

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2653

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DATE
03/25/2019

D-PG

Introduction and first reading
Referred to E-12 Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to education finance; appropriating money for a grant to the city of St.
1.3 Paul to create college savings accounts at birth; requiring a report.

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

1.5 Section 1. **APPROPRIATIONS.**

1.6 Subdivision 1. Department of Education. The sums indicated in this section are
1.7 appropriated from the general fund to the Department of Education for the fiscal years
1.8 designated.

1.9 Subd. 2. St. Paul citywide college savings account program. (a) For a matching grant
1.10 to the city of St. Paul to establish, fund, and promote a program creating a college savings
1.11 account for every child born in the city of St. Paul starting in fiscal year 2020.

1.12 \$ 450,000 2020

1.13 \$ 450,000 2021

1.14 (b) The city will administer the program and partner with a qualified financial institution
1.15 to support current and potential program participants and their families. The city is the
1.16 owner of an account established under this program, but the beneficiary must be the
1.17 individual child.

1.18 (c) The city must use the grant money to establish and fund the accounts, to provide
1.19 incentives to current and potential program participants and their families, and to provide
1.20 outreach and education to current and potential program participants and their families. The
1.21 city may not use grant funds for the administrative costs of managing and operating the
1.22 program.

2.1 (d) By February 15, 2021, the city must submit a report detailing expenditures and
2.2 outcomes of the programs to the commissioner of education and the chairs and ranking
2.3 minority members of the legislative committees with primary jurisdiction over kindergarten
2.4 through grade 12 education policy and finance. The report must, at a minimum:

2.5 (1) provide a detailed explanation of program features, including program rules and
2.6 regulations;

2.7 (2) discuss the city's efforts to provide outreach and education to current and potential
2.8 program participants and their families;

2.9 (3) identify the number of accounts created in the program to date, including basic
2.10 demographic information about account beneficiaries; and

2.11 (4) analyze the feasibility of expanding the program statewide.

2.12 (e) This is a onetime appropriation. Grant money provided under this subdivision must
2.13 be matched with money from nonstate sources. This appropriation is available until December
2.14 30, 2022.