

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 365

January 25, 2007

Authored by Morgan, Greiling, McFarlane and Dettmer
The bill was read for the first time and referred to the Committee on E-12 Education

February 15, 2007

Committee Recommendation and Adoption of Report:
To Pass and re-referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to education finance; modifying the alternative teacher pay calculation
1.3 for intermediate school districts; amending Minnesota Statutes 2006, sections
1.4 122A.415, subdivision 1; 126C.10, subdivision 34.

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

1.6 Section 1. Minnesota Statutes 2006, section 122A.415, subdivision 1, is amended to
1.7 read:

1.8 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
1.9 school site, or charter school that meets the conditions of section 122A.414 and submits an
1.10 application approved by the commissioner is eligible for alternative teacher compensation
1.11 revenue.

1.12 (b) For school district and intermediate school district applications, the commissioner
1.13 must consider only those applications to participate that are submitted jointly by a
1.14 district and the exclusive representative of the teachers. The application must contain an
1.15 alternative teacher professional pay system agreement that:

1.16 (1) implements an alternative teacher professional pay system consistent with
1.17 section 122A.414; and

1.18 (2) is negotiated and adopted according to the Public Employment Labor Relations
1.19 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
1.20 district may enter into a contract for a term of two or four years.

1.21 Alternative teacher compensation revenue for a qualifying school district or site in
1.22 which the school board and the exclusive representative of the teachers agree to place
1.23 teachers in the district or at the site on the alternative teacher professional pay system
1.24 equals \$260 times the number of pupils enrolled at the district or site on October 1 of

2.1 the previous fiscal year. Alternative teacher compensation revenue for a qualifying
 2.2 intermediate school district must be calculated under section 126C.10, subdivision 34,
 2.3 ~~paragraphs (a) and (b)~~ paragraph (c).

2.4 (c) For a newly combined or consolidated district, the revenue shall be computed
 2.5 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
 2.6 into the combination or consolidation. The commissioner may adjust the revenue
 2.7 computed for a site using prior year data to reflect changes attributable to school closings,
 2.8 school openings, or grade level reconfigurations between the prior year and the current
 2.9 year.

2.10 (d) The revenue is available only to school districts, intermediate school districts,
 2.11 school sites, and charter schools that fully implement an alternative teacher professional
 2.12 pay system by October 1 of the current school year.

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

2.14 Sec. 2. Minnesota Statutes 2006, section 126C.10, subdivision 34, is amended to read:

2.15 Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal year 2006,
 2.16 the basic alternative teacher compensation aid for a school district or an intermediate
 2.17 school district with a plan approved under section 122A.414, subdivision 2b, equals the
 2.18 alternative teacher compensation revenue under section 122A.415, subdivision 1. The
 2.19 basic alternative teacher compensation aid for a charter school with an approved plan
 2.20 under section 122A.414, subdivision 2b, equals \$260 times the number of pupils enrolled
 2.21 in the school on October 1 of the previous school year, or on October 1 of the current
 2.22 fiscal year for a charter school in the first year of operation.

2.23 (b) For fiscal year 2007 and later, the basic alternative teacher compensation aid for
 2.24 a school district with a plan approved under section 122A.414, subdivision 2b, equals
 2.25 73.1 percent of the alternative teacher compensation revenue under section 122A.415,
 2.26 subdivision 1. The basic alternative teacher compensation aid for ~~an intermediate school~~
 2.27 ~~district or a~~ charter school with a plan approved under section 122A.414, subdivisions 2a
 2.28 and 2b, ~~if the recipient is a charter school,~~ equals \$260 times the number of pupils enrolled
 2.29 in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal
 2.30 year for a charter school in the first year of operation, times the ratio of the sum of the
 2.31 alternative teacher compensation aid and alternative teacher compensation levy for all
 2.32 participating school districts to the maximum alternative teacher compensation revenue
 2.33 for those districts under section 122A.415, subdivision 1.

3.1 (c) The basic alternative teacher compensation aid for an intermediate school district
3.2 with a plan approved under section 122A.414, subdivision 2b, equals \$3,800 times the
3.3 number of licensed teachers teaching in the school on October 1 of the previous fiscal year.

3.4 (d) Notwithstanding paragraphs (a) and (b), and (c), and section 122A.415,
3.5 subdivision 1, the state total basic alternative teacher compensation aid entitlement must
3.6 not exceed \$19,329,000 for fiscal year 2006 and \$75,636,000 for fiscal year 2007 and
3.7 later. The commissioner must limit the amount of alternative teacher compensation aid
3.8 approved under section 122A.415 so as not to exceed these limits.

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