

# Minnesota House of Representatives

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## Panel hears governor's proposal to cut \$685 million from education budget over next four years

By Brian Basham



(House Photography file photo)

Cuts in education spending may be inevitable in the coming years as Minnesota faces a projected nearly \$6 billion budget deficit in the 2028-29 biennium.

Education Commissioner Willie Jett believes [HF2433, Gov. Tim Walz's education budget proposal](#) for the 2026-27 biennium, balances making cuts with upholding a commitment to funding students and educators.

"[The bill] seeks to address a focused set of urgent and high-priority needs, while offering a thoughtful approach to maintaining a balanced and responsible budget," he said.

[Rep. Cheryl Youakim](#) (DFL-Hopkins) sponsors the bill, which would see education spending slow the next four years, and cut more than \$240 million in spending in the 2026-27 biennium and another \$445 million in the 2028-29 biennium.

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The House Education Finance Committee, which Youakim co-chairs with [Rep. Ron Kresha](#) (R-Little Falls), laid the bill over Thursday.

Kresha said teachers have told him that education cuts will lower morale, increase class sizes and education quality will decline.

"This is not savings," he said. "These are reductions, and they have real results. It's a starting point, but it's also a very, very difficult starting point and a painful one."

## Transportation

Beginning in fiscal year 2026, non-public pupil transportation funding would be cut, saving \$57.4 million in the 2026-27 biennium and \$61.3 million in the 2028-29 biennium.

Meanwhile, transportation funding for students with disabilities would be cut by 10% by fiscal year 2027. School districts would be reimbursed 95% for transporting students with disabilities in fiscal year 2026 and 90% beginning in fiscal year 2027. This would result in a reduction of \$53.8 million in the 2026-27 biennium and \$60.1 million in the 2028-29 biennium.

[Rep. Julie Greene](#) (DFL-Edina) questioned the cutting of any special education funding, saying more cuts could be on the way if federal spending is frozen. "I just think that our most vulnerable students shouldn't have to carry this on their back."

The department, Jett said, is guided by trying to protect core services for students and maintaining a foundation for long-term stability in the education system. "When you're building a budget in this environment, it requires some incredibly difficult decisions."

Many of the reductions will ultimately be shifted to local taxpayers through levies, said [Rep. Ben Bakeberg](#) (R-Jordan).

"Our districts will have less money to negotiate contracts with educators. They will have less money to be able to hire teachers," he said.

The bill would also eliminate nonpublic pupil aid for items like textbooks, instructional materials, standardized tests, health services and guidance and counseling services, cutting \$52.5 million in the 2026-27 biennium and \$57.6 million in the 2028-29 biennium.

## QComp cut

Following a planning year to make arrangements for the closure of the alternative teacher professional pay system program, also known as [QComp](#), the program would be shut down, resulting in savings of \$79 million in the 2026-27 biennium and \$173.9 million in the 2028-29 biennium.

## Unemployment insurance funded

To pay for summer-term unemployment insurance through fiscal year 2026, the bill also calls for \$30 million to be added to the special revenue fund.

Estimated unemployment aid disbursements for fiscal years 2024 and 2025 are \$102 million of the original \$135 million allocated for the program, leaving \$33 million in the fund for fiscal year 2026. Current fiscal year 2026 estimates for summer-term unemployment insurance costs are \$63 million.

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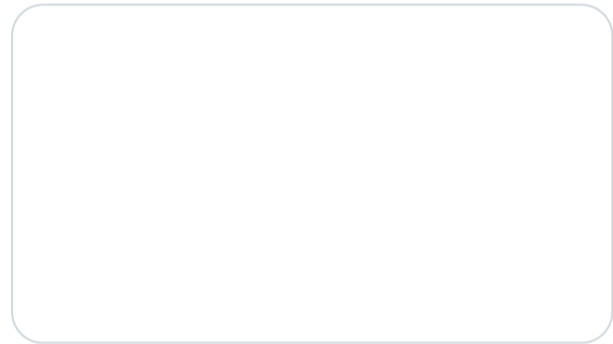
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