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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **979**

February 15, 2007

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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; modifying adult basic education aid; increasing GED  
1.3 payment; appropriating money; amending Minnesota Statutes 2006, sections  
1.4 124D.531, subdivisions 1, 4; 124D.55.

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

1.6 Section 1. Minnesota Statutes 2006, section 124D.531, subdivision 1, is amended to  
1.7 read:

1.8 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic  
1.9 education aid for fiscal year 2005 is \$36,509,000. The state total adult basic education  
1.10 aid for fiscal year 2006 equals \$36,587,000 plus any amount that is not paid for during  
1.11 the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or  
1.12 section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year  
1.13 2007 equals \$37,673,000 plus any amount that is not paid for during the previous fiscal  
1.14 year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52,  
1.15 subdivision 3. The state total adult basic education aid for fiscal year 2008 equals  
1.16 \$47,273,000 plus any amount that is not paid during the previous fiscal year, as a result of  
1.17 adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The  
1.18 state total adult basic education aid for later fiscal years equals:

1.19 (1) the state total adult basic education aid for the preceding fiscal year plus any  
1.20 amount that is not paid for during the previous fiscal year, as a result of adjustments under  
1.21 subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

1.22 (2) the lesser of:

1.23 (i) 1.03; or

2.1 (ii) the greater of 1.00 or the ratio of the state total contact hours in the first prior  
2.2 program year to the state total contact hours in the second prior program year.

2.3 Beginning in fiscal year 2002, two percent of the state total adult basic education  
2.4 aid must be set aside for adult basic education supplemental service grants under section  
2.5 124D.522.

2.6 Beginning in fiscal year 2008, \$100,000 of the state total adult basic education aid  
2.7 must be set aside to support the implementation of a GED online system of instructional  
2.8 delivery. The commission shall administer the GED online funds and program to provide  
2.9 GED preparation through the Internet to eligible adult basic education students.

2.10 (b) The state total adult basic education aid, excluding basic population aid, equals  
2.11 the difference between the amount computed in paragraph (a), and the state total basic  
2.12 population aid under subdivision 2.

2.13 Sec. 2. Minnesota Statutes 2006, section 124D.531, subdivision 4, is amended to read:

2.14 Subd. 4. **Adult basic education program aid limit.** (a) Notwithstanding  
2.15 subdivisions 2 and 3, the total adult basic education aid for a program per prior year  
2.16 contact hour must not exceed ~~\$21~~ \$22 per prior year contact hour computed under  
2.17 subdivision 3, clause (2).

2.18 (b) For fiscal year 2004, the aid for a program under subdivision 3, clause (2),  
2.19 adjusted for changes in program membership, must not exceed the aid for that program  
2.20 under subdivision 3, clause (2), for fiscal year 2003 by more than the greater of eight  
2.21 percent or \$10,000.

2.22 (c) For fiscal year 2005, the aid for a program under subdivision 3, clause (2),  
2.23 adjusted for changes in program membership, must not exceed the sum of the aid for that  
2.24 program under subdivision 3, clause (2), and Laws 2003, First Special Session chapter 9,  
2.25 article 9, section 8, paragraph (a), for the preceding fiscal year by more than the greater of  
2.26 eight percent or \$10,000.

2.27 (d) For fiscal ~~year~~ years 2006 and ~~later~~ 2007, the aid for a program under subdivision  
2.28 3, clause (2), adjusted for changes in program membership, must not exceed the aid for  
2.29 that program under subdivision 3, clause (2), for the first preceding fiscal year by more  
2.30 than the greater of eight percent or \$10,000.

2.31 (e) For fiscal year 2008, the aid for a program under subdivision 3, clause (2),  
2.32 adjusted for changes in program membership, shall not be limited.

2.33 (f) For fiscal year 2009 and later, the aid for a program under subdivision 3, clause  
2.34 (2), adjusted for changes in program membership, must not exceed the aid for that

3.1 program under subdivision 3, clause (2), for the first preceding fiscal year by more than  
3.2 the greater of 11 percent or \$10,000.

3.3 ~~(e)~~ (g) Adult basic education aid is payable to a program for unreimbursed costs  
3.4 occurring in the program year as defined in section 124D.52, subdivision 3.

3.5 ~~(f)~~ (h) Any adult basic education aid that is not paid to a program because of the  
3.6 program aid limitation under paragraph (a) must be added to the state total adult basic  
3.7 education aid for the next fiscal year under subdivision 1. Any adult basic education aid  
3.8 that is not paid to a program because of the program aid limitations under paragraph (b),  
3.9 (c), or (d), must be reallocated among programs by adjusting the rate per contact hour  
3.10 under subdivision 3, clause (2).

3.11 Sec. 3. Minnesota Statutes 2006, section 124D.55, is amended to read:

3.12 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.**

3.13 The commissioner shall pay ~~60~~ 75 percent of the fee that is charged to an eligible  
3.14 individual for the full battery of a general education development (GED) test, but not  
3.15 more than ~~\$20~~ \$75 for an eligible individual.

3.16 Sec. 4. **APPROPRIATIONS; GED TEST FEES.**

3.17 The sums indicated in this section are appropriated from the general fund to the  
3.18 commissioner of education for GED test fees under Minnesota Statutes, section 124D.55:

3.19	\$	<u>400,000</u>	<u>....</u>	<u>2008</u>
3.20	\$	<u>400,000</u>	<u>....</u>	<u>2009</u>

3.21 Any balance remaining in the first year does not cancel but is available in the second  
3.22 year.