



Voice For Greater Minnesota Education

2019 LEGISLATIVE PLATFORM

MREA advocates on behalf of Greater Minnesota students in partnership with about 230 school districts, 30 education districts and other associate members.

Funding Student Needs

Funding for schools through the state's basic education formula has fallen short of inflation and not allowed schools to properly plan for essential education investments.

WHERE WE STAND

- The state promised in 2001 to fund schools with the General Education Formula.
- The General Education Formula for schools in Minnesota has not kept up with inflation since 2003 when the promise went into effect. It is now underfunded nearly \$600 per pupil, totaling \$525 million annually.
- This has led school districts to rely more heavily on local taxpayer support. The average local operating revenue has grown to \$1,371 per pupil in Minnesota with local revenue generated in the metro area being almost twice that of rural school districts.
- The challenges mount in rural school districts, particularly those with poorer property values. The gap between rural and metro school districts has grown to \$683.
- A growing special education cross subsidy is consuming increasingly more of districts' general funds.
- Schools lack the necessary, predicted funding to invest in long-term teacher work-force development.

KEY ACTION NEEDED

Predictable, annual forecasted increases in the General Education Formula of 3% or more to address current inflationary pressures and begin to close the inflation gap. The Commissioner of Management and Budget can meter payments to schools as necessary to fund this annual, forecasted formula increase.

Without predictable, annual forecasted increases in the General Education Formula, the state needs to:

- Increase Board-authorized Local Optional Revenue (LOR) and Tier II cap over four years to \$1,500 per APU to address inflationary pressures, close inflation gap and provide state share with LOR equalization in 87% of school districts.
- Index Tier II equalization factor to 125% of average RMV/RPU to equalize tax burdens in 281 districts.
- Index Tier III equalization factor to 85% of average RMV/RPU to equalize tax burdens in 225 districts.
- Merge Board Authorized Referendum into LOR to provide clarity and simplicity.
- Provide a community viability option for districts below 1,000 APU by removing their referendum cap.





Jump Start to School Readiness

Minnesota's multiple categorical, competitive funding streams have resulted in inequitable opportunities for children and impede the ability of rural school districts to deliver high quality preschool education to all young children.

KEY ACTIONS NEEDED

- Streamline early learning revenues and ensure local coordination of early learning programs by consolidating Pathway II funds supporting school-based programs, Voluntary Pre-K and School Readiness Plus into the School Readiness account with consensus requirements.
- Ensure every district receives sufficient School Readiness funding to provide all low income 4-year-olds a minimum of 350 hours of service from 3- and 4- star rated providers.
- Ensure a viable mixed delivery system of providers by requiring districts to reserve 40% for non-district 3- and 4-star rated providers willing to provide a minimum of 350 hours of service for low-income four-year-olds.
- Have school districts verify and reimburse non-district 3- and 4-star rated providers for eligible four-year-olds.
- Release unused reserved funds to the school districts June 30 for their early learning programming.

Teacher Crisis

Schools across Greater Minnesota face a critical shortage of teachers, especially teachers of color, in nearly all subjects. Each year, about 1,400 teachers retire and there has not been enough new teachers gaining licenses to replace them. In Minnesota, teacher graduates declined 20% from 2012-2016.

KEY ACTIONS NEEDED

- Secure adequate, ongoing funding for grants, student teaching stipends and loan forgiveness to attract and retain Promising Teachers in rural Minnesota.
- Expand Grow Your Own Teachers pilot programs for rural school districts and education cooperatives.



Special Education

School districts are responsible for providing Free and Appropriate Public Education (FAPE) for all students and must use General Education Formula dollars to meet special education expenditures not provided through other federal and state funding. This cross subsidy has grown to 12% of the General Education Formula over the past decade and is projected to grow to consume 15% of the formula within the next 10 years. Cross subsidies now vary in Minnesota school districts from \$172 to \$1,654. The result is an inequity in the effective formula for students in similar districts and a decreasing effectiveness of the General Education Formula.

KEY ACTIONS NEEDED

- Establish through policy that the average cross subsidy will not exceed 10% of the formula by increasing the General Education Formula by 3% or more and taking the following actions in the special education formula.
 - Re-adjust the state special education formula to better match districts' costs and increase equity in this formula.
 - Limit student funding inequity with a re-insurance type of funding to maintain better equity in formula funding among similar type school districts—special education metro and rural regions of districts.
- Fund a multi-state study to determine the impact Minnesota policies and practices have on Special Education services and costs, including criteria for qualifying for Special Education.

Career & College Readiness Flexibility

Minnesota faces a well-documented skilled-worker shortage and Minnesota Academic Standards currently hold high schools back from providing the education and training needed to effectively prepare students for their future jobs. Today's system operates on a one-size fits all approach for students no matter their plans after graduation.

KEY ACTIONS NEEDED

- Re-examine the high school course and standards requirements to align with state workforce needs and provide flexibility and more options for students in their required Personal Learning Plans.
- Reinvest in vocational and technical education programs and skills (i.e. welding, manufacturing processes, robotics, accounting). This includes expanding Average Daily Membership (ADM) funding similar to targeted services up to 0.25 pupil unit reimbursement for programming outside the traditional student day and supporting districts' collaboration with local employers in program design.

Student Safety and Mental Health

Schools across Minnesota face heightened needs to improve student safety and provide a robust array of services to meet rising mental health support for students. In 2018, 258 school districts, charters, cooperatives and state academies submitted over \$250 million in state safety grant requests. Currently, high-need students attending metro school districts have access to well designed, newer, more appropriate learning spaces than those in Greater Minnesota.

KEY ACTIONS NEEDED

- Double the Safe Schools Levy program to \$72 per pupil with equalization for school districts. Establish a \$30,000 minimum for small districts. Allow member districts of cooperatives directly serving students to levy up to \$15 per pupil for safety.
- Restore funding for ongoing school-county collaboratives to provide mental health and related services.
- Provide a state share of facility-hardening safety improvements with a combination of state grants and increased Long Term Facility Maintenance Revenue (LTFMR) with flexibility to use LTFMR for safety improvements.
- Provide rural school districts with the financing tools to serve high-need Level IV students that are available to members of the metro Intermediate Districts and increased flexibility with existing revenue streams.

Strengthening Rural Communities

Rural families lack access to two critical needs: child care and affordable, robust Internet connectivity. Rural communities across Minnesota look to schools to help fill the gaps. Licensed family care providers currently only serve 65 percent of Greater Minnesota's child care needs and continue to close their doors.

KEY ACTIONS NEEDED

- Expand broadband development grants to underserved, rural communities to further high-speed broadband Internet access at home for students and families, and maximize student success with school-based Internet for 1-to-1 initiatives.
- Expand CCAP and Pathway I scholarships to help build out affordable child care options for families.

