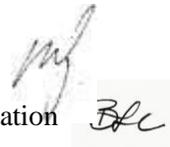


Date: May 16, 2015
To: Members of the Press
From: Commissioner Myron Frans, Minnesota Management and Budget
Commissioner Brenda Cassellius, Minnesota Department of Education
Subject: Consequences of No E-12 Education Budget Bill



In response to a question that was raised this morning by members of the press, we wanted to present the reporters and Minnesotans with the facts on what would in fact happen if no Omnibus E-12 Budget Bill is enacted this session. The consequences of not enacting an E-12 Education Budget Bill would be catastrophic for our schools, our teachers, and most importantly our students.

Here is what you need to know:

- **Shut Down Minnesota Department of Education** – Without an Education Bill, the Minnesota Department of Education would shut down – laying off over 400 state employees.
- **No Way to Process Payments to Schools** – The employees and IT systems at the Minnesota Department of Education that process payments to schools would not be funded without an Education Bill.
- **Only the General Education and Debt Service Formulas are Funded in Statute** – Even though the general education formula and debt service formulas are funded in statute, all other funding formulas such as special education, and programs like early learning scholarships and ECFE are not funded in statute. Therefore, major sources of essential funding for school operations would discontinue, putting essential programming statewide at risk.
- **Teacher and Staff Lay offs** – Without an Education Bill, there would be no increase in the funding formula for school districts – which would by itself force schools to make major cuts and lay off teachers and other essential staff. But without other essential funding sources for education, schools would face other major funding cuts that would cause even further lay offs.
- **Shutdown Scenario for MMB** – Minnesota Management and Budget would need to seek authorization from the courts, similar to the 2011 shutdown, to make education payments to schools. In 2011, the courts did not determine all of education funding to be critical.
- **Shut Down Board of Teaching and Board of School Administrators** – Without a court order, the Board of Teaching and Board of School Administrators would be shut down, and the state would then be unable to process teaching licenses and perform other critical functions for teachers and school districts statewide at its most critical time for a successful school start.
- **Shut Down Minnesota State Academies for the Deaf and Blind, and the Perpich School** – Without a court order, the state academies for blind and deaf students would shut down. The Perpich Center for Arts Education would also shut down.

These are just some of the consequences of not enacting an E-12 Education Bill this session.