

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 161**

(SENATE AUTHORS: BIGHAM)

DATE  
01/19/2021

D-PG

Introduction and first reading  
Referred to Education Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to education; creating a deadline for teacher contracts; imposing a penalty  
1.3 for late contracts; proposing coding for new law in Minnesota Statutes, chapter  
1.4 123B.

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

1.6 Section 1. [123B.051] CONTRACT DEADLINE AND PENALTY.

1.7 Subdivision 1. Definitions. For the purposes of this section, the following terms have  
1.8 the meanings given them.

1.9 (a) "Public employer" means:

1.10 (1) a district; and

1.11 (2) a public employer, as defined in section 179A.03, subdivision 15, other than a district

1.12 that:

1.13 (i) negotiates a contract under chapter 179A with teachers; and

1.14 (ii) is established by, receives state money, or levies under chapters 120A to 129C, or  
1.15 136D, or 268A.

1.16 (b) "Teacher" means a person, other than a superintendent, assistant superintendent,  
1.17 principal, assistant principal, or a supervisor or confidential employee who occupies a  
1.18 position for which the person must be licensed by the Professional Educator Licensing and  
1.19 Standards Board, the former Board of Technical Colleges, or the Board of Trustees of the  
1.20 Minnesota State Colleges and Universities.

2.1 Subd. 2. **Contract deadline date; state aid penalty.** Notwithstanding any law to the  
2.2 contrary, a public employer and the exclusive representative of the teachers must both sign  
2.3 a collective bargaining agreement on or before January 15 of an even-numbered calendar  
2.4 year. If a collective bargaining agreement is not signed by that date, state aid paid to the  
2.5 public employer for that fiscal year must be reduced. State aid must not be reduced if:

2.6 (1) a public employer and the exclusive representative of the teachers have submitted  
2.7 all unresolved contract items to interest arbitration according to section 179A.16 before  
2.8 December 31 of an odd-numbered year and filed required final positions on all unresolved  
2.9 items with the commissioner of mediation services before January 15 of an even-numbered  
2.10 year; and

2.11 (2) the arbitration panel has issued its decision within 60 days after the date the final  
2.12 positions were filed.

2.13 Subd. 3. **State aid penalty exemptions.** (a) For a district that reorganizes according to  
2.14 sections 123A.35 to 123A.43, 123A.46, or 123A.48, effective July 1 of an odd-numbered  
2.15 year, state aid must not be reduced according to this section if the board and the exclusive  
2.16 representative of the teachers both sign a collective bargaining agreement on or before the  
2.17 March 15 following the effective date of reorganization.

2.18 (b) For a district that jointly negotiates a contract before the effective date of  
2.19 reorganization under sections 123A.35 to 123A.43, 123A.46, or 123A.48, that for the first  
2.20 time includes teachers in all districts to be reorganized, state aid must not be reduced  
2.21 according to this section if the board and the exclusive representative of the teachers sign  
2.22 a collective bargaining agreement on or before the March 15 following the expiration of  
2.23 the teacher contracts in each district involved in the joint negotiation.

2.24 (c) Only one extension of the contract deadline is available to a district under this  
2.25 subdivision.

2.26 Subd. 4. **Calculation of state aid reduction.** (a) The state aid reduction under subdivision  
2.27 2 must equal \$25 times the number of adjusted pupil units:

2.28 (1) for a district, that are in the district during that fiscal year; or

2.29 (2) for a public employer other than a district, that are in programs provided by the  
2.30 employer during the preceding fiscal year.

2.31 (b) The department must determine the number of full-time equivalent resident pupil  
2.32 units in the programs. The department must reduce general education aid. If general education  
2.33 aid is insufficient or not paid, the department must reduce other state aids.

- 3.1 Subd. 5. State aid reductions returned to general fund. Reductions from aid to districts  
3.2 and public employers other than districts must be returned to the general fund.
- 3.3 **EFFECTIVE DATE.** This section is effective for collective bargaining agreements  
3.4 whose terms begin July 1, 2022, and later.