

# ELECTION GUIDE

2024







#### A MESSAGE FROM THE AMSD BOARD CHAIR

egislative candidates campaigning for office often tout their support for public education. However, it is important to find out where candidates stand on specific issues that impact the ability of school districts to meet the needs of their students and communities.

The Minnesota Constitution makes it clear that the Legislature is responsible for ensuring a strong public education system:

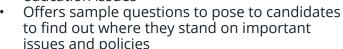
Article XIII, Section 1. Uniform system of public schools. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.

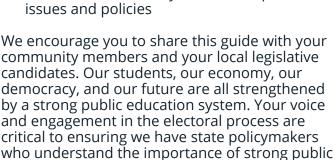
While Minnesota has a reputation as a state that values local control, it is the state that is responsible for funding our public schools. In addition, the state mandates a broad range of requirements for our schools ranging from academic standards to assessments to student discipline to the school calendar and much more. Too often, those mandates do not come with the funding necessary to implement and sustain them.

This guide summarizes significant issues facing public education in Minnesota and will help you understand some of the key issues facing our member school districts as you engage with your local legislative candidates.

#### The guide:

- Provides an overview of the education funding system and outlines recent legislative action
- Provides information and resources to evaluate candidates' positions on education issues





Please feel free to contact the AMSD office if you have any questions and thank you for your advocacy and your support of our students and our schools.

schools and their role in supporting them.

AMSD Board Chair Laura Oksnevad is a school board member from the St. Anthony-New Brighton School District.



#### **AMSD ELECTION RESOURCES**

AMSD urges citizens concerned about public education to become familiar with the local issues and challenges in their school district.

AMSD is also available to political candidates to assist with answering questions related to education policy and funding issues. Please contact Scott Croonquist, AMSD executive director, at 612-430-7811 or scroonquist@amsd.org with questions.





# EXPECTATIONS FOR PUBLIC SCHOOLS

State policymakers have established ambitious goals and expectations for our public schools including:

- All students are prepared for Kindergarten.
- Every student reads at or above grade level every year.
- Achievement gaps are closed among racial and ethnic groups of students, students living in poverty, and students receiving special education services.
- All students graduate from high school.
- All students graduate prepared for college or career.

These are goals we must strive to reach to ensure Minnesota has the highly-educated workforce we need to compete in the global economy.

Achieving these goals requires a reliable, equitable and consistent funding system. It will also require that state policymakers and educators think creatively to redesign the delivery system to meet the needs of all students. The current system was designed for a different era and

**2023-24** FACTS ABOUT MINNESOTA EDUCATION

K-12 Enrollment: 869,967

**2023 Graduation Rate:** 83.3

percent

Percent of Students Eligible for Free or Reduced-Price Lunch: 42.4 percent

Percent of Students Receiving Special Education Services: 18.5 percent

**Percent of English learners:** 9.7 percent

Homeless: 1.2 percent

doesn't meet the needs of today's students.

It is time to modernize Minnesota's education funding and delivery system using the vision and bold leadership that was once a Minnesota hallmark.



#### **EDUCATION FUNDING & POLICY: THE IMPACT ON SCHOOLS**

The education bill approved in the 2023 session was heralded as a historic investment in education. Indeed, the bill provided a significant overall funding increase and included several long-time AMSD priorities including linking the basic funding formula to inflation, increased special education and English learner funding, and allowing locally elected school boards to renew an existing referendum at the same level. Significant funding provisions in the bill included:

- Increased the basic formula by 4 percent for 2023 and by 2 percent for 2024.
   Beginning in FY26, the formula will be indexed to inflation, with a minimum increase of 2 percent and a maximum increase of 3 percent.
- Increased special education cross-subsidy reduction aid from 6.43 percent to 44 percent for FY24, FY25 and FY26, and 50 percent for FY27 and later.
- Increased English learner funding from \$704 to \$1,228 per qualifying EL student for fiscal years 2024-2026 and \$1,775 for FY27 and later. In addition, English learner funding cross-subsidy reduction aid was created to cover 25 percent of unreimbursed costs effective in FY27.



If the education bill approved in the 2023 session provided such a significant funding increase, why do so many school districts continue to face budget challenges?

A confluence of factors has created a challenging fiscal environment for many school districts despite the significant overall funding increase.

# **Key funding streams continue to lag behind inflation**

 While the 2023 education bill provided a significant overall increase in funding, two critical funding streams continued to lose ground to inflation. The bill increased the basic formula by 4 percent for the 2023-24 school year and 2 percent for

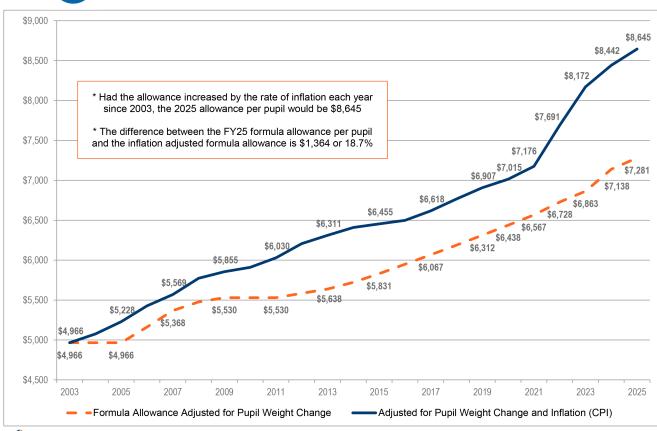


#### **EDUCATION FUNDING & POLICY**



#### General Education Formula Allowance, 2003-2025

Adjusted for Pupil Weight Change and Inflation (CPI)



EHLERS PUBLIC FINANCE ADVISORS

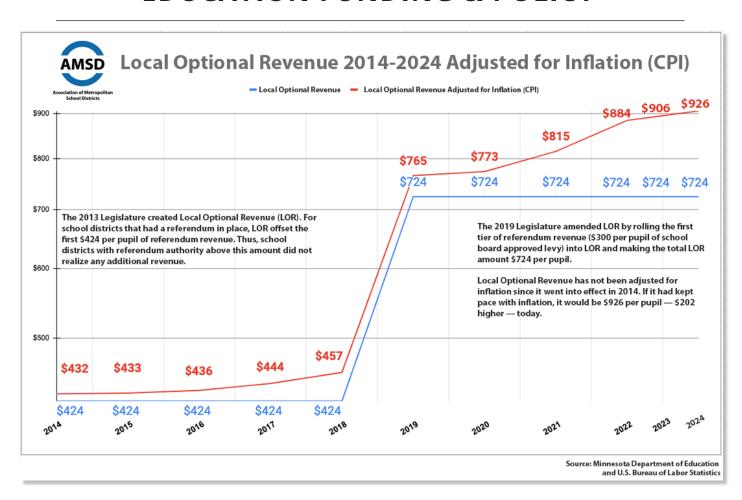
Source: MDE June 2024 Inflation Estimates and Minnesota Laws 2023

the 2024-25 school year. As the graph above shows, the basic formula would be \$1,364 per pupil higher in FY25 if it had kept pace with inflation since 2003 — the year the Legislature repealed the general education levy and committed to funding education with state income and sales taxes. Likewise, local optional revenue (LOR), another critical funding stream,

has lost considerable ground to inflation since it went into effect in 2014. The basic formula and LOR comprise 75 percent of school districts' general education revenue — the funding stream that is the most flexible and is used to pay staff salaries, transportation, and other general operations.



#### **EDUCATION FUNDING & POLICY**



#### Historic inflation and staff shortages

• While inflation has declined from historic highs in 2022, continued significant increases in utilities, transportation, food, supplies, insurance and other costs have had a major impact on school district budgets. At the same time, school districts have had to respond to historic staff shortages by significantly increasing salaries in a number of job categories to fill vacancies and settle employment contracts.

#### **Enrollment fluctuations**

 Demographics and the pandemic have caused significant enrollment fluctuations for many school districts. With state education funding largely distributed through per pupil formulas, this can have a significant impact on school district revenue.



#### RECENT LEGISLATIVE ACTION

# Historic requirements placed on public school districts

- Historic new expectations, programs, and requirements for school districts were included in the education bill, and numerous other bills, in the 2023 session. AMSD supported many of the new requirements, but they come with increased costs both monetarily as well as significant staff time. Some of the new requirements were funded, some partially unfunded, some temporarily funded, and others came with no funding. New programs or requirements include:
  - Universal meals all students began receiving one free breakfast and one free lunch beginning in the 2023-24 school year.
  - Summer Unemployment Insurance

     beginning in May of 2023, eligible non-certified hourly school workers could qualify for "between term" summer unemployment benefits.
  - Earned sick and safe time —
     Beginning 2024, all employers were required to allow employees to accrue an hour of earned sick and safe time for every 30 hours worked up to a maximum of 48 hours in a year.



- Minnesota Paid Leave Law —
   Effective Jan. 1, 2026, a statewide paid leave plan is established. The plan is funded through a new .88 percent premium rate with employers required to pay at least 50 percent of the premium.
- The READ Act Requires new curriculum purchased after July 1, 2023 to be aligned with structured literacy and staff to be trained in structured literacy.
- Social Studies 9th graders beginning in 2025-26 must take a course for credit in civics in grade 11 or 12 and a course for credit in personal finance in grade 10, 11 or 12.



#### RECENT LEGISLATIVE ACTION

- Ethnic Studies A course must be offered in high school starting in the 2026-27 school year and elementary and middle schools must provide ethnic studies effective in the 2027-28 school year.
- Holocaust, Genocide Education —
   School districts must offer Holocaust and genocide education in middle and high school curriculum by the 2026-27 school year.
- Opioid Antagonists and Menstrual products — School districts must provide free access to menstrual products and maintain at least two doses of opiate antagonists at each school site.
- Paraprofessional training —
   Beginning in the 2023-24 school year, districts must provide a minimum of 8 hours of annual paid paraprofessional professional development.
- Suspensions Beginning in the 2023-24 school year, K-3 suspensions are prohibited unless nonexclusionary discipline options have been exhausted and there is an ongoing safety threat.
- PELRA Changes Significant changes were made to the Public Employment Labor Relations Act (PELRA), making a number of new issues subject to

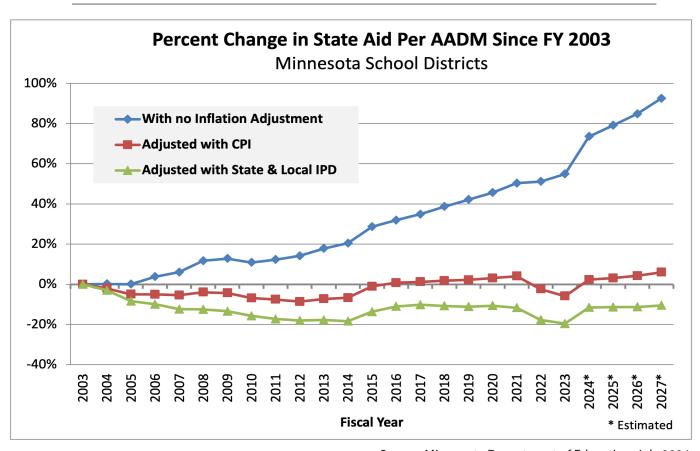


collective bargaining including adult-tostudent ratios in classrooms, student testing, and e-learning days.

Active Transportation Safety
 Training — School districts must provide age appropriate transportation safety training to students during the first or second week of school.



#### **EDUCATION FUNDING**



Source: Minnesota Department of Education, July 2024

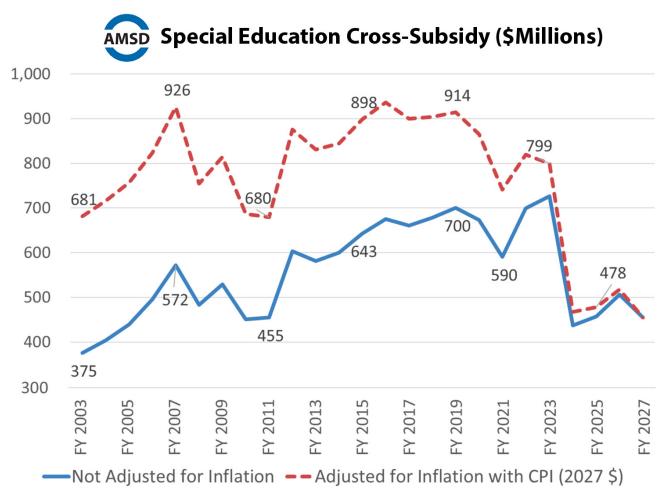
# State Aid Has Not Kept Pace With Inflation

 School districts have frequently faced budget challenges since a major state policy change was adopted in 2001 — repealing the fully equalized general education levy as a primary source of funding for education. While the goal was laudable lowering property taxes — it made school districts dependent on the relatively volatile state income and sales tax revenue. The chart above shows the percent change in state aid per pupil for school districts — excluding aid to charter schools — since 2003, the year the general education levy ended. The chart shows the increase unadjusted for inflation, and adjusted for inflation using the Consumer Price Index (CPI) and the Implicit Price Deflator (IPD) for State and Local Governments. The IPD is the index that more accurately measures the inflationary costs impacting school districts.



## **EDUCATION FUNDING**

#### THE STATE FALLS SHORT OF PAYING FOR SPECIAL EDUCATION SERVICES



Source: Minnesota Department of Education, July 2024

In 1975, the federal government passed landmark legislation requiring states to provide a "free and appropriate education to special education students." This historic legislation ended years of discrimination against students with physical and cognitive disabilities. However, the state and federal governments have never provided the funding necessary to serve our special education

students. Consequently, school districts are forced to use money meant for regular classroom instruction to make up the difference. That difference is known as the "cross-subsidy."

MDE calculated the final overall FY23 statewide cross-subsidy at more than \$726 million — with more than two-thirds (\$497 million) specifically



#### **EDUCATION FUNDING**

#### THE STATE FALLS SHORT OF PAYING FOR SPECIAL EDUCATION SERVICES

in AMSD member districts. As the graph shows, with the passage of the 2023 education bill, MDE projects that the FY24 cross-subsidy will decline to \$437.1 million, slightly increase in FY25 to \$457.3 million, spike to \$506.1 million in FY26, and then drop to \$455.3 million in FY27 when cross-subsidy reduction aid increases to 50 percent.

Further complicating the challenge for school districts is the issue of "tuition billing," whereby charter schools may bill back significant portions of special education costs to a student's public school home district. Insufficient special education funding has a tremendous financial impact on AMSD member school districts, with average cross-subsidies ranging from \$561 per pupil to nearly \$1,800 per WADM. In comparison, the average per pupil cross-subsidy for charter schools is just \$225. In 2022-23, AMSD districts spent nearly \$60 million of their general education revenue on special education costs for resident students attending charter schools.

The investments to address the special education cross-subsidy provide some welcome financial relief. At the same time, even after the 2023 Education Bill is fully implemented a significant shortfall will remain.

THE INVESTMENTS
TO ADDRESS
THE SPECIAL
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AT THE SAME TIME, EVEN AFTER THE 2023 EDUCATION BILL IS FULLY IMPLEMENTED, A SIGNIFICANT SHORTFALL WILL REMAIN



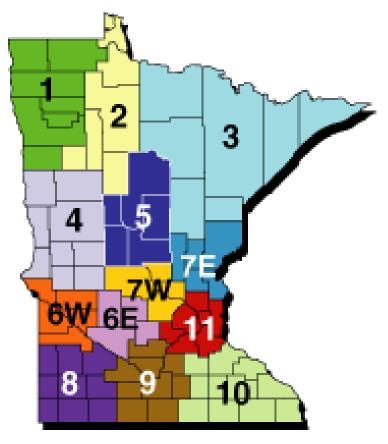
#### **EDUCATION FUNDING**

#### GEOGRAPHIC OPERATING COST DIFFERENTIALS

Metropolitan area and regional center school districts face significantly higher labor costs than their rural counterparts. Unlike many states, Minnesota's education funding formula does not recognize the geographic wage differentials.

Data from the Professional Educator Licensing and Standards Board shows that there is a 26.9 percent difference in costs faced by school districts in regions that command the highest and lowest teacher wages. Consequently, AMSD school

districts are heavily reliant on passing operating referendums to cover their higher labor costs and provide basic programs and services for their students. Compounding the challenge, these referenda have a widely different impact on local property taxpayers depending on the property tax wealth of the school district. State equalization aid, meant to address disparities in property tax wealth, has been badly eroded by inflation over the last decade.



2023-2024		
Economic Development Region	2023-24 Avg. Teacher Salary	% Under Metro
EDR 11 - Seven County	\$74,816	
EDR 3 - Arrowhead	\$66,219	-13%
EDR 7W - Central	\$65,390	-14.4%
EDR 7E - East Central	\$64,064	-16.8%
EDR 6E - Southwest Central	\$63,219	-18.3%
EDR 10 - Southeast	\$62,670	-19.4%
EDR 4 - West Central	\$62,279	-20.1%
EDR 2 - Headwaters	\$62,060	-20.6%
EDR 5 - North Central	\$60,416	-23.8%
EDR 9 - South Central	\$60,950	-22.7%
EDR 1 - Northwest	\$60,362	-23.9%
EDR 6W - Upper Minnesota Valley	\$59,598	-25.5%
EDR 8 - Southwest	\$58,968	-26.9%



#### **EDUCATION FUNDING**

#### THE SCHOOL PROPERTY TAX SYSTEM IS INEQUITABLE

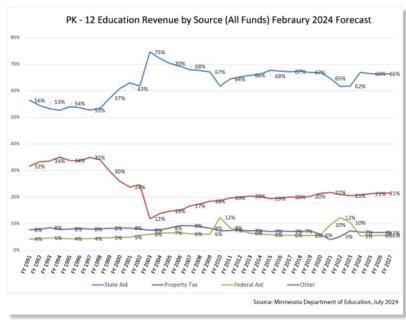
Minnesota's education funding system is based on a state and local partnership to provide the resources and opportunities our students need throughout their preK–12 experience. This is what prepares them to graduate from high school ready for college or career.

Local property taxes provide about 21 percent of the revenue for Minnesota school districts — a level that has been fairly constant for several years. According to the Minnesota Department of Education, the State share of education revenue has remained somewhat steady between 62 to 68 percent since approximately 2010.

Districts rely on levies just to maintain current programs or to reduce budget cuts. Operating referenda provide resources for basic, essential services and programs for students.

School districts also rely on capital projects referenda to provide the technology their students need in today's digital world and capital bond referenda to build and maintain safe and secure facilities for students, staff and the public.

Unlike many states, Minnesota's education funding system does not account for regional wage variations. As a result, metro and regional center school districts, which face significantly



higher labor costs, are heavily dependent on voterapproved operating referendums. This reliance creates inequities for districts, students and taxpayers.

Homeowners who live in comparably valued homes, and pay similar amounts in property taxes, do not always generate a similar level of funding for their school district. Some districts generate three and four times more than other school districts due to variations in property tax base. Districts with more commercial/industrial property are able to spread out property taxes and reduce the tax burden on homeowners. It is vital the Governor and legislators address funding and property tax disparities.



# Association of Metropolitan School Districts EDUCATION FUNDING

#### INSUFFICIENT RESOURCES TO EDUCATE OUR ENGLISH LEARNERS

- MDE's latest special population report showed that 84,050 students were eligible for English learner services in the 2023-24 school year (an increase of nearly 4,000 students from the year prior). More than 60 percent of these students attended an AMSD member school district.
- In FY21-22, AMSD school districts spent nearly \$145 million on services for English learners but received just \$34.6 million in English learner funding. In other words, AMSD districts redirected more than \$110 million in general education revenue to provide services to English learners.
- The 2023 Education Bill included significant investment in the English Learner program. The English learning basic formula was increased from \$704 to \$1,228 per qualifying EL student for FY24-26 and \$1,775 per qualifying EL student for FY27 and later. The EL concentration formula was increased from \$250 to \$436 per qualifying EL student for FY24-26 and \$630 per EL student for FY27 and later. In addition, a new component of EL revenue was established to cover 25 percent of the difference of a school district's spending and its revenue effective in FY27 and later.

#### MORE STUDENTS HAVE SIGNIFICANT NEEDS AND CHALLENGES

#### **Economic disparity.**

In the 2023-24 school year, 42 percent of
Minnesota students were eligible for the
national free or reduced-price lunch program.
Minnesota provides free lunches to all students,
but for context, in FY 23-24, in order for a
student in a family of four to qualify for the
national free lunch program, the family income
must be at or below 130 percent of the federal
poverty level — \$39,000.

#### **English proficiency.**

 Students who are English learners or do not speak English as their primary language often need translation or resources in classrooms where English is the primary language.

#### Homelessness.

 The number of students who identify as homeless has increased by nearly 1 percent since last year to more than 10,000 students.

#### Special education IEPs.

 Special education students have an Individualized Education Plan (IEP) and receive individualized instruction based on unique goals and objectives.

#### **Mental Health**

 According to the 2022 Minnesota Student Survey, 29 percent of students reported longterm mental health problems compared to 23 percent in 2019 and 18 percent in 2016.



# Association of Metropolitan School Districts QUESTIONS FOR LEGISLATIVE CANDIDATES

#### **EDUCATION FUNDING**

- What are your education funding priorities for the upcoming budget session?
- In the coming year, school districts will be forced to spend more than \$430 million of funds meant for regular classroom instruction on mandated special education programs. Will you support significantly increasing special education funding to reduce the cross-subsidy?
- Do you believe the education funding formula should recognize the higher cost of labor in metro and regional center school districts?
- Do you support increasing equalization of school property tax levies to address property tax inequities?
- Do you support increasing Local Optional Revenue to recoup ground lost to inflation over the past decade?

#### **VOUCHERS**

- Do you support vouchers, expanded tax credits or other taxpayer subsidies for non-public schools?
- Should non-public schools that receive taxpayer funding be required to comply with state mandates, held accountable for how taxpayer dollars are spent and be open to all students?

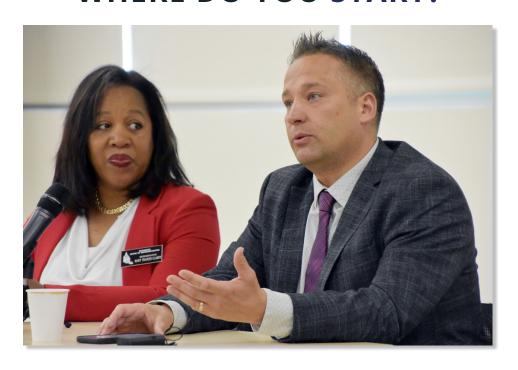
#### **EDUCATION POLICY**

- Do you support greater flexibility for students to earn credit in programs such as apprenticeships and experiential learning opportunities?
- Do you support allowing locally-elected school boards to renew an existing capital projects referendum at the same level by a majority vote of the school board after a public hearing?
- Would you be willing to vote against your caucus' position if it is in the best interest of your local school district(s)?
- Do you support reducing mandates and allowing greater local control for locally elected school boards?
- Do you support allowing locally-elected boards to establish the school calendar, including starting the year before Labor Day, that best meets the needs of their students and families?
- Do you support allowing school board members to participate in meetings remotely?
- Should school districts be allowed to either post minutes and official proceedings on the district website or publish them in a local newspaper?



# GET INVOLVED

# WHERE DO YOU START?



- Meet with your superintendent(s).
- Meet with school board members.
- Review the AMSD resources included in this guide.
- Attend community candidate forums.
- When candidates call or knock on your door, ask questions.
- Write or call local candidates and ask them about their position on education issues that matter to you.
- Become involved with your local Legislative Action Coalition or Parent Teacher Organization.
- Stay active during the legislative session and contact your local leaders on issues that impact your school district.

# MOST IMPORTANTLY: VOTE



# **ELECTION RESOURCES**



#### LEGISLATIVE RESOURCES

- Minnesota House of Representatives: <u>http://www.house.leg.state.mn.us/</u>
- Minnesota Senate: http://www.senate.mn/
- Republican House Caucus: <u>https://www.house.leg.state.mn.us/Caucus/Home/GOP</u>
- Republican Senate Caucus: <u>https://www.senate.mn/caucus/republican</u>
- DFL House Caucus: <u>https://www.house.leg.state.mn.us/Caucus/</u> Home/DFL
- DFL Senate Caucus: https://www.senate.mn/caucus/dfl

#### CANDIDATE INFORMATION

- League of Women Voters: http://www.lwvmn.org/
- MN Secretary of State: <u>http://www.sos.state.mn.us/</u>
- Candidate Filings: http://candidates.sos.state.mn.us



#### MEMBER DISTRICTS

Anoka Hennepin Schools • Bloomington Public Schools • **Brooklyn Center Community** Schools • BrightWorks • Buffalo-Hanover-Montrose Schools • Burnsville-Eagan-Savage School District • Centennial School District • Columbia Heights Public Schools • Duluth Public Schools • Eastern Carver County Schools • Eden Prairie Schools • Edina Public Schools • Elk River Area Schools • Farmington Area Public Schools • Fridley Public Schools • Hastings School District • Hopkins Public Schools • Intermediate School District 287 • Intermediate School District 917 • Inver Grove Heights Schools • Lakeville Area Public Schools • Mahtomedi Public Schools • Mankato Area Public Schools • Minneapolis Public Schools, Minnetonka Public Schools • Mounds View Public Schools • Northeast Metro Intermediate School District 916 • North St. Paul-Maplewood-Oakdale School District • Northwest Suburban Integration School District Orono Schools • Osseo Area Schools • Prior Lake-Savage Area Schools • Richfield Public Schools • Robbinsdale Area Schools • Rochester Public Schools • Rockford Area Schools • Rosemount-Apple Valley-Eagan Public Schools • Roseville Area Schools • Shakopee Public Schools, South St. Paul Public Schools • South Washington County Schools • SouthWest Metro Intermediate District • Spring Lake Park Schools • St. Anthony-New Brighton School District • St. Cloud School District • St. Louis Park Public Schools • St. Michael-Albertville Schools • St. Paul Public Schools • Stillwater Area Public Schools • Wayzata Public Schools • West St. Paul-Mendota Heights-Eagan School District • Westonka Public Schools • White Bear Lake Schools.

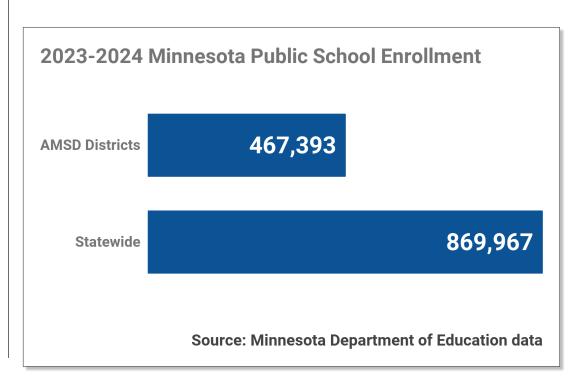
#### **ABOUT AMSD**

MSD is marking its 50th anniversary this year and currently represents 47 greater metropolitan area and regional center school districts and 6 intermediate/ cooperative districts that collectively enroll more than half of all public school students in Minnesota. The mission of AMSD is to advocate for member school districts so they can lead the transformation of public education. AMSD helps member districts articulate challenges and needs to state policymakers. Because of its broad-based membership, AMSD is



# Association of Metropolitan School Districts 2 Pine Tree Drive, Suite 380 Arden Hills, MN 55112 612-430-7750

in a unique position to advocate for the needs of its member school districts and seek meaningful policy changes to help districts meet the needs of their students and communities.





# Association of Metropolitan School Districts ADDITIONAL RESOURCES

#### **AMSD WEB RESOURCES**

- AMSD Legislative Session Information: https://www.amsd.org/2024session/
- AMSD Research & Charts: <u>https://www.amsd.org/document-library/research-statistics/</u>
- AMSD Recommended Education Reports: <a href="https://www.amsd.org/document-library/education-reports/">https://www.amsd.org/document-library/education-reports/</a>
- AMSD Reimagine Minnesota Plan: www.amsd.org/reimagineminnesota



#### **AMSD POSITION PAPERS**

- Position on Assessment: https://www.amsd.org/doc/positionassessment
- Position on Charter Schools: <a href="https://www.amsd.org/doc/position-charters">https://www.amsd.org/doc/position-charters</a>
- Position on Compensatory Revenue: <a href="https://www.amsd.org/doc/position-compensatory">https://www.amsd.org/doc/position-compensatory</a>
- Position on Early Childhood Education: <a href="https://www.amsd.org/doc/position-earlyeducation">https://www.amsd.org/doc/position-earlyeducation</a>
- Position on English Learner Funding: https://www.amsd.org/doc/position-englishlearner
- Position on Facilities Funding: <u>https://www.amsd.org/doc/position-facilitiesfunding</u>
- Position on School Safety: <a href="https://www.amsd.org/doc/amsd-position-paper-on-school-safety">https://www.amsd.org/doc/amsd-position-paper-on-school-safety</a>

- Position on Mandates and Local Control: <a href="https://www.amsd.org/doc/position-mandates">https://www.amsd.org/doc/position-mandates</a>
- Position on Special Education: https://www.amsd.org/doc/position-specialeducation
- Position on Vouchers:

   https://www.amsd.org/doc/position-vouchers
- **Position on Tiered Licensure:**<a href="https://www.amsd.org/doc/position-paper-tiered-licensure-for-teachers/">https://www.amsd.org/doc/position-paper-tiered-licensure-for-teachers/</a>
- Position on Referendum Renewals: https://www.amsd.org/doc/position-paper-school-board-renewal-of-an-operating-referendum/