



March 31, 2017

Representative Jennifer Loon, Chair
MN House Education Finance Committee
537 State Office Building
St. Paul, MN 55155

Dear Representative Loon,

I am writing to you in regard to House File 890. Please note that this letter has been updated from my letter of March 28. In my years as commissioner, I don't think I have seen a bill that has so much potential for harm to our students, schools and hardworking teachers. Given the negative impacts to your districts, I feel an obligation to point out before you vote just how bad the funding and policy provisions are in this bill and how they undermine the bipartisan work we've done together.

HF 890 claims to increase the formula by 1.25 percent each year of the biennium. However, if you look closely, those increases are not real. That 1.25 percent relies on shifts from delinking compensatory revenue and Early Childhood Family Education from the general education formula, and makes cuts to critical programs that serve underrepresented children through voluntary pre-K, Pathway II early learning scholarships, Adult Basic Education, the Regional Centers of Excellence and more.

After district runs were made available showing deep cuts to many districts, the bill was hastily amended to delay some of the fiscal impact of the immediate elimination of voluntary pre-K funds to districts already running programming. However, the new runs still did not show the impact of removing Pathway II early learning scholarships that these districts have had for years. Even with the addition of this amendment, some districts will still see cuts. This not only short changes the already-insufficient formula increase to all districts, it also eliminates high-quality pre-K next school year.

This proposal pushes 3,300 4-year-olds out of pre-K programs that our schools have invested in, and forces thousands of future families to pay out of pocket for high-quality preschool. It also ignores the 13,800 children waiting for voluntary pre-K that would be funded under the governor's budget. If we value parent choice, it would make more sense to support a program parents are demanding and provide pre-K in over 269 districts and charters in every county of this state. Instead this bill over-funds a scholarship program that currently has a waiting list of 821 children that would take only \$12 million to cover for the biennium.

HF 890 establishes a new Office of Early Education, creating a new level of bureaucracy to perform work already being done by others, without any thoughtful discussion or input from stakeholders on the impacts of such a change. This is a decision that should be carefully considered for its broad implications on numerous important programs.

American Indian kids attending our tribal schools deserve an equal education. Thanks to a bipartisan effort two years ago, they currently receive the same amount for their education on average as any other Minnesota student. HF 890 rolls that progress back, delivering a significant blow to our efforts to improve outcomes for American Indian kids, including their graduation rates which are currently some of the lowest in the nation. These kids deserve our attention.

HF 890 eliminates the requirement for high schools to provide the ACT to students, and establishes a system where students must request reimbursements for the test. This is a serious equity issue, as it leaves students and families to figure out how to pay for the test by themselves. Many of these kids may be first generation college attendees, and a barrier such as this will mean that some students will not even try. We don't make students pay upfront and seek reimbursement for Advanced Placement, International Baccalaureate tests, or for Postsecondary Enrollment Option classes. Why create that barrier for the ACT?

HF 890 leaves out crucial support for many essential services. There is zero funding to increase the amount of student support staff in schools, when we know Minnesota has one of the worst school counselor-to-student ratios in the country.

Additionally, the bill provides no change in funding for special education services to 15 percent of our students, as our schools struggle to cover the increasing costs that are unfunded by the federal government.

HF 890 undermines state capacity to support schools and families through cuts to the Minnesota Department of Education. The refusal to include the governor's recommendation to maintain MDE's current capacity (due to rising employee and IT costs)—on top of the bill's cuts to the agency—will result in a 13.5 percent reduction to the department. This will result in the elimination of 23 full time employees, including the School Safety Technical Assistance Center which helped more than 200 families address incidents of bullying last year. This bill also cuts the Regional Centers of Excellence whose staff work with leadership teams at 118 low-performing schools, providing crucial tools to improve academic achievement. These cuts will have real and devastating impacts.

Additionally, the bill as amended undercuts the department's ability to implement Minnesota's state plan for the Every Student Succeeds Act. The bill would require legislative approval before implementing our state ESSA plan. However, states are required to submit the plan to the U.S. Department of Education no later than September 18, and by law the U.S. Department of Education must inform states within 120 days if the plan is approved. If approved, the U.S. Department of Education is expecting states to implement the plan as submitted in order to receive the federal funds tied to ESSA. If the Minnesota Legislature does not approve the plan in a timely manner, it jeopardizes over \$230 million in federal funds that goes to serve students from low-income families.

Furthermore, in dictating what the ESSA plan should look like, the amendment mandates which data would be reported in our state plan. However, some of these data are not even currently available. This represents an unfunded mandate to schools to collect. Adopted in committee with no public testimony, this provision completely undermines the stakeholder engagement central to the federal law, and is inconsistent with input we heard from stakeholders across Minnesota in more than 150 meetings over the course of the past year.

Your bill proposes to close the Perpich Center for Arts Education and relies on the conveyance of Crosswinds Arts and Science School in order to raise funds. The governor has recently worked to reconstitute the Perpich Center's board and feels strongly that the school should have the time and opportunity to address the Office of the Legislative Auditor's findings. We are also concerned that the conveyance of the Crosswinds school at any cost is in conflict with previous practice. You are now asking for additional state funds to pay for a building the state already owns.

I am saddened for the message HF 890 sends to our kids, our families and our teachers—a message saying that at a time in which the state has a \$1.6 billion surplus it is preferable to cut resources for schools and students. I encourage you to go back to the drawing board and create a bill that values our children and their future.

As I said in my testimony before the House Education Finance Committee and House Ways and Means, I oppose this bill in the strongest possible terms. I believe it is insufficient in terms of providing the resources our students and schools need to be successful and worse, has the potential to do serious harm to our children.

Sincerely,



Dr. Brenda Cassellius
Commissioner

cc: Rep. Jim Davnie, DFL Lead, MN House Education Finance Committee