

# 2019 LEGISLATIVE AGENDA

EQUITABLE, PREDICTABLE AND SUSTAINABLE

## GENERAL EDUCATION FORMULA

\$588M

The only way to provide equitable, sustainable and predictable funding for Minnesota's 850,000 public schoolchildren is to fully fund the cost of education. Each year our schools face more and more complex and costly issues. Today's kindergarteners will graduate in 2031 – into a world we are not able to predict. Meeting students' individual needs demands resources. The state has the opportunity to ensure every student is ready to meet 21st century career and college goals. Districts need the state to keep pace with inflation. **Therefore, MSBA proposes a 3% increase for each year of the biennium and index the per pupil formula to inflation.**

The special education funding formula is the primary funding source to help special education students meet their full potential. Over the years, state and federal mandates, costs of services and students receiving special education have all increased. These factors, plus the federal government not fulfilling its 40% obligation, has forced districts to use general education dollars and local levies to provide these required services. **Therefore, MSBA proposes fully funding Minnesota's portion of the cross-subsidy for special education.**

## SPECIAL EDUCATION FUNDING

\$300M

One of the most pressing issues for school districts is the mental health of students. One in five students have a mental health illness, while less than half get the help they need. Children are more apt to get and receive treatment in a school-based setting. School psychologists, licensed counselors, social workers and other professional staff are necessary to help provide early interventions and violence prevention. School-based mental health, telemedicine and full-service community schools help bring students and healthcare providers together. **Therefore, MSBA proposes funding a multifaceted approach for equitable and accessible school-based mental health programs for all Minnesota students.**

## MENTAL HEALTH/SAFE SCHOOLS LEVY

\$100M

The Legislature began work last year to improve safety for our students and staff. There were multiple bills introduced; however, only a \$25 million provision prevailed in the bonding bill. Grants were available for school building improvements relating to violence prevention and facility security. Over 1,187 applications totaling \$255 million were received - 10 times the funds available. **Therefore, MSBA asks the state to respond with urgency and fully fund all remaining qualified applications to ensure all staff and students are safe and secure.**

## SCHOOL SAFETY GRANTS

\$255M

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## SCHOOL BOARD VAGANCIES

Special elections are costly and are paid for with general education funds. In 2017, 28 school districts held special elections. Costs were high, ranging from \$4,000 to \$60,000 and resulted in low voter turnout of 1% to 15%, depending on the district size. **Therefore, MSBA proposes allowing school boards to replace a school board member by appointment and the vacant seat would be filled during the next general election cycle.**

Special education paperwork mandates have become onerous and burdensome, often switching the focus from teaching to meeting requirements, and contribute to teachers leaving the profession. It is time to look at new ways to reduce state rules and regulations that exceed federal law. The focus needs to return to teaching special education students. **Therefore, MBSA proposes a plan to better align Minnesota rules and statutes with federal law. A reduction in mandates will lead to improved teacher retention and satisfaction and better outcomes for students.**

## SPECIAL EDUCATION MANDATES

## TEACHER SHORTAGE

Teacher shortage continues to be a challenge. Teachers of color are particularly underrepresented and make up only 4% of our teaching staff, while 34% of students in classrooms are students of color or American Indian. High-quality and effective teachers will help close costly opportunity and achievement gaps that limit student success. **Therefore, MSBA proposes supporting the Increase Teachers of Color Act of 2019 to help attract, develop and retain teachers across Minnesota.**

## LOCAL CONTROL

Over 332 school boards are elected by their communities. These members are trusted and charged with the governance of school property, budget, curriculum, technology, taxes, student achievement and teacher quality – ensuring excellence and equity in all public schools. **Therefore, MSBA asks that you honor and trust the work of these local officials by allowing school boards to renew an existing operating referendum, by reducing the current number of mandates, and provide flexibility to meet the unique needs of their schools and communities.**



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Minnesota School Boards Association



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# 2019

# LEGISLATIVE PLATFORM

As recommended by the  
MREA Board of Directors

MREA advocates on behalf of about 230 school districts across Greater Minnesota, 30 education districts and additional associate members for providing educational opportunities and closing achievement gaps in Minnesota in these key ways.

## Funding Student Needs

Funding for schools through the state's basic education formula has fallen short of inflation and not allowed school leaders to properly plan for essential education investments.

### WHERE WE STAND

- The state promised in 2001 to fund schools with the General Education Formula.
- The General Education Formula for Minnesota's public schools has not kept up with inflation since 2003 when the promise went into effect. It is now underfunded nearly \$600 per pupil, totaling \$525 million annually.
- This has led school districts to rely more heavily on local taxpayer support. The average local operating revenue has grown to \$1,371 per pupil in Minnesota with local revenue generated in the metro area being almost twice that of rural school districts.
- The challenges mount in rural school districts, particularly those with poorer property value. The gap between rural and metro school districts has grown to \$683.
- The special education cross subsidy is growing and consuming increasingly more of districts' general funds.
- Schools lack the necessary, predicted funding to invest in long-term teacher work-force development.

### KEY ACTION NEEDED

Predictable, annual forecasted increases in the General Education Formula of 3% or more to address current inflationary pressures and begin to close the inflation gap since the legislature promised to fund educational services with the formula. The Commissioner of Management and Budget can meter payments to schools as necessary to fund this annual, forecasted formula increase.

Without predictable, annual forecasted increases in the General Education Formula, the state needs to:

- Increase Board-authorized Local Optional Revenue (LOR) and Tier II cap over four years to \$1,500 per APU to address inflationary pressures, close inflation gap and provide state share with LOR equalization in 87% of Minnesota's school districts.
- Index Tier II equalization factor to 125% of average RMV/RPU to equalize tax burdens in 281 districts.
- Index Tier III equalization factor to 85% of average RMV/RPU to equalize tax burdens in 225 districts.
- Merge Board Authorized Referendum into the LOR program to provide clarity and simplicity.
- Provide a community viability option for districts below 1,000 APU by removing their referendum cap.

## Jump Start to School Readiness

Minnesota's multiple categorical, competitive funding streams have resulted in inequitable opportunities for children and impede the ability of rural school districts to deliver high quality preschool education to all young children.

### KEY ACTIONS NEEDED

- Streamline early learning revenues and ensure local coordination of early learning programs by consolidating Pathway II funds supporting school-based programs, Voluntary Pre-K and School Readiness Plus into the School Readiness account with consensus requirements.
- Ensure every district receives sufficient School Readiness funding to provide all low income 4-year-olds a minimum of 350 hours of service from 3- and 4- star rated providers.
- Ensure a viable mixed delivery system of providers by requiring districts to reserve 40% for non-district 3- and 4-star rated providers willing to provide a minimum of 350 hours of service for low-income four-year-olds.
- Have school districts verify and reimburse non-district 3- and 4-star rated providers for eligible four-year-olds.
- Release unused reserved funds to the school districts June 30 for their early learning programming.

## Teacher Crisis

Schools across Greater Minnesota face a critical shortage of teachers, especially teachers of color, in nearly all subjects. Each year, about 1,400 teachers retire and there has not been enough new teachers gaining licenses to replace them. In Minnesota, teacher graduates declined 20% from 2012-2016.

### KEY ACTIONS NEEDED

- Secure adequate, ongoing funding for grants, student teaching stipends and loan forgiveness to attract and retain Promising Teachers in rural Minnesota.
- Expand Grow Your Own Teachers pilot programs for rural school districts and education cooperatives.





## Special Education

School districts are responsible for providing Free and Appropriate Public Education (FAPE) for all students and must use General Education Formula dollars to meet special education expenditures not provided through other federal and state funding. This cross subsidy has grown to 12% of the General Education Formula over the past decade and is projected to grow to consume 15% of the formula within the next 10 years. Cross subsidies now vary in Minnesota school districts from \$172 to \$1,654. The result is an inequity in the effective formula for students in similar districts and a decreasing effectiveness of the General Education Formula.

### KEY ACTIONS NEEDED

- Establish through policy that the average cross subsidy will not exceed 10% of the formula by increasing the General Education Formula by 3% or more and taking the following actions in the special education formula.
  - Re-adjust the state special education formula to better match districts' costs and increase equity in this formula.
  - Limit student funding inequity with a re-insurance type of funding to maintain better equity in formula funding among similar type school districts—special education metro and rural regions of districts.
- Fund a multi-state study to determine the impact Minnesota policies and practices have on Special Education services and costs, including criteria for qualifying for Special Education.

## Career & College Readiness Flexibility

Minnesota faces a well-documented skilled-worker shortage and Minnesota Academic Standards currently hold high schools back from providing the education and training needed to effectively prepare students for their future jobs. Today's system operates on a one-size fits all approach for students no matter their plans after graduation.

### KEY ACTIONS NEEDED

- Re-examine the high school course and standards requirements to align with state workforce needs and provide flexibility and more options for students in their required Personal Learning Plans.
- Reinvest in vocational and technical education programs and skills (i.e. welding, manufacturing processes, robotics, accounting). This includes expanding Average Daily Membership (ADM) funding similar to targeted services up to 0.25 pupil unit reimbursement for programming outside the traditional student day and supporting districts' collaboration with local employers in program design.

## Student Safety and Mental Health

Schools across Minnesota face heightened needs to improve student safety and provide a robust array of services to meet rising mental health support for students. In 2018, 258 school districts, charters, cooperatives and state academies submitted over \$250 million in state safety grant requests. Currently, high-need students attending metro school districts have access to well designed, newer, more appropriate learning spaces than those in Greater Minnesota.

### KEY ACTIONS NEEDED

- Double the Safe Schools Levy program to \$72 per pupil with equalization for school districts. Establish a \$30,000 minimum for small districts. Allow member districts of cooperatives directly serving students to levy up to \$15 per pupil for safety.
- Restore funding for ongoing school-county collaboratives to provide mental health and related services.
- Provide a state share of facility-hardening safety improvements with a combination of state grants and increased Long Term Facility Maintenance Revenue (LTFMR) with flexibility to use LTFMR for safety improvements.
- Provide rural school districts with the financing tools to serve high-need Level IV students that are available to members of the metro Intermediate Districts and increased flexibility with existing revenue streams.

## Strengthening Rural Communities

Rural families lack access to two critical needs: child care and affordable, robust Internet connectivity. Rural communities across Minnesota look to schools to help fill the gaps. Licensed family care providers currently only serve 65 percent of Greater Minnesota's child care needs and continue to close their doors.

### KEY ACTIONS NEEDED

- Expand broadband development grants to underserved, rural communities to further high-speed broadband Internet access at home for students and families, and maximize student success with school-based Internet for 1-to-1 initiatives.
- Expand CCAP and Pathway I scholarships to help build out affordable child care options for families.

