



S.F. No. 3186 – Literacy aid modifications

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S.F. No. 3186 modifies the existing literacy incentive aid program by establishing three new component aid programs and modifying the allowable uses of aid under the program. School districts and charter schools that enroll students in kindergarten through grade 4 are eligible to receive literacy aid.

Section 1. Literacy Aid

Subdivision 1. Literacy aid. Provides that a district's literacy aid equals the sum of its basic literacy aid, English learner literacy aid, and targeted literacy aid.

Subd. 1a. Definitions. Defines “English learner concentration factor” and “poverty concentration factor” for the purposes of aid calculations later in the section.

Subd. 2 through 4. Proficiency aid; Growth aid. Repeals the current literacy incentive aid formula and related definition. (Under current law, a district's aid is a function of its students' proficiency and growth on the third and fourth grade Minnesota Comprehensive Assessments (MCA). Under current law, higher student proficiency or growth on the MCA result in higher total literacy incentive aid amounts to the district.)

Subd. 5. Literacy aid uses. Requires that a district use literacy aid to meet the requirements and goals adopted in the district's local literacy plan under the Read Act. Eliminates specific current law eligible uses, including the costs of certain training, literacy and intervention staff, screening materials, substitute teachers, and teacher stipends.

Subd. 6. Basic literacy aid. Provides that basic literacy aid equals the district's prior year adjusted average daily membership (ADM) of students in kindergarten through



grade 4, times the basic literacy aid allowance. (The allowance is undetermined in the bill as introduced.)

Subd. 7. English learner literacy aid. Provides that English learner literacy aid equals the district's prior year ADM of students in kindergarten through grade 4, times the English learner concentration factor (defined in subdivision 1a), times the English learner literacy aid allowance. (All else equal, districts that enroll higher proportions of English learners will generate more aid under this subdivision. The allowance is undetermined in the bill as introduced.)

Subd. 8. Targeted literacy aid. Provides that targeted literacy aid equals the district's prior year ADM of students in kindergarten through grade 4, times the poverty concentration factor (defined in subdivision 1a), times the targeted literacy aid allowance. (All else equal, districts that enroll higher proportions of students eligible for free or reduced-price meals will generate more aid under this subdivision. The allowance is undetermined in the bill as introduced.)

Subd. 9. Free and reduced-price meals. Requires the commissioner to determine the number of students eligible to receive free or reduced-price meals by means of direct certification or through the application for educational benefits.

Sec. 2. Appropriations. Appropriates money in fiscal years 2026 and 2027 from the general fund for literacy aid.