Budget Targets

Governor Walz has released revised budget recommendations in order to more closely reflect what was announced in the February Budget and Economic Forecast. His original plan budgeted for $49.5 billion but his updated recommendations include an overall reduction in spending of $131 million, an adjustment to his tax proposal that would save $65 million and $37 million in new spending items. Included in those new spending items are an $11.9 million increase to the University of Minnesota and a $13.2 million increase to Minnesota State.

The Senate GOP and House DFL have also released their own budget plans this week. Their own budget bills that reflect these targets will come out sometime over the next couple of weeks.

The Senate GOP proposes a $47.6 billion budget. Below are relevant committee budget targets with increases or decreases from what was shown in the February forecast, if applicable:

- $19.8 billion for E-12 Education, a $207 million increase
- $15 billion for Health and Human Services, a $147 million increase
- $3.4 billion for Higher Education, a $100 million increase

The House DFL proposes a $47.8 billion budget. Below are relevant committee budget targets with increases or decreases from what was shown in the February forecast, if applicable:

- $20.5 billion for E-12 Education, a $900 million increase
- $15 billion for Health & Human Services, a $129 million increase
- $3.6 billion for Higher Education, a $305 million increase

House Education Finance Bill

Last night, the House released their Education Finance omnibus bill. The addition of specifically naming of trauma coaches has been added to the purpose of the Support of Students grant program for addressing a shortage of student support services in schools. Another change in the language for the purpose of the grant is that prekindergarten-12th grade students are considered (currently K-12).

For grant eligibility and application, language has been added that starting July 1, 2019, funds for the entire length of the grant (6 years) will be ensured.

$5,000,000 in FY20 and $5,000,000 in FY21 would be appropriated to the Support of Students grant program under this proposal.
This bill appropriates $3,000,000 in FY20 and $3,000,000 in FY21 for trauma-informed school incentive aid. These funds would support trauma-informed and systematic professional development for staff who works with students with adverse childhood experiences in 20 selected school sites for each year.

**Legislative Audit Reports**

The Legislative Audit report topic on the state grant program did not make it through to the next round of selection for 2019.

**Committee Activity – Week in Review**

**Tuesday**

- The Senate Higher Education committee heard:
  SF1472 (Eichorn): Minnesota state colleges and universities, K-12 school districts, and local businesses and industry partnerships appropriation. Laid over for possible inclusion in the omnibus bill.
  SF2517 (Draheim): Higher education low-interest student loan program establishment and appropriation. The author says this bill is in the early stages and he will be continuing to work on it. Laid over for possible inclusion.

The House Higher Education committee heard a presentation on the Governor’s revised budget recommendation for Higher Education. The Governor had to make changes in many departments due to the worsened economic outlook. His recommendations include a spending reduction for the Office of Higher Education of $17.9 million. This brings his final budget recommendation to a total of $780 million for the biennium.

The House Education Finance division heard HF566 (Wazlawik): School safety assessment teams required, and money appropriated. Laid over for possible inclusion in the omnibus bill.

**Wednesday**

- The House Higher Education committee heard budget recommendations from MnSCU and the University of Minnesota. MnSCU requested $246 million for the biennium. The University of Minnesota is requesting $87 million.

The Senate Human Services Reform Finance & Policy committee heard:
SF89 (Nelson): School-linked mental health services grants modification and appropriation. It re-referred to E-12 Finance and Policy.
SF1 (Rosen): Mental health grants establishment and appropriations. This bill contains a blank appropriation for school-linked mental health grants. It was re-referred to Rules and Administration.

**Thursday**

- The Senate Higher Education committee heard:
  SF2692 (Anderson, P.): Higher education administrative costs ten percent reduction reporting requirement. The University of Minnesota and Minnesota State testified with concerns on the
feasibility of this bill. Laid over for possible inclusion in the omnibus bill.
SF2666 (Draheim): Minnesota State Colleges and Universities employee payment contracting restriction to Department of Management and Budget (MMB) agreement. This would prohibit the Board of Trustees for MnSCU from contracting to pay employees more than is permitted by the board and MMB. Laid over.
SF1308 (Dziedzic): College promise grant program creation; Minnesota accelerated study in associates programs development and implementation requirement; appropriation. Laid over.

Committee Hearings – The Week Ahead

Monday
The House Education Finance division will hear HF2400 (Davnie): the House Education Finance omnibus bill.

The House and Senate Health and Human Services Finance committees will meet jointly to hear SF2302 (Marty): the omnibus health and human services omnibus bill.

Tuesday
- The House Education Finance division will continue to hear the omnibus bill.

The House Higher Education committee will hear:
HF434 (Noor): Teacher candidates of color financial aid provided.
HF2663 (Pryor): State grant program parameters adjusted.

Wednesday
- The House Higher Education committee will hear HF2544 (Bernardy): this is the department budget bill.

Thursday
- The House Education Finance division will markup their omnibus bill.

*There are currently no meetings scheduled next week for the Senate Higher Education committee

Bill Tracker

See attached.

Allie Wroble
Government Relations Specialist
1000 Westgate Dr., Suite 252 | St. Paul, MN 55114 | c: 651.285.3522 |