

SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION

S.F. No. 3274

(SENATE AUTHORS: DUCKWORTH, Coleman, Rarick, Kreun and Hoffman)

DATE  
04/17/2023

D-PG

Introduction and first reading  
Referred to Education Finance

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to education finance; increasing the general education basic formula  
1.3 allowance; increasing special education cross subsidy reduction aid; requiring  
1.4 reading instruction to be based on the science of reading; establishing a reading  
1.5 reset account in the special revenue fund; requiring student and staff safety measures  
1.6 to be included in each school district's long-term facilities maintenance school  
1.7 facility plan; creating school security systems grants; requiring a report;  
1.8 appropriating money; amending Minnesota Statutes 2022, sections 123B.595,  
1.9 subdivision 4; 125A.76, subdivision 2e; 126C.10, subdivision 2; proposing coding  
1.10 for new law in Minnesota Statutes, chapter 120B.

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

1.12 Section 1. 120B.116] SCIENCE OF READING.

1.13 Subdivision 1. Policy. It is the intent of the legislature that public schools promote  
1.14 foundational literacy and grade-level reading proficiency through the use of curriculum,  
1.15 textbooks, instructional materials, instructional practices, interventions, and teacher  
1.16 development and training based solely on the science of reading.

1.17 Subd. 2. Science of reading defined. (a) "Science of reading" means explicit, systematic,  
1.18 evidence-based reading instruction using reliable, trustworthy, and valid evidence consistent  
1.19 with science-based reading research. This includes developing foundational reading skills  
1.20 relying on phonemic or phonological awareness, phonics and decoding, fluency, vocabulary,  
1.21 and comprehension that can be differentiated to meet the needs of individual students.

1.22 (b) The science of reading does not include using visual memory as the primary basis  
1.23 for teaching word recognition and does not include the use of the three-cueing system model,  
1.24 based on meaning, structure or syntax, and visual cues, also known as MSV, as a method  
1.25 to teach students to read.

2.1 Subd. 3. **Other definitions.** (a) For the purposes of this section, the terms defined in  
2.2 this subdivision have the meanings given.

2.3 (b) "Comprehension" is the purpose of reading, including the ability to understand,  
2.4 remember, and make meaning of what has been read.

2.5 (c) "Fluency" is the ability to read text with speed, accuracy, and proper expression,  
2.6 either to oneself or aloud.

2.7 (d) "Phonemic or phonological awareness" is the ability of students to hear, identify,  
2.8 manipulate, and substitute individual sounds, word parts, and syllables in spoken words.

2.9 (e) "Phonics" is the understanding that there are systematic and predictable relationships  
2.10 between phonemes and graphemes and the ability to apply that knowledge to decode  
2.11 unfamiliar printed words. "Phonemes" means sounds and "graphemes" means the letters  
2.12 that represent those sounds in written language, commonly known as "sounding out" words.

2.13 (f) "Science-based reading research" means research that:

2.14 (1) applies rigorous, systematic, and objective observational or experimental procedures  
2.15 to obtain knowledge relevant to reading development, reading instruction, and reading and  
2.16 writing difficulties; and

2.17 (2) explains how proficient reading and writing develop, why some children have  
2.18 difficulties developing key literacy skills, and how schools can best assess and instruct early  
2.19 literacy, including the use of evidence-based literacy instruction practices to promote reading  
2.20 and writing achievement.

2.21 (g) "Vocabulary" is the process of acquiring new words that students understand and  
2.22 use in their conversation (oral vocabulary) and recognize in print (reading vocabulary)  
2.23 through direct and indirect instruction.

2.24 Sec. 2. Minnesota Statutes 2022, section 123B.595, subdivision 4, is amended to read:

2.25 **Subd. 4. Facilities plans.** (a) To qualify for revenue under this section, a school district  
2.26 or intermediate district, not including a charter school, must have a ten-year facility plan  
2.27 adopted by the school board and approved by the commissioner. The plan must include  
2.28 provisions for implementing a health and safety program that complies with health, safety,  
2.29 and environmental regulations and best practices, including indoor air quality management  
2.30 and remediation of lead hazards.

2.31 (b) The facilities plan must also include a safe schools plan for each school site identifying  
2.32 physical modifications to improve student and staff safety at the school site.

3.1 ~~(b)~~ (c) The district must annually update the plan, submit the plan to the commissioner  
 3.2 for approval by July 31, and indicate whether the district will issue bonds to finance the  
 3.3 plan or levy for the costs.

3.4 ~~(e)~~ (d) For school districts issuing bonds to finance the plan, the plan must include a  
 3.5 debt service schedule demonstrating that the debt service revenue required to pay the principal  
 3.6 and interest on the bonds each year will not exceed the projected long-term facilities revenue  
 3.7 for that year.

3.8 **EFFECTIVE DATE.** This section is effective for plans submitted to the commissioner  
 3.9 on or after August 1, 2023.

3.10 Sec. 3. Minnesota Statutes 2022, section 125A.76, subdivision 2e, is amended to read:

3.11 Subd. 2e. **Cross subsidy reduction aid.** (a) A school district's annual cross subsidy  
 3.12 reduction aid equals the school district's initial special education cross subsidy for the  
 3.13 previous fiscal year times the cross subsidy aid factor for that fiscal year.

3.14 (b) The cross subsidy aid factor equals ~~2.6 percent for fiscal year 2020 and 6.43 percent~~  
 3.15 ~~for fiscal year 2021 and later~~ 65 percent for fiscal year 2024 and fiscal year 2025, and 75  
 3.16 percent for fiscal year 2026 and later.

3.17 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2024 and later.

3.18 Sec. 4. Minnesota Statutes 2022, section 126C.10, subdivision 2, is amended to read:

3.19 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance  
 3.20 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~  
 3.21 ~~2021 is \$6,567. The formula allowance for fiscal year 2022 is \$6,728.~~ The formula allowance  
 3.22 for fiscal year 2023 and later is \$6,863. The formula allowance for fiscal year 2024 is \$7,206.  
 3.23 The formula allowance for fiscal year 2025 and later is \$7,566.

3.24 Sec. 5. **READING RESET FUNDING.**

3.25 Subdivision 1. **Reading reset account.** An account is established in the special revenue  
 3.26 fund known as the reading reset account. Funds appropriated under this section must be  
 3.27 transferred to the reset account in the special revenue fund.

3.28 Subd. 2. **Curriculum and materials.** A school district, charter school, or cooperative  
 3.29 may request reimbursement from the commissioner of education for curriculum, instructional  
 3.30 materials, and books aligned with the science of reading, as defined in section 120B.116,  
 3.31 that were purchased on or after July 1, 2020. The application for reimbursement must require

4.1 an applicant to agree that it will stop using instructional practices, curriculum, or materials  
 4.2 that are based on or otherwise use whole-language, balanced literacy, or the three-cueing  
 4.3 system model, including discontinuing use or agreeing not to use in the future any literacy  
 4.4 curriculum or other materials published by Heinemann Publishing, or written in whole or  
 4.5 in part by Irene Fountas and Gay Su Pinnell.

4.6 Subd. 3. **Teacher training.** The commissioner of education must provide funding to  
 4.7 school districts, charter schools, and cooperatives to provide teachers with training in the  
 4.8 science of reading through intensive workshops, academies, and other professional  
 4.9 development opportunities. In addition, the commissioner must provide school districts,  
 4.10 charter schools, and cooperatives funding to provide teachers paid time to attend training  
 4.11 on the science of reading.

4.12 Subd. 4. **Tutoring.** The commissioner must establish a process for parents to receive  
 4.13 reimbursement for literacy tutoring for students enrolled in school districts, charter schools,  
 4.14 or cooperatives who are not reading at grade level.

4.15 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.16 Sec. 6. **TEACHER PREPARATION IN READING INSTRUCTION.**

4.17 A teacher preparation program approved by the Professional Educator Licensing and  
 4.18 Standards Board for teachers of elementary education must require instruction in  
 4.19 understanding and applying the science of reading. The board must complete audits of all  
 4.20 approved teacher preparation programs by September 1, 2023, and must place a program  
 4.21 not in compliance on immediate probation. A program placed on probation must develop  
 4.22 and implement an action plan to comply with this section.

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

4.24 Sec. 7. **APPROPRIATIONS.**

4.25 Subdivision 1. **Department of Education.** The sums indicated in this section are  
 4.26 appropriated from the general fund to the Department of Education for the fiscal years  
 4.27 designated.

4.28 Subd. 2. **General education aid.** (a) For general education aid under Minnesota Statutes,  
 4.29 section 126C.13, subdivision 4:

4.30     \$ 8,090,796,000   ..... 2024

4.31     \$ 8,425,183,000   ..... 2025

5.1 (b) The 2024 appropriation includes \$707,254,000 for 2023 and \$7,383,542,000 for  
 5.2 2024.

5.3 (c) The 2025 appropriation includes \$771,169,000 for 2024 and \$7,654,014,000 for  
 5.4 2025.

5.5 Subd. 3. **Special education; regular.** (a) For special education aid under Minnesota  
 5.6 Statutes, section 125A.75:

5.7 \$ 2,439,390,000 ..... 2024

5.8 \$ 2,632,579,000 ..... 2025

5.9 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,209,530,000 for  
 5.10 2024.

5.11 (c) The 2025 appropriation includes \$311,038,000 for 2024 and \$2,321,541,000 for  
 5.12 2025.

5.13 Subd. 4. **Reading reset.** (a) For the reading reset account under section 5:

5.14 \$ 250,000,000 ..... 2024

5.15 \$ 0 ..... 2025

5.16 (b) Of these amounts, \$125,000,000 is for curriculum and materials in accordance with  
 5.17 section 5, subdivision 2; \$100,000,000 is for teacher training in accordance with section 5,  
 5.18 subdivision 3; and \$25,000,000 is to reimburse parents for tutoring in accordance with  
 5.19 section 5, subdivision 4.

5.20 (c) The base for fiscal year 2026 and later is \$125,000,000.

5.21 Subd. 5. **School security grants.** (a) For transfer to the Department of Public Safety for  
 5.22 the Office of Justice Programs, in consultation with the Minnesota School Safety Center,  
 5.23 to issue school security grants to school districts and charter schools:

5.24 \$ 100,000,000 ..... 2024

5.25 \$ 0 ..... 2025

5.26 (b) A school district or charter school may apply for a grant in the form and manner  
 5.27 specified by the Office of Justice Programs. The Office of Justice Programs may establish  
 5.28 application timelines for the award of grants and may award grants in more than one round.  
 5.29 Applications for the last round of grants must be received by the Office of Justice Programs  
 5.30 no later than August 1, 2024.

6.1 (c) Grants may be awarded in an amount not to exceed \$300,000 per district. The grants  
6.2 must be awarded to schools located in all geographic regions of the state and priority must  
6.3 be given to facilities serving the largest number of students within that geographic region.

6.4 (d) The Minnesota School Safety Center must prepare a list of vendors authorized to  
6.5 provide the security services and products listed in this paragraph. A school district or charter  
6.6 school must use grant funds to contract with an approved vendor for implementation and  
6.7 installation of a comprehensive, multilayered, integrated security system, including an  
6.8 evaluation of a school site's current security systems, and training for school staff on using  
6.9 the security systems. The security systems must include a system to alert local law  
6.10 enforcement of an immediate security threat within each room in the school. The grants  
6.11 must be used for one or more of the following purposes:

6.12 (1) bullet-resistant interior doors and windows;

6.13 (2) ballistic wall panels;

6.14 (3) magnetic door-locking systems;

6.15 (4) remote lockdown activation systems;

6.16 (5) a mass notification system unified with an emergency communication system;

6.17 (6) an emergency building access system for first responders including fire, emergency  
6.18 medical services, and law enforcement personnel;

6.19 (7) an access control system with remote door-release capabilities;

6.20 (8) electronic access controls for main distribution frame and independent distribution  
6.21 frame rooms with a key override;

6.22 (9) classroom duress alarms linked to a law enforcement and administration notification  
6.23 system;

6.24 (10) security system training for staff to initiate emergency protocols;

6.25 (11) ballistic security glass for interior door vision panels and sidelites;

6.26 (12) electronic access control systems for primary building entrances; and

6.27 (13) classroom door installations that optimize safety and security.

6.28 (e) The Minnesota School Safety Center must identify vendors that provide the services  
6.29 and systems required under paragraph (d) and provide districts and charter schools with a  
6.30 list of approved vendors.

7.1 (f) The Department of Public Safety may retain up to 2.5 percent of the appropriation  
7.2 for the Office of Justice Programs to administer the grant and for the Minnesota School  
7.3 Safety Center to provide districts and charter schools technical assistance.

7.4 (g) By February 15 following each year a grant is awarded under this section, the  
7.5 Minnesota School Safety Center, Office of Justice Programs, and Department of Public  
7.6 Safety shall report to the chairs and ranking minority members of the legislative committees  
7.7 with jurisdiction over kindergarten through grade 12 education on the number and amount  
7.8 of grant awards, a description of each grant recipient's purchased items and vendors  
7.9 contracted for school security systems installation and technical assistance, and considerations  
7.10 on future school security grant funding, management, and installation.

7.11 (h) This is a onetime appropriation. This appropriation does not cancel but is available  
7.12 until June 30, 2026.