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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 3430

March 8, 2010

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The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight

1.1 A bill for an act
1.2 relating to education; reducing mandates; allowing temporary mandate
1.3 suspensions; amending Laws 2008, chapter 363, article 2, section 46, subdivision
1.4 1, as amended; repealing Minnesota Statutes 2008, section 123B.05; Minnesota
1.5 Statutes 2009 Supplement, section 120A.40.

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

1.7 Section 1. Laws 2008, chapter 363, article 2, section 46, subdivision 1, as amended by
1.8 Laws 2009, chapter 96, article 5, section 11, is amended to read:

1.9 Subdivision 1. **Capital account transfers.** Notwithstanding any law to the contrary,
1.10 on June 30 of 2008, 2009, ~~and~~ 2010, and 2011 a school district may transfer money from its
1.11 reserved for operating capital account to its undesignated balance in the general fund. The
1.12 amount transferred by any school district must not exceed \$51 times the district's adjusted
1.13 marginal cost pupil units for the second preceding fiscal year. This transfer annually may
1.14 occur only after the school board has adopted a written resolution stating the amount of
1.15 the transfer and declaring that the school district's operating capital needs are being met.

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

1.17 Sec. 2. **LEARNING AND DEVELOPMENT REVENUE; TEMPORARY**
1.18 **SUSPENSION.**

1.19 Notwithstanding Minnesota Statutes, section 126C.12, subdivisions 4 and 5, for
1.20 fiscal year 2011 only, a school district or charter school may use the learning and
1.21 development revenue reserve under Minnesota Statutes, section 126C.12, subdivision 1,
1.22 according to the requirements of general education revenue under Minnesota Statutes,
1.23 section 126C.13, subdivision 5.

2.1 **EFFECTIVE DATE.** This section is effective July 1, 2010.

2.2 Sec. 3. **COMPENSATORY EDUCATION REVENUE; TEMPORARY**
2.3 **SUSPENSION.**

2.4 Notwithstanding Minnesota Statutes, sections 126C.10, subdivision 3, and 126C.15,
2.5 subdivision 2, for fiscal year 2011 only, a school district or charter school may use
2.6 compensatory education revenue under Minnesota Statutes, section 126C.10, subdivision
2.7 3, according to the requirements of general education revenue under Minnesota Statutes,
2.8 section 126C.13, subdivision 5.

2.9 **EFFECTIVE DATE.** This section is effective July 1, 2010.

2.10 Sec. 4. **REPEALER.**

2.11 Minnesota Statutes 2008, section 123B.05, is repealed.

2.12 Minnesota Statutes 2009 Supplement, section 120A.40, is repealed.

2.13 **EFFECTIVE DATE.** This section is effective July 1, 2010.

120A.40 SCHOOL CALENDAR.

(a) Except for learning programs during summer, flexible learning year programs authorized under sections 124D.12 to 124D.127, and learning year programs under section 124D.128, a district must not commence an elementary or secondary school year before Labor Day, except as provided under paragraph (b). Days devoted to teachers' workshops may be held before Labor Day. Districts that enter into cooperative agreements are encouraged to adopt similar school calendars.

(b) A district may begin the school year on any day before Labor Day:

- (1) to accommodate a construction or remodeling project of \$400,000 or more affecting a district school facility;
- (2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35 with a district that qualifies under clause (1); or
- (3) if the district agrees to the same schedule with a school district in an adjoining state.

123B.05 CONTRACT DEADLINE AND PENALTY.

Subdivision 1. **Definitions.** The following definitions apply to this section.

(1) "Public employer" means:

- (i) a district; and
- (ii) a public employer, as defined by section 179A.03, subdivision 15, other than a district that (i) negotiates a contract under chapter 179A with teachers, and (ii) is established by, receives state money, or levies under chapters 120A to 129C, or 136D, or 268A.

(2) "Teacher" means a person, other than a superintendent or assistant superintendent, principal, assistant principal, or a supervisor or confidential employee who occupies a position for which the person must be licensed by the Board of Teaching, commissioner of education, the former Board of Technical Colleges, or the Board of Trustees of the Minnesota State Colleges and Universities.

Subd. 2. **Contract deadline date; state aid penalty.** Notwithstanding any law to the contrary, a public employer and the exclusive representative of the teachers must both sign a collective bargaining agreement on or before January 15 of an even-numbered calendar year. If a collective bargaining agreement is not signed by that date, state aid paid to the public employer for that fiscal year must be reduced. However, state aid must not be reduced if:

- (1) a public employer and the exclusive representative of the teachers have submitted all unresolved contract items to interest arbitration according to section 179A.16 before December 31 of an odd-numbered year and filed required final positions on all unresolved items with the commissioner of mediation services before January 15 of an even-numbered year; and
- (2) the arbitration panel has issued its decision within 60 days after the date the final positions were filed.

Subd. 3. **State aid penalty exemptions.** (a) For a district that reorganizes according to section 123A.46, 123A.48, or sections 123A.35 to 123A.43 effective July 1 of an odd-numbered year, state aid must not be reduced according to this section if the board and the exclusive representative of the teachers both sign a collective bargaining agreement on or before the March 15 following the effective date of reorganization.

(b) For a district that jointly negotiates a contract before the effective date of reorganization under section 123A.46, 123A.48, or sections 123A.35 to 123A.43 that, for the first time, includes teachers in all districts to be reorganized, state aid must not be reduced according to this section if the board and the exclusive representative of the teachers sign a collective bargaining agreement on or before the March 15 following the expiration of the teacher contracts in each district involved in the joint negotiation.

(c) Only one extension of the contract deadline is available to a district under this subdivision.

Subd. 4. **Calculation of state aid reduction.** (a) The reduction must equal \$25 times the number of adjusted pupil units:

- (1) for a district, that are in the district during that fiscal year; or
- (2) for a public employer other than a district, that are in programs provided by the employer during the preceding fiscal year.

(b) The department must determine the number of full-time equivalent resident pupil units in the programs. The department must reduce general education aid; if general education aid is insufficient or not paid, the department must reduce other state aids.

APPENDIX

Repealed Minnesota Statutes: 10-5532

Subd. 5. **State aid reductions returned to general fund.** Reductions from aid to districts and public employers other than districts must be returned to the general fund.