



# STATE OF MINNESOTA

## Office of Governor Mark Dayton

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 30, 2017

The Honorable Kurt Daudt  
Speaker of the House  
Room 463, State Office Building  
St. Paul, Minnesota 55155

Dear Speaker Daudt:

On the advice of my General Counsel, to ensure there are no legal challenges, I am signing Chapter 5, House File 2 rather than allowing it to become law without my signature.

I am pleased the Legislature finally agreed to funding the two percent annual increases on the basic education funding formula I sought. The original E-12 education bill you sent me and that I vetoed, was insufficient in this regard, endangering school districts' basic operations and local property taxpayers' pocketbooks. This bill is much improved and will offer districts a better chance to keep up with inflationary costs. However, even this significant investment is not enough to prevent some school districts from teacher layoffs for the upcoming school year.

There is a substantial investment in early learning which will benefit children and families across Minnesota, although I believe we can do far better in this area. I am pleased that the bill includes up to an additional \$50 million for prekindergarten. Results from the first year demonstrated significant demand for this program from parents, teachers, principals and superintendents. The bill, however, failed to meet the known demand for the prekindergarten program established last session. This additional funding is one-time only which is a detriment to establishing ongoing programs to serve our youngest learners.

In addition, funding for early learning scholarships is increased, but the requirement for those scholarships to be used at highly rated programs is pushed back until 2020 and the option provided for schools and child care centers to reserve spaces is foreclosed.

The Perpich Center remains open to provide arts education and outreach to students and education professionals. This enduring legacy of Governor Perpich has been and will continue to be an asset to our state. The reforms included in the bill should strengthen the work of the current Perpich Center board members in addressing concerns about the school's governance.

There are a number of laudable investments in the bill, including reading and math corps, mental health grants, teacher workforce initiatives, career and technical education programming, transportation, agency operating and IT needs, and the Bureau of Indian Education Schools. These investments will help support and sustain educational opportunities throughout Minnesota. I am quite concerned however, that the funding for the Bureau of Indian Education schools is one-time. This should be addressed next session. I am also very disappointed that no funding was provided for special education. The cross-subsidy continues to be a drain on district programming.

Sincerely,



Mark Dayton  
Governor

cc: Senator Michelle L. Fischbach, President of the Senate  
Senator Paul E. Gazelka, Senate Majority Leader  
Senator Thomas M. Bakk, Senate Minority Leader  
Senator Carla Nelson, Minnesota Senate  
Representative Melissa Hortman, House Minority Leader  
Representative Jenifer Loon, House of Representatives  
The Honorable Steve Simon, Secretary of State  
Mr. Cal R. Ludeman, Secretary of the Senate  
Mr. Patrick Murphy, Chief Clerk of the House of Representatives  
Mr. Paul Marinac, Revisor of Statutes