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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 78

January 11, 2007

Authored by Morrow, Brynaert, Kranz and Murphy, E.

The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to education finance; authorizing funding for voluntary, full-day
1.3 kindergarten; amending Minnesota Statutes 2006, sections 123B.41, subdivision
1.4 7; 126C.05, subdivisions 1, 15; 126C.12, subdivision 5; 126C.126; repealing
1.5 Minnesota Statutes 2006, section 124D.081.

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

1.7 Section 1. Minnesota Statutes 2006, section 123B.41, subdivision 7, is amended to read:

1.8 Subd. 7. **Elementary pupils.** "Elementary pupils" means pupils in grades
1.9 kindergarten through 6; provided, each kindergarten pupil in a half-day program shall be
1.10 counted as one-half pupil for all computations pursuant to sections 123B.40 to 123B.42,
1.11 and 123B.44 to 123B.48.

1.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

1.13 Sec. 2. Minnesota Statutes 2006, section 126C.05, subdivision 1, is amended to read:

1.14 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the
1.15 age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph
1.16 (c), in average daily membership enrolled in the district of residence, in another district
1.17 under sections 123A.05 to 123A.08, 124D.03, 124D.06, 124D.07, 124D.08, or 124D.68;
1.18 in a charter school under section 124D.10; or for whom the resident district pays tuition
1.19 under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88,
1.20 subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be
1.21 counted according to this subdivision.

1.22 (a) A prekindergarten pupil with a disability who is enrolled in a program approved
1.23 by the commissioner and has an individual education plan is counted as the ratio of the

2.1 number of hours of assessment and education service to 825 times 1.25 with a minimum
2.2 average daily membership of 0.28, but not more than 1.25 pupil units.

2.3 (b) A prekindergarten pupil who is assessed but determined not to be disabled is
2.4 counted as the ratio of the number of hours of assessment service to 825 times 1.25.

2.5 (c) A kindergarten pupil with a disability who is enrolled in a program approved
2.6 by the commissioner is counted as the ratio of the number of hours of assessment and
2.7 education services required in the fiscal year by the pupil's individual education program
2.8 plan to 875, but not more than one.

2.9 (d) A kindergarten pupil who is not included in paragraph (c) who is participating
2.10 in a half-day kindergarten program is counted as .557 of a pupil unit ~~for fiscal year 2000~~
2.11 ~~and thereafter~~ and a kindergarten pupil who is not included in paragraph (c) who is
2.12 participating in a full-day kindergarten program is counted as 1.0 pupil units.

2.13 (e) A pupil who is in any of grades 1 to 3 is counted as 1.115 pupil units for fiscal
2.14 year 2000 and thereafter.

2.15 (f) A pupil who is any of grades 4 to 6 is counted as 1.06 pupil units for fiscal
2.16 year 1995 and thereafter.

2.17 (g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

2.18 (h) A pupil who is in the postsecondary enrollment options program is counted
2.19 as 1.3 pupil units.

2.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

2.21 Sec. 3. Minnesota Statutes 2006, section 126C.05, subdivision 15, is amended to read:

2.22 Subd. 15. **Learning year pupil units.** (a) When a pupil is enrolled in a learning
2.23 year program under section 124D.128, an area learning center under sections 123A.05 and
2.24 123A.06, an alternative program approved by the commissioner, or a contract alternative
2.25 program under section 124D.68, subdivision 3, paragraph (d), or subdivision 3a, for more
2.26 than 1,020 hours in a school year for a secondary student, more than 935 hours in a school
2.27 year for an elementary student, more than 850 hours in a school year for a kindergarten
2.28 student without a disability in a full-day kindergarten program, or more than 425 hours
2.29 in a school year for a half-day kindergarten student without a disability, that pupil may
2.30 be counted as more than one pupil in average daily membership for purposes of section
2.31 126C.10, subdivision 2a. The amount in excess of one pupil must be determined by the
2.32 ratio of the number of hours of instruction provided to that pupil in excess of: (i) the
2.33 greater of 1,020 hours or the number of hours required for a full-time secondary pupil in
2.34 the district to 1,020 for a secondary pupil; (ii) the greater of 935 hours or the number of
2.35 hours required for a full-time elementary pupil in the district to 935 for an elementary pupil

3.1 in grades 1 through 6; ~~and~~ (iii) the greater of 425 hours or the number of hours required for
3.2 a full-time kindergarten student without a disability in the district to 425 for a kindergarten
3.3 student without a disability; and (iv) the greater of 425 hours or the number of hours
3.4 required for a half-time kindergarten student without a disability in the district to 425 for a
3.5 half-day kindergarten student without a disability. Hours that occur after the close of the
3.6 instructional year in June shall be attributable to the following fiscal year. ~~A kindergarten~~
3.7 ~~student must not be counted as more than 1.2 pupils in average daily membership under~~
3.8 ~~this subdivision.~~ A student in kindergarten or grades 1 through 12 must not be counted as
3.9 more than 1.2 pupils in average daily membership under this subdivision.

3.10 (b)(i) To receive general education revenue for a pupil in an alternative program
3.11 that has an independent study component, a district must meet the requirements in this
3.12 paragraph. The district must develop, for the pupil, a continual learning plan consistent
3.13 with section 124D.128, subdivision 3. Each school district that has a state-approved public
3.14 alternative program must reserve revenue in an amount equal to at least 90 percent of the
3.15 district average general education revenue per pupil unit less compensatory revenue per
3.16 pupil unit times the number of pupil units generated by students attending a state-approved
3.17 public alternative program. The amount of reserved revenue available under this
3.18 subdivision may only be spent for program costs associated with the state-approved public
3.19 alternative program. Compensatory revenue must be allocated according to section
3.20 126C.15, subdivision 2.

3.21 (ii) General education revenue for a pupil in an approved alternative program
3.22 without an independent study component must be prorated for a pupil participating for
3.23 less than a full year, or its equivalent. The district must develop a continual learning plan
3.24 for the pupil, consistent with section 124D.128, subdivision 3. Each school district that
3.25 has a state-approved public alternative program must reserve revenue in an amount equal
3.26 to at least 90 percent of the district average general education revenue per pupil unit less
3.27 compensatory revenue per pupil unit times the number of pupil units generated by students
3.28 attending a state-approved public alternative program. The amount of reserved revenue
3.29 available under this subdivision may only be spent for program costs associated with the
3.30 state-approved public alternative program. Compensatory revenue must be allocated
3.31 according to section 126C.15, subdivision 2.

3.32 (iii) General education revenue for a pupil in an approved alternative program that
3.33 has an independent study component must be paid for each hour of teacher contact
3.34 time and each hour of independent study time completed toward a credit or graduation
3.35 standards necessary for graduation. Average daily membership for a pupil shall equal the
3.36 number of hours of teacher contact time and independent study time divided by 1,020.

4.1 (iv) For an alternative program having an independent study component, the
4.2 commissioner shall require a description of the courses in the program, the kinds of
4.3 independent study involved, the expected learning outcomes of the courses, and the means
4.4 of measuring student performance against the expected outcomes.

4.5 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

4.6 Sec. 4. Minnesota Statutes 2006, section 126C.12, subdivision 5, is amended to read:

4.7 Subd. 5. **Additional revenue use.** If the board of a district determines that the
4.8 district has achieved and is maintaining the class sizes specified in subdivision 4, the board
4.9 may use the revenue to reduce class size in grades 4, 5, and 6, ~~provide all-day, everyday~~
4.10 ~~kindergarten~~, prepare and use individualized learning plans, improve program offerings,
4.11 purchase instructional material, services, or technology, or provide staff development
4.12 needed for reduced class sizes.

4.13 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

4.14 Sec. 5. Minnesota Statutes 2006, section 126C.126, is amended to read:

4.15 **126C.126 REALLOCATING GENERAL EDUCATION REVENUE FOR**
4.16 **ALL-DAY KINDERGARTEN EARLY EDUCATION PROGRAMS.**

4.17 In order to provide additional revenue for ~~an optional all-day kindergarten program~~
4.18 early education programs including school readiness and early childhood family
4.19 education, a district may reallocate general education revenue attributable to 12th grade
4.20 students who have graduated early under section 120B.07.

4.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.

4.22 Sec. 6. **REPEALER.**

4.23 Minnesota Statutes 2006, section 124D.081, is repealed.

4.24 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2008.