



## PLSAS Legislative Platform

### February 2018

### Increase Special Education Funding and Eliminate Special Education Cross-Subsidy

In Minnesota, the special education cross-subsidy for FY 2016 was \$679 million and is expected to grow. The PLSAS amount was \$5,794,408.23.

- Governor and Legislature to advocate for significant increase in federal special education funding and meaningful special education reform at the federal and state level.
- Convene a task force to work on special education funding, specifically with a focus on the impacts of the new special education funding formulas, the projected cross-subsidy and recommendations with a timeline to eliminate the cross-subsidy.

### Reform and Stabilize the Teachers Retirement Association Fund

In the most recent proposal, the estimate to fund the employer portion of TRA was \$64 million each year. The employer contribution should be the state's responsibility, so as not to divert funds from the district's general education fund.

- Reform and stabilize the Teachers Retirement Association Fund by increasing employer and employee contribution and adjusting benefits.
- Use the pension adjustment mechanism in the funding formula to cover the actual increase in the employer contribution to avoid cuts to programs for students.

### Enhance Taxpayer Equity through Tax Relief and Reform

Property tax policy inequities limit educational opportunities for many students. Without significant commercial and industrial development to expand the tax base and lower the overall taxpayer cost, the cost for school levies falls heavily on the local home and small business owners in low-property wealth districts. This reduces the amount of revenue local taxpayers can provide to support their local schools. Through increased equalization- state aid in local school levies – this inequitable property tax burden can be reduced.

Funding for property tax relief related to school levies should be part of state tax policy with resources coming from the tax committee budget target and not the education budget target.

- Increase state aid in low property wealth school districts for local school operating and building bonds levies by increasing the equalizing factors for the referendum, debt service and lease levy equalization programs.
- Index all tiers of the operating referendum equalization to inflation, like the indexing of debt service and long-term facilities maintenance levies, so the effectiveness of this state aid will not erode over time.