maintained at each school building. Paying for menstrual products and opiate antagonists was made an eligible use of operating capital revenue.

1000 - General Fund Cost (Savings)	0	1,677	1,858	3,535	1,849	1,839	3,688
Expenditures	0	1,677	1,858	3,535	1,849	1,839	3,688

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Levy Offset Using Local Optional Revenue

This provision updates the second tier local optional levy equalizing factors starting in FY 2025 so that Chapter 55 as a whole does not increase total statewide levies (i.e. property taxes) above the amount estimated in the February 2023 forecast. The equalizing factor changes increase local optional state aid (within general education) and reduce levy authority. This offsets increased levy authority resulting from other provisions in Chapter 55. Local optional levies use the referendum market value (RMV) tax base.

1000 - General Fund Cost (Savings)	0	0	6,069	6,069	8,749	9,199	17,948
Expenditures	0	0	6,069	6,069	8,749	9,199	17,948

Area Learning Center Transportation Aid

This provision creates a new categorical aid to reimburse school districts for the excess cost of transporting students to and from an area learning center (ALC) program. Total aid statewide is capped at \$1 million per year.

1000 - General Fund Cost (Savings)	0	1,000	1,000	2,000	1,000	1,000	2,000
Expenditures	0	1,000	1,000	2,000	1,000	1,000	2,000

Transportation Sparsity

This provision increases the portion of a school district's unfunded pupil transportation expenses that are funded through state aid from 18.2 percent to 35 percent of the unfunded amount. This transportation sparsity revenue (a part of general education) provides additional funding to school districts that have a relatively low ratio of pupils to the square mile area of the school district.

1000 - General Fund Cost (Savings)	0	4,809	5,086	9,895	5,533	6,122	11,655
Expenditures	0	4,809	5,086	9,895	5,533	6,122	11,655

Pension Adjustment Revenue Increase

This provision from the tax bill (Laws 2023, Chapter 64) increases pension adjustment aid in FY 2026 and later for all districts, including participants in both the Teachers Retirement Association (TRA) and St. Paul Teachers' Retirement Fund Association (SPTRFA) plans. The pension adjustment rate, which is multiplied by total salaries paid to district employees who are members of TRA and SPTRFA to create the total pension adjustment aid amount, is increased by 0.75 percent. Related provisions in Chapter 64 increase the employer contribution rate for TRA and SPTRFA participants by 0.75 percent, increase the employee contribution rate by 0.25 percent, and lower the normal retirement age from 66 to 65 beginning in FY 2026.

1000 - General Fund Cost (Savings)	0	0	0	0	45,518	53,408	98,926
Expenditures	0	0	0	0	45,518	53,408	98,926

Windom School District Onetime Supplemental Aid

This provision from the tax bill (Laws 2023, Chapter 64) provides onetime aid to ISD 177, Windom, based on any decrease in pupil enrollment between the October 1 counts in 2022 and 2023. The aid amount is \$10 thousand per pupil decrease, up to a maximum of \$1 million total aid. Related provisions in Chapter 64 providing funds to the city of Windom reference the HyLife Foods Windom processing plant.

1000 - General Fund Cost (Savings)	0	1,000	0	1,000	0	0	0
Expenditures	0	1,000	0	1,000	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Career and Technical Education Consortium

This provision adds the Career and Technical Education (CTE) consortium grant program to state statute, increases the annual appropriation, and extends the program statewide. CTE consortia are voluntary collaborations of Minnesota Service Cooperatives and other regional public and private partners that work together to provide career and technical education opportunities for students. Previously, the appropriation was in session law and was for rural CTE consortium grants.

1000 - General Fund Cost (Savings)	0	2,000	2,000	4,000	2,000	2,000	4,000
Expenditures	0	2,000	2,000	4,000	2,000	2,000	4,000

Career and Technical Program Expansion; Aeronautics Pilot Program

This provision provides funding to Independent School District 482, Little Falls, for an aeronautics and commercial over-the-road technical program. The appropriation is available until June 30, 2026.

1000 - General Fund Cost (Savings)	0	450	0	450	0	0	0
Expenditures	0	450	0	450	0	0	0

Emergency Medical Training

This provision provides grants for schools and cooperative units to offer high school students courses in emergency medical services.

1000 - General Fund Cost (Savings)	0	500	500	1,000	500	500	1,000
Expenditures	0	500	500	1,000	500	500	1,000

Adult Basic Education Aid Increase

This provision increases Adult Basic Education (ABE) aid by about 2 percent in FY 2024, and it adds a component to the growth factor calculation for future years. Growth will equal either the increase in the general education basic formula for the year in question (the newly added factor) or growth in state total ABE contact hours over the prior ten years (existing factor), with a cap of 3 percent (existing factor). This provision also changes the one aspect of the distribution of funding between programs; it increases the maximum revenue per contact hour for a program from \$22 per hour to \$30 per hour. ABE provides various services to adult learners, including working towards a high school credential, learning English, improving basic skills such as literacy and math, and/or preparing for postsecondary education or employment.

1000 - General Fund Cost (Savings)	0	900	1,959	2,859	2,057	2,056	4,113
Expenditures	0	900	1,959	2,859	2,057	2,056	4,113

High School Equivalency Tests Increase

This provision provides a onetime increase to high school equivalency test (e.g., GED, HiSET) funding and authorizes MDE to pay 100 percent of test-taker fees for FY 2023 to FY 2027, subject to the availability of funds. The amount of the appropriation increase (\$490 thousand in FY 2024) is available until June 30, 2027.

1000 - General Fund Cost (Savings)	0	490	0	490	0	0	0
Expenditures	0	490	0	490	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Developmental Screening Aid Increase

This provision increases the developmental screening aid per child or student screened by 30 percent for each age/category. New amounts are \$98 for a child screened at age three, \$65 for a child screened at age four, \$52 for a child screened at age five or six prior to kindergarten, and \$39 for a student screened within 30 days after first enrolling in a public school kindergarten if the student has not been previously screened. Developmental screening – which can include components such as developmental assessments, hearing/vision screening, identification of risk factors that could impact learning, etc. – helps a school district identify children who may benefit from district and community resources available to help in their development. This provision also funds MDE administrative costs associated with developmental screening in the amount of \$127 thousand in FY 2024 and \$77 thousand in FY 2025 and later.

1000 - General Fund Cost (Savings)	0	1,059	1,096	2,155	1,087	1,087	2,174
Expenditures	0	1,059	1,096	2,155	1,087	1,087	2,174

English Learner and Breakfast Aid for ECSE Students

This provision makes early childhood special education (ECSE) students eligible to earn English learner aid and breakfast aid. ECSE programs provide supports and services to infants, toddlers, and preschool children with disabilities. This provision is estimated to increase English learner aid (within general education) by about \$700 thousand per year and breakfast aid by about \$80 thousand per year.

1000 - General Fund Cost (Savings)	0	570	671	1,241	733	810	1,543
Expenditures	0	570	671	1,241	733	810	1,543

ADM Change for Kindergarten Students with a Disability

This provision changes the average daily membership (ADM) calculation for kindergarten students with a disability by making it the same as the ADM calculation for other kindergarten students. Previously, kindergarten students with a disability generated slightly less general education revenue than their nondisabled peers who were served the same number of hours during the fiscal year. This provision also has the effect of making kindergarten students with a disability eligible to generate extended time revenue if they are served outside of regular school hours in a targeted services program; this aspect of the provision is the driver of its cost. Costs are borne by the general education appropriation.

1000 - General Fund Cost (Savings)	0	67	73	140	76	76	152
Expenditures	0	67	73	140	76	76	152

Quality Rating and Improvement System

This provision provides a onetime increase in funding to an existing appropriation for the quality rating and improvement system (which in Minnesota is known as Parent Aware). Funds are transferred from MDE to DHS. The \$1.1 million increase (in FY 2024 only) is to establish and report on a new automatic one-star rating provision established in Chapter 54, and to offer related supports. The base/existing funding for this program is \$1.75 million annually.

1000 - General Fund Cost (Savings)	0	1,100	0	1,100	0	0	0
Transfers Out	0	1,100	0	1,100	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Head Start Program Increase

This provision increases state Head Start funding to \$35.1 million per year, a 40 percent increase. Related provisions expand the allowable uses of state Head Start funds and change the funding distribution formula to provide for a specific set aside for tribal Head Start programs. Head Start supports the comprehensive development of children from low-income families from birth to age 5 to promote school readiness. Head Start services include early learning, health, and family well-being, and are offered in a variety of service models including in child care centers, schools, or family child care homes.

1000 - General Fund Cost (Savings)	0	10,000	10,000	20,000	10,000	10,000	20,000
Expenditures	0	10,000	10,000	20,000	10,000	10,000	20,000

Kindergarten Entry Assessment

This provision substantially increases funding for implementation of kindergarten entry assessments (KEA) – by an average of 540 percent over four years – and makes the assessment mandatory rather than voluntary. Schools must choose a KEA tool that meets specified requirements and report the results to MDE, which must then report results publicly. Schools must be in full compliance by the 2025-2026 school year. KEAs help identify what children know and are able to do at the beginning of kindergarten and may be used to tailor instruction and inform decisions about practice and programming.

1000 - General Fund Cost (Savings)	0	768	1,756	2,524	2,076	1,462	3,538
Expenditures	0	768	1,756	2,524	2,076	1,462	3,538

Reach Out and Read Minnesota

This provision grants funds to Reach Out and Read Minnesota to establish a statewide plan that encourages early childhood development through a network of health care clinics, including integrating children's books and parent education into well-child visits, creating literacy-rich environments at health care clinics, and other purposes.

1000 - General Fund Cost (Savings)	0	250	250	500	250	250	500
Expenditures	0	250	250	500	250	250	500

ParentChild+

This provision provides a two-year increase to an existing grant for the ParentChild+ program. Previous funding was \$900 thousand per year; this provision increases FY 2024 and FY 2025 funding to \$1.8 million per year, with a reversion to \$900 thousand per year in FY 2026 and later.

1000 - General Fund Cost (Savings)	0	900	900	1,800	0	0	0
Expenditures	0	900	900	1,800	0	0	0

Onetime Grants (Early Education)

This provision displays onetime grants appropriated in Laws 2023, Chapter 54, the early education bill.

- Children's Savings Account Startup Grants (Youthprise) (\$500 thousand in FY 2024 only)
- Early Childhood Curriculum Grants (\$250 thousand each year)
- Executive Function Across Generations Curriculum (The Family Partnership) (\$300 thousand in FY 2024 only)
- Learning with Music (MacPhail Center) (\$250 thousand each year)
- Metro Deaf School (\$100 thousand each year)
- Way to Grow (\$150 thousand each year)

1000 - General Fund Cost (Savings)	0	1,550	750	2,300	0	0	0
Expenditures	0	1,550	750	2,300	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Special Education Separate Sites and Programs Aid

This provision establishes a new forecast program that provides a per pupil allocation to special education separate schools, sites, and programs (special education settings 4 and higher) to serve students with disabilities with the highest needs. This includes special education cooperatives, education districts, and intermediates. The provision defines “special education separate site and program” as a public separate day school facility attended by students with disabilities for 50 percent or more of their school day. The funding – which is set at \$1,689 per pupil served in special education separate sites and programs – can be used for the same purposes as are permitted for regular state special education aid.

1000 - General Fund Cost (Savings)	0	4,378	5,083	9,461	5,337	5,604	10,941
Expenditures	0	4,378	5,083	9,461	5,337	5,604	10,941

Special Instruction and Services Extended to Age 22

This provision reflects the estimated cost – primarily in general education and to a lesser extent in special education – of extending special instructions and services for children with disability until age 22, consistent with the federal Individuals with Disabilities Education Act (IDEA). Previously, services under state statute were required to be provided until the July 1st after the child with a disability became 21; now, services are required to be provided until their 22nd birthday.

1000 - General Fund Cost (Savings)	0	4,567	5,108	9,675	5,113	5,113	10,226
Expenditures	0	4,567	5,108	9,675	5,113	5,113	10,226

Specific Learning Disability Criteria Change

This provision provides funding to MDE for engagement and rulemaking related to updating the policy and state rule for identifying students with Specific Learning Disabilities (SLD) so that they align with the currently applicable federal reauthorization of the Individuals with Disabilities Education Act (IDEA). The provision requires MDE to begin the rulemaking process to amend Minnesota Rules, part 3525.1341, and to establish a stakeholder workgroup to review current SLD criteria. Funds will support rulemaking, administrative updates, and training resources.

1000 - General Fund Cost (Savings)	0	573	573	1,146	573	573	1,146
Expenditures	0	573	573	1,146	573	573	1,146

Homeless Student Transportation

This provision creates a new category of aid within the regular special education appropriation called special education homeless pupil aid. Districts are eligible for this aid if they are not otherwise eligible for full reimbursement of their transportation costs for homeless and highly mobile students (e.g. if they are funded off of the “original hold harmless” portion of the special education formula).

1000 - General Fund Cost (Savings)	0	1,121	1,356	2,477	1,443	1,537	2,980
Expenditures	0	1,121	1,356	2,477	1,443	1,537	2,980

Foster Student Transportation

This provision funds transportation costs to enable students placed in a family foster care home to remain enrolled in their school of origin. It does so by including a student placed in a foster family in the class of students funded for pupil transportation under the portion of the special education initial aid formula that funds transportation for homeless and highly mobile pupils.

1000 - General Fund Cost (Savings)	0	0	519	519	598	606	1,204
Expenditures	0	0	519	519	598	606	1,204

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Registry of Interpreters for the Deaf (RID) Certified Interpreters

This provision amends the section of statute related to requirements for American sign language/English interpreters in a manner that increases special education spending. A person employed by a school district to provide American sign language/English interpretation or transliteration must hold one of two statutorily required certifications and have completed an accredited training program. This section adds Certified Deaf Interpreter (CDI) to the allowed types of certifications. CDI certifications are for individuals who are deaf or hard of hearing, have demonstrated understanding of interpreting and the deaf community and culture, have special training in various communication methods, and have native or near native fluency in American sign language. The provision also makes employees with the required certifications or credentials for American sign language/English interpreters “essential personnel” under the section of statute governing special education aid, ensuring their services are eligible for reimbursement.

1000 - General Fund Cost (Savings)	0	0	333	333	394	485	879
Expenditures	0	0	333	333	394	485	879

Regional Libraries Basic System Support Increase

This provision increases funding for regional library basic system support aid by about 30 percent and adjusts the formula by which funds are distributed to the 12 recipient systems. Two of the four aspects of the formula are adjusted in order to provide more funding stability for recipients: the basic system services portion (same amount to each recipient) increases, while the portion based on relative property tax values decreases. The provision also increases overall basic system support aid levels in FY 2026 and later at the same level as the general education basic formula allowance; because the general education basic formula now has automatic but varying increases built in (see “General Education Formula Allowance Increase and Indexation to Inflation”), regional library basic system support aid will now be treated as a forecast program.

1000 - General Fund Cost (Savings)	0	4,000	4,000	8,000	4,267	4,650	8,917
Expenditures	0	4,000	4,000	8,000	4,267	4,650	8,917

School Library Aid

This provision creates a new forecast program providing school library aid. The aid amount is \$16.11 per pupil, with a minimum of \$40,000 per school district and \$20,000 per charter school. School library aid must be used for directly funding the costs of specific purposes within a library, including compensation for a school library media specialist, computer/AV/IT equipment, material resources, supplies, etc.

1000 - General Fund Cost (Savings)	0	21,435	23,799	45,234	23,797	23,797	47,594
Expenditures	0	21,435	23,799	45,234	23,797	23,797	47,594

Multicounty, Multitype Library Systems Increase

This provision increases multicounty, multitype library system aid. Minnesota has seven multicounty, multitype library systems that improve library services by facilitating cooperation among academic libraries, public libraries, school library media centers, and special libraries.

1000 - General Fund Cost (Savings)	0	700	700	1,400	700	700	1,400
Expenditures	0	700	700	1,400	700	700	1,400

Licensed Library Media Specialists

This provision provides onetime aid to multicounty, multitype library systems to increase the number of licensed library media specialists. Eligible activities include but are not limited to conducting a census of licensed library media specialists currently working in Minnesota schools, identifying gaps in licensed library media specialist services, providing professional development, and providing tuition support to candidates seeking school library media specialist licensure.

1000 - General Fund Cost (Savings)	0	1,000	0	1,000	0	0	0
Expenditures	0	1,000	0	1,000	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Full-Service Community Schools

This provision provides grants to plan or expand the full-service community schools program, pursuant to an amended state statute. Planning grants of up to \$100 thousand are available for one year, while implementation grants are available for up to three years at \$200 thousand annually. The Community School model is an evidence-based school improvement strategy designed to help schools support students and their families so that they can fully engage in high-quality learning opportunities; the type of services provided varies depending on community needs, but could include such things as provision or coordination of health services, out-of-school-time programs, workforce readiness services for parents, etc.

1000 - General Fund Cost (Savings)	0	7,500	7,500	15,000	5,000	5,000	10,000
Expenditures	0	7,500	7,500	15,000	5,000	5,000	10,000

Closing Educational Opportunity Gaps Grants

This provision funds grants to support schools in their efforts to close opportunity gaps. The program is established to support implementation of certain world's best workforce strategies and collaborative efforts that address opportunity gaps resulting from curricular, environmental, and structural inequities in schools experienced by students, families, and staff who are of color or who are American Indian.

1000 - General Fund Cost (Savings)	0	3,000	3,000	6,000	0	0	0
Expenditures	0	3,000	3,000	6,000	0	0	0

Ethnic Studies

Laws 2023, Chapter 55 contains three funding provisions related to ethnic studies. The first provides \$150 thousand per year to consult with community members throughout the state on development of ethnic studies curricula, resources, and implementation support; the second provides \$700 thousand per year for competitive grants to schools to develop, evaluate, and implement ethnic studies courses; the third provides \$150 thousand per year for an ethnic studies specialist at MDE. Related provisions in Chapter 55 define ethnic studies, require high schools to provide an ethnic studies course, require MDE to support districts and provide resources, and establish an Ethnic Studies Working Group.

1000 - General Fund Cost (Savings)	0	1,000	1,000	2,000	1,000	1,000	2,000
Expenditures	0	1,000	1,000	2,000	1,000	1,000	2,000

Genocide/Holocaust Education Requirement

This provision provides funding for implementation of requirements for education on the Holocaust, genocide of Indigenous Peoples, and other genocides. Related provisions require districts to provide genocide/Holocaust education in middle and high school, and a working group is established advise MDE and develop resources necessary to implement the requirement.

1000 - General Fund Cost (Savings)	0	75	75	150	75	75	150
Expenditures	0	75	75	150	75	75	150

Student Organizations Increase

This provision increases total student organization funding by 41 percent, including various changes to specific organizations and the MN Foundation for Student Organizations. The purpose of the foundation is to promote career and technical student organizations and applied leadership opportunities in Minnesota public and nonpublic schools through public-private partnerships.

1000 - General Fund Cost (Savings)	0	316	316	632	316	316	632
Expenditures	0	316	316	632	316	316	632

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Museums and Education Centers Increase

This provision approximately doubles total museum and education center spending in FY 2024-25 and provides a further increase in FY 2026-27. Eight museums receive continued or increased funding, while seven new museums are added. Funds must be used to encourage and increase access for historically underserved communities.

1000 - General Fund Cost (Savings)	0	781	781	1,562	1,331	1,331	2,662
Expenditures	0	781	781	1,562	1,331	1,331	2,662

MN Center for the Book

This provision provides a grant to the entity designated by the Library of Congress as the MN Center for the Book to provide statewide programming related to the MN Book Awards and for additional programming throughout the state related to the Center for the Book designation.

1000 - General Fund Cost (Savings)	0	200	200	400	200	200	400
Expenditures	0	200	200	400	200	200	400

MN Math Corps Increase

This provision increases math corps program spending by \$500 thousand per year over base, which has the effect of keeping total program spending steady (\$1 million per year since FY 2022). The MN math corps program provides a data-based problem-solving model of mathematics instruction useful for providing elementary and middle school students and their teachers with instructional support to meet state academic standards in mathematics.

1000 - General Fund Cost (Savings)	0	500	500	1,000	500	500	1,000
Expenditures	0	500	500	1,000	500	500	1,000

Sanneh Foundation

This provision provides grant funding to the Sanneh Foundation.

1000 - General Fund Cost (Savings)	0	1,500	1,500	3,000	1,500	1,500	3,000
Expenditures	0	1,500	1,500	3,000	1,500	1,500	3,000

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Onetime Grants (Education Excellence Article)

This provision displays onetime grants appropriated in the Education Excellence article of Laws 2023, Chapter 55.

- Alliance of Chicanos, Hispanics, and Latin Americans (\$300 thousand in FY 2024 and \$200 thousand in FY 2025)
- Building Assets, Reducing Risks Center (\$5 million in FY 2025 only; available until June 30, 2026)
- Educational Outcomes and Accountability Pilot (\$150 thousand each year for a grant to Pillsbury United Communities; available until June 30, 2026)
- Girls Taking Action (\$1.5 million in FY 2024 only)
- Innovative Service Learning Grants (\$1 million in FY 2024 only for competitive grants to schools partnering with community organizations)
- Junior Achievement North (\$500 thousand each year)
- MN Alliance of Boys and Girls Club (\$2.5 million each year)
- MN Association of Alternative Programs STARS (Success, Teamwork, Achievement, Recognition, and Self-Esteem) (\$50 thousand in FY 2024 only)
- Online Music Instruction Grant (MacPhail Center) (\$300 thousand in FY 2024 only)
- MN Council on Economic Education (\$200 thousand each year from Chapter 55; \$100 thousand in FY 2024 only from Chapter 57)
- Walkabouts (\$250 thousand each year for grants to regional centers of excellence)

1000 - General Fund Cost (Savings)	0	11,850	3,800	15,650	0	0	0
Expenditures	0	11,850	3,800	15,650	0	0	0

After School Community Learning Grant Program

The provision provides funding for an existing statutory after school community learning grant program that had not received funding in the recent past. Funding is available to eligible organizations to provide culturally affirming and enriching after-school and summer learning programs for school-age youth after school or during non-school hours. Program objectives, eligibility, and processes were all amended. Up to 3 percent of funds are available to the organization serving as the statewide after-school network. MDE is provided administrative funding and is required to provide technical assistance, capacity building, and professional development. The appropriation is available until June 30, 2027.

1000 - General Fund Cost (Savings)	0	30,000	0	30,000	0	0	0
Expenditures	0	30,000	0	30,000	0	0	0

Adults With Disabilities Program Aid Increase

This provision increases adults with disabilities program funding and replaces the current capped appropriation with a funding formula of \$0.34 per capita (population of the school district) for each school district that operates an adults with disabilities program. The levy is held constant so that the additional revenue is provided all in state aid. The state aid increase is for FY 2025 and later and is about 170 percent each year. This program will now be treated as a forecast program.

1000 - General Fund Cost (Savings)	0	0	1,072	1,072	1,196	1,196	2,392
Expenditures	0	0	1,072	1,072	1,196	1,196	2,392

Community Education Aid Increase

This provision increases the basic community education revenue allowance from \$5.42 per capita to \$6.35 per capita beginning in fiscal year 2025, provided all as state aid. The community education levy is adjusted to ensure that this revenue is provided entirely as state aid and to offset other levy impacts in Chapter 55 (see "Levy Offset Using Community Education"). Community education aid can be used to provide a variety of program intended to maximize the community's use of public schools and expand the involvement of community members.

1000 - General Fund Cost (Savings)	0	0	4,835	4,835	5,411	5,455	10,866
Expenditures	0	0	4,835	4,835	5,411	5,455	10,866

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Levy Offset Using Community Education

This provision lowers the community education levy starting in FY 2025 so that Chapter 55 as a whole does not increase total statewide levies (i.e. property taxes) above the amount estimated in the February 2023 forecast. The community education levy reduction has the effect of increasing state aid. This offsets increased levy authority resulting from other provisions in Chapter 55. Community education levies use the adjusted net tax capacity (ANTC) tax base.

1000 - General Fund Cost (Savings)	0	0	3,114	3,114	4,066	4,207	8,273
Expenditures	0	0	3,114	3,114	4,066	4,207	8,273

Regional Neighborhood Partnership Grants Increase

This provision renames the Tier 1 education partnership grants (Northside Achievement Zone and St. Paul Promise Neighborhood) as “neighborhood partnership grants” and renames Tier 2 implementing grants as “regional neighborhood partnership grants.” Funding for regional neighborhood partnership grants is approximately tripled, with \$200 thousand each year designated for seven entities in greater Minnesota named in Chapter 55.

1000 - General Fund Cost (Savings)	0	920	920	1,840	920	920	1,840
Expenditures	0	920	920	1,840	920	920	1,840

Building and Cybersecurity Grant Program

This provision funds grants to schools to improve building security and cybersecurity. Funds may be used for security-related facility improvements, cybersecurity insurance premiums, and associated costs. The appropriation is available until June 30, 2027.

1000 - General Fund Cost (Savings)	0	24,332	0	24,332	0	0	0
Expenditures	0	24,332	0	24,332	0	0	0

Gender-Neutral Single-User Restroom Grants

This provision funds grants to school districts of up to \$75 thousand per site for remodeling, constructing, or repurposing space for gender-neutral single-user restrooms. At least one grant is for Independent School District No. 709, Duluth, for a demonstration grant for a project awaiting construction. Related provisions in Chapter 55 relate to gender-neutral single-user restrooms and the Long-Term Facilities Maintenance program, including planning requirements and funding eligibility.

1000 - General Fund Cost (Savings)	0	1,000	1,000	2,000	1,000	1,000	2,000
Expenditures	0	1,000	1,000	2,000	1,000	1,000	2,000

Information Technology Infrastructure and Portfolio Resources

This provision provides onetime funding for information technology infrastructure and portfolio resources at MDE. Funding is expected to increase efficiency and effectiveness for Minnesota’s educators, schools, and students by enabling MDE to modernize existing public education systems to provide secure and reliable technology solutions.

1000 - General Fund Cost (Savings)	0	2,000	0	2,000	0	0	0
Expenditures	0	2,000	0	2,000	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Ed-Fi Data Collection System and Reporting

This provision provides funding to MDE to modernize data submission systems for school districts and charter schools through the expansion of the data collection and integration system known as “Ed-Fi.” This includes improved and expanded data reporting using Tableau, a business intelligence tool used for building interactive data dashboards. The Ed-Fi initiative is partially funded with \$6 million of federal funds between FY 2022 and FY 2024.

1000 - General Fund Cost (Savings)	0	595	2,609	3,204	2,359	2,359	4,718
Expenditures	0	595	2,609	3,204	2,359	2,359	4,718

Reasonable Force Reporting

This provision makes changes to reporting requirements when reasonable force is used and it provides unridered funding to MDE for information technology (IT) costs related to updating the restrictive procedures reporting system. Restrictive procedures reporting was previously limited to students with disabilities, so the restrictive procedure reporting system was supported by federal Individuals with Disabilities Education Act (IDEA) funding. However, because the data required under this provision is for all students, including those students who do not have a disability, IDEA funding may no longer be used.

1000 - General Fund Cost (Savings)	0	47	0	47	0	0	0
Expenditures	0	47	0	47	0	0	0

Athletic Race/Ethnicity Data Collection

This provision provides unridered funding to MDE to collect and report aggregate race and ethnicity demographics from public and private schools on students participating in intramural and interscholastic programs.

1000 - General Fund Cost (Savings)	0	110	70	180	65	65	130
Expenditures	0	110	70	180	65	65	130

Audit and Internal Control Resources

This provision provides funding to MDE for external auditing and internal control functions.

1000 - General Fund Cost (Savings)	0	800	800	1,600	800	800	1,600
Expenditures	0	800	800	1,600	800	800	1,600

Equity, Diversity, and Inclusion (EDI) Center Staff

This provision provides funding to staff the Equity, Diversity and Inclusion (EDI) Center at MDE. The mission of the EDI Center is to advance the principles of equity, diversity, and inclusion to create the conditions for building authentic cross-cultural communities where harm is eliminated, and every person’s humanity is acknowledged and valued.

1000 - General Fund Cost (Savings)	0	2,000	2,000	4,000	2,000	2,000	4,000
Expenditures	0	2,000	2,000	4,000	2,000	2,000	4,000

Maintain Current Service Levels

This provision provides additional operating funds to maintain the current level of service delivery at the Minnesota Department of Education.

1000 - General Fund Cost (Savings)	0	4,604	4,992	9,596	4,992	4,992	9,984
Expenditures	0	4,604	4,992	9,596	4,992	4,992	9,984

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Board of School Administrators Staffing and Outreach

This provision provides unridered funding to the Board of School Administrators (which is administratively attached to MDE) to expand office support staff, improve communication processes with administrators, implement technological upgrades, provide support for licensed administrators in Minnesota public schools, and ensure robust implementation and monitoring of all aspects of licensure requirements for administrators. It represents a 19 percent increase over BOSA's base budget.

1000 - General Fund Cost (Savings)	0	64	64	128	64	64	128
Expenditures	0	64	64	128	64	64	128

Legal Costs

This provision cancels \$1.5 million in FY 2023 and appropriates \$7.5 million onetime in FY 2024 to MDE for legal fees and costs associated with litigation. Funds will support costs associated with MDE's Office of the General Counsel, use of the Attorney General's Office, discovery, mediation, and other litigation costs due to several complex lawsuits.

1000 - General Fund Cost (Savings)	(1,500)	7,500	0	7,500	0	0	0
Expenditures	(1,500)	7,500	0	7,500	0	0	0

Mental Health Services Lead

This provision funds a comprehensive mental health services lead staff position at MDE. The purpose of the position is to serve as a source of information and support for schools in addressing the mental health needs of students, teachers, and school staff and developing comprehensive school mental health systems in school districts and charter schools.

1000 - General Fund Cost (Savings)	0	150	150	300	150	150	300
Expenditures	0	150	150	300	150	150	300

School Health Services Specialist

This provision funds a school health services specialist position at MDE under a new licensed school nurse section of statute. The statute sets out various requirements, including that the specialist must be a licensed school nurse, provide technical assistance to schools on the education-related health needs of students, and serve as a liaison to other state agencies to coordinate school-based health-related services for students.

1000 - General Fund Cost (Savings)	0	150	150	300	150	150	300
Expenditures	0	150	150	300	150	150	300

Early Childhood Family Education Support Staff

This provision funds two staff at MDE and ancillary costs to serve as resources for Early Childhood Family Education (ECFE) programs throughout the state. The staff persons must provide operational support and guidance to programs, such as professional development and education support, assisting with marketing and outreach, and facilitating collaborations with organizations serving families.

1000 - General Fund Cost (Savings)	0	375	375	750	375	375	750
Expenditures	0	375	375	750	375	375	750

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Online Learning Application Fee Spending Authority

This provision provides MDE authority to spend revenue that is generated by fees collected for reviewing applications by supplemental online course providers. Previously MDE had authority to collect these fees but not to spend them. Funds generated from the application review fees are used to support high quality digital instruction.

2000 - Restrict Misc Special Revenue Fund Cost (Savings)	0	29	7	36	7	7	14
Expenditures	0	29	7	36	7	7	14

Legalizing Adult-Use Cannabis: Educational Program Resources

This provision provides funding for the safe and responsible legalization of cannabis for adults in Minnesota. It allows for the monitoring and regulation of cannabis cultivation, processing, and sales. The provision also includes measures to promote public health, public safety, criminal justice, and economic growth. Funding for the Department of Education will support schools and districts in accessing resources on cannabis use and substance use.

1000 - General Fund Cost (Savings)	0	180	120	300	120	120	240
Expenditures	0	180	120	300	120	120	240

Interactions

The enacted budget includes certain proposals that contain interactions with other proposals. For example, one proposal may increase the number of eligible students for a given aid formula, and another proposal may increase the amount earned per student for the same formula. This provision reflects the costs associated with three interactions, all of which are within the general education appropriation: English learner (EL) aid for ECSE students interacting with EL cross subsidy reduction; voluntary prekindergarten interacting with the general education basic formula allowance increase; and voluntary prekindergarten interacting with the EL cross subsidy reduction.

1000 - General Fund Cost (Savings)	0	1,267	1,895	3,162	8,805	10,156	18,961
Expenditures	0	1,267	1,895	3,162	8,805	10,156	18,961

Regional Library Systems Grants (ACHF - Legacy)

This provision in Laws 2023, Chapter 40 ("the Legacy bill") appropriates funds from the Arts and Cultural Heritage Fund (ACHF) to MDE for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. The FY 2025 appropriation is available until June 30, 2026.

2301 - Arts & Cultural Heritage Fund Cost (Savings)	0	2,750	2,750	5,500	0	0	0
Expenditures	0	2,750	2,750	5,500	0	0	0

Water Safety Grants (ACHF - Legacy)

This provision in Laws 2023, Chapter 40 ("the Legacy bill") appropriates funds from the Arts and Cultural Heritage Fund (ACHF) to MDE on a onetime basis for a water safety grant program. Eligible applicants include nonprofit organizations and city and county parks and recreation programs providing swimming lessons to youth, and funds must primarily be used to provide scholarships to low-income and at-risk children for swimming lessons.

2301 - Arts & Cultural Heritage Fund Cost (Savings)	0	250	0	250	0	0	0
Expenditures	0	250	0	250	0	0	0