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Minnesota Association of School Business Officials **MASBO 2014 Legislative Summary**

The 2014 Legislative Session adjourned May 16, several days before the Constitutional adjournment date. With a later start date and an aggressive agenda, this was anything but an "Un-Session." We saw passage of the Safe and Supportive Schools Act, the Health Insurance Transparency Act, the Omnibus Education Policy Bill and the Supplemental Budget Bill.

The supplemental budget bill appropriates \$54 million for E12 education. This is lower than the House at \$75 million and higher than the Senate at \$41.5 million. With this new spending target, negotiations came down to really finding a compromise that met the priorities of both bodies. The final agreement reflects that.

Once again, health insurance took center stage. The Health Insurance Transparency Act passed after many changes and heated debate. The final bill requires districts to seek three bids for insurance every two years, unless agreed upon otherwise. Districts must seal the bids for a set time and then open them in the presence of the largest bargaining unit. Districts retain the right to determine which insurance carriers to negotiate with and they can continue to negotiate with carriers after they open the initial proposals. The final bill also includes exemptions for self-insured school districts and districts that insure over 1000 lives.

Formula Increase

\$25 per pupil (.5% increase), \$23 million for FY15

Local Optional Revenue

Extends Local Optional Revenue, formerly known as location equity revenue, to all school districts. This provides every school district the opportunity to levy operating dollars on Referendum Market Value tax base up to \$424 per pupil.

English Language Learners

Increases the maximum number of years a student may receive state-funded English learner services from five to six years.

Teacher Evaluation

Appropriates \$10 million in FY15 only for non-Q Comp districts to begin to implement teacher evaluation. Non-Q Comp school districts will receive \$302 times the number of full-time equivalent teachers employed on October 1 of the previous school year. Revenue under this section must be reserved for teacher development and evaluation activities.

School Lunch and Breakfast

Fully funds reduced-price lunch. Extends fully priced breakfast to all kindergarten students.

Safe Schools Levy for Intermediate School Districts

Increases safe schools levy by \$5 per pupil.

Building Lease Levy

Increases lease levy authority by \$50 for regular districts and \$19 for intermediate districts.

Review and Comment

Increases the minimum qualifying amount needed to trigger a review and comment from \$1.4 million to \$2 million. Removes the need for a review and comment on most maintenance projects.

Aligning Minnesota's Alternative Teacher Professional Pay System and Teacher Evaluation Program

Directs MDE to consult with experts and legislators on better aligning Minnesota's alternative professional pay system and teacher developmental and evaluation program and to report to the legislature by February 1, 2015, on effecting and funding an improved alignment.

Career and Technical Education Programs

Directs MDE to consult with experts knowledgeable about secondary and post-secondary career and technical education programs to determine the content, status, and resources of specific career and technical education programs available in Minnesota.

Special Education Online Reporting

Directs MDE to integrate, customize, and sustain a streamlined statewide online system, with a single, integrated model online form, for collecting and reporting special education-related data. Requires the online system to interface with existing state reporting systems and with local district data systems.

Natural Disaster Debt Service Equalization

Defines "eligible natural disaster debt service revenue" as the amount necessary to raise between 105 and 106 percent of the annual repayment of debt for repair of facilities that (1) have been impacted by a natural disaster occurring since January 1, 2005; (2) sustained damage of more than \$500,000; and (3) have repair and replacement costs that are not covered by FEMA or insurance.

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School Readiness

Increases appropriation by \$1.8 million in FY15, \$4 million in FY16-17.

Early Childhood Family Education

Increases appropriation by \$4.650 million in FY15, \$10.88 million in FY16-17. Also changes ECFE formula so it keys off the K-12 per pupil formula. Includes policy language on program implementation.

Early Learning Scholarships

Appropriates \$4.65 million in FY15 and \$10.33 million in FY16-17. Clarifies that recipients of Pathway II scholarships may use its established registration process to enroll scholarship recipients and may verify a scholarship recipient's family income in the same man-

ner as for other program participants. Allows Pathway II recipients to be paid directly from MDE.

Adult Basic Education Supplemental Service Grants

Increases the maximum amount of a supplement services grant to any single organization from 20 to 40 percent of the total amount of supplemental service aid.

State Total Adult Basic Education Aid

Increases the adult basic education program growth factor from 1.025 to 1.03 for fiscal years 2015 and later; Increases the portion of adult basic education aid available for supplemental service grants from two to three percent of the total program aid.

Mission Statement

MASBO is committed to advancing the knowledge and abilities of school business professionals and providing a voice and forum for the profession.

The Minnesota Association of School Business Officials (MASBO) was founded in 1950. The membership consists of more than 600 school district personnel representing Minnesota school districts who serve in areas of business administration, superintendancy, accounting, buildings and grounds, transportation, food service, personnel/payroll/benefits, and purchasing. MASBO is an affiliate of the Association of School Business Officials, International.
