

SF3625 - 1E - Education Licensing Standards and Credentials Mod.

Chief Author: **Mary Kunesh**
 Committee: **Education Finance**
 Date Completed: **3/24/2026 11:54:39 AM**
 Lead Agency: **Prof Educator Licensing Std Bd**
 Other Agencies:
 Administrative Hearings Education Department

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Administrative Hearings	-	-	-	-	-
Administrative Hearings	-	-	-	-	-
Prof Educator Licensing Std Bd	-	-	-	-	-
General Fund	-	-	(150)	-	-
Restrict Misc Special Revenue	-	-	150	-	-
State Total					
Administrative Hearings	-	-	-	-	-
General Fund	-	-	(150)	-	-
Restrict Misc Special Revenue	-	-	150	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Administrative Hearings	-	-	-	-	-
Administrative Hearings	-	-	-	-	-
Prof Educator Licensing Std Bd	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/24/2026 11:54:39 AM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Administrative Hearings	-	-	-	-	-
Administrative Hearings	-	-	-	-	-
Prof Educator Licensing Std Bd	-	-	-	-	-
General Fund	-	-	(150)	-	-
Restrict Misc Special Revenue	-	-	150	-	-
Total	-	-	-	-	-
Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Administrative Hearings	-	-	-	-	-
Administrative Hearings	-	-	14	-	-
Prof Educator Licensing Std Bd	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc Special Revenue	-	-	-	-	-
Expenditures	-	-	-	-	-
Transfers Out	-	-	150	-	-
Total	-	-	164	-	-
Biennial Total			164		-
2 - Revenues, Transfers In*					
Administrative Hearings	-	-	-	-	-
Administrative Hearings	-	-	14	-	-
Prof Educator Licensing Std Bd	-	-	-	-	-
General Fund	-	-	-	-	-
Revenues	-	-	-	-	-
Transfers In	-	-	150	-	-
Restrict Misc Special Revenue	-	-	-	-	-
Total	-	-	164	-	-
Biennial Total			164		-

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 Committee: **Education Finance**
 Date Completed: **3/24/2026 11:54:39 AM**
 Agency: **Prof Educator Licensing Std Bd**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	(150)	-	-	-
Restrict Misc Special Revenue	-	-	150	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
Restrict Misc Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/5/2026 12:10:50 PM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
General Fund	-	-	(150)	-	-	-
Restrict Misc Special Revenue	-	-	150	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	-	-	-
Restrict Misc Special Revenue						
Expenditures	-	-	-	-	-	-
Transfers Out	-	-	150	-	-	-
Total	-	-	150	-	-	-
Biennial Total			150			-
2 - Revenues, Transfers In*						
General Fund						
Revenues	-	-	-	-	-	-
Transfers In	-	-	150	-	-	-
Restrict Misc Special Revenue	-	-	-	-	-	-
Total	-	-	150	-	-	-
Biennial Total			150			-

Bill Description

The amendment updates language about the one-time transfer of background check funds and replaces “Department of Education” with “Professional Educator Licensing and Standards Board” with regard to literacy clinical experience rulemaking.

Assumptions

Currently, the special expense fund for background check forfeitures has \$130,000 in unencumbered funds. Last year we had 800 forfeitures, resulting in \$26,000 (800 x \$33.25). This could leave around \$150,000 in the account for the one-time transfer.

PELSB is scheduled to do rulemaking on reading in fiscal year 2027. The literacy rulemaking listed in this bill can be built into our existing schedule at no additional cost.

Expenditure and/or Revenue Formula

Background checks are \$33.25 per person. Last year 800 people forfeited these fees. $33.25 \times 800 = \$26,000$.

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Yelena Bailey (651-539-4196)

Agency Fiscal Note Coordinator Signature: Yelena Bailey

Phone: 651-539-4196

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Fiscal Note

2025-2026 Legislative Session

SF3625 - 1E - Education Licensing Standards and Credentials Mod.

Chief Author: **Mary Kunesh**
 Committee: **Education Finance**
 Date Completed: **3/24/2026 11:54:39 AM**
 Agency: **Administrative Hearings**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Administrative Hearings	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Administrative Hearings	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Adam Bolling **Date:** 2/26/2026 8:29:37 PM
Phone: 651-296-6053 **Email:** adam.bolling@lbo.mn.gov

State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Administrative Hearings	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Administrative Hearings	-	-	14	-	-	-
Total	-	-	14	-	-	-
Biennial Total			14			-
2 - Revenues, Transfers In*						
Administrative Hearings	-	-	14	-	-	-
Total	-	-	14	-	-	-
Biennial Total			14			-

Bill Description

SF3625-1E requires the Professional Educator Licensing and Standards Board (PELSB) to adopt rules regarding the early literacy field experience requirement for teacher candidates who enroll in teacher preparation programs starting in the 2027-2028 school year or thereafter.

Assumptions

The Court of Administrative Hearings (CAH) in consultation with Minnesota Management and Budget (MMB) assesses agencies the cost of services rendered to them. All agencies shall include in their budgets provisions for such assessments.

CAH has used PELSB's assumption that a medium rulemaking will be needed to meet the requirements of SF3625-1E. Based on past practices, CAH assumes that a medium rulemaking under chapter 14 will require an estimated 50 hours of Administrative Law Judge (ALJ) time for activity related to rulemaking procedures. Of the total rulemaking amount estimated by PELSB, \$13,500 is for the estimated 50 hours of ALJ time for a medium rulemaking.

CAH currently bills ALJ time for rulemaking at the MMB-approved billable rate of \$270 per hour (see Minn. Stat. § 16A.126, subd. 1 (2023)).

Expenditure and/or Revenue Formula

Estimated 50 hours of ALJ time for rulemaking activities in FY27 related to implementing the requirements of SF3625-1E = 50 hours x \$270/hr = \$13,500 charged to PELSB in FY2027 pursuant to the requirements of Minn. Stat. § 14.53.

Long-Term Fiscal Considerations

Costs associated with the rulemaking activities are a one-time occurrence.

Local Fiscal Impact

References/Sources

Agency Contact: William Moore

Agency Fiscal Note Coordinator Signature: William Moore

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SF3625 - 1E - Education Licensing Standards and Credentials Mod.

Chief Author: **Mary Kunesh**
 Committee: **Education Finance**
 Date Completed: **3/24/2026 11:54:39 AM**
 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 3/24/2026 11:06:45 AM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

Sections 1, 2, and 5 relate to MDE costs and will be the focus of this fiscal note.

Section 1 requires the Commissioner of Education, rather than the Professional Educator Licensing and Standards Board, to adopt rules to implement a statewide credential for education paraprofessionals who assist a licensed teacher in providing student instruction.

Section 2 strikes board and inserts commissioner.

Section 5 requires the Professional Educator Licensing and Standards Board (PELSB) and the Board of School Administrators (BOSA) to enter into a data-sharing agreement to exchange administrative licenses data within the staff automated reporting system. It requires PELSB to share licensed staff data with BOSA as outlined in the agreement and permits BOSA to access and use the data as required under federal or state law.

Assumptions

This bill shifts responsibility for rulemaking from PELSB to MDE to implement a statewide credential for education paraprofessionals who assist licensed teachers in providing student instruction. Because these rules are already in place, this fiscal note assumes no cost associated with the transfer of rulemaking authority.

Section 5 assumes no cost for BOSA to enter into a data-sharing agreement with PELSB.

Expenditure and/or Revenue Formula

None

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

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Agency Fiscal Note Coordinator Signature: Betsy Hjelseth

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