

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

**S.F. No. 3570**

(SENATE AUTHORS: CLAUSEN, Relph and Pappas)

DATE  
02/24/2020

D-PG

Introduction and first reading  
Referred to E-12 Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
 1.2 relating to education finance; linking the extended time revenue formula to future  
 1.3 increases in the general education basic formula allowance; eliminating revenue  
 1.4 set aside for extended time activities under compensatory education revenue;  
 1.5 amending Minnesota Statutes 2018, sections 126C.10, subdivisions 2a, 3; 126C.15,  
 1.6 subdivision 1.

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

1.8 Section 1. Minnesota Statutes 2018, section 126C.10, subdivision 2a, is amended to read:

1.9 Subd. 2a. **Extended time revenue.** (a) A school district's extended time revenue  
 1.10 allowance is equal to the product of \$5,117 and the ratio of the basic formula allowance for  
 1.11 the current year to the basic formula allowance for fiscal year 2021.

1.12 (b) A school district's extended time revenue equals the product of the extended time  
 1.13 revenue allowance and the sum of the adjusted pupil units of the district for each pupil in  
 1.14 average daily membership in excess of 1.0 and less than 1.2 according to section 126C.05,  
 1.15 subdivision 8.

1.16 ~~(b)~~ (c) Extended time revenue for pupils placed in an on-site education program at the  
 1.17 Prairie Lakes Education Center or the Lake Park School, located within the borders of  
 1.18 Independent School District No. 347, Willmar, for instruction provided after the end of the  
 1.19 preceding regular school year and before the beginning of the following regular school year  
 1.20 equals the product of:

1.21 (1) membership hours divided by the minimum annual instructional hours in section  
 1.22 126C.05, subdivision 15, not to exceed 0.20, times;

1.23 (2) the pupil unit weighting in section 126C.05, subdivision 1, times \$5,117; and

2.1 (3) the extended time revenue allowance for that year.

2.2 ~~(e)~~ (d) A school district's extended time revenue may be used for extended day programs,  
2.3 extended week programs, summer school, vacation break academies such as spring break  
2.4 academies and summer term academies, and other programming authorized under the  
2.5 learning year program.

2.6 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2022 and later.

2.7 Sec. 2. Minnesota Statutes 2018, section 126C.10, subdivision 3, is amended to read:

2.8 Subd. 3. **Compensatory education revenue.** (a) The compensatory education revenue  
2.9 for each building in the district equals the formula allowance minus \$839 times the  
2.10 compensation revenue pupil units computed according to section 126C.05, subdivision 3.  
2.11 A district's compensatory revenue equals the sum of its compensatory revenue for each  
2.12 building in the district and the amounts designated under Laws 2015, First Special Session  
2.13 chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017. Revenue shall be paid  
2.14 to the district and must be allocated according to section 126C.15, subdivision 2.

2.15 (b) When the district contracting with an alternative program under section 124D.69  
2.16 changes prior to the start of a school year, the compensatory revenue generated by pupils  
2.17 attending the program shall be paid to the district contracting with the alternative program  
2.18 for the current school year, and shall not be paid to the district contracting with the alternative  
2.19 program for the prior school year.

2.20 (c) When the fiscal agent district for an area learning center changes prior to the start of  
2.21 a school year, the compensatory revenue shall be paid to the fiscal agent district for the  
2.22 current school year, and shall not be paid to the fiscal agent district for the prior school year.

2.23 ~~(d) Of the amount of revenue under this subdivision, 1.7 percent for fiscal year 2018,~~  
2.24 ~~3.5 percent for fiscal year 2019, and for fiscal year 2020 and later, 3.5 percent plus the~~  
2.25 ~~percentage change in the formula allowance from fiscal year 2019, must be used for extended~~  
2.26 ~~time activities under subdivision 2a, paragraph (e).~~

2.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.28 Sec. 3. Minnesota Statutes 2018, section 126C.15, subdivision 1, is amended to read:

2.29 Subdivision 1. **Use of revenue.** The basic skills revenue under section 126C.10,  
2.30 subdivision 4, must be reserved and used to meet the educational needs of pupils who enroll  
2.31 under-prepared to learn and whose progress toward meeting state or local content or  
2.32 performance standards is below the level that is appropriate for learners of their age. Basic

3.1 skills revenue may also be used for programs designed to prepare children and their families  
3.2 for entry into school whether the student first enrolls in kindergarten or first grade. Any of  
3.3 the following may be provided to meet these learners' needs:

3.4 (1) direct instructional services under the assurance of mastery program according to  
3.5 section 124D.66;

3.6 (2) remedial instruction in reading, language arts, mathematics, other content areas, or  
3.7 study skills to improve the achievement level of these learners;

3.8 (3) additional teachers and teacher aides to provide more individualized instruction to  
3.9 these learners through individual tutoring, lower instructor-to-learner ratios, or team teaching;

3.10 (4) a longer school day or week during the regular school year or through a summer  
3.11 program that may be offered directly by the site or under a performance-based contract with  
3.12 a community-based organization;

3.13 (5) comprehensive and ongoing staff development consistent with district and site plans  
3.14 according to section 122A.60 and to implement plans under section 120B.12, subdivision  
3.15 4a, for teachers, teacher aides, principals, and other personnel to improve their ability to  
3.16 identify the needs of these learners and provide appropriate remediation, intervention,  
3.17 accommodations, or modifications;

3.18 (6) instructional materials, digital learning, and technology appropriate for meeting the  
3.19 individual needs of these learners;

3.20 (7) programs to reduce truancy, encourage completion of high school, enhance  
3.21 self-concept, provide health services, provide nutrition services, provide a safe and secure  
3.22 learning environment, provide coordination for pupils receiving services from other  
3.23 governmental agencies, provide psychological services to determine the level of social,  
3.24 emotional, cognitive, and intellectual development, and provide counseling services, guidance  
3.25 services, and social work services;

3.26 (8) bilingual programs, bicultural programs, and programs for English learners;

3.27 (9) all-day kindergarten;

3.28 (10) early education programs, parent-training programs, school readiness programs,  
3.29 kindergarten programs for four-year-olds, voluntary home visits under section 124D.13,  
3.30 subdivision 4, and other outreach efforts designed to prepare children for kindergarten;

3.31 (11) extended school day and extended school year programs according to a plan adopted  
3.32 by a school board; and

4.1 (12) substantial parent involvement in developing and implementing remedial education  
4.2 or intervention plans for a learner, including learning contracts between the school, the  
4.3 learner, and the parent that establish achievement goals and responsibilities of the learner  
4.4 and the learner's parent or guardian.

4.5 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.