

CHAPTER 145—H.F.No. 2291

An act relating to education finance; creating a process for adjusting adult basic education contact hours lost due to a service disruption; amending Minnesota Statutes 2010, sections 124D.518, subdivision 3, by adding a subdivision; 124D.531, by adding a subdivision.

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

Section 1. Minnesota Statutes 2010, section 124D.518, is amended by adding a subdivision to read:

Subd. 4a. **Service disruption.** "Service disruption" means the loss of student contact time due to a natural disaster including, but not limited to, floods, tornadoes, and fires, or the loss of student contact hours caused by a party other than the adult basic education program or consortium including, but not limited to, building relocations and transportation disruptions. A service disruption occurs only if:

(1) the loss of contact hours is sufficient to cause the consortium to lose revenue equal to at least ten percent of the aid generated under section 124D.531, subdivision 3, clause (2); or

(2) the loss of contact hours is sufficient to cause the program to lose revenue equal to at least 15 percent of the aid generated under section 124D.531, subdivision 3, clause (2).

EFFECTIVE DATE. This section is effective for aid for fiscal year 2013 and later.

Sec. 2. Minnesota Statutes 2010, section 124D.518, subdivision 3, is amended to read:

Subd. 3. **Contact hours.** (a) "Contact hours" means the number of hours during which a student was engaged in learning activities provided by an approved adult education program. Contact hours excludes homework but includes interactive distance learning. The commissioner may only reallocate contact hours among programs to adjust for changes in program membership between the first prior program year and the current program year based on the actual contact hours reported for the first prior program year. The commissioner may adjust a program or consortium's contact hours due to a service disruption according to the process established in section 124D.531, subdivision 10.

(b) For revenue beginning in fiscal year 2002, contact hours for a provider of adult basic education services funded in fiscal year 2000, but not eligible for basic population aid in fiscal year 2001, is computed by multiplying the provider's contact hours by 1.03.

(c) For aid in fiscal year 2001, contact hours in fiscal year 2000 equals the number of full-time equivalent learners times the contact hours. A level one full-time equivalent learner is equal to 240 contact hours and a level two full-time learner is equal to 408 contact hours.

EFFECTIVE DATE. This section is effective for aid for fiscal year 2013 and later.

Sec. 3. Minnesota Statutes 2010, section 124D.531, is amended by adding a subdivision to read:

Subd. 10. **Contact hours in cases of disruption of services.** An adult basic education program or consortium that has been subject to a service disruption may apply to the commissioner in the form and manner established by the commissioner for an adjusted number of contact hours. The program or consortium must demonstrate to the commissioner's satisfaction that the loss in contact hours due to the service disruption was outside of the control of the adult basic education program or its consortium and that the program or consortium took reasonable actions to avoid the loss of contact hours. If the commissioner approves the program or consortium's request, the commissioner may adjust the number of contact hours of the program, and if applicable, of the consortium, but in no case may the adjusted contact hours yield an aid amount for a consortium under subdivision 3, clause (2), greater than the most recent two-year average aid under that clause.

EFFECTIVE DATE. This section is effective for aid for fiscal year 2013 and later.

Presented to the governor March 29, 2012

Signed by the governor March 30, 2012, 11:43 a.m.