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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **890**

- 02/06/2017 Authored by Loon
The bill was read for the first time and referred to the Committee on Education Finance
- 03/27/2017 Adoption of Report: Amended and re-referred to the Committee on Taxes
- 03/28/2017 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 03/29/2017 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 03/31/2017 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 04/18/2017 Returned to the House as Amended by the Senate
Refused to concur and a Conference Committee was appointed
- 05/09/2017 Read Third Time as Amended by Conference and repassed by the House

1.1 A bill for an act

1.2 relating to education finance; providing funding in early childhood, kindergarten

1.3 through grade 12, and adult education, including general education, education

1.4 excellence, teachers, special education, facilities and technology, nutrition, libraries,

1.5 early childhood and family support, community education and prevention,

1.6 self-sufficiency and lifelong learning, and state agencies; making forecast

1.7 adjustments; requiring a report; appropriating money; amending Minnesota Statutes

1.8 2016, sections 43A.08, subdivisions 1, 1a; 120A.22, subdivision 9; 120A.41;

1.9 120B.021, subdivisions 1, 3; 120B.022, subdivision 1b; 120B.12, subdivisions 2,

1.10 2a, 3; 120B.125; 120B.132; 120B.22, subdivision 2; 120B.23, subdivision 3;

1.11 120B.232, subdivision 1; 120B.30, subdivision 1; 120B.31, subdivision 4, by

1.12 adding a subdivision; 120B.35, subdivision 3; 120B.36, subdivision 1; 121A.22,

1.13 subdivision 2; 121A.221; 122A.14, subdivision 9; 122A.18, subdivisions 7c, 8;

1.14 122A.21, subdivisions 1, 2, by adding a subdivision; 122A.40, subdivision 10;

1.15 122A.41, by adding a subdivision; 122A.414, subdivision 2; 122A.415, subdivision

1.16 4; 122A.416; 123A.30, subdivision 6; 123A.73, subdivision 2; 123B.41,

1.17 subdivisions 2, 5a; 123B.52, subdivision 1, by adding a subdivision; 123B.595,

1.18 subdivisions 1, 4; 123B.71, subdivisions 11, 12; 123B.92, subdivision 1; 124D.03,

1.19 subdivision 5a; 124D.05, subdivision 3; 124D.09, subdivisions 3, 5, 10, 12, 13,

1.20 by adding subdivisions; 124D.1158, subdivisions 3, 4; 124D.165, subdivisions 1,

1.21 2, 3, 4; 124D.52, subdivision 7; 124D.549; 124D.55; 124D.59, subdivision 2;

1.22 124D.68, subdivision 2; 124D.695; 124E.03, subdivision 2; 124E.05, subdivision

1.23 7; 124E.11; 124E.22; 125A.0941; 125A.11, subdivision 1; 125A.21, subdivision

1.24 2; 125A.515; 125A.56, subdivision 1; 125A.74, subdivision 1; 125A.76, subdivision

1.25 2c; 126C.05, subdivisions 1, 8; 126C.10, subdivisions 2, 2a, 3, 13a, by adding a

1.26 subdivision; 126C.17, subdivision 9; 127A.45, subdivision 10; 134.31, subdivision

1.27 2; 136A.1791, subdivisions 1, 2, 9; 256B.0625, subdivision 26; 256J.08,

1.28 subdivisions 38, 39; 297A.70, subdivision 2; Laws 2015, First Special Session

1.29 chapter 3, article 1, section 27, subdivisions 2, as amended, 3, 4, as amended, 6,

1.30 as amended, 7, as amended, 9, as amended; article 2, section 70, subdivisions 2,

1.31 as amended, 3, as amended, 4, as amended, 5, as amended, 7, as amended, 11, as

1.32 amended; article 4, section 9, subdivision 2, as amended; article 5, section 30,

1.33 subdivisions 2, as amended, 3, as amended, 5, as amended, 6; article 6, section 13,

1.34 subdivisions 2, as amended, 3, as amended; article 7, section 7, subdivisions 2, as

1.35 amended, 3, as amended, 4, as amended; article 9, section 8, subdivisions 5, as

1.36 amended, 6, as amended; article 10, section 3, subdivision 2, as amended; article

1.37 11, section 3, subdivision 2, as amended; Laws 2016, chapter 189, article 25,

1.38 sections 58; 62, subdivisions 7, 11, 17; article 30, section 25, subdivision 5;

1.39 proposing coding for new law in Minnesota Statutes, chapters 120A; 120B; 121A;

2.1 122A; 124D; 127A; 136A; repealing Minnesota Statutes 2016, sections 122A.40,
 2.2 subdivision 11; 122A.41, subdivision 14; 123A.73, subdivision 3; 124D.151;
 2.3 124D.73, subdivision 2; 125A.75, subdivision 7; 125A.76, subdivision 2b; 129C.10,
 2.4 subdivisions 1, 2, 3, 3a, 3b, 4, 4a, 5a, 6, 7, 8; 129C.105; 129C.15; 129C.20;
 2.5 129C.25; 129C.26; 129C.30; Minnesota Rules, parts 3500.3100, subpart 4;
 2.6 3600.0010, subparts 1, 2, 2a, 2b, 3, 6; 3600.0020; 3600.0030, subparts 1, 2, 4, 6;
 2.7 3600.0045; 3600.0055; 3600.0065; 3600.0075; 3600.0085.

2.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.9 **ARTICLE 1**

2.10 **GENERAL EDUCATION**

2.11 Section 1. Minnesota Statutes 2016, section 120A.41, is amended to read:

2.12 **120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.**

2.13 (a) A school board's annual school calendar must include at least 425 hours of instruction
 2.14 for a kindergarten student without a disability, 935 hours of instruction for a student in
 2.15 grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not
 2.16 including summer school. The school calendar for all-day kindergarten must include at least
 2.17 850 hours of instruction for the school year. ~~The school calendar for a prekindergarten~~
 2.18 ~~student under section 124D.151, if offered by the district, must include at least 350 hours~~
 2.19 ~~of instruction for the school year.~~ A school board's annual calendar must include at least
 2.20 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule
 2.21 has been approved by the commissioner under section 124D.126.

2.22 (b) A school board's annual school calendar may include plans for up to five days of
 2.23 instruction provided through online instruction due to inclement weather. The inclement
 2.24 weather plans must be developed according to section 120A.414.

2.25 **Sec. 2. [120A.414] E-LEARNING DAYS.**

2.26 Subdivision 1. **Days.** "E-learning day" means a school day where a school offers full
 2.27 access to online instruction provided by students' individual teachers due to inclement
 2.28 weather. A school district or charter school that chooses to have e-learning days may have
 2.29 up to five e-learning days in one school year. An e-learning day is counted as a day of
 2.30 instruction and included in the hours of instruction under section 120A.41.

2.31 Subd. 2. **Plan.** A school board may adopt an e-learning day plan after consulting with
 2.32 the exclusive representative of the teachers. A charter school may adopt an e-learning day
 2.33 plan after consulting with its teachers. The plan must include accommodations for students
 2.34 without Internet access at home and for digital device access for families without the
 2.35 technology or an insufficient amount of technology for the number of children in the

3.1 household. A school's e-learning day plan must provide accessible options for students with
3.2 disabilities under chapter 125A.

3.3 Subd. 3. **Annual notice.** A school district or charter school must notify parents and
3.4 students of the e-learning day plan at the beginning of the school year.

3.5 Subd. 4. **Daily notice.** On an e-learning day declared by the school, a school district or
3.6 charter school must notify parents and students at least two hours prior to the normal school
3.7 start time that students need to follow the e-learning day plan for that day.

3.8 Subd. 5. **Teacher access.** Each student's teacher must be accessible both online and by
3.9 telephone during normal school hours on an e-learning day to assist students and parents.

3.10 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

3.11 Sec. 3. Minnesota Statutes 2016, section 121A.22, subdivision 2, is amended to read:

3.12 Subd. 2. **Exclusions.** In addition, this section does not apply to drugs or medicine that
3.13 are:

3.14 (1) purchased without a prescription;

3.15 (2) used by a pupil who is 18 years old or older;

3.16 (3) used in connection with services for which a minor may give effective consent,
3.17 including section 144.343, subdivision 1, and any other law;

3.18 (4) used in situations in which, in the judgment of the school personnel who are present
3.19 or available, the risk to the pupil's life or health is of such a nature that drugs or medicine
3.20 should be given without delay;

3.21 (5) used off the school grounds;

3.22 (6) used in connection with athletics or extra curricular activities;

3.23 (7) used in connection with activities that occur before or after the regular school day;

3.24 (8) provided or administered by a public health agency to prevent or control an illness
3.25 or a disease outbreak as provided for in sections 144.05 and 144.12;

3.26 (9) prescription asthma or reactive airway disease medications self-administered by a
3.27 pupil with an asthma inhaler, consistent with section 121A.221, if the district has received
3.28 a written authorization from the pupil's parent permitting the pupil to self-administer the
3.29 medication, the inhaler is properly labeled for that student, and the parent has not requested
3.30 school personnel to administer the medication to the pupil. The parent must submit written
3.31 authorization for the pupil to self-administer the medication each school year; or

4.1 (10) epinephrine auto-injectors, consistent with section 121A.2205, if the parent and
4.2 prescribing medical professional annually inform the pupil's school in writing that (i) the
4.3 pupil may possess the epinephrine or (ii) the pupil is unable to possess the epinephrine and
4.4 requires immediate access to epinephrine auto-injectors that the parent provides properly
4.5 labeled to the school for the pupil as needed.

4.6 Sec. 4. Minnesota Statutes 2016, section 121A.221, is amended to read:

4.7 **121A.221 POSSESSION AND USE OF ASTHMA INHALERS BY ASTHMATIC**
4.8 **STUDENTS.**

4.9 (a) Consistent with section 121A.22, subdivision 2, clause (9), in a school district that
4.10 employs a school nurse or provides school nursing services under another arrangement, the
4.11 school nurse or other appropriate party must assess the student's knowledge and skills to
4.12 safely possess and use an asthma inhaler in a school setting and enter into the student's
4.13 school health record a plan to implement safe possession and use of asthma inhalers.

4.14 (b) Consistent with section 121A.22, subdivision 2, clause (9), in a school that does not
4.15 have a school nurse or school nursing services, the student's parent or guardian must submit
4.16 written verification from the prescribing professional that documents an assessment of the
4.17 student's knowledge and skills to safely possess and use an asthma inhaler in a school setting
4.18 has been completed.

4.19 Sec. 5. Minnesota Statutes 2016, section 123B.41, subdivision 2, is amended to read:

4.20 Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including
4.21 electronic books as well as other printed materials delivered electronically, which a pupil
4.22 uses as a text or text substitute in a particular class or program in the school regularly
4.23 attended and a copy of which is expected to be available for the individual use of each pupil
4.24 in this class or program. Textbook includes an online book with an annual subscription cost.

4.25 (b) For purposes of calculating the annual nonpublic pupil aid entitlement for textbooks,
4.26 the term shall be limited to books, workbooks, or manuals, whether bound or in loose-leaf
4.27 form, as well as electronic books and other printed materials delivered electronically,
4.28 intended for use as a principal source of study material for a given class or a group of
4.29 students.

4.30 (c) For purposes of sections 123B.40 to 123B.48, the terms "textbook" and "software
4.31 or other educational technology" include only such secular, neutral, and nonideological
4.32 materials as are available, used by, or of benefit to Minnesota public school pupils.

5.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

5.2 Sec. 6. Minnesota Statutes 2016, section 123B.41, subdivision 5a, is amended to read:

5.3 Subd. 5a. **Software or other educational technology.** For purposes of sections 123B.42
5.4 and 123B.43, "software or other educational technology" includes software, programs,
5.5 applications, hardware, and any other electronic educational technology. Software or other
5.6 educational technology includes course registration fees for advanced placement courses
5.7 delivered online.

5.8 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

5.9 Sec. 7. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

5.10 Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the terms
5.11 defined in this subdivision have the meanings given to them.

5.12 (a) "Actual expenditure per pupil transported in the regular and excess transportation
5.13 categories" means the quotient obtained by dividing:

5.14 (1) the sum of:

5.15 (i) all expenditures for transportation in the regular category, as defined in paragraph
5.16 (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

5.17 (ii) an amount equal to one year's depreciation on the district's school bus fleet and
5.18 mobile units computed on a straight line basis at the rate of 15 percent per year for districts
5.19 operating a program under section 124D.128 for grades 1 to 12 for all students in the district
5.20 and 12-1/2 percent per year for other districts of the cost of the fleet, plus

5.21 (iii) an amount equal to one year's depreciation on the district's type III vehicles, as
5.22 defined in section 169.011, subdivision 71, which must be used a majority of the time for
5.23 pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per
5.24 year of the cost of the type three school buses by:

5.25 (2) the number of pupils eligible for transportation in the regular category, as defined
5.26 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause
5.27 (2).

5.28 (b) "Transportation category" means a category of transportation service provided to
5.29 pupils as follows:

5.30 (1) Regular transportation is:

6.1 (i) transportation to and from school during the regular school year for resident elementary
6.2 pupils residing one mile or more from the public or nonpublic school they attend, and
6.3 resident secondary pupils residing two miles or more from the public or nonpublic school
6.4 they attend, excluding desegregation transportation and noon kindergarten transportation;
6.5 but with respect to transportation of pupils to and from nonpublic schools, only to the extent
6.6 permitted by sections 123B.84 to 123B.87;

6.7 (ii) transportation of resident pupils to and from language immersion programs;

6.8 (iii) transportation of a pupil who is a custodial parent and that pupil's child between the
6.9 pupil's home and the child care provider and between the provider and the school, if the
6.10 home and provider are within the attendance area of the school;

6.11 (iv) transportation to and from or board and lodging in another district, of resident pupils
6.12 of a district without a secondary school; and

6.13 (v) transportation to and from school during the regular school year required under
6.14 subdivision 3 for nonresident elementary pupils when the distance from the attendance area
6.15 border to the public school is one mile or more, and for nonresident secondary pupils when
6.16 the distance from the attendance area border to the public school is two miles or more,
6.17 excluding desegregation transportation and noon kindergarten transportation.

6.18 For the purposes of this paragraph, a district may designate a licensed day care facility,
6.19 school day care facility, respite care facility, the residence of a relative, or the residence of
6.20 a person or other location chosen by the pupil's parent or guardian, or an after-school program
6.21 for children operated by a political subdivision of the state, as the home of a pupil for part
6.22 or all of the day, if requested by the pupil's parent or guardian, and if that facility, residence,
6.23 or program is within the attendance area of the school the pupil attends.

6.24 (2) Excess transportation is:

6.25 (i) transportation to and from school during the regular school year for resident secondary
6.26 pupils residing at least one mile but less than two miles from the public or nonpublic school
6.27 they attend, and transportation to and from school for resident pupils residing less than one
6.28 mile from school who are transported because of full-service school zones, extraordinary
6.29 traffic, drug, or crime hazards; and

6.30 (ii) transportation to and from school during the regular school year required under
6.31 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
6.32 border to the school is at least one mile but less than two miles from the public school they
6.33 attend, and for nonresident pupils when the distance from the attendance area border to the

7.1 school is less than one mile from the school and who are transported because of full-service
7.2 school zones, extraordinary traffic, drug, or crime hazards.

7.3 (3) Desegregation transportation is transportation within and outside of the district during
7.4 the regular school year of pupils to and from schools located outside their normal attendance
7.5 areas under a plan for desegregation mandated by the commissioner or under court order.

7.6 (4) "Transportation services for pupils with disabilities" is:

7.7 (i) transportation of pupils with disabilities who cannot be transported on a regular school
7.8 bus between home or a respite care facility and school;

7.9 (ii) necessary transportation of pupils with disabilities from home or from school to
7.10 other buildings, including centers such as developmental achievement centers, hospitals,
7.11 and treatment centers where special instruction or services required by sections 125A.03 to
7.12 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
7.13 where services are provided;

7.14 (iii) necessary transportation for resident pupils with disabilities required by sections
7.15 125A.12, and 125A.26 to 125A.48;

7.16 (iv) board and lodging for pupils with disabilities in a district maintaining special classes;

7.17 (v) transportation from one educational facility to another within the district for resident
7.18 pupils enrolled on a shared-time basis in educational programs, and necessary transportation
7.19 required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils with disabilities
7.20 who are provided special instruction and services on a shared-time basis or if resident pupils
7.21 are not transported, the costs of necessary travel between public and private schools or
7.22 neutral instructional sites by essential personnel employed by the district's program for
7.23 children with a disability;

7.24 (vi) transportation for resident pupils with disabilities to and from board and lodging
7.25 facilities when the pupil is boarded and lodged for educational purposes;

7.26 (vii) transportation of pupils for a curricular field trip activity on a school bus equipped
7.27 with a power lift when the power lift is required by a student's disability or section 504 plan;
7.28 and

7.29 (viii) services described in clauses (i) to (vii), when provided for pupils with disabilities
7.30 in conjunction with a summer instructional program that relates to the pupil's individualized
7.31 education program or in conjunction with a learning year program established under section
7.32 124D.128.

8.1 For purposes of computing special education initial aid under section 125A.76, the cost
8.2 of providing transportation for children with disabilities includes (A) the additional cost of
8.3 transporting a student in a shelter care facility as defined in section 260C.007, subdivision
8.4 30, a homeless student ~~from a temporary nonshelter home~~ in another district to the school
8.5 of origin, or a formerly homeless student from a permanent home in another district to the
8.6 school of origin but only through the end of the academic year; and (B) depreciation on
8.7 district-owned school buses purchased after July 1, 2005, and used primarily for
8.8 transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii)
8.9 and (iii). Depreciation costs included in the disabled transportation category must be excluded
8.10 in calculating the actual expenditure per pupil transported in the regular and excess
8.11 transportation categories according to paragraph (a). For purposes of subitem (A), a school
8.12 district may transport a child who does not have a school of origin to the same school
8.13 attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

8.14 (5) "Nonpublic nonregular transportation" is:

8.15 (i) transportation from one educational facility to another within the district for resident
8.16 pupils enrolled on a shared-time basis in educational programs, excluding transportation
8.17 for nonpublic pupils with disabilities under clause (4);

8.18 (ii) transportation within district boundaries between a nonpublic school and a public
8.19 school or a neutral site for nonpublic school pupils who are provided pupil support services
8.20 pursuant to section 123B.44; and

8.21 (iii) late transportation home from school or between schools within a district for
8.22 nonpublic school pupils involved in after-school activities.

8.23 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational
8.24 programs and services, including diagnostic testing, guidance and counseling services, and
8.25 health services. A mobile unit located off nonpublic school premises is a neutral site as
8.26 defined in section 123B.41, subdivision 13.

8.27 **EFFECTIVE DATE.** This section is effective retroactively from December 10, 2016.

8.28 Sec. 8. Minnesota Statutes 2016, section 126C.05, subdivision 8, is amended to read:

8.29 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
8.30 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
8.31 on the current roll of the school, counted from the date of entry until withdrawal. The date
8.32 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
8.33 officially known that the pupil has left or has been legally excused. However, a pupil,

9.1 regardless of age, who has been absent from school for 15 consecutive school days during
 9.2 the regular school year or for five consecutive school days during summer school or
 9.3 intersession classes of flexible school year programs without receiving instruction in the
 9.4 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this
 9.5 section shall be construed as waiving the compulsory attendance provisions cited in section
 9.6 120A.22. Average daily membership equals the sum for all pupils of the number of days
 9.7 of the school year each pupil is enrolled in the district's schools divided by the number of
 9.8 days the schools are in session or are providing e-learning days due to inclement weather.
 9.9 Days of summer school or intersession classes of flexible school year programs are only
 9.10 included in the computation of membership for pupils with a disability not appropriately
 9.11 served primarily in the regular classroom. A student must not be counted as more than 1.2
 9.12 pupils in average daily membership under this section and section 126C.10, subdivision 2a,
 9.13 paragraph (b). When the initial total average daily membership exceeds 1.2 for a pupil
 9.14 enrolled in more than one school district during the fiscal year, each district's average daily
 9.15 membership must be reduced proportionately.

9.16 (b) A student must not be counted as more than one pupil in average daily membership
 9.17 except for purposes of section 126C.10, subdivision 2a.

9.18 Sec. 9. Minnesota Statutes 2016, section 126C.10, subdivision 2, is amended to read:

9.19 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
 9.20 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
 9.21 ~~2015 is \$5,831. The formula allowance for fiscal year 2016 is \$5,948.~~ The formula allowance
 9.22 for fiscal year 2017 ~~and later~~ is \$6,067. The formula allowance for fiscal year 2018 is \$6,158.
 9.23 The formula allowance for fiscal year 2019 and later is \$6,249.

9.24 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

9.25 Sec. 10. Minnesota Statutes 2016, section 126C.10, subdivision 2a, is amended to read:

9.26 Subd. 2a. **Extended time revenue.** (a) A school district's extended time revenue is equal
 9.27 to the product of \$5,117 and the sum of the adjusted pupil units of the district for each pupil
 9.28 in average daily membership in excess of 1.0 and less than 1.2 according to section 126C.05,
 9.29 subdivision 8.

9.30 (b) Extended time revenue for pupils placed in an on-site education program at the Prairie
 9.31 Lakes Education Center or the Lake Park School, located within the borders of Independent
 9.32 School District No. 347, Willmar, for instruction provided after the end of the preceding
 9.33 regular school year and before the beginning of the following regular school year equals

10.1 membership hours divided by the minimum annual instructional hours in section 126C.05,
10.2 subdivision 15, not to exceed 0.20, times the pupil unit weighting in section 126C.05,
10.3 subdivision 1, times \$5,117.

10.4 (c) A school district's extended time revenue may be used for extended day programs,
10.5 extended week programs, summer school, vacation break academies such as spring break
10.6 academies and summer term academies, and other programming authorized under the
10.7 learning year program.

10.8 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

10.9 Sec. 11. Minnesota Statutes 2016, section 126C.10, subdivision 3, is amended to read:

10.10 Subd. 3. **Compensatory education revenue.** (a) ~~For fiscal year 2014, the compensatory~~
10.11 ~~education revenue for each building in the district equals the formula allowance minus \$415~~
10.12 ~~times the compensation revenue pupil units computed according to section 126C.05,~~
10.13 ~~subdivision 3. For fiscal year 2015 and later, The compensatory education revenue for each~~
10.14 building in the district equals the formula allowance minus \$839 times the compensation
10.15 revenue pupil units computed according to section 126C.05, subdivision 3. A district's
10.16 compensatory revenue equals the sum of its compensatory revenue for each building in the
10.17 district and the amounts designated under Laws 2015, First Special Session chapter 3, article
10.18 2, section 70, subdivision 8, for fiscal year 2017. Revenue shall be paid to the district and
10.19 must be allocated according to section 126C.15, subdivision 2.

10.20 (b) When the district contracting with an alternative program under section 124D.69
10.21 changes prior to the start of a school year, the compensatory revenue generated by pupils
10.22 attending the program shall be paid to the district contracting with the alternative program
10.23 for the current school year, and shall not be paid to the district contracting with the alternative
10.24 program for the prior school year.

10.25 (c) When the fiscal agent district for an area learning center changes prior to the start of
10.26 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
10.27 current school year, and shall not be paid to the fiscal agent district for the prior school year.

10.28 (d) Of the amount of revenue under this subdivision, 1.7 percent for fiscal year 2018,
10.29 3.5 percent for fiscal year 2019, and for fiscal year 2020 and later, 3.5 percent plus the
10.30 percentage change in the formula allowance from fiscal year 2019, must be used for extended
10.31 time activities under subdivision 2a, paragraph (c).

10.32 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

11.1 Sec. 12. Minnesota Statutes 2016, section 126C.10, subdivision 13a, is amended to read:

11.2 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
11.3 levy an amount not more than the product of its operating capital revenue for the fiscal year
11.4 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
11.5 the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740
11.6 for fiscal year 2017, ~~\$19,972~~ \$19,245 for fiscal year 2018, and ~~\$22,912~~ \$22,185 for fiscal
11.7 year 2019 and later.

11.8 Sec. 13. Minnesota Statutes 2016, section 126C.10, is amended by adding a subdivision
11.9 to read:

11.10 Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special
11.11 school district's transportation sparsity revenue under Minnesota Statutes, section 126C.10,
11.12 subdivision 18, is increased by the greater of zero or 18.2 percent of the difference between:

11.13 (1) the lesser of the district's total cost for regular and excess pupil transportation under
11.14 section 123B.92, subdivision 1, paragraph (b), including depreciation, for the previous fiscal
11.15 year or 105 percent of the district's total cost for the second previous fiscal year; and

11.16 (2) the sum of:

11.17 (i) 4.66 percent of the district's basic revenue for the previous fiscal year;

11.18 (ii) transportation sparsity revenue under Minnesota Statutes, section 126C.10, subdivision
11.19 18, for the previous fiscal year; and

11.20 (iii) the district's charter school transportation adjustment for the previous fiscal year.

11.21 (b) A charter school's pupil transportation adjustment equals the school district per pupil
11.22 adjustment under paragraph (a).

11.23 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

11.24 Sec. 14. Minnesota Statutes 2016, section 126C.17, subdivision 9, is amended to read:

11.25 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,
11.26 subdivision 1, may be increased in the amount approved by the voters of the district at a
11.27 referendum called for the purpose. The referendum may be called by the board. The
11.28 referendum must be conducted one or two calendar years before the increased levy authority,
11.29 if approved, first becomes payable. Only one election to approve an increase may be held
11.30 in a calendar year. Unless the referendum is conducted by mail under subdivision 11,
11.31 paragraph (a), the referendum must be held on the first Tuesday after the first Monday in

12.1 November. The ballot must state the maximum amount of the increased revenue per adjusted
 12.2 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue
 12.3 per adjusted pupil unit that differs from year to year over the number of years for which the
 12.4 increased revenue is authorized or may state that the amount shall increase annually by the
 12.5 rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase
 12.6 calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum
 12.7 levy authority is expiring. In this case, the ballot may also compare the proposed levy
 12.8 authority to the existing expiring levy authority, and express the proposed increase as the
 12.9 amount, if any, over the expiring referendum levy authority. The ballot must designate the
 12.10 specific number of years, not to exceed ten, for which the referendum authorization applies.
 12.11 The ballot, including a ballot on the question to revoke or reduce the increased revenue
 12.12 amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per
 12.13 pupil." The notice required under section 275.60 may be modified to read, in cases of
 12.14 renewing existing levies at the same amount per pupil as in the previous year:

12.15 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO
 12.16 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED
 12.17 TO EXPIRE."

12.18 The ballot may contain a textual portion with the information required in this subdivision
 12.19 and a question stating substantially the following:

12.20 "Shall the increase in the revenue proposed by (petition to) the board of, School
 12.21 District No. ..., be approved?"

12.22 If approved, an amount equal to the approved revenue per adjusted pupil unit times the
 12.23 adjusted pupil units for the school year beginning in the year after the levy is certified shall
 12.24 be authorized for certification for the number of years approved, if applicable, or until
 12.25 revoked or reduced by the voters of the district at a subsequent referendum.

12.26 (b) The board must ~~prepare and~~ deliver by ~~first class~~ mail at least 15 days but no more
 12.27 than 30 days before the day of the referendum to each taxpayer a notice of the referendum
 12.28 and the proposed revenue increase. The board need not mail more than one notice to any
 12.29 taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be
 12.30 those shown to be owners on the records of the county auditor or, in any county where tax
 12.31 statements are mailed by the county treasurer, on the records of the county treasurer. Every
 12.32 property owner whose name does not appear on the records of the county auditor or the
 12.33 county treasurer is deemed to have waived this mailed notice unless the owner has requested
 12.34 in writing that the county auditor or county treasurer, as the case may be, include the name

13.1 on the records for this purpose. The notice must project the anticipated amount of tax increase
13.2 in annual dollars for typical residential homesteads, agricultural homesteads, apartments,
13.3 and commercial-industrial property within the school district.

13.4 The notice for a referendum may state that an existing referendum levy is expiring and
13.5 project the anticipated amount of increase over the existing referendum levy in the first
13.6 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,
13.7 apartments, and commercial-industrial property within the district.

13.8 The notice must include the following statement: "Passage of this referendum will result
13.9 in an increase in your property taxes." However, in cases of renewing existing levies, the
13.10 notice may include the following statement: "Passage of this referendum extends an existing
13.11 operating referendum at the same amount per pupil as in the previous year."

13.12 (c) A referendum on the question of revoking or reducing the increased revenue amount
13.13 authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke
13.14 or reduce the revenue amount must state the amount per adjusted pupil unit by which the
13.15 authority is to be reduced. Revenue authority approved by the voters of the district pursuant
13.16 to paragraph (a) must be available to the school district at least once before it is subject to
13.17 a referendum on its revocation or reduction for subsequent years. Only one revocation or
13.18 reduction referendum may be held to revoke or reduce referendum revenue for any specific
13.19 year and for years thereafter.

13.20 (d) The approval of 50 percent plus one of those voting on the question is required to
13.21 pass a referendum authorized by this subdivision.

13.22 (e) At least 15 days before the day of the referendum, the district must submit a copy of
13.23 the notice required under paragraph (b) to the commissioner and to the county auditor of
13.24 each county in which the district is located. Within 15 days after the results of the referendum
13.25 have been certified by the board, or in the case of a recount, the certification of the results
13.26 of the recount by the canvassing board, the district must notify the commissioner of the
13.27 results of the referendum.

13.28 **EFFECTIVE DATE.** This section is effective August 1, 2017.

13.29 Sec. 15. Minnesota Statutes 2016, section 127A.45, subdivision 10, is amended to read:

13.30 Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general fund
13.31 payments for a district nonoperating fund must be made at the current year aid payment
13.32 percentage of the estimated entitlement during the fiscal year of the entitlement. This amount
13.33 shall be paid in ~~12~~ six equal monthly installments from July through December. The amount

14.1 of the actual entitlement, after adjustment for actual data, minus the payments made during
 14.2 the fiscal year of the entitlement must be paid prior to October 31 of the following school
 14.3 year. The commissioner may make advance payments of debt service equalization aid and
 14.4 state-paid tax credits for a district's debt service fund earlier than would occur under the
 14.5 preceding schedule if the district submits evidence showing a serious cash flow problem in
 14.6 the fund. The commissioner may make earlier payments during the year and, if necessary,
 14.7 increase the percent of the entitlement paid to reduce the cash flow problem.

14.8 **Sec. 16. NEVIS SCHOOL DISTRICT; LEVY ADJUSTMENT.**

14.9 Notwithstanding Minnesota Statutes, section 126C.48, Independent School District No.
 14.10 308, Nevis, at the discretion of its school board, may spread any levy adjustment remaining
 14.11 from the conversion of its operating referendum revenue over three or fewer years beginning
 14.12 with school property taxes for taxes payable in 2018.

14.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

14.14 **Sec. 17. APPROPRIATIONS.**

14.15 Subdivision 1. **Department of Education.** The sums indicated in this section are
 14.16 appropriated from the general fund to the Department of Education for the fiscal years
 14.17 designated.

14.18 Subd. 2. **General education aid.** For general education aid under Minnesota Statutes,
 14.19 section 126C.13, subdivision 4:

14.20 \$ 6,981,058,000 2018

14.21 \$ 7,139,147,000 2019

14.22 The 2018 appropriation includes \$686,828,000 for 2017 and \$6,294,230,000 for 2018.

14.23 The 2019 appropriation includes \$699,358,000 for 2018 and \$6,439,789,000 for 2019.

14.24 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
 14.25 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
 14.26 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

14.27 \$ 29,000 2018

14.28 \$ 31,000 2019

14.29 Subd. 4. **Abatement aid.** For abatement aid under Minnesota Statutes, section 127A.49:

14.30 \$ 2,374,000 2018

14.31 \$ 2,163,000 2019

15.1 The 2018 appropriation includes \$262,000 for 2017 and \$2,112,000 for 2018.

15.2 The 2019 appropriation includes \$234,000 for 2018 and \$1,929,000 for 2019.

15.3 Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota
 15.4 Statutes, section 123A.485:

15.5 \$ 185,000 2018

15.6 \$ 382,000 2019

15.7 The 2018 appropriation includes \$0 for 2017 and \$185,000 for 2018.

15.8 The 2019 appropriation includes \$20,000 for 2018 and \$362,000 for 2019.

15.9 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 15.10 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

15.11 \$ 18,182,000 2018

15.12 \$ 19,164,000 2019

15.13 The 2018 appropriation includes \$1,687,000 for 2017 and \$16,495,000 for 2018.

15.14 The 2019 appropriation includes \$1,832,000 for 2018 and \$17,332,000 for 2019.

15.15 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
 15.16 Minnesota Statutes, section 123B.92, subdivision 9:

15.17 \$ 18,292,000 2018

15.18 \$ 18,366,000 2019

15.19 The 2018 appropriation includes \$1,835,000 for 2017 and \$16,457,000 for 2018.

15.20 The 2019 appropriation includes \$1,828,000 for 2018 and \$16,538,000 for 2019.

15.21 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,
 15.22 Warroad, to operate the Angle Inlet School:

15.23 \$ 65,000 2018

15.24 \$ 65,000 2019

15.25 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 15.26 Statutes, section 124D.4531, subdivision 1b:

15.27 \$ 4,561,000 2018

15.28 \$ 4,125,000 2019

15.29 The 2018 appropriation includes \$476,000 for 2017 and \$4,085,000 for 2018.

15.30 The 2019 appropriation includes \$453,000 for 2018 and \$3,672,000 for 2019.

16.1 Sec. 18. **REPEALER.**

16.2 Minnesota Statutes 2016, section 124D.73, subdivision 2, is repealed.

16.3 **ARTICLE 2**

16.4 **EDUCATION EXCELLENCE**

16.5 Section 1. Minnesota Statutes 2016, section 120A.22, subdivision 9, is amended to read:

16.6 Subd. 9. **Curriculum Knowledge and skills.** Instruction must be provided in at least
16.7 the following subject areas:

16.8 (1) basic communication skills including reading and writing, literature, and fine arts;

16.9 (2) mathematics and science;

16.10 (3) social studies including history, geography, ~~and~~ economics, government, and
16.11 citizenship; and

16.12 (4) health and physical education.

16.13 Instruction, textbooks, and materials must be in the English language. Another language
16.14 may be used pursuant to sections 124D.59 to 124D.61.

16.15 Sec. 2. Minnesota Statutes 2016, section 120B.021, subdivision 1, is amended to read:

16.16 Subdivision 1. **Required academic standards.** (a) The following subject areas are
16.17 required for statewide accountability:

16.18 (1) language arts;

16.19 (2) mathematics;

16.20 (3) science;

16.21 (4) social studies, including history, geography, economics, and government and
16.22 citizenship that includes civics consistent with section 120B.02, subdivision 3;

16.23 (5) physical education;

16.24 (6) health, for which locally developed academic standards apply; and

16.25 (7) the arts, for which statewide or locally developed academic standards apply, as
16.26 determined by the school district. Public elementary and middle schools must offer at least
16.27 three and require at least two of the following four arts areas: dance; music; theater; and
16.28 visual arts. Public high schools must offer at least three and require at least one of the
16.29 following five arts areas: media arts; dance; music; theater; and visual arts.

17.1 (b) For purposes of applicable federal law, the academic standards for language arts,
17.2 mathematics, and science apply to all public school students, except the very few students
17.3 with extreme cognitive or physical impairments for whom an individualized education
17.4 program team has determined that the required academic standards are inappropriate. An
17.5 individualized education program team that makes this determination must establish
17.6 alternative standards.

17.7 (c) ~~Beginning in the 2016-2017 school year,~~ The department must adopt the most recent
17.8 ~~National Association of Sport and Physical Education~~ SHAPE America (Society of Health
17.9 and Physical Educators) kindergarten through grade 12 standards and benchmarks for
17.10 physical education as the required physical education academic standards. The department
17.11 may modify and adapt the national standards to accommodate state interest. The modification
17.12 and adaptations must maintain the purpose and integrity of the national standards. The
17.13 department must make available sample assessments, which school districts may use as an
17.14 alternative to local assessments, to assess students' mastery of the physical education
17.15 standards beginning in the 2018-2019 school year.

17.16 (d) A school district may include child sexual abuse prevention instruction in a health
17.17 curriculum, consistent with paragraph (a), clause (6). Child sexual abuse prevention
17.18 instruction may include age-appropriate instruction on recognizing sexual abuse and assault,
17.19 boundary violations, and ways offenders groom or desensitize victims, as well as strategies
17.20 to promote disclosure, reduce self-blame, and mobilize bystanders. A school district may
17.21 provide instruction under this paragraph in a variety of ways, including at an annual assembly
17.22 or classroom presentation. A school district may also provide parents information on the
17.23 warning signs of child sexual abuse and available resources.

17.24 ~~(d)~~ (e) District efforts to develop, implement, or improve instruction or curriculum as a
17.25 result of the provisions of this section must be consistent with sections 120B.10, 120B.11,
17.26 and 120B.20.

17.27 Sec. 3. Minnesota Statutes 2016, section 120B.021, subdivision 3, is amended to read:

17.28 Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section
17.29 and section 120B.022, must adopt statewide rules under section 14.389 for implementing
17.30 statewide rigorous core academic standards in language arts, mathematics, science, social
17.31 studies, physical education, and the arts. After the rules authorized under this subdivision
17.32 are initially adopted, the commissioner may not amend or repeal these rules nor adopt new
17.33 rules on the same topic without specific legislative authorization. ~~The academic standards~~
17.34 ~~for language arts, mathematics, and the arts must be implemented for all students beginning~~

18.1 ~~in the 2003-2004 school year. The academic standards for science and social studies must~~
18.2 ~~be implemented for all students beginning in the 2005-2006 school year.~~

18.3 Sec. 4. Minnesota Statutes 2016, section 120B.022, subdivision 1b, is amended to read:

18.4 Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive
18.5 for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph
18.6 (i), and close the academic achievement and opportunity gap under sections 124D.861 and
18.7 124D.862, voluntary state bilingual and multilingual seals are established to recognize high
18.8 school students in any school district, charter school, or nonpublic school who demonstrate
18.9 an advanced-low level or an intermediate high level of functional proficiency in listening,
18.10 speaking, reading, and writing on either assessments aligned with American Council on the
18.11 Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid
18.12 and reliable assessments in one or more languages in addition to English. American Sign
18.13 Language is a language other than English for purposes of this subdivision and a world
18.14 language for purposes of subdivision 1a.

18.15 (b) In addition to paragraph (a), to be eligible to receive a seal:

18.16 (1) students must satisfactorily complete all required English language arts credits; and

18.17 (2) students must demonstrate mastery of Minnesota's English language proficiency
18.18 standards.

18.19 (c) Consistent with this subdivision, a high school student who demonstrates an
18.20 intermediate high ACTFL level of functional proficiency in one language in addition to
18.21 English is eligible to receive the state bilingual gold seal. A high school student who
18.22 demonstrates an intermediate high ACTFL level of functional native proficiency in more
18.23 than one language in addition to English is eligible to receive the state multilingual gold
18.24 seal. A high school student who demonstrates an advanced-low ACTFL level of functional
18.25 proficiency in one language in addition to English is eligible to receive the state bilingual
18.26 platinum seal. A high school student who demonstrates an advanced-low ACTFL level of
18.27 functional proficiency in more than one language in addition to English is eligible to receive
18.28 the state multilingual platinum seal.

18.29 (d) School districts and charter schools may give students periodic opportunities to
18.30 demonstrate their level of proficiency in listening, speaking, reading, and writing in a
18.31 language in addition to English. Where valid and reliable assessments are unavailable, a
18.32 school district or charter school may rely on evaluators trained in assessing under ACTFL
18.33 proficiency guidelines to assess a student's level of foreign, heritage, or indigenous language

19.1 proficiency under this section. School districts and charter schools must maintain appropriate
19.2 records to identify high school students eligible to receive the state bilingual or multilingual
19.3 gold and platinum seals. The school district or charter school must affix the appropriate seal
19.4 to the transcript of each high school student who meets the requirements of this subdivision
19.5 and may affix the seal to the student's diploma. A school district or charter school must not
19.6 charge the high school student a fee for this seal.

19.7 (e) A school district or charter school may award elective course credits in world
19.8 languages to a student who demonstrates the requisite proficiency in a language other than
19.9 English under this section.

19.10 (f) A school district or charter school may award community service credit to a student
19.11 who demonstrates an intermediate high or advanced-low ACTFL level of functional
19.12 proficiency in listening, speaking, reading, and writing in a language other than English
19.13 and who participates in community service activities that are integrated into the curriculum,
19.14 involve the participation of teachers, and support biliteracy in the school or local community.

19.15 (g) The commissioner must list on the Web page those assessments that are aligned to
19.16 ACTFL proficiency guidelines.

19.17 (h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges
19.18 and Universities system must establish criteria to translate the seals into college credits
19.19 based on the world language course equivalencies identified by the Minnesota State Colleges
19.20 and Universities faculty and staff and, upon request from an enrolled student, the Minnesota
19.21 State Colleges and Universities may award foreign language credits to a student who receives
19.22 a Minnesota World Language Proficiency Certificate under subdivision 1a. A student who
19.23 demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a
19.24 seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution
19.25 must request college credits for the student's seal or proficiency certificate within three
19.26 academic years after graduating from high school. The University of Minnesota is encouraged
19.27 to award students foreign language academic credits consistent with this paragraph.

19.28 Sec. 5. Minnesota Statutes 2016, section 120B.12, subdivision 2, is amended to read:

19.29 Subd. 2. **Identification; report.** (a) Each school district shall identify before the end of
19.30 kindergarten, grade 1, and grade 2 students who are not reading at grade level before the
19.31 end of the current school year and shall identify students in grade 3 or higher who
19.32 demonstrate a reading difficulty to a classroom teacher. Reading assessments in English,
19.33 and in the predominant languages of district students where practicable, must identify and
19.34 evaluate students' areas of academic need related to literacy. The district also must monitor

20.1 the progress and provide reading instruction appropriate to the specific needs of English
20.2 learners. The district must use a locally adopted, developmentally appropriate, and culturally
20.3 responsive assessment and annually report summary assessment results to the commissioner
20.4 by July 1. The district also must annually report to the commissioner by July 1 a summary
20.5 of the district's efforts to screen and identify students with:

20.6 (1) dyslexia, using screening tools such as those recommended by the department's
20.7 dyslexia and literacy specialist; or

20.8 (2) convergence insufficiency disorder ~~to the commissioner by July 1.~~

20.9 (b) A student identified under this subdivision must be provided with alternate instruction
20.10 under section 125A.56, subdivision 1.

20.11 Sec. 6. Minnesota Statutes 2016, section 120B.12, subdivision 2a, is amended to read:

20.12 Subd. 2a. **Parent notification and involvement.** Schools, at least annually, must give
20.13 the parent of each student who is not reading at or above grade level timely information
20.14 about:

20.15 (1) the student's reading proficiency as measured by a locally adopted assessment;

20.16 (2) reading-related services currently being provided to the student and the student's
20.17 progress; and

20.18 (3) strategies for parents to use at home in helping their student succeed in becoming
20.19 grade-level proficient in reading in English and in their native language.

20.20 A district may not use this section to deny a student's right to a special education
20.21 evaluation.

20.22 Sec. 7. Minnesota Statutes 2016, section 120B.12, subdivision 3, is amended to read:

20.23 Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district
20.24 shall provide reading intervention to accelerate student growth and reach the goal of reading
20.25 at or above grade level by the end of the current grade and school year. If a student does
20.26 not read at or above grade level by the end of grade 3, the district must continue to provide
20.27 reading intervention until the student reads at grade level. District intervention methods
20.28 shall encourage family engagement and, where possible, collaboration with appropriate
20.29 school and community programs. Intervention methods may include, but are not limited to,
20.30 requiring attendance in summer school, intensified reading instruction that may require that

21.1 the student be removed from the regular classroom for part of the school day, extended-day
21.2 programs, or programs that strengthen students' cultural connections.

21.3 (b) A school district or charter school is strongly encouraged to provide a personal
21.4 learning plan for a student who is unable to demonstrate grade-level proficiency, as measured
21.5 by the statewide reading assessment in grade 3. The district or charter school must determine
21.6 the format of the personal learning plan in collaboration with the student's educators and
21.7 other appropriate professionals. The school must develop the learning plan in consultation
21.8 with the student's parent or guardian. The personal learning plan must address knowledge
21.9 gaps and skill deficiencies through strategies such as specific exercises and practices during
21.10 and outside of the regular school day, periodic assessments, and reasonable timelines. The
21.11 personal learning plan may include grade retention, if it is in the student's best interest. A
21.12 school must maintain and regularly update and modify the personal learning plan until the
21.13 student reads at grade level. This paragraph does not apply to a student under an
21.14 individualized education program.

21.15 **Sec. 8. [120B.122] DYSLEXIA SPECIALIST.**

21.16 Subdivision 1. **Purpose.** The department must employ a dyslexia specialist to provide
21.17 technical assistance for dyslexia and related disorders and to serve as the primary source of
21.18 information and support for schools in addressing the needs of students with dyslexia and
21.19 related disorders. The dyslexia specialist shall also act to increase professional awareness
21.20 and instructional competencies to meet the educational needs of students with dyslexia or
21.21 identified with risk characteristics associated with dyslexia and shall develop implementation
21.22 guidance and make recommendations to the commissioner consistent with section 122A.06,
21.23 subdivision 4, to be used to assist general education teachers and special education teachers
21.24 to recognize educational needs and to improve literacy outcomes for students with dyslexia
21.25 or identified with risk characteristics associated with dyslexia, including recommendations
21.26 related to increasing the availability of online and asynchronous professional development
21.27 programs and materials.

21.28 Subd. 2. **Definition.** For purposes of this section, a "dyslexia specialist" means a dyslexia
21.29 therapist, licensed psychologist, licensed speech-language pathologist, or certified dyslexia
21.30 training specialist who has a minimum of three years of field experience in screening,
21.31 identifying, and treating dyslexia and related disorders.

21.32 Subd. 3. **Requirements.** A dyslexia specialist shall be highly trained in dyslexia and
21.33 related disorders and in using interventions and treatments that are evidence-based,

22.1 multisensory, direct, explicit, structured, and sequential in the areas of phonics, phonemic
22.2 awareness, vocabulary, fluency, and comprehension.

22.3 Sec. 9. Minnesota Statutes 2016, section 120B.125, is amended to read:

22.4 **120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO**
22.5 **POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL LEARNING**
22.6 **PLANS.**

22.7 (a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.30,
22.8 subdivision 1, paragraph (c), 125A.08, and other related sections, school districts, beginning
22.9 in the 2013-2014 school year, must assist all students by no later than grade 9 to explore
22.10 their educational, college, and career interests, aptitudes, and aspirations and develop a plan
22.11 for a smooth and successful transition to postsecondary education or employment. All
22.12 students' plans must:

22.13 (1) provide a comprehensive plan to prepare for and complete a career and college ready
22.14 curriculum by meeting state and local academic standards and developing career and
22.15 employment-related skills such as team work, collaboration, creativity, communication,
22.16 critical thinking, and good work habits;

22.17 (2) emphasize academic rigor and high expectations and inform the student, and the
22.18 student's parent or guardian if the student is a minor, of the student's achievement level
22.19 score on the Minnesota Comprehensive Assessments that are administered during high
22.20 school;

22.21 (3) help students identify interests, aptitudes, aspirations, and personal learning styles
22.22 that may affect their career and college ready goals and postsecondary education and
22.23 employment choices;

22.24 (4) set appropriate career and college ready goals with timelines that identify effective
22.25 means for achieving those goals;

22.26 (5) help students access education and career options;

22.27 (6) integrate strong academic content into career-focused courses and applied and
22.28 experiential learning opportunities and integrate relevant career-focused courses and applied
22.29 and experiential learning opportunities into strong academic content;

22.30 (7) help identify and access appropriate counseling and other supports and assistance
22.31 that enable students to complete required coursework, prepare for postsecondary education

23.1 and careers, and obtain information about postsecondary education costs and eligibility for
23.2 financial aid and scholarship;

23.3 (8) help identify collaborative partnerships among prekindergarten through grade 12
23.4 schools, postsecondary institutions, economic development agencies, and local and regional
23.5 employers that support students' transition to postsecondary education and employment and
23.6 provide students with applied and experiential learning opportunities; and

23.7 (9) be reviewed and revised at least annually by the student, the student's parent or
23.8 guardian, and the school or district to ensure that the student's course-taking schedule keeps
23.9 the student making adequate progress to meet state and local academic standards and high
23.10 school graduation requirements and with a reasonable chance to succeed with employment
23.11 or postsecondary education without the need to first complete remedial course work.

23.12 (b) A school district may develop grade-level curricula or provide instruction that
23.13 introduces students to various careers, but must not require any curriculum, instruction, or
23.14 employment-related activity that obligates an elementary or secondary student to involuntarily
23.15 select or pursue a career, career interest, employment goals, or related job training.

23.16 (c) Educators must possess the knowledge and skills to effectively teach all English
23.17 learners in their classrooms. School districts must provide appropriate curriculum, targeted
23.18 materials, professional development opportunities for educators, and sufficient resources
23.19 to enable English learners to become career and college ready.

23.20 (d) When assisting students in developing a plan for a smooth and successful transition
23.21 to postsecondary education and employment, districts must recognize the unique possibilities
23.22 of each student and ensure that the contents of each student's plan reflect the student's unique
23.23 talents, skills, and abilities as the student grows, develops, and learns.

23.24 (e) If a student with a disability has an individualized education program (IEP) or
23.25 standardized written plan that meets the plan components of this section, the IEP satisfies
23.26 the requirement and no additional transition plan is needed.

23.27 (f) Students who do not meet or exceed Minnesota academic standards, as measured by
23.28 the Minnesota Comprehensive Assessments that are administered during high school, shall
23.29 be informed that admission to a public school is free and available to any resident under 21
23.30 years of age or who meets the requirements of section 120A.20, subdivision 1, paragraph

23.31 (c). A student's plan under this section shall continue while the student is enrolled.

23.32 **EFFECTIVE DATE.** This section is effective July 1, 2017.

24.1 Sec. 10. Minnesota Statutes 2016, section 120B.132, is amended to read:

24.2 **120B.132 RAISED ACADEMIC ACHIEVEMENT; ADVANCED PLACEMENT**
24.3 **AND INTERNATIONAL BACCALAUREATE PROGRAMS.**

24.4 Subdivision 1. **Establishment; eligibility.** A program is established to raise kindergarten
24.5 through grade 12 academic achievement through increased student participation in
24.6 preadvanced placement, advanced placement, and international baccalaureate programs,
24.7 consistent with section 120B.13. Schools and charter schools eligible to participate under
24.8 this section:

24.9 (1) must have a three-year plan approved by the local school board to establish a new
24.10 international baccalaureate program leading to international baccalaureate authorization,
24.11 expand an existing program that leads to international baccalaureate authorization, or expand
24.12 an existing authorized international baccalaureate program; or

24.13 (2) must have a three-year plan approved by the local school board to create a new or
24.14 expand an existing program to implement the college board advanced placement courses
24.15 and exams or preadvanced placement initiative; and

24.16 (3) must propose to further raise students' academic achievement by:

24.17 (i) increasing the availability of and all students' access to advanced placement or
24.18 international baccalaureate courses or programs;

24.19 (ii) expanding the breadth of advanced placement or international baccalaureate courses
24.20 or programs that are available to students;

24.21 (iii) increasing the number and the diversity of the students who participate in advanced
24.22 placement or international baccalaureate courses or programs and succeed;

24.23 (iv) providing low-income and other disadvantaged students with increased access to
24.24 advanced placement or international baccalaureate courses and programs; or

24.25 (v) increasing the number of high school students, including low-income and other
24.26 disadvantaged students, who receive college credit by successfully completing advanced
24.27 placement or international baccalaureate courses or programs and achieving satisfactory
24.28 scores on related exams.

24.29 Subd. 2. **Application and review process; funding priority.** (a) Charter schools and
24.30 school districts in which eligible schools under subdivision 1 are located may apply to the
24.31 commissioner, in the form and manner the commissioner determines, for competitive funding
24.32 to further raise students' academic achievement. The application must detail the specific

25.1 efforts the applicant intends to undertake in further raising students' academic achievement,
 25.2 consistent with subdivision 1, and a proposed budget detailing the district or charter school's
 25.3 current and proposed expenditures for advanced placement, preadvanced placement, and
 25.4 international baccalaureate courses and programs. The proposed budget must demonstrate
 25.5 that the applicant's efforts will support implementation of advanced placement, preadvanced
 25.6 placement, and international baccalaureate courses and programs. Expenditures for
 25.7 administration must not exceed five percent of the proposed budget. The commissioner may
 25.8 require an applicant to provide additional information.

25.9 (b) When reviewing applications, the commissioner must determine whether the applicant
 25.10 satisfied all the requirements in this subdivision and subdivision 1. The commissioner may
 25.11 give funding priority to an otherwise qualified applicant that demonstrates:

25.12 (1) a focus on developing or expanding preadvanced placement, advanced placement,
 25.13 or international baccalaureate courses or programs or increasing students' participation in,
 25.14 access to, or success with the courses or programs, including the participation, access, or
 25.15 success of low-income and other disadvantaged students;

25.16 (2) a compelling need for access to preadvanced placement, advanced placement, or
 25.17 international baccalaureate courses or programs;

25.18 (3) an effective ability to actively involve local business and community organizations
 25.19 in student activities that are integral to preadvanced placement, advanced placement, or
 25.20 international baccalaureate courses or programs;

25.21 (4) access to additional public or nonpublic funds or in-kind contributions that are
 25.22 available for preadvanced placement, advanced placement, or international baccalaureate
 25.23 courses or programs; ~~or~~

25.24 (5) an intent to implement activities that target low-income and other disadvantaged
 25.25 students; or

25.26 (6) an intent to increase the advanced placement and international baccalaureate course
 25.27 offerings in science, technology, engineering, and math to low-income and other
 25.28 disadvantaged students.

25.29 Subd. 3. **Funding; permissible funding uses.** (a) The commissioner shall award grants
 25.30 to applicant school districts and charter schools that meet the requirements of subdivisions
 25.31 1 and 2. The commissioner must award grants on an equitable geographical basis to the
 25.32 extent feasible and consistent with this section. Grant awards must not exceed the lesser of:

26.1 (1) \$85 times the number of pupils enrolled at the participating sites on October 1 of the
26.2 previous fiscal year; ~~or~~

26.3 (2) the approved supplemental expenditures based on the budget submitted under
26.4 subdivision 2. For charter schools in their first year of operation, the maximum funding
26.5 award must be calculated using the number of pupils enrolled on October 1 of the current
26.6 fiscal year. The commissioner may adjust the maximum funding award computed using
26.7 prior year data for changes in enrollment attributable to school closings, school openings,
26.8 grade level reconfigurations, or school district reorganizations between the prior fiscal year
26.9 and the current fiscal year; or

26.10 (3) \$150,000 per district or charter school.

26.11 (b) School districts and charter schools that submit an application and receive funding
26.12 under this section must use the funding, consistent with the application, to:

26.13 (1) provide teacher training and instruction to more effectively serve students, including
26.14 low-income and other disadvantaged students, who participate in preadvanced placement,
26.15 advanced placement, or international baccalaureate courses or programs;

26.16 (2) further develop preadvanced placement, advanced placement, or international
26.17 baccalaureate courses or programs;

26.18 (3) improve the transition between grade levels to better prepare students, including
26.19 low-income and other disadvantaged students, for succeeding in preadvanced placement,
26.20 advanced placement, or international baccalaureate courses or programs;

26.21 (4) purchase books and supplies;

26.22 (5) pay course or program fees;

26.23 (6) increase students' participation in and success with preadvanced placement, advanced
26.24 placement, or international baccalaureate courses or programs;

26.25 (7) expand students' access to preadvanced placement, advanced placement, or
26.26 international baccalaureate courses or programs through online learning;

26.27 (8) hire appropriately licensed personnel to teach additional advanced placement or
26.28 international baccalaureate courses or programs; or

26.29 (9) engage in other ~~activity directly related~~ activities to expanding expand low-income
26.30 or disadvantaged students' access to, participation in, and success with preadvanced
26.31 placement, advanced placement, or international baccalaureate courses or programs;

27.1 ~~including~~. Other activities may include but are not limited to preparing and disseminating
 27.2 promotional materials to low-income and other disadvantaged students and their families.

27.3 Subd. 4. **Grants; annual reports.** (a) Each school district and charter school that receives
 27.4 a grant under this section annually must collect demographic and other student data to
 27.5 demonstrate and measure the extent to which the district or charter school raised students'
 27.6 academic achievement under this program and must report the data to the commissioner in
 27.7 the form and manner the commissioner determines. The commissioner annually by February
 27.8 15 must make summary data about this program available to the education policy and finance
 27.9 committees of the legislature.

27.10 (b) Each school district and charter school that receives a grant under this section annually
 27.11 must report to the commissioner, consistent with the Uniform Financial Accounting and
 27.12 Reporting Standards, its actual expenditures for advanced placement, preadvanced placement,
 27.13 and international baccalaureate courses and programs. The report must demonstrate that
 27.14 the school district or charter school has maintained its effort from other sources for advanced
 27.15 placement, preadvanced placement, and international baccalaureate courses and programs
 27.16 compared with the previous fiscal year, and the district or charter school has expended all
 27.17 grant funds, consistent with its approved budget.

27.18 (c) Notwithstanding any law to the contrary, a grant under this section is available for
 27.19 three years from the date of the grant if the district or charter school meets the annual
 27.20 benchmarks in its plan under subdivision 1.

27.21 Sec. 11. Minnesota Statutes 2016, section 120B.22, subdivision 2, is amended to read:

27.22 Subd. 2. **In-service training.** Each district is encouraged to provide training for district
 27.23 staff and school board members ~~to help~~ on the following:

27.24 (1) helping students identify violence in the family and the community so that students
 27.25 may learn to resolve conflicts in effective, nonviolent ways;

27.26 (2) responding to a disclosure of child sexual abuse in a supportive, appropriate manner;
 27.27 and

27.28 (3) complying with mandatory reporting requirements under section 626.556.

27.29 The in-service training must be ongoing and involve experts familiar with sexual abuse,
 27.30 domestic violence, and personal safety issues.

28.1 Sec. 12. Minnesota Statutes 2016, section 120B.23, subdivision 3, is amended to read:

28.2 Subd. 3. **Grant awards.** (a) The commissioner may award grants for a violence
28.3 prevention education program to eligible applicants as defined in subdivision 2. Grant
28.4 amounts may not exceed \$3 per resident pupil unit in the district or group of districts in the
28.5 prior school year. Grant recipients should be geographically distributed throughout the state.

28.6 (b) School districts and charter schools may accept funds from private and other public
28.7 sources for child sexual abuse prevention programs developed and implemented under
28.8 sections 120B.021, subdivision 1, paragraph (d), and 120B.234, including federal funding
28.9 under the Every Student Succeeds Act.

28.10 Sec. 13. Minnesota Statutes 2016, section 120B.232, subdivision 1, is amended to read:

28.11 Subdivision 1. **Character development education.** (a) Character education is the shared
28.12 responsibility of parents, teachers, and members of the community. The legislature
28.13 encourages districts to integrate or offer instruction on character education including, but
28.14 not limited to, character qualities such as attentiveness, truthfulness, respect for authority,
28.15 diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking,
28.16 and resourcefulness. Instruction should be integrated into a district's existing programs,
28.17 curriculum, or the general school environment. To the extent practicable, instruction should
28.18 be integrated into positive behavioral intervention strategies, under section 122A.627. The
28.19 commissioner shall provide assistance at the request of a district to develop character
28.20 education curriculum and programs.

28.21 (b) Character development education under paragraph (a) may include a voluntary
28.22 elementary, middle, and high school program that incorporates the history and values of
28.23 Congressional Medal of Honor recipients and may be offered as part of the social studies,
28.24 English language arts, or other curriculum, as a schoolwide character building and veteran
28.25 awareness initiative, or as an after-school program, among other possibilities.

28.26 Sec. 14. **[120B.234] CHILD SEXUAL ABUSE PREVENTION EDUCATION.**

28.27 Subdivision 1. **Purpose.** The purpose of this section, which may be cited as "Erin's
28.28 Law," is to encourage districts to integrate or offer instruction on child sexual abuse
28.29 prevention to students and training to all school personnel on recognizing and preventing
28.30 sexual abuse and sexual violence.

28.31 Subd. 2. **Curriculum.** School districts may consult with other federal, state, or local
28.32 agencies and community-based organizations, including the Child Information Gateway

29.1 Web site maintained by the United States Department of Health and Human Services, to
29.2 identify research-based tools, curricula, and programs to prevent child sexual abuse for use
29.3 under section 120B.021, subdivision 1, paragraph (d).

29.4 Subd. 3. **Other state programs.** The child sexual abuse prevention instruction provided
29.5 under this section is part of preventing sexual violence against children, which includes,
29.6 but is not limited to, the following activities:

29.7 (1) training on mandated reporting requirements provided on the Department of
29.8 Education's Web site;

29.9 (2) the Code of Ethics for Minnesota Teachers; and

29.10 (3) consultation by the commissioner of education with the commissioners of health,
29.11 human services, and public safety, and other state agencies to prevent violence against
29.12 children.

29.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

29.14 Sec. 15. Minnesota Statutes 2016, section 120B.30, subdivision 1, is amended to read:

29.15 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with
29.16 appropriate technical qualifications and experience and stakeholders, consistent with
29.17 subdivision 1a, shall include in the comprehensive assessment system, for each grade level
29.18 to be tested, state-constructed tests developed as computer-adaptive reading and mathematics
29.19 assessments for students that are aligned with the state's required academic standards under
29.20 section 120B.021, include multiple choice questions, and are administered annually to all
29.21 students in grades 3 through 8. State-developed high school tests aligned with the state's
29.22 required academic standards under section 120B.021 and administered to all high school
29.23 students in a subject other than writing must include multiple choice questions. The
29.24 commissioner shall establish one or more months during which schools shall administer
29.25 the tests to students each school year.

29.26 (1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be
29.27 assessed under (i) the graduation-required assessment for diploma in reading, mathematics,
29.28 or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c),
29.29 clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass
29.30 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
29.31 recognized armed services vocational aptitude test.

29.32 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible
29.33 to be assessed under (i) the graduation-required assessment for diploma in reading,

30.1 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1,
 30.2 paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the Compass
 30.3 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
 30.4 recognized armed services vocational aptitude test.

30.5 (3) For students under clause (1) or (2), a school district may substitute a score from an
 30.6 alternative, equivalent assessment to satisfy the requirements of this paragraph.

30.7 (b) The state assessment system must be aligned to the most recent revision of academic
 30.8 standards as described in section 120B.023 in the following manner:

30.9 (1) mathematics;

30.10 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

30.11 (ii) high school level beginning in the 2013-2014 school year;

30.12 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
 30.13 school year; and

30.14 (3) language arts and reading; grades 3 through 8 and high school level beginning in the
 30.15 2012-2013 school year.

30.16 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
 30.17 state graduation requirements, based on a longitudinal, systematic approach to student
 30.18 education and career planning, assessment, instructional support, and evaluation, include
 30.19 the following:

30.20 (1) ~~an opportunity to participate on a nationally normed college entrance exam, in grade~~
 30.21 ~~11 or grade 12;~~

30.22 ~~(2)~~ achievement and career and college readiness in mathematics, reading, and writing,
 30.23 consistent with paragraph (k) and to the extent available, to monitor students' continuous
 30.24 development of and growth in requisite knowledge and skills; analyze students' progress
 30.25 and performance levels, identifying students' academic strengths and diagnosing areas where
 30.26 students require curriculum or instructional adjustments, targeted interventions, or
 30.27 remediation; and, based on analysis of students' progress and performance data, determine
 30.28 students' learning and instructional needs and the instructional tools and best practices that
 30.29 support academic rigor for the student; and

30.30 ~~(3)~~ (2) consistent with this paragraph and section 120B.125, age-appropriate exploration
 30.31 and planning activities and career assessments to encourage students to identify personally
 30.32 relevant career interests and aptitudes and help students and their families develop a regularly

31.1 reexamined transition plan for postsecondary education or employment without need for
31.2 postsecondary remediation.

31.3 Based on appropriate state guidelines, students with an individualized education program
31.4 may satisfy state graduation requirements by achieving an individual score on the
31.5 state-identified alternative assessments.

31.6 (d) Expectations of schools, districts, and the state for career or college readiness under
31.7 this subdivision must be comparable in rigor, clarity of purpose, and rates of student
31.8 completion.

31.9 A student under paragraph (c), clause ~~(2)~~ (1), must receive targeted, relevant, academically
31.10 rigorous, and resourced instruction, which may include a targeted instruction and intervention
31.11 plan focused on improving the student's knowledge and skills in core subjects so that the
31.12 student has a reasonable chance to succeed in a career or college without need for
31.13 postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49,
31.14 and related sections, an enrolling school or district must actively encourage a student in
31.15 grade 11 or 12 who is identified as academically ready for a career or college to participate
31.16 in courses and programs awarding college credit to high school students. Students are not
31.17 required to achieve a specified score or level of proficiency on an assessment under this
31.18 subdivision to graduate from high school.

31.19 (e) Though not a high school graduation requirement, students are encouraged to
31.20 participate in a nationally recognized college entrance exam. To the extent state funding
31.21 for college entrance exam fees is available, a district must ~~pay the cost~~ reimburse a student
31.22 in grade 11 or 12 who is eligible for a free or reduced-price meal, one time, for an interested
31.23 student in grade 11 or 12 to take for the registration fees associated with a nationally
31.24 recognized college entrance exam before graduating. A student must be able to take the
31.25 exam under this paragraph at the student's high school during the school day and at any one
31.26 of the multiple exam administrations available to students in the district. In order to comply
31.27 with this subdivision, a district may administer the ACT or SAT or both the ACT and SAT
31.28 to comply with this paragraph at the student's high school or arrange for the student to take
31.29 the exam at another location. If the district administers only one of these two tests and a
31.30 student opts not to take that test and chooses instead to take the other of the two tests, the
31.31 A free or reduced-price meal eligible student may take the other test exam at a different
31.32 time or location and remains eligible for the examination fee reimbursement.

31.33 (f) The commissioner and the chancellor of the Minnesota State Colleges and Universities
31.34 must collaborate in aligning instruction and assessments for adult basic education students

32.1 and English learners to provide the students with diagnostic information about any targeted
32.2 interventions, accommodations, modifications, and supports they need so that assessments
32.3 and other performance measures are accessible to them and they may seek postsecondary
32.4 education or employment without need for postsecondary remediation. When administering
32.5 formative or summative assessments used to measure the academic progress, including the
32.6 oral academic development, of English learners and inform their instruction, schools must
32.7 ensure that the assessments are accessible to the students and students have the modifications
32.8 and supports they need to sufficiently understand the assessments.

32.9 (g) Districts and schools, on an annual basis, must use career exploration elements to
32.10 help students, beginning no later than grade 9, and their families explore and plan for
32.11 postsecondary education or careers based on the students' interests, aptitudes, and aspirations.
32.12 Districts and schools must use timely regional labor market information and partnerships,
32.13 among other resources, to help students and their families successfully develop, pursue,
32.14 review, and revise an individualized plan for postsecondary education or a career. This
32.15 process must help increase students' engagement in and connection to school, improve
32.16 students' knowledge and skills, and deepen students' understanding of career pathways as
32.17 a sequence of academic and career courses that lead to an industry-recognized credential,
32.18 an associate's degree, or a bachelor's degree and are available to all students, whatever their
32.19 interests and career goals.

32.20 (h) A student who demonstrates attainment of required state academic standards, which
32.21 include career and college readiness benchmarks, on high school assessments under
32.22 subdivision 1a is academically ready for a career or college and is encouraged to participate
32.23 in courses awarding college credit to high school students. Such courses and programs may
32.24 include sequential courses of study within broad career areas and technical skill assessments
32.25 that extend beyond course grades.

32.26 (i) As appropriate, students through grade 12 must continue to participate in targeted
32.27 instruction, intervention, or remediation and be encouraged to participate in courses awarding
32.28 college credit to high school students.

32.29 (j) In developing, supporting, and improving students' academic readiness for a career
32.30 or college, schools, districts, and the state must have a continuum of empirically derived,
32.31 clearly defined benchmarks focused on students' attainment of knowledge and skills so that
32.32 students, their parents, and teachers know how well students must perform to have a
32.33 reasonable chance to succeed in a career or college without need for postsecondary
32.34 remediation. The commissioner, in consultation with local school officials and educators,
32.35 and Minnesota's public postsecondary institutions must ensure that the foundational

33.1 knowledge and skills for students' successful performance in postsecondary employment
33.2 or education and an articulated series of possible targeted interventions are clearly identified
33.3 and satisfy Minnesota's postsecondary admissions requirements.

33.4 (k) For students in grade 8 in the 2012-2013 school year and later, a school, district, or
33.5 charter school must record on the high school transcript a student's progress toward career
33.6 and college readiness, and for other students as soon as practicable.

33.7 (l) The school board granting students their diplomas may formally decide to include a
33.8 notation of high achievement on the high school diplomas of those graduating seniors who,
33.9 according to established school board criteria, demonstrate exemplary academic achievement
33.10 during high school.

33.11 (m) The 3rd through 8th grade computer-adaptive assessment results and high school
33.12 test results shall be available to districts for diagnostic purposes affecting student learning
33.13 and district instruction and curriculum, and for establishing educational accountability. The
33.14 commissioner must establish empirically derived benchmarks on adaptive assessments in
33.15 grades 3 through 8. The commissioner, in consultation with the chancellor of the Minnesota
33.16 State Colleges and Universities, must establish empirically derived benchmarks on the high
33.17 school tests that reveal a trajectory toward career and college readiness consistent with
33.18 section 136F.302, subdivision 1a. The commissioner must disseminate to the public the
33.19 computer-adaptive assessments and high school test results upon receiving those results.

33.20 (n) The grades 3 through 8 computer-adaptive assessments and high school tests must
33.21 be aligned with state academic standards. The commissioner shall determine the testing
33.22 process and the order of administration. The statewide results shall be aggregated at the site
33.23 and district level, consistent with subdivision 1a.

33.24 (o) The commissioner shall include the following components in the statewide public
33.25 reporting system:

33.26 (1) uniform statewide computer-adaptive assessments of all students in grades 3 through
33.27 8 and testing at the high school levels that provides appropriate, technically sound
33.28 accommodations or alternate assessments;

33.29 (2) educational indicators that can be aggregated and compared across school districts
33.30 and across time on a statewide basis, including average daily attendance, high school
33.31 graduation rates, and high school drop-out rates by age and grade level;

33.32 (3) state results on the American College Test; and

34.1 (4) state results from participation in the National Assessment of Educational Progress
34.2 so that the state can benchmark its performance against the nation and other states, and,
34.3 where possible, against other countries, and contribute to the national effort to monitor
34.4 achievement.

34.5 (p) For purposes of statewide accountability, "career and college ready" means a high
34.6 school graduate has the knowledge, skills, and competencies to successfully pursue a career
34.7 pathway, including postsecondary credit leading to a degree, diploma, certificate, or
34.8 industry-recognized credential and employment. Students who are career and college ready
34.9 are able to successfully complete credit-bearing coursework at a two- or four-year college
34.10 or university or other credit-bearing postsecondary program without need for remediation.

34.11 (q) For purposes of statewide accountability, "cultural competence," "cultural
34.12 competency," or "culturally competent" means the ability ~~and will~~ of families and educators
34.13 to interact effectively with people of different cultures, native languages, and socioeconomic
34.14 backgrounds.

34.15 Sec. 16. Minnesota Statutes 2016, section 120B.31, is amended by adding a subdivision
34.16 to read:

34.17 Subd. 3a. **Rollout sites; report.** The commissioner of education shall designate up to
34.18 six school districts or charter schools as rollout sites.

34.19 (a) The rollout sites should represent urban school districts, suburban school districts,
34.20 nonurban school districts, and charter schools. The commissioner shall designate rollout
34.21 sites and notify the schools by August 1, 2017, and the designated school districts or charter
34.22 schools shall have the right to opt in or out as rollout sites by September 1, 2017.

34.23 (b) The commissioner must consult stakeholders and review the American Community
34.24 Survey to develop recommendations for best practices for disaggregated data. Stakeholders
34.25 consulted under this paragraph include at least:

34.26 (1) the rollout sites;

34.27 (2) parent groups; and

34.28 (3) community representatives.

34.29 (c) The commissioner shall report to the legislative committees having jurisdiction over
34.30 kindergarten through grade 12 education policy and finance by February 1, 2018. The
34.31 commissioner may research best practices from other states that have disaggregated data
34.32 beyond the requirements of the most recent reauthorization of the Elementary and Secondary

35.1 Education Act. The commissioner must consult with the stakeholders on how to measure
 35.2 a student's background as an immigrant or a refugee and provide a recommendation in the
 35.3 report on how to include the data in the statewide rollout. The recommendations may address:

35.4 (1) the most meaningful use of disaggregated data, including but not limited to which
 35.5 reports should include further disaggregated data;

35.6 (2) collection of additional student characteristics, including but not limited to ensuring
 35.7 enhanced enrollment forms:

35.8 (i) provide context and the objective of additional data;

35.9 (ii) are designed to convey respect and acknowledgment of the sensitive nature of the
 35.10 additional data; and

35.11 (iii) are designed to collect data consistent with user feedback;

35.12 (3) efficient data-reporting approaches when reporting additional information to the
 35.13 department;

35.14 (4) the frequency by which districts and schools must update enrollment forms to meet
 35.15 the needs of the state's changing racial and ethnic demographics; and

35.16 (5) the criteria for determining additional data. This recommendation should include a
 35.17 recommendation for frequency of reviews and updates of the additional data and should
 35.18 also identify the approach of updating any additional census data and data on new enrollees.
 35.19 This recommendation must consider additional student groups that may face education
 35.20 disparities and must take into account maintaining student privacy and providing
 35.21 nonidentifiable student level data.

35.22 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and later.

35.23 Sec. 17. Minnesota Statutes 2016, section 120B.31, subdivision 4, is amended to read:

35.24 Subd. 4. **Student performance data.** In developing policies and assessment processes
 35.25 to hold schools and districts accountable for high levels of academic standards under section
 35.26 120B.021, the commissioner shall aggregate and disaggregate student data over time to
 35.27 report summary student performance and growth levels and, under section 120B.11,
 35.28 subdivision 2, clause (2), student learning and outcome data measured at the school, school
 35.29 district, and statewide level. The commissioner shall use the student categories identified
 35.30 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
 35.31 and student categories of:

35.32 (1) homelessness;

36.1 (2) ethnicity; under section 120B.35, subdivision 3, paragraph (a), clause (2);

36.2 (3) race; under section 120B.35, subdivision 3, paragraph (a), clause (2);

36.3 (4) home language; immigrant; refugee status;

36.4 (5) English learners under section 124D.59;

36.5 (6) free or reduced-price lunch; and

36.6 (7) other categories designated by federal law to organize and report the data so that
 36.7 state and local policy makers can understand the educational implications of changes in
 36.8 districts' demographic profiles over time as data are available.

36.9 Any report the commissioner disseminates containing summary data on student performance
 36.10 must integrate student performance and the demographic factors that strongly correlate with
 36.11 that performance.

36.12 **EFFECTIVE DATE.** This section is effective for the 2019-2020 school year and later.

36.13 Sec. 18. Minnesota Statutes 2016, section 120B.35, subdivision 3, is amended to read:

36.14 Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational
 36.15 assessment system measuring individual students' educational growth is based on indicators
 36.16 of achievement growth that show an individual student's prior achievement. Indicators of
 36.17 achievement and prior achievement must be based on highly reliable statewide or districtwide
 36.18 assessments.

36.19 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
 36.20 report separate categories of information using the student categories identified under the
 36.21 federal Elementary and Secondary Education Act, as most recently reauthorized, and, in
 36.22 addition to "other" for each race and ethnicity, and the Karen community, other student
 36.23 categories as determined by the total Minnesota population at or above the 1,000-person
 36.24 threshold based on the most recent decennial census, including ethnicity; race; refugee status
 36.25 seven of the most populous Asian and Pacific Islander groups, three of the most populous
 36.26 Native groups, seven of the most populous Hispanic/Latino groups, and five of the most
 36.27 populous Black and African Heritage groups as determined by the total Minnesota population
 36.28 based on the most recent American Community Survey; English learners under section
 36.29 124D.59; home language; free or reduced-price lunch; immigrant; and all students enrolled
 36.30 in a Minnesota public school who are currently or were previously in foster care, except
 36.31 that such disaggregation and cross tabulation is not required if the number of students in a

37.1 category is insufficient to yield statistically reliable information or the results would reveal
37.2 personally identifiable information about an individual student.

37.3 (b) The commissioner, in consultation with a stakeholder group that includes assessment
37.4 and evaluation directors, district staff, experts in culturally responsive teaching, and
37.5 researchers, must implement a model that uses a value-added growth indicator and includes
37.6 criteria for identifying schools and school districts that demonstrate medium and high growth
37.7 under section 120B.299, subdivisions 8 and 9, and may recommend other value-added
37.8 measures under section 120B.299, subdivision 3. The model may be used to advance
37.9 educators' professional development and replicate programs that succeed in meeting students'
37.10 diverse learning needs. Data on individual teachers generated under the model are personnel
37.11 data under section 13.43. The model must allow users to:

37.12 (1) report student growth consistent with this paragraph; and

37.13 (2) for all student categories, report and compare aggregated and disaggregated state
37.14 student growth and, under section 120B.11, subdivision 2, clause (2), student learning and
37.15 outcome data using the student categories identified under the federal Elementary and
37.16 Secondary Education Act, as most recently reauthorized, and other student categories under
37.17 paragraph (a), clause (2).

37.18 The commissioner must report measures of student growth and, under section 120B.11,
37.19 subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph,
37.20 including the English language development, academic progress, and oral academic
37.21 development of English learners and their native language development if the native language
37.22 is used as a language of instruction, and include data on all pupils enrolled in a Minnesota
37.23 public school course or program who are currently or were previously counted as an English
37.24 learner under section 124D.59.

37.25 (c) When reporting student performance under section 120B.36, subdivision 1, the
37.26 commissioner annually, beginning July 1, 2011, must report two core measures indicating
37.27 the extent to which current high school graduates are being prepared for postsecondary
37.28 academic and career opportunities:

37.29 (1) a preparation measure indicating the number and percentage of high school graduates
37.30 in the most recent school year who completed course work important to preparing them for
37.31 postsecondary academic and career opportunities, consistent with the core academic subjects
37.32 required for admission to Minnesota's public colleges and universities as determined by the
37.33 Office of Higher Education under chapter 136A; and

38.1 (2) a rigorous coursework measure indicating the number and percentage of high school
38.2 graduates in the most recent school year who successfully completed one or more
38.3 college-level advanced placement, international baccalaureate, postsecondary enrollment
38.4 options including concurrent enrollment, other rigorous courses of study under section
38.5 120B.021, subdivision 1a, or industry certification courses or programs.

38.6 When reporting the core measures under clauses (1) and (2), the commissioner must also
38.7 analyze and report separate categories of information using the student categories identified
38.8 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
38.9 and other student categories under paragraph (a), clause (2).

38.10 (d) When reporting student performance under section 120B.36, subdivision 1, the
38.11 commissioner annually, beginning July 1, 2014, must report summary data on school safety
38.12 and students' engagement and connection at school, consistent with the student categories
38.13 identified under paragraph (a), clause (2). The summary data under this paragraph are
38.14 separate from and must not be used for any purpose related to measuring or evaluating the
38.15 performance of classroom teachers. The commissioner, in consultation with qualified experts
38.16 on student engagement and connection and classroom teachers, must identify highly reliable
38.17 variables that generate summary data under this paragraph. The summary data may be used
38.18 at school, district, and state levels only. Any data on individuals received, collected, or
38.19 created that are used to generate the summary data under this paragraph are nonpublic data
38.20 under section 13.02, subdivision 9.

38.21 (e) For purposes of statewide educational accountability, the commissioner must identify
38.22 and report measures that demonstrate the success of learning year program providers under
38.23 sections 123A.05 and 124D.68, among other such providers, in improving students'
38.24 graduation outcomes. The commissioner, beginning July 1, 2015, must annually report
38.25 summary data on:

38.26 (1) the four- and six-year graduation rates of students under this paragraph;

38.27 (2) the percent of students under this paragraph whose progress and performance levels
38.28 are meeting career and college readiness benchmarks under section 120B.30, subdivision
38.29 1; and

38.30 (3) the success that learning year program providers experience in:

38.31 (i) identifying at-risk and off-track student populations by grade;

38.32 (ii) providing successful prevention and intervention strategies for at-risk students;

39.1 (iii) providing successful recuperative and recovery or reenrollment strategies for off-track
39.2 students; and

39.3 (iv) improving the graduation outcomes of at-risk and off-track students.

39.4 The commissioner may include in the annual report summary data on other education
39.5 providers serving a majority of students eligible to participate in a learning year program.

39.6 (f) The commissioner, in consultation with recognized experts with knowledge and
39.7 experience in assessing the language proficiency and academic performance of all English
39.8 learners enrolled in a Minnesota public school course or program who are currently or were
39.9 previously counted as an English learner under section 124D.59, must identify and report
39.10 appropriate and effective measures to improve current categories of language difficulty and
39.11 assessments, and monitor and report data on students' English proficiency levels, program
39.12 placement, and academic language development, including oral academic language.

39.13 (g) When reporting four- and six-year graduation rates, the commissioner or school
39.14 district must disaggregate the data by student categories according to paragraph (a), clause
39.15 (2).

39.16 (h) A school district must inform parents and guardians that volunteering information
39.17 on student categories not required by the most recent reauthorization of the Elementary and
39.18 Secondary Education Act is optional and will not violate the privacy of students or their
39.19 families, parents, or guardians. The notice must state the purpose for collecting the student
39.20 data.

39.21 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and later
39.22 for rollout sites under Minnesota Statutes, section 120B.31, subdivision 3a. This section is
39.23 effective for the 2019-2020 school year and later for all other schools.

39.24 Sec. 19. Minnesota Statutes 2016, section 120B.36, subdivision 1, is amended to read:

39.25 Subdivision 1. **School performance reports and public reporting.** (a) The commissioner
39.26 shall report student academic performance data under section 120B.35, subdivisions 2 and
39.27 3; the percentages of students showing low, medium, and high growth under section 120B.35,
39.28 subdivision 3, paragraph (b); school safety and student engagement and connection under
39.29 section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35,
39.30 subdivision 3, paragraph (c); the percentage of students under section 120B.35, subdivision
39.31 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and
39.32 college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35,
39.33 subdivision 3, paragraph (e); longitudinal data on the progress of eligible districts in reducing

40.1 disparities in students' academic achievement and realizing racial and economic integration
 40.2 under section 124D.861; the acquisition of English, and where practicable, native language
 40.3 academic literacy, including oral academic language, and the academic progress of all
 40.4 English learners enrolled in a Minnesota public school course or program who are currently
 40.5 or were previously counted as English learners under section 124D.59; two separate
 40.6 student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections
 40.7 122A.06 and 122A.15 for purposes of determining these ratios; staff characteristics excluding
 40.8 salaries; student enrollment demographics; foster care status, including all students enrolled
 40.9 in a Minnesota public school course or program who are currently or were previously in
 40.10 foster care, student homelessness, and district mobility; and extracurricular activities. ~~The~~
 40.11 ~~report also must indicate a school's status under applicable federal law.~~

40.12 (b) The school performance report for a school site and a school district must include
 40.13 school performance reporting information and calculate proficiency rates as required by the
 40.14 most recently reauthorized Elementary and Secondary Education Act.

40.15 (c) The commissioner shall develop, annually update, and post on the department Web
 40.16 site school performance reports consistent with paragraph (a) and section 120B.11.

40.17 ~~(e)~~ (d) The commissioner must make available performance reports by the beginning of
 40.18 each school year.

40.19 ~~(d)~~ (e) A school or district may appeal its results in a form and manner determined by
 40.20 the commissioner and consistent with federal law. The commissioner's decision to uphold
 40.21 or deny an appeal is final.

40.22 ~~(e)~~ (f) School performance data are nonpublic data under section 13.02, subdivision 9,
 40.23 until the commissioner publicly releases the data. The commissioner shall annually post
 40.24 school performance reports to the department's public Web site no later than September 1,
 40.25 except that in years when the reports reflect new performance standards, the commissioner
 40.26 shall post the school performance reports no later than October 1.

40.27 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

40.28 Sec. 20. Minnesota Statutes 2016, section 122A.40, subdivision 10, is amended to read:

40.29 Subd. 10. **Negotiated unrequested leave of absence.** The school board and the exclusive
 40.30 bargaining representative of the teachers ~~may~~ must negotiate a plan providing for unrequested
 40.31 leave of absence without pay or fringe benefits for as many teachers as may be necessary
 40.32 because of discontinuance of position, lack of pupils, financial limitations, or merger of
 40.33 classes caused by consolidation of districts. ~~Failing to successfully negotiate such a plan,~~

41.1 ~~the provisions of subdivision 11 shall apply. The negotiated plan must not include provisions~~
 41.2 ~~which would result in the exercise of seniority by a teacher holding a provisional license,~~
 41.3 ~~other than a vocational education license, contrary to the provisions of subdivision 11,~~
 41.4 ~~paragraph (e), or the reinstatement of a teacher holding a provisional license, other than a~~
 41.5 ~~vocational education license, contrary to the provisions of subdivision 11, paragraph (e).~~
 41.6 ~~The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

41.7 **EFFECTIVE DATE.** This section is effective July 1, 2018.

41.8 Sec. 21. Minnesota Statutes 2016, section 122A.41, is amended by adding a subdivision
 41.9 to read:

41.10 Subd. 14a. **Negotiated unrequested leave of absence.** The school board and the exclusive
 41.11 bargaining representative of the teachers must negotiate a plan providing for unrequested
 41.12 leave of absence without pay or fringe benefits for as many teachers as may be necessary
 41.13 because of discontinuance of position, lack of pupils, financial limitations, or merger of
 41.14 classes caused by consolidation of districts.

41.15 **EFFECTIVE DATE.** This section is effective July 1, 2018.

41.16 Sec. 22. Minnesota Statutes 2016, section 122A.414, subdivision 2, is amended to read:

41.17 Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this program,
 41.18 a school district, an intermediate school district consistent with paragraph (d), a school site,
 41.19 or a charter school must have a world's best workforce plan under section 120B.11 and an
 41.20 alternative teacher professional pay system agreement under paragraph (b). A charter school
 41.21 participant also must comply with subdivision 2a.

41.22 (b) The alternative teacher professional pay system agreement must:

41.23 (1) describe how teachers can achieve career advancement and additional compensation;

41.24 (2) describe how the school district, intermediate school district, school site, or charter
 41.25 school will provide teachers with career advancement options that allow teachers to retain
 41.26 primary roles in student instruction and facilitate site-focused professional development
 41.27 that helps other teachers improve their skills;

41.28 (3) reform the "steps and lanes" salary schedule, prevent any teacher's compensation
 41.29 paid before implementing the pay system from being reduced as a result of participating in
 41.30 this system, base at least 60 percent of any compensation increase on teacher performance
 41.31 using:

42.1 (i) schoolwide student achievement gains under section 120B.35 or locally selected
42.2 standardized assessment outcomes, or both;

42.3 (ii) measures of student growth and literacy that may include value-added models or
42.4 student learning goals, consistent with section 122A.40, subdivision 8, paragraph (b), clause
42.5 (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures that include
42.6 the academic literacy, oral academic language, and achievement of English learners under
42.7 section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41, subdivision 5,
42.8 paragraph (b), clause (10); and

42.9 (iii) an objective evaluation program under section 122A.40, subdivision 8, paragraph
42.10 (b), clause (2), or 122A.41, subdivision 5, paragraph (b), clause (2);

42.11 (4) provide for participation in job-embedded learning opportunities such as professional
42.12 learning communities to improve instructional skills and learning that are aligned with
42.13 student needs under section 120B.11, consistent with the staff development plan under
42.14 section 122A.60 and led during the school day by trained teacher leaders such as master or
42.15 mentor teachers;

42.16 (5) allow any teacher in a participating school district, intermediate school district, school
42.17 site, or charter school that implements an alternative pay system to participate in that system
42.18 without any quota or other limit; and

42.19 (6) encourage collaboration rather than competition among teachers.

42.20 (c) The alternative teacher professional pay system may:

42.21 (1) include a hiring bonus or other added compensation ~~for~~ to provide students with
42.22 equitable access to teachers who, consistent with section 120B.11, subdivision 2, clause
42.23 (3):

42.24 (i) are identified as effective or highly effective under the local teacher professional
42.25 review cycle and or, when being considered for hire as first-year teachers, have demonstrated
42.26 skills during student teaching for being highly effective at closing achievement gaps;

42.27 (ii) work in a high-need or hard-to-fill position; or

42.28 (iii) are hired to work in a hard-to-staff school such as a school with a majority of students
42.29 whose families meet federal poverty guidelines, a geographically isolated school, or a school
42.30 identified by the state as eligible for targeted programs or services for its students; and

42.31 (2) include incentives for teachers to obtain a master's degree or other advanced
42.32 certification with at least 18 credits in their content field of licensure required for teaching

43.1 concurrent enrollment or college in the schools courses, or to pursue the training or education
43.2 necessary to obtain an additional licensure in shortage areas identified by the district or
43.3 charter school; or

43.4 (3) help fund a "~~grow your own~~" Grow Your Own new teacher initiative involving
43.5 nonlicensed educational professionals, including paraprofessionals and cultural liaisons.

43.6 (d) An intermediate school district under this subdivision must demonstrate in a form
43.7 and manner determined by the commissioner that it uses the aid it receives under this section
43.8 for activities identified in the alternative teacher professional pay system agreement.

43.9 Sec. 23. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

43.10 Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher
43.11 compensation aid for a school with a plan approved under section 122A.414, subdivision
43.12 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
43.13 The basic alternative teacher compensation aid for a charter school with a plan approved
43.14 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
43.15 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
43.16 for a charter school in the first year of operation, times the ratio of the sum of the alternative
43.17 teacher compensation aid and alternative teacher compensation levy for all participating
43.18 school districts to the maximum alternative teacher compensation revenue for those districts
43.19 under subdivision 1.

43.20 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
43.21 teacher compensation aid entitlement must not exceed \$75,840,000 for fiscal year 2016 and
43.22 \$88,118,000 for fiscal year 2017 and later. The commissioner must limit the amount of
43.23 alternative teacher compensation aid approved under this section so as not to exceed these
43.24 limits by not approving new participants or by prorating the aid among participating districts,
43.25 intermediate school districts, school sites, and charter schools. The commissioner may also
43.26 reallocate a portion of the allowable aid for the biennium from the second year to the first
43.27 year to meet the needs of approved participants.

43.28 (c) Basic alternative teacher compensation aid for an intermediate district or other
43.29 cooperative unit equals \$3,000 times the number of licensed teachers employed by the
43.30 intermediate district or cooperative unit on October 1 of the previous school year.

44.1 Sec. 24. [122A.417] ALTERNATIVE TEACHER COMPENSATION REVENUE
44.2 FOR ST. CROIX RIVER EDUCATION DISTRICT.

44.3 Notwithstanding section 122A.415, subdivision 4, paragraph (c), the St. Croix River
44.4 Education District, No. 6009-61, is eligible to receive alternative teacher compensation
44.5 revenue based on its staffing as of October 1 of the previous fiscal year as reported to the
44.6 department in a manner determined by the commissioner. To qualify for alternative teacher
44.7 compensation revenue, the St. Croix River Education District must meet all the requirements
44.8 of sections 122A.414 and 122A.415 that apply to cooperative units, must report its staffing
44.9 as of October 1 of each year to the department in a manner determined by the commissioner,
44.10 and must annually report to the department by November 30 its expenditures for the
44.11 alternative teacher professional pay system consistent with the uniform financial accounting
44.12 and reporting standards.

44.13 Sec. 25. Minnesota Statutes 2016, section 124D.03, subdivision 5a, is amended to read:

44.14 Subd. 5a. **Lotteries.** If a school district has more applications than available seats at a
44.15 specific grade level, it must hold an impartial lottery following the January 15 deadline to
44.16 determine which students will receive seats. The district must give priority to enrolling
44.17 siblings of currently enrolled students, students whose applications are related to an approved
44.18 integration and achievement plan, and children of the school district's staff must receive
44.19 priority in the lottery, and students residing in that part of a municipality, defined under
44.20 section 469.1812, subdivision 3, where:

44.21 (1) the student's resident district does not operate a school building;

44.22 (2) the municipality is located partially or fully within the boundaries of at least five
44.23 school districts;

44.24 (3) the nonresident district in which the student seeks to enroll operates one or more
44.25 school buildings within the municipality; and

44.26 (4) no other nonresident, independent, special, or common school district operates a
44.27 school building within the municipality.

44.28 The process for the school district lottery must be established in school district policy,
44.29 approved by the school board, and posted on the school district's Web site.

44.30 **EFFECTIVE DATE.** This section is effective for lotteries conducted beginning July
44.31 1, 2017.

45.1 Sec. 26. Minnesota Statutes 2016, section 124D.09, subdivision 3, is amended to read:

45.2 Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings
45.3 given to them.

45.4 (a) "Eligible institution" means a Minnesota public postsecondary institution, a private,
45.5 nonprofit two-year trade and technical school granting associate degrees, an opportunities
45.6 industrialization center accredited by the North Central Association of Colleges and Schools,
45.7 or a private, residential, two-year or four-year, liberal arts, degree-granting college or
45.8 university located in Minnesota.

45.9 (b) "Course" means a course or program.

45.10 (c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under
45.11 subdivision 5 or 5b enrolls to earn both secondary and postsecondary credits, are taught by
45.12 a secondary teacher or a postsecondary faculty member, and are offered at a high school
45.13 for which the district is eligible to receive concurrent enrollment program aid under section
45.14 124D.091.

45.15 Sec. 27. Minnesota Statutes 2016, section 124D.09, subdivision 5, is amended to read:

45.16 Subd. 5. **Authorization; notification.** Notwithstanding any other law to the contrary,
45.17 an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled tribal
45.18 contract or grant school eligible for aid under section 124D.83, except a foreign exchange
45.19 pupil enrolled in a district under a cultural exchange program, may apply to an eligible
45.20 institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that
45.21 postsecondary institution. ~~Notwithstanding any other law to the contrary, a 9th or 10th grade~~
45.22 ~~pupil enrolled in a district or an American Indian-controlled tribal contract or grant school~~
45.23 ~~eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district~~
45.24 ~~under a cultural exchange program, may apply to enroll in nonsectarian courses offered~~
45.25 ~~under subdivision 10, if (1) the school district and the eligible postsecondary institution~~
45.26 ~~providing the course agree to the student's enrollment or (2) the course is a world language~~
45.27 ~~course currently available to 11th and 12th grade students, and consistent with section~~
45.28 ~~120B.022 governing world language standards, certificates, and seals.~~ If an institution
45.29 accepts a secondary pupil for enrollment under this section, the institution shall send written
45.30 notice to the pupil, the pupil's school or school district, and the commissioner ~~within ten~~
45.31 ~~days of acceptance.~~ The notice must indicate the course and hours of enrollment of that
45.32 pupil. If the pupil enrolls in a course for postsecondary credit, the institution must notify
45.33 the pupil about payment in the customary manner used by the institution.

46.1 Sec. 28. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
46.2 to read:

46.3 Subd. 5b. **Authorization; 9th or 10th grade pupil.** Notwithstanding any other law to
46.4 the contrary, a 9th or 10th grade pupil enrolled in a district or an American Indian-controlled
46.5 tribal contract or grant school eligible for aid under section 124D.83, except a foreign
46.6 exchange pupil enrolled in a district under a cultural exchange program, may apply to enroll
46.7 in nonsectarian courses offered under subdivision 10, if:

46.8 (1) the school district and the eligible postsecondary institution providing the course
46.9 agree to the student's enrollment; or

46.10 (2) the course is a world language course currently available to 11th and 12th grade
46.11 students, and consistent with section 120B.022 governing world language standards,
46.12 certificates, and seals.

46.13 Sec. 29. Minnesota Statutes 2016, section 124D.09, subdivision 10, is amended to read:

46.14 Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to
46.15 subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a
46.16 postsecondary faculty member and offered at a secondary school, or another location,
46.17 according to an agreement between a public school board and the governing body of an
46.18 eligible public postsecondary system or an eligible private postsecondary institution, as
46.19 defined in subdivision 3. All provisions of this section shall apply to a pupil, public school
46.20 board, district, and the governing body of a postsecondary institution, except as otherwise
46.21 provided.

46.22 (b) To encourage students, especially American Indian students and students of color,
46.23 to consider teaching as a profession, participating schools, school districts, and postsecondary
46.24 institutions are encouraged to develop and offer an "Introduction to Teaching" or
46.25 "Introduction to Education" course under this subdivision. An institution that receives a
46.26 grant to develop a course under this paragraph must annually report to the commissioner
46.27 in a form and manner determined by the commissioner on the participation rates of students
46.28 in courses under this paragraph, including the number of students who apply for admission
46.29 to colleges or universities with teacher preparation programs.

47.1 Sec. 30. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
47.2 to read:

47.3 Subd. 11a. **Access to building and technology.** (a) A school district must allow a student
47.4 enrolled in a course under this section to remain at the school site during regular school
47.5 hours.

47.6 (b) A school district must adopt a policy that provides a student enrolled in a course
47.7 under this section with reasonable access during regular school hours to a computer and
47.8 other technology resources that the student needs to complete coursework for a postsecondary
47.9 enrollment course.

47.10 Sec. 31. Minnesota Statutes 2016, section 124D.09, subdivision 12, is amended to read:

47.11 Subd. 12. **Credits; grade point average weighting policy.** (a) A pupil must not audit
47.12 a course under this section.

47.13 (b) A district shall grant academic credit to a pupil enrolled in a course for secondary
47.14 credit if the pupil successfully completes the course. Seven quarter or four semester college
47.15 credits equal at least one full year of high school credit. Fewer college credits may be
47.16 prorated. A district must also grant academic credit to a pupil enrolled in a course for
47.17 postsecondary credit if secondary credit is requested by a pupil. If no comparable course is
47.18 offered by the district, the district must, as soon as possible, notify the commissioner, who
47.19 shall determine the number of credits that shall be granted to a pupil who successfully
47.20 completes a course. If a comparable course is offered by the district, the school board shall
47.21 grant a comparable number of credits to the pupil. If there is a dispute between the district
47.22 and the pupil regarding the number of credits granted for a particular course, the pupil may
47.23 appeal the board's decision to the commissioner. The commissioner's decision regarding
47.24 the number of credits shall be final.

47.25 (c) A school board must adopt a policy regarding weighted grade point averages for any
47.26 high school or dual enrollment course. The policy must state whether the district offers
47.27 weighted grades. A school board must annually publish on its Web site a list of courses for
47.28 which a student may earn a weighted grade.

47.29 (d) The secondary credits granted to a pupil must be counted toward the graduation
47.30 requirements and subject area requirements of the district. Evidence of successful completion
47.31 of each course and secondary credits granted must be included in the pupil's secondary
47.32 school record. A pupil shall provide the school with a copy of the pupil's grade in each
47.33 course taken for secondary credit under this section. Upon the request of a pupil, the pupil's

48.1 secondary school record must also include evidence of successful completion and credits
48.2 granted for a course taken for postsecondary credit. In either case, the record must indicate
48.3 that the credits were earned at a postsecondary institution.

48.4 (e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the
48.5 postsecondary institution must award postsecondary credit for any course successfully
48.6 completed for secondary credit at that institution. Other postsecondary institutions may
48.7 award, after a pupil leaves secondary school, postsecondary credit for any courses
48.8 successfully completed under this section. An institution may not charge a pupil for the
48.9 award of credit.

48.10 (f) The Board of Trustees of the Minnesota State Colleges and Universities and the
48.11 Board of Regents of the University of Minnesota must, and private nonprofit and proprietary
48.12 postsecondary institutions should, award postsecondary credit for any successfully completed
48.13 courses in a program certified by the National Alliance of Concurrent Enrollment Partnerships
48.14 offered according to an agreement under subdivision 10. Consistent with section 135A.101,
48.15 subdivision 3, all MnSCU institutions must give full credit to a secondary pupil who
48.16 completes for postsecondary credit a postsecondary course or program that is part or all of
48.17 a goal area or a transfer curriculum at a MnSCU institution when the pupil enrolls in a
48.18 MnSCU institution after leaving secondary school. Once one MnSCU institution certifies
48.19 as completed a secondary student's postsecondary course or program that is part or all of a
48.20 goal area or a transfer curriculum, every MnSCU institution must consider the student's
48.21 course or program for that goal area or the transfer curriculum as completed.

48.22 Sec. 32. Minnesota Statutes 2016, section 124D.09, subdivision 13, is amended to read:

48.23 Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section,
48.24 the department must make payments according to this subdivision for courses that were
48.25 taken for secondary credit.

48.26 The department must not make payments to a school district or postsecondary institution
48.27 for a course taken for postsecondary credit only. The department must not make payments
48.28 to a postsecondary institution for a course from which a student officially withdraws during
48.29 the first 14 days of the quarter or semester or who has been absent from the postsecondary
48.30 institution for the first 15 consecutive school days of the quarter or semester and is not
48.31 receiving instruction in the home or hospital.

48.32 A postsecondary institution shall receive the following:

49.1 (1) for an institution granting quarter credit, the reimbursement per credit hour shall be
 49.2 an amount equal to 88 percent of the product of the formula allowance minus \$425, multiplied
 49.3 by 1.2, and divided by 45; or

49.4 (2) for an institution granting semester credit, the reimbursement per credit hour shall
 49.5 be an amount equal to 88 percent of the product of the general revenue formula allowance
 49.6 minus \$425, multiplied by 1.2, and divided by 30.

49.7 The department must pay to each postsecondary institution 100 percent of the amount
 49.8 in clause (1) or (2) within ~~30~~ 45 days of receiving initial enrollment information each quarter
 49.9 or semester. If changes in enrollment occur during a quarter or semester, the change shall
 49.10 be reported by the postsecondary institution at the time the enrollment information for the
 49.11 succeeding quarter or semester is submitted. At any time the department notifies a
 49.12 postsecondary institution that an overpayment has been made, the institution shall promptly
 49.13 remit the amount due.

49.14 **Sec. 33. [124D.4535] INNOVATIVE DELIVERY OF CAREER AND TECHNICAL**
 49.15 **EDUCATION PROGRAMS; SHARING OF DISTRICT RESOURCES.**

49.16 **Subdivision 1. Establishment; requirements for participation.** (a) A program is
 49.17 established to improve student, career and college readiness, and school outcomes by
 49.18 allowing groups of school districts to work together in partnership with local and regional
 49.19 postsecondary institutions and programs, community institutions, and other private, public,
 49.20 for-profit, and nonprofit workplace partners, to:

49.21 (1) provide innovative education programs and activities that integrate core academic
 49.22 and career and technical subjects in students' programs of study through coordinated
 49.23 secondary and postsecondary career and technical programs leading to an industry
 49.24 certification or other credential;

49.25 (2) provide embedded professional development for program participants;

49.26 (3) use performance assessments in authentic settings to measure students' technical
 49.27 skills and progress toward attaining an industry certification or other credential; and

49.28 (4) efficiently share district, institution, and workplace resources.

49.29 (b) To participate in this program to improve student, career and college readiness, and
 49.30 school outcomes, a group of two or more school districts must collaborate with school staff
 49.31 and project partners and receive formal school board approval to form a partnership. The
 49.32 partnership must develop a plan to provide challenging programmatic options for students
 49.33 under paragraph (a); create professional development opportunities for educators and other

50.1 program participants; increase student engagement and connection and challenging learning
50.2 opportunities for diverse populations of students that are focused on employability skills
50.3 and technical, job-specific skills related to a specific career pathway; or demonstrate
50.4 efficiencies in delivering financial and other services needed to realize plan goals and
50.5 objectives. The plan must include:

50.6 (1) collaborative education goals and objectives;

50.7 (2) strategies and processes to implement those goals and objectives, including a budget
50.8 process with periodic expenditure reviews;

50.9 (3) valid and reliable measures including performance assessments in authentic settings
50.10 and progress toward attaining an industry certification or other credential, among other
50.11 measures, to evaluate progress in realizing plan goals and objectives;

50.12 (4) an implementation timeline; and

50.13 (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
50.14 schedules, and legal considerations needed to fully implement the plan.

50.15 A partnership may invite additional districts or other participants under paragraph (a) to
50.16 join the partnership after notifying the commissioner.

50.17 (c) A partnership of interested districts must submit an application to the commissioner
50.18 of education in the form and manner the commissioner determines, consistent with the
50.19 requirements of this section. The application must contain the formal approval adopted by
50.20 the school board in each district to participate in the plan.

50.21 (d) Notwithstanding any other law to the contrary, a participating school district under
50.22 this section continues to: receive revenue and maintain its taxation authority; be organized
50.23 and governed by an elected school board with general powers under section 123B.02; and
50.24 be subject to employment agreements under chapter 122A and section 179A.20; and district
50.25 employees continue to remain employees of the employing school district.

50.26 (e) Participating districts must submit a biennial report by February 1 in each
50.27 odd-numbered year to the education committees of the legislature and the commissioner of
50.28 education that includes performance assessment, high school graduation, and career and
50.29 technical certification data to show the success of the partnership in preparing diverse
50.30 populations of students for careers and jobs.

50.31 Subd. 2. **Commissioner's role.** The commissioner of education must convene an advisory
50.32 panel to advise the commissioner on applicants' qualifications to participate in this program.
50.33 The commissioner must ensure an equitable geographical distribution of program participants

51.1 to the extent practicable. The commissioner must select only those applicants that fully
51.2 comply with subdivision 1. The commissioner may terminate a program participant that
51.3 fails to effectively implement the goals and objectives contained in its application and
51.4 according to its stated timeline.

51.5 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment
51.6 and applies to those applications submitted after that date.

51.7 (b) Districts already approved for an innovation zone pilot project under Laws 2012,
51.8 chapter 263, section 1, as amended by Laws 2014, chapter 312, article 15, section 24, may
51.9 continue to operate.

51.10 Sec. 34. Minnesota Statutes 2016, section 124D.68, subdivision 2, is amended to read:

51.11 Subd. 2. **Eligible pupils.** (a) A pupil under the age of 21 or who meets the requirements
51.12 of section 120A.20, subdivision 1, paragraph (c), is eligible to participate in the graduation
51.13 incentives program, if the pupil:

51.14 (1) performs substantially below the performance level for pupils of the same age in a
51.15 locally determined achievement test;

51.16 (2) is behind in satisfactorily completing coursework or obtaining credits for graduation;

51.17 (3) is pregnant or is a parent;

51.18 (4) has been assessed as chemically dependent;

51.19 (5) has been excluded or expelled according to sections 121A.40 to 121A.56;

51.20 (6) has been referred by a school district for enrollment in an eligible program or a
51.21 program pursuant to section 124D.69;

51.22 (7) is a victim of physical or sexual abuse;

51.23 (8) has experienced mental health problems;

51.24 (9) has experienced homelessness sometime within six months before requesting a
51.25 transfer to an eligible program;

51.26 (10) speaks English as a second language or is an English learner; or

51.27 (11) has withdrawn from school or has been chronically truant; or

51.28 (12) is being treated in a hospital in the seven-county metropolitan area for cancer or
51.29 other life threatening illness or is the sibling of an eligible pupil who is being currently

52.1 treated, and resides with the pupil's family at least 60 miles beyond the outside boundary
52.2 of the seven-county metropolitan area.

52.3 (b) For ~~the 2016-2017 school year~~ fiscal years 2017 and 2018 only, a pupil otherwise
52.4 qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years of age,
52.5 is an English learner with an interrupted formal education according to section 124D.59,
52.6 subdivision 2a, and was in an early middle college program during the previous school year
52.7 is eligible to participate in the graduation incentives program under section 124D.68 and
52.8 in concurrent enrollment courses offered under section 124D.09, subdivision 10, and is
52.9 funded in the same manner as other pupils under this section.

52.10 Sec. 35. Minnesota Statutes 2016, section 124D.695, is amended to read:

52.11 **124D.695 APPROVED RECOVERY PROGRAM FUNDING.**

52.12 Subdivision 1. **Approved recovery program.** "Approved recovery program" means a
52.13 course of instruction offered by a recovery school that provides academic services, assistance
52.14 with recovery, and continuing care to students recovering from substance abuse or
52.15 dependency. A recovery program may be offered in a transitional academic setting designed
52.16 to meet graduation requirements. A recovery program must be approved by the commissioner
52.17 of education. The commissioner may specify the manner and form of the application for
52.18 the approval of a recovery school or recovery program. The commissioner must also approve
52.19 any unreimbursed pupil transportation costs incurred by students participating in an approved
52.20 recovery program.

52.21 Subd. 2. **Eligibility.** (a) An approved recovery program is eligible for an annual recovery
52.22 program grant of up to \$125,000 to pay for a portion of the costs ~~of~~ under this section for
52.23 recovery program support staff under this section and approved pupil transportation expenses.

52.24 (b) "Recovery program support staff" means licensed alcohol and chemical dependency
52.25 counselors, licensed school counselors, licensed school psychologists, licensed school
52.26 nurses, and licensed school social workers.

52.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

52.28 Sec. 36. Minnesota Statutes 2016, section 124E.03, subdivision 2, is amended to read:

52.29 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall
52.30 meet all federal, state, and local health and safety requirements applicable to school districts.

52.31 (b) A school must comply with statewide accountability requirements governing standards
52.32 and assessments in chapter 120B.

53.1 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
53.2 123B.34 to 123B.39.

53.3 (d) A charter school is a district for the purposes of tort liability under chapter 466.

53.4 (e) A charter school must comply with the Pledge of Allegiance requirement under
53.5 section 121A.11, subdivision 3.

53.6 (f) A charter school and charter school board of directors must comply with chapter 181
53.7 governing requirements for employment.

53.8 (g) A charter school must comply with continuing truant notification under section
53.9 260A.03.

53.10 (h) A charter school must develop and implement a teacher evaluation and peer review
53.11 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place
53.12 students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d).
53.13 The teacher evaluation process in this paragraph does not create any additional employment
53.14 rights for teachers.

53.15 (i) A charter school must adopt a policy, plan, budget, and process, consistent with
53.16 section 120B.11, to review curriculum, instruction, and student achievement and strive for
53.17 the world's best workforce.

53.18 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,
53.19 sections 121A.40 to 121A.56.

53.20 Sec. 37. Minnesota Statutes 2016, section 124E.05, subdivision 7, is amended to read:

53.21 Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to withdraw
53.22 as an approved authorizer for a reason unrelated to any cause under section 124E.10,
53.23 subdivision 4, the authorizer must notify all its chartered schools and the commissioner in
53.24 writing by March 1 of its intent to withdraw as an authorizer on June 30 in the next calendar
53.25 year, regardless of when the authorizer's five-year term of approval ends. Upon notification
53.26 of the schools and commissioner, the authorizer must provide a letter to the school for
53.27 distribution to families of students enrolled in the school that explains the decision to
53.28 withdraw as an authorizer. The commissioner may approve the transfer of a charter school
53.29 to a new authorizer under section 124E.10, subdivision 5.

53.30 Sec. 38. Minnesota Statutes 2016, section 124E.11, is amended to read:

53.31 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

54.1 (a) A charter school, including its free preschool or prekindergarten program established
54.2 under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

54.3 (1) pupils within an age group or grade level;

54.4 (2) pupils who are eligible to participate in the graduation incentives program under
54.5 section 124D.68; or

54.6 (3) residents of a specific geographic area in which the school is located when the
54.7 majority of students served by the school are members of underserved populations.

54.8 (b) A charter school, including its free preschool or prekindergarten program established
54.9 under section 124E.06, subdivision 3, paragraph (b), shall enroll an eligible pupil who
54.10 submits a timely application, unless the number of applications exceeds the capacity of a
54.11 program, class, grade level, or building. In this case, pupils must be accepted by lot. The
54.12 charter school must develop and publish, including on its Web site, a lottery policy and
54.13 process that it must use when accepting pupils by lot.

54.14 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
54.15 and to a foster child of that pupil's parents and may give preference for enrolling children
54.16 of the school's staff before accepting other pupils by lot. A charter school that is located in
54.17 Duluth township in St. Louis County and admits students in kindergarten through grade 6
54.18 must give enrollment preference to students residing within a five-mile radius of the school
54.19 and to the siblings of enrolled children. A charter school may give enrollment preference
54.20 to children currently enrolled in the school's free preschool or prekindergarten program
54.21 under section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten
54.22 in the next school year.

54.23 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless
54.24 the pupil is at least five years of age on September 1 of the calendar year in which the school
54.25 year for which the pupil seeks admission commences; or (2) as a first grade student, unless
54.26 the pupil is at least six years of age on September 1 of the calendar year in which the school
54.27 year for which the pupil seeks admission commences or has completed kindergarten; except
54.28 that a charter school may establish and publish on its Web site a policy for admission of
54.29 selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b)
54.30 and (c).

54.31 (e) Except as permitted in paragraph (d), a charter school, including its free preschool
54.32 or prekindergarten program established under section 124E.06, subdivision 3, paragraph
54.33 (b), may not limit admission to pupils on the basis of intellectual ability, measures of

55.1 achievement or aptitude, or athletic ability and may not establish any criteria or requirements
55.2 for admission that are inconsistent with this section.

55.3 (f) The charter school shall not distribute any services or goods of value to students,
55.4 parents, or guardians as an inducement, term, or condition of enrolling a student in a charter
55.5 school.

55.6 (g) Once a student is enrolled in the school, the student is considered enrolled in the
55.7 school until the student formally withdraws or is expelled under the Pupil Fair Dismissal
55.8 Act in sections 121A.40 to 121A.56. ~~A charter school is subject to and must comply with~~
55.9 ~~the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56.~~

55.10 (h) A charter school with at least 90 percent of enrolled students who are eligible for
55.11 special education services and have a primary disability of deaf or hard-of-hearing may
55.12 enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1,
55.13 paragraph (a), and must comply with the federal Individuals with Disabilities Education
55.14 Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause
55.15 (iv).

55.16 Sec. 39. Minnesota Statutes 2016, section 124E.22, is amended to read:

55.17 **124E.22 BUILDING LEASE AID.**

55.18 (a) When a charter school finds it economically advantageous to rent or lease a building
55.19 or land for any instructional purpose and it determines that the total operating capital revenue
55.20 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
55.21 commissioner for building lease aid. The commissioner must review and either approve or
55.22 deny a lease aid application using the following criteria:

55.23 (1) the reasonableness of the price based on current market values;

55.24 (2) the extent to which the lease conforms to applicable state laws and rules; and

55.25 (3) the appropriateness of the proposed lease in the context of the space needs and
55.26 financial circumstances of the charter school. The commissioner must approve aid only for
55.27 a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the
55.28 charter school of its lease obligations at the time the charter contract is terminated or not
55.29 renewed. The closure clause under item (ii) must not be constructed or construed to relieve
55.30 the charter school of its lease obligations in effect before the charter contract is terminated
55.31 or not renewed.

56.1 (b) A charter school must not use the building lease aid it receives for custodial,
56.2 maintenance service, utility, or other operating costs.

56.3 (c) The amount of annual building lease aid for a charter school shall not exceed the
56.4 lesser of (1) 90 percent of the approved cost or (2) the product of the charter school building
56.5 lease aid pupil units served for the current school year times \$1,314.

56.6 (d) A charter school's building lease aid pupil units equals the sum of the charter school
56.7 pupil units under section 126C.05 and the pupil units for the portion of the day that the
56.8 charter school's enrolled students are participating in the Postsecondary Enrollment Options
56.9 Act under section 124D.09 and not otherwise included in the pupil count under section
56.10 126C.05.

56.11 **EFFECTIVE DATE.** This section is effective for fiscal year 2018 and later.

56.12 Sec. 40. Minnesota Statutes 2016, section 125A.56, subdivision 1, is amended to read:

56.13 Subdivision 1. **Requirement.** (a) Before a pupil is referred for a special education
56.14 evaluation, the district must conduct and document at least two instructional strategies,
56.15 alternatives, or interventions using a system of scientific, research-based instruction and
56.16 intervention in academics or behavior, based on the pupil's needs, while the pupil is in the
56.17 regular classroom. The pupil's teacher must document the results. A special education
56.18 evaluation team may waive this requirement when it determines the pupil's need for the
56.19 evaluation is urgent. This section may not be used to deny a pupil's right to a special
56.20 education evaluation.

56.21 (b) A school district shall use alternative intervention services, including the assurance
56.22 of mastery program under section 124D.66, or an early intervening services program under
56.23 subdivision 2 to serve at-risk pupils who demonstrate a need for alternative instructional
56.24 strategies or interventions.

56.25 (c) A student identified as being unable to read at grade level under section 120B.12,
56.26 subdivision 2, paragraph (a), must be provided with alternate instruction under this
56.27 subdivision that is multisensory, systematic, sequential, cumulative, and explicit.

56.28 Sec. 41. **[136A.1276] ALTERNATIVE TEACHER PREPARATION GRANT**
56.29 **PROGRAM.**

56.30 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
56.31 the meanings given them.

57.1 (b) "Alternative teacher preparation program" means an alternative teacher preparation
 57.2 program under section 122A.245, subdivision 2, or an experimental teacher preparation
 57.3 program under section 122A.09, subdivision 10.

57.4 (c) "Commissioner" means the commissioner of the Office of Higher Education.

57.5 (d) "Program" means a teacher preparation curriculum leading to specific licensure areas.

57.6 (e) "Shortage area" means:

57.7 (1) licensure fields and economic development regions reported by the commissioner
 57.8 of education as experiencing a teacher shortage; and

57.9 (2) economic development regions where there is a shortage of licensed teachers who
 57.10 reflect the racial or ethnic diversity of students in the region.

57.11 (f) "Unit" means an institution or defined subdivision of the institution that has primary
 57.12 responsibility for overseeing and delivering teacher preparation programs.

57.13 Subd. 2. **Establishment; eligibility.** (a) The commissioner, in consultation with the
 57.14 Board of Teaching, must establish and administer a program annually awarding grants to
 57.15 eligible alternative teacher preparation programs consistent with this section.

57.16 (b) To be eligible to receive a grant, an alternative teacher preparation program must
 57.17 certify that it:

57.18 (1) is working to fill Minnesota's teacher shortage areas; and

57.19 (2) is a school district, charter school, or nonprofit corporation organized under chapter
 57.20 317A or under section 501(c)(3) of the Internal Revenue Code of 1986 for an
 57.21 education-related purpose that has been operating continuously for at least three years in
 57.22 Minnesota or any other state.

57.23 (c) The commissioner must give priority to applicants based in Minnesota when awarding
 57.24 grants under this section.

57.25 Subd. 3. **Use of grants.** (a) An alternative teacher preparation program receiving a grant
 57.26 under this section must use the grant to:

57.27 (1) establish initial unit approval to become an alternative teacher preparation program;

57.28 (2) expand alternative teacher preparation programs by expanding program approval to
 57.29 other licensure areas identified as shortage areas by the commissioner of education;

57.30 (3) recruit, select, and train teachers who reflect the racial or ethnic diversity of students
 57.31 in Minnesota; or

58.1 (4) establish professional development programs for teachers who have obtained teaching
58.2 licenses through alternative teacher preparation programs.

58.3 An alternative teacher preparation program may expend grant funds on regional management
58.4 and operations, development, and central support services, including financial support and
58.5 support for technology and human services.

58.6 (b) An alternative teacher preparation program may use grant funds awarded under this
58.7 section as a match for nonstate funds, subject to paragraph (a).

58.8 (c) Appropriations made to this program do not cancel and are available until expended.

58.9 Subd. 4. **Report.** An alternative teacher preparation program receiving a grant under
58.10 this section must submit a report to the commissioner and the Board of Teaching on the
58.11 grantee's ability to fill teacher shortage areas and positively impact student achievement
58.12 where data are available and do not identify individual teachers. A grant recipient must
58.13 submit the report required under this subdivision by January 31, 2018, and each
58.14 even-numbered year thereafter. The report must include disaggregated data regarding:

58.15 (1) the racial and ethnic diversity of teachers and teacher candidates licensed through
58.16 the program; and

58.17 (2) program participant placement.

58.18 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

58.19 Sec. 42. Minnesota Statutes 2016, section 136A.1791, subdivision 1, is amended to read:

58.20 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given
58.21 them in this subdivision.

58.22 (b) "Qualified educational loan" means a government, commercial, or foundation loan
58.23 for actual costs paid for tuition and reasonable educational and living expenses related to a
58.24 teacher's preparation or further education.

58.25 (c) "School district" means an independent school district, special school district,
58.26 intermediate district, education district, special education cooperative, service cooperative,
58.27 a cooperative center for vocational education, or a charter school located in Minnesota.

58.28 (d) "Teacher" means an individual holding a teaching license issued by the licensing
58.29 division in the Department of Education on behalf of the Board of Teaching who is employed
58.30 by a school district to provide classroom instruction ~~in a teacher shortage area.~~

58.31 (e) "Teacher shortage area" means:

59.1 (1) the licensure fields and economic development regions reported by the commissioner
 59.2 of education as experiencing a teacher shortage; and

59.3 (2) economic development regions where there is a shortage of licensed teachers who
 59.4 reflect the racial or ethnic diversity of students in the region as reported by the commissioner
 59.5 of education.

59.6 (f) "Commissioner" means the commissioner of the Office of Higher Education unless
 59.7 indicated otherwise.

59.8 **EFFECTIVE DATE.** This section is effective August 1, 2017.

59.9 Sec. 43. Minnesota Statutes 2016, section 136A.1791, subdivision 2, is amended to read:

59.10 Subd. 2. **Program established; administration.** The commissioner shall establish and
 59.11 administer a teacher shortage loan forgiveness program. A teacher is eligible for the program
 59.12 if the teacher is teaching in a ~~licensure field and in an economic development region with~~
 59.13 an identified teacher shortage area under subdivision 3 and complies with the requirements
 59.14 of this section.

59.15 **EFFECTIVE DATE.** This section is effective August 1, 2017.

59.16 Sec. 44. Minnesota Statutes 2016, section 136A.1791, subdivision 9, is amended to read:

59.17 Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report
 59.18 to the chairs of the ~~K-12~~ kindergarten through grade 12 and higher education committees
 59.19 of the legislature on the number of individuals who received loan forgiveness under this
 59.20 section, the race or ethnicity of the teachers participating in the program, the licensure areas
 59.21 and economic development regions in which the teachers taught, the average amount paid
 59.22 to a teacher participating in the program, and other summary data identified by the
 59.23 commissioner as outcome indicators.

59.24 **EFFECTIVE DATE.** This section is effective August 1, 2017.

59.25 Sec. 45. Laws 2016, chapter 189, article 25, section 58, is amended to read:

59.26 Sec. 58. ~~NORTHWEST REGIONAL PARTNERSHIP STATEWIDE~~
 59.27 **CONCURRENT ENROLLMENT TEACHER TRAINING PROGRAM.**

59.28 Subdivision 1. **Definition.** (a) For purposes of this section, the following terms have the
 59.29 meanings given them.

60.1 (b) "Northwest Regional Partnership" means a voluntary association of the Lakes Country
 60.2 Service Cooperative, the Northwest Service Cooperative, and Minnesota State
 60.3 University-Moorhead that works together to provide coordinated higher learning opportunities
 60.4 for teachers.

60.5 (c) "State Partnership" means a voluntary association of the Northwest Regional
 60.6 Partnership and the Metropolitan Educational Cooperative Service Unit.

60.7 (d) "Eligible postsecondary institution" means a public or private postsecondary institution
 60.8 that awards graduate credits.

60.9 (e) "Eligible teacher" means a licensed teacher of secondary school courses for
 60.10 postsecondary credit.

60.11 Subd. 2. **Establishment.** (a) Lakes Country Service Cooperative, in consultation with
 60.12 the Northwest Service Cooperative, may develop a continuing education program to allow
 60.13 eligible teachers to attain the requisite graduate credits necessary to be qualified to teach
 60.14 secondary school courses for postsecondary credit.

60.15 (b) If established, the State Partnership must contract with one or more eligible
 60.16 postsecondary institutions to establish a continuing education credit program to allow eligible
 60.17 teachers to attain sufficient graduate credits to qualify to teach secondary school courses
 60.18 for postsecondary credit. Members of the State Partnership must work to eliminate duplication
 60.19 of service and develop the continuing education credit program efficiently and
 60.20 cost-effectively.

60.21 Subd. 3. **Curriculum development.** ~~Minnesota State University-Moorhead may develop~~
 60.22 The continuing education program must use flexible delivery models, such as an online
 60.23 education curriculum to, that allow eligible secondary school teachers to attain graduate
 60.24 credit at a reduced credit rate. Information about the curriculum, including course length
 60.25 and course requirements, must be posted on the Web site of the eligible institution offering
 60.26 the course at least two weeks before eligible teachers are required to register for courses in
 60.27 the continuing education program.

60.28 Subd. 4. **Funding for course development; scholarships; stipends.** (a) Lakes Country
 60.29 Service Cooperative, in consultation with the other members of the Northwest Regional
 60.30 Partnership, shall:

60.31 (1) provide funding for course development for up to 18 credits in applicable
 60.32 postsecondary subject areas;

61.1 (2) provide scholarships for eligible teachers to enroll in the continuing education
61.2 program; and

61.3 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
61.4 participation in the continuing education program.

61.5 (b) If established, the State Partnership must:

61.6 (1) provide funding for course development for up to 18 credits in applicable
61.7 postsecondary subject areas;

61.8 (2) provide scholarships for eligible teachers to enroll in the continuing education
61.9 program; and

61.10 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
61.11 participation in the continuing education program.

61.12 ~~Subd. 5. **Participant eligibility.** Participation in the continuing education program is~~
61.13 ~~reserved for teachers of secondary school courses for postsecondary credit. Priority must~~
61.14 ~~be given to teachers employed by a school district that is a member of the Lakes Country~~
61.15 ~~Service Cooperative or Northwest Service Cooperative. Teachers employed by a school~~
61.16 ~~district that is not a member of the Lakes Country Service Cooperative or Northwest Service~~
61.17 ~~Cooperative may participate in the continuing education program as space allows. A teacher~~
61.18 ~~participating in this program is ineligible to participate in other concurrent enrollment teacher~~
61.19 ~~training grant programs.~~

61.20 Subd. 6. **Private funding.** The ~~partnership~~ partnerships may receive private resources
61.21 to supplement the available public money. All money received in fiscal year 2017 shall be
61.22 administered by the Lakes Country Service Cooperative. All money received in fiscal year
61.23 2018 and later shall be administered by the State Partnership.

61.24 Subd. 7. **Report required.** (a) The Northwest Regional Partnership must submit an
61.25 ~~annual~~ a report by January 15 of each year, 2018, on the progress of its activities to the
61.26 legislature, commissioner of education, and Board of Trustees of the Minnesota State
61.27 Colleges and Universities. The ~~annual~~ report shall contain a financial report for the preceding
61.28 year. ~~The first report is due no later than January 15, 2018.~~

61.29 (b) If established, the State Partnership must submit an annual joint report to the
61.30 legislature and the Office of Higher Education by January 15 of each year on the progress
61.31 of its activities. The report must include the number of teachers participating in the program,
61.32 the geographic location of the teachers, the number of credits earned, and the subject areas

62.1 of the courses in which participants earned credit. The report must include a financial report
 62.2 for the preceding year.

62.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

62.4 Sec. 46. Laws 2016, chapter 189, article 25, section 62, subdivision 7, is amended to read:

62.5 Subd. 7. **Education Innovation Partners Cooperative Center.** (a) For a matching
 62.6 grant to Education Innovation Partners Cooperative Center, No. 6091-50, to provide
 62.7 research-based professional development services, on-site training, and leadership coaching
 62.8 to teachers and other school staff:

62.9		500,000		
62.10	\$	<u>90,000</u>	.....	2017
62.11	\$	<u>410,000</u>	.....	<u>2018</u>

62.12 (b) \$410,000 of the \$500,000 appropriation in Laws 2016, chapter 189, article 25, section
 62.13 62, subdivision 7, is canceled to the state general fund on June 30, 2017.

62.14 (c) A grant under this subdivision must be matched with money or in-kind contributions
 62.15 from nonstate sources. This is a onetime appropriation. This appropriation is available until
 62.16 June 30, 2019.

62.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

62.18 Sec. 47. Laws 2016, chapter 189, article 25, section 62, subdivision 11, is amended to
 62.19 read:

62.20 Subd. 11. **Student teachers in shortage areas.** For transfer to the commissioner of the
 62.21 Office of Higher Education for the purpose of providing grants to student teachers in shortage
 62.22 areas under Minnesota Statutes, section 136A.1275:

62.23	\$	2,800,000	2017
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62.24 Of this amount, up to two percent is for administration of the student teacher grant
 62.25 program in expectation that the Office of Higher Education will begin to disburse grants
 62.26 no later than September 1, 2017. This is a onetime appropriation. This appropriation is
 62.27 available until June 30, 2019.

62.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

63.1 Sec. 48. **AGRICULTURAL EDUCATOR GRANTS.**

63.2 **Subdivision 1. Grant program established.** A grant program is established to support
63.3 school districts in paying agricultural education teachers for work over the summer with
63.4 high school students in extended programs.

63.5 **Subd. 2. Application.** The commissioner of education shall develop the form and method
63.6 for applying for the grants. The commissioner shall develop criteria for determining the
63.7 allocation of the grants, including appropriate goals for the use of the grants.

63.8 **Subd. 3. Grant awards.** Grant funding under this section must be matched by funding
63.9 from the school district for the agricultural education teacher's summer employment. Grant
63.10 funding for each teacher is limited to the one-half share of 40 working days.

63.11 **Subd. 4. Reports.** School districts that receive grant funds shall report to the
63.12 commissioner of education no later than December 31 of each year regarding the number
63.13 of teachers funded by the grant program and the outcomes compared to the goals established
63.14 in the grant application. The Department of Education shall develop the criteria necessary
63.15 for the reports.

63.16 Sec. 49. **INNOVATION RESEARCH ZONES PILOT PROGRAM.**

63.17 **Subdivision 1. Establishment; requirements for participation; research zone plans.**

63.18 **(a) The innovation research zone pilot program is established to improve student and school**
63.19 **outcomes consistent with the world's best workforce requirements under Minnesota Statutes,**
63.20 **section 120B.11. Innovation zone partnerships allow school districts and charter schools to**
63.21 **research and implement innovative education programming models designed to better**
63.22 **prepare students for the world of the 21st century.**

63.23 **(b) One or more school districts or charter schools may join together to form an innovation**
63.24 **zone partnership. The partnership may include other nonschool partners, including**
63.25 **postsecondary institutions, other units of local government, nonprofit organizations, and**
63.26 **for-profit organizations. An innovation zone plan must be collaboratively developed in**
63.27 **concert with the school's instructional staff.**

63.28 **(c) An innovation research zone partnership must research and implement innovative**
63.29 **education programs and models that are based on proposed hypotheses. An innovation zone**
63.30 **plan may include an emerging practice not yet supported by peer-reviewed research.**
63.31 **Examples of innovation zone research may include, but are not limited to:**

63.32 **(1) personalized learning, allowing students to excel at their own pace and according to**
63.33 **their interests, aspirations, and unique needs;**

- 64.1 (2) the use of competency outcomes rather than seat time and course completion to fulfill
64.2 standards, credits, and other graduation requirements;
- 64.3 (3) multidisciplinary, real-world, inquiry-based, and student-directed models designed
64.4 to make learning more engaging and relevant, including documenting and validating learning
64.5 that takes place beyond the school day and school walls;
- 64.6 (4) models of instruction designed to close the achievement gap, including new models
64.7 for age three to grade 3 models, English as a second language models, early identification
64.8 and prevention of mental health issues, and others;
- 64.9 (5) new partnerships between secondary schools and postsecondary institutions,
64.10 employers, or career training institutions enabling students to complete industry certifications,
64.11 postsecondary education credits, and other credentials;
- 64.12 (6) new methods of collaborative leadership including the expansion of schools where
64.13 teachers have larger professional roles;
- 64.14 (7) new ways to enhance parental and community involvement in learning;
- 64.15 (8) new models of professional development for educators, including embedded
64.16 professional development; or
- 64.17 (9) new models in other areas such as whole child instruction, social-emotional skill
64.18 development, technology-based or blended learning, parent and community involvement,
64.19 professional development and mentoring, and models that increase the return on investment.
- 64.20 (d) An innovation zone plan submitted to the commissioner must describe:
- 64.21 (1) how the plan will improve student and school outcomes consistent with the world's
64.22 best workforce requirements under Minnesota Statutes, section 120B.11;
- 64.23 (2) the role of each partner in the zone;
- 64.24 (3) the research methodology used for each proposed action in the plan;
- 64.25 (4) the exemptions from statutes and rules in subdivision 2 that the research zone
64.26 partnership will use;
- 64.27 (5) a description of how teachers and other educational staff from the affected school
64.28 sites will be included in the planning and implementation process;
- 64.29 (6) a detailed description of expected outcomes and graduation standards;
- 64.30 (7) a timeline for implementing the plan and assessing the outcomes; and
- 64.31 (8) how results of the plan will be disseminated.

65.1 The governing board for each partner must approve the innovation zone plan.

65.2 (e) Upon unanimous approval of the initial innovation zone partners and approval of the
65.3 commissioner of education, the innovation zone partnership may extend membership to
65.4 other partners. A new partner's membership is effective 30 days after the innovation zone
65.5 partnership notifies the commissioner of the proposed change in membership unless the
65.6 commissioner disapproves the new partner's membership.

65.7 (f) Notwithstanding any other law to the contrary, a school district or charter school
65.8 participating in an innovation zone partnership under this section continues to receive all
65.9 revenue and maintains its taxation authority in the same manner as before its participation
65.10 in the innovation zone partnership. The innovation zone school district and charter school
65.11 partners remain organized and governed by their respective school boards with general
65.12 powers under Minnesota Statutes, chapter 123B or 124E, and remain subject to any
65.13 employment agreements under Minnesota Statutes, chapters 122A and 179A. School district
65.14 and charter school employees participating in an innovation zone partnership remain
65.15 employees of their respective school district or charter school.

65.16 (g) An innovation zone partnership may submit its plan at any time to the commissioner
65.17 in the form and manner specified by the commissioner. The commissioner must approve
65.18 or reject the plan after reviewing the recommendation of the Innovation Research Zone
65.19 Advisory Panel. An initial innovation zone plan that has been rejected by the commissioner
65.20 may be resubmitted to the commissioner after the innovation zone partnership has modified
65.21 the plan to meet each individually identified objection.

65.22 Subd. 2. **Exemptions from laws and rules.** (a) Notwithstanding any other law to the
65.23 contrary, an innovation zone partner with an approved plan is exempt from each of the
65.24 following state education laws and rules specifically identified in its plan:

65.25 (1) any law or rule from which a district-created, site-governed school under Minnesota
65.26 Statutes, section 123B.045, is exempt;

65.27 (2) any statute or rule from which the commissioner has exempted another district or
65.28 charter school, as identified in the list published on the Department of Education's Web site
65.29 under subdivision 4, paragraph (b);

65.30 (3) online learning program approval under Minnesota Statutes, section 124D.095,
65.31 subdivision 7, if the school district or charter school offers a course or program online
65.32 combined with direct access to a teacher for a portion of that course or program;

66.1 (4) restrictions on extended time revenue under Minnesota Statutes, section 126C.10,
66.2 subdivision 2a, for a student who meets the criteria of Minnesota Statutes, section 124D.68,
66.3 subdivision 2; and

66.4 (5) any required hours of instruction in any class or subject area for a student who is
66.5 meeting all competencies consistent with the graduation standards described in the innovation
66.6 zone plan.

66.7 (b) The exemptions under this subdivision must not be construed as exempting an
66.8 innovation zone partner from the Minnesota Comprehensive Assessments.

66.9 Subd. 3. **Innovation Research Zone Advisory Panel.** (a) The commissioner must
66.10 establish and convene an Innovation Research Zone Advisory Panel to review all innovation
66.11 zone plans submitted for approval.

66.12 (b) The panel must be composed of nine members. One member must be appointed by
66.13 each of the following organizations: Educators for Excellence, Education Minnesota,
66.14 Minnesota Association of Secondary School Principals, Minnesota Elementary School
66.15 Principals' Association, Minnesota Association of School Administrators, Minnesota School
66.16 Boards Association, Minnesota Association of Charter Schools, and the Office of Higher
66.17 Education. The commissioner must appoint one member with expertise in evaluation and
66.18 research.

66.19 Subd. 4. **Commissioner approval.** (a) Upon recommendation of the Innovation Research
66.20 Zone Advisory Panel, the commissioner may approve up to three innovation zone plans in
66.21 the seven-county metropolitan area and up to three in greater Minnesota. If an innovation
66.22 zone partnership fails to implement its innovation zone plan as described in its application
66.23 and according to the stated timeline, upon recommendation of the Innovation Research
66.24 Zone Advisory Panel, the commissioner must alert the partnership members and provide
66.25 the opportunity to remediate. If implementation continues to fail, the commissioner must
66.26 suspend or terminate the innovation zone plan.

66.27 (b) The commissioner must publish a list of the exemptions the commissioner has granted
66.28 to a district or charter school on the Department of Education's Web site by July 1, 2017.
66.29 The list must be updated annually.

66.30 Subd. 5. **Project evaluation, dissemination, and report to legislature.** Each research
66.31 zone partnership must submit project data to the commissioner in the form and manner
66.32 provided for in the approved application. At least once every two years, the commissioner
66.33 must analyze each innovation zone's progress in realizing the objectives of the innovation
66.34 zone partnership's plan. The commissioner must summarize and categorize innovation zone

67.1 plans and submit a report to the legislative committees having jurisdiction over education
67.2 by February 1 of each odd-numbered year in accordance with Minnesota Statutes, section
67.3 3.195.

67.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

67.5 Sec. 50. **COMMISSIONER OF EDUCATION MUST SUBMIT ESSA PLAN TO**
67.6 **LEGISLATURE.**

67.7 Subdivision 1. **ESSA plan.** The commissioner of education must submit the state plan
67.8 developed pursuant to the Elementary and Secondary Education Act of 1965, as amended
67.9 by the Every Student Succeeds Act, United States Code, title 20, section 6311, to the
67.10 education policy and finance committees of the legislature at least 30 days before submitting
67.11 the plan to the United States Department of Education.

67.12 Subd. 2. **Alignment with World's Best Workforce measures.** The state plan must be
67.13 consistent and aligned, to the extent practicable, with the performance accountability
67.14 measures required under Minnesota Statutes, section 120B.11, subdivision 1a, to create a
67.15 single accountability system for all public schools.

67.16 Subd. 3. **Indicators.** (a) The school quality or student success accountability indicator
67.17 required by ESSA must be an academic indicator.

67.18 (b) The state plan may use one of the following indicators for elementary and secondary
67.19 schools:

67.20 (1) reading and math growth for students performing in the bottom quartile, as measured
67.21 on the state accountability assessments, and using growth to proficiency standards;

67.22 (2) third grade reading proficiency as measured on the state accountability assessments;

67.23 (3) eighth grade mathematics proficiency as measured on the state accountability
67.24 assessments; or

67.25 (4) science proficiency as measured on the state accountability assessments.

67.26 (c) The state plan should use the tenth grade reading Minnesota Comprehensive
67.27 Assessment and eleventh grade mathematics Minnesota Comprehensive Assessment to
67.28 measure career and college readiness. To the extent practicable, the state plan should also
67.29 use the following information to measure college and career readiness:

67.30 (1) student success or attainment on advanced placement or international baccalaureate
67.31 examinations;

68.1 (2) credits under Minnesota Statutes, section 124D.09; or

68.2 (3) industry-recognized certifications.

68.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

68.4 Sec. 51. **EDUCATIONAL STABILITY FOR STUDENTS IN FOSTER CARE.**

68.5 Subdivision 1. **Establishment.** A pilot project is established to provide incentives for
68.6 school districts and county governments to develop partnership agreements and implement
68.7 transportation plans to help keep foster care students enrolled in their school of origin when
68.8 a student is placed in a foster care setting outside the school of origin's boundaries.

68.9 Subd. 2. **Qualifying plans.** A school district must submit an application in the form and
68.10 manner prescribed by the commissioner of education to participate in the program. To
68.11 qualify for participation, one or more school districts and the local child welfare agency
68.12 must have a written interagency agreement that describes the local plan for ensuring
68.13 educational stability for foster care students. The parties to the agreement must seek title
68.14 IV-E reimbursement for eligible students and eligible transportation costs. The plan must
68.15 describe:

68.16 (1) how transportation services will be arranged and provided; and

68.17 (2) how local transportation costs will be paid for if pilot project funds are insufficient
68.18 to cover all costs.

68.19 Subd. 3. **Pilot project; funding.** The commissioner must reimburse partnerships with
68.20 qualifying plans under subdivision 2 at the end of the school year based on allowable
68.21 expenditures and reimbursements and compliance with other reporting requirements. If the
68.22 available appropriation is insufficient to fully fund all qualifying plans, the commissioner
68.23 may prorate the available funds statewide among all school districts with qualifying plans.

68.24 Subd. 4. **Report.** By February 1, 2018, the commissioner of education shall report on
68.25 the pilot project to the legislative committees with jurisdiction over early childhood through
68.26 grade 12 education. The report must include, at a minimum, the number of local agreements
68.27 entered into for this project along with the number of school districts and counties
68.28 participating in the agreements, baseline data showing the number of foster care students
68.29 who were able to remain in their school of origin and the changes in the ratio over the time
68.30 of the pilot project, data on expenditures for school stability transportation and federal
68.31 reimbursements received for the pilot project with a midyear projection of end-of-year costs
68.32 and revenues, and projected costs for statewide implementation of the program.

69.1 Sec. 52. **FEDERAL EVERY STUDENT SUCCEEDS ACT FUNDING FOR**
 69.2 **SCIENCE, TECHNOLOGY, ENGINEERING, AND MATH (STEM) ACTIVITIES.**

69.3 School districts are encouraged to use the funding provided for activities to support the
 69.4 effective use of technology under Title IV, Part A, of the federal Every Student Succeeds
 69.5 Act for:

69.6 (1) mentor-led, hands-on STEM education and engagement with materials that support
 69.7 inquiry-based and active learning;

69.8 (2) student participation in STEM competitions, including robotics competitions; and

69.9 (3) mentor-led, classroom-based, after-school activities with informal STEM instruction
 69.10 and education.

69.11 **EFFECTIVE DATE.** This section is effective July 1, 2017.

69.12 Sec. 53. **RURAL CAREER AND TECHNICAL EDUCATION CONSORTIUM**
 69.13 **GRANTS.**

69.14 Subdivision 1. **Definition.** "Rural career and technical education (CTE) consortium"
 69.15 means a voluntary collaboration of a service cooperative and other regional public and
 69.16 private partners, including school districts and higher education institutions, that work
 69.17 together to provide career and technical education opportunities within the service
 69.18 cooperative's multicounty service area.

69.19 Subd. 2. **Establishment.** (a) A rural CTE consortium shall:

69.20 (1) focus on the development of courses and programs that encourage collaboration
 69.21 between two or more school districts;

69.22 (2) develop new career and technical programs that focus on the industry sectors that
 69.23 fuel the rural regional economy;

69.24 (3) facilitate the development of highly trained and knowledgeable students who are
 69.25 equipped with technical and workplace skills needed by regional employers;

69.26 (4) improve access to career and technical education programs for students who attend
 69.27 sparsely populated rural school districts by developing public and private partnerships with
 69.28 business and industry leaders and by increasing coordination of high school and
 69.29 postsecondary program options;

69.30 (5) increase family and student awareness of the availability and benefit of career and
 69.31 technical education courses and training opportunities; and

70.1 (6) provide capital start-up costs for items including but not limited to a mobile welding
70.2 lab, medical equipment and lab, and industrial kitchen equipment.

70.3 (b) In addition to the requirements in paragraph (a), a rural CTE consortium may:

70.4 (1) address the teacher shortage crisis in career and technical education through incentive
70.5 funding and training programs; and

70.6 (2) provide transportation reimbursement grants to provide equitable opportunities
70.7 throughout the region for students to participate in career and technical education.

70.8 Subd. 3. **Rural career and technical education advisory committee.** In order to be
70.9 eligible for a grant under this section, a service cooperative must establish a rural career
70.10 and technical education advisory committee to advise the cooperative on the administration
70.11 of the rural CTE consortium.

70.12 Subd. 4. **Private funding.** A rural CTE consortium may receive other sources of funds
70.13 to supplement state funding. All funds received shall be administered by the service
70.14 cooperative that is a member of the consortium.

70.15 Subd. 5. **Reporting requirements.** A rural CTE consortium must submit an annual
70.16 report on the progress of its activities to the commissioner of education and the legislative
70.17 committees with jurisdiction over secondary and postsecondary education. The annual report
70.18 must contain a financial report for the preceding fiscal year. The first report is due no later
70.19 than January 15, 2019.

70.20 Subd. 6. **Grant recipients.** For fiscal years 2018 and 2019, the commissioner shall
70.21 award a two-year grant to the consortium that is a collaboration of the Southwest/West
70.22 Central Service Cooperative (SWWC), Southwest Minnesota State University, Minnesota
70.23 West Community and Technical College, Ridgewater College, and other regional public
70.24 and private partners. For fiscal years 2020 and 2021, the commissioner shall award a two-year
70.25 grant to an applicant consortium that includes the South Central Service Cooperative or
70.26 Southeast Service Cooperative and a two-year grant to an applicant consortium that includes
70.27 the Northwest Service Cooperative or Northeast Service Cooperative.

70.28 Sec. 54. **INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH INNOVATION**
70.29 **GRANT PROGRAM; APPROPRIATION.**

70.30 (a) \$2,450,000 in fiscal year 2018 and \$2,450,000 in fiscal year 2019 are appropriated
70.31 from the general fund to the commissioner of human services for a grant program to fund
70.32 innovative projects to improve mental health outcomes for youth attending a qualifying
70.33 school unit.

71.1 (b) A "qualifying school unit" means an intermediate district organized under Minnesota
71.2 Statutes, section 136D.01, or a service cooperative organized under Minnesota Statutes,
71.3 section 123A.21, subdivision 1, paragraph (a), clause (2), that provides instruction to students
71.4 in a setting of federal instructional level four or higher. Grants under paragraph (a) must be
71.5 awarded to eligible applicants such that the services are proportionately provided among
71.6 qualifying school units. The commissioner shall calculate the share of the appropriation to
71.7 be used in each qualifying school unit by dividing the qualifying school unit's average daily
71.8 membership in a setting of federal instructional level 4 or higher for fiscal year 2016 by the
71.9 total average daily membership in a setting of federal instructional level 4 or higher for the
71.10 same year for all qualifying school units.

71.11 (c) An eligible applicant is an entity that has demonstrated capacity to serve the youth
71.12 identified in paragraph (a) and that is:

71.13 (1) certified under Minnesota Rules, parts 9520.0750 to 9520.0870;

71.14 (2) a community mental health center under Minnesota Statutes, section 256B.0625,
71.15 subdivision 5;

71.16 (3) an Indian health service facility or facility owned and operated by a tribe or tribal
71.17 organization operating under United States Code, title 25, section 5321; or

71.18 (4) a provider of children's therapeutic services and supports as defined in Minnesota
71.19 Statutes, section 256B.0943.

71.20 (d) An eligible applicant must employ or contract with at least two licensed mental health
71.21 professionals as defined in Minnesota Statutes, section 245.4871, subdivision 27, clauses
71.22 (1) to (6), who have formal training in evidence-based practices.

71.23 (e) A qualifying school unit must submit an application to the commissioner in the form
71.24 and manner specified by the commissioner. The commissioner may approve an application
71.25 that describes models for innovative projects to serve the needs of the schools and students.
71.26 The commissioner may provide technical assistance to the qualifying school unit. The
71.27 commissioner shall then solicit grant project proposals and award grant funding to the
71.28 eligible applicants whose project proposals best meet the requirements of this section and
71.29 most closely adhere to the models created by the intermediate districts and service
71.30 cooperatives.

71.31 (f) To receive grant funding, an eligible applicant must obtain a letter of support for the
71.32 applicant's grant project proposal from each qualifying school unit the eligible applicant is
71.33 proposing to serve. An eligible applicant must also demonstrate the following:

- 72.1 (1) the ability to seek third-party reimbursement for services;
- 72.2 (2) the ability to report data and outcomes as required by the commissioner; and
- 72.3 (3) the existence of partnerships with counties, tribes, substance use disorder providers,
- 72.4 and mental health service providers, including providers of mobile crisis services.

72.5 (g) Grantees shall obtain all available third-party reimbursement sources as a condition
 72.6 of receiving grant funds. For purposes of this grant program, a third-party reimbursement
 72.7 source does not include a public school as defined in Minnesota Statutes, section 120A.20,
 72.8 subdivision 1.

72.9 (h) The base budget for this program is \$0. This appropriation is available until June 30,
 72.10 2020.

72.11 **Sec. 55. APPROPRIATIONS.**

72.12 Subdivision 1. **Department of Education.** The sums indicated in this section are
 72.13 appropriated from the general fund to the Department of Education for the fiscal years
 72.14 designated.

72.15 Subd. 2. **Achievement and integration aid.** For achievement and integration aid under
 72.16 Minnesota Statutes, section 124D.862:

72.17	\$	<u>71,114,000</u>	<u>.....</u>	<u>2018</u>
72.18	\$	<u>73,117,000</u>	<u>.....</u>	<u>2019</u>

72.19 The 2018 appropriation includes \$6,725,000 for 2017 and \$64,389,000 for 2018.

72.20 The 2019 appropriation includes \$7,154,000 for 2018 and \$65,963,000 for 2019.

72.21 Subd. 3. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes,
 72.22 section 124D.98:

72.23	\$	<u>47,264,000</u>	<u>.....</u>	<u>2018</u>
72.24	\$	<u>47,763,000</u>	<u>.....</u>	<u>2019</u>

72.25 The 2018 appropriation includes \$4,597,000 for 2017 and \$42,667,000 for 2018.

72.26 The 2019 appropriation includes \$4,740,000 for 2018 and \$43,023,000 for 2019.

72.27 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
 72.28 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 72.29 section 124D.87:

72.30	\$	<u>13,337,000</u>	<u>.....</u>	<u>2018</u>
72.31	\$	<u>14,075,000</u>	<u>.....</u>	<u>2019</u>

73.1 Subd. 5. Tribal contract schools. For tribal contract school aid under Minnesota Statutes,
 73.2 section 124D.83:

73.3 \$ 1,983,000 2018

73.4 \$ 1,930,000 2019

73.5 The 2018 appropriation includes \$323,000 for 2017 and \$1,660,000 for 2018.

73.6 The 2019 appropriation includes \$184,000 for 2018 and \$1,746,000 for 2019.

73.7 Subd. 6. American Indian education aid. For American Indian education aid under
 73.8 Minnesota Statutes, section 124D.81, subdivision 2a:

73.9 \$ 9,244,000 2018

73.10 \$ 9,464,000 2019

73.11 The 2018 appropriation includes \$886,000 for 2017 and \$8,358,000 for 2018.

73.12 The 2019 appropriation includes \$928,000 for 2018 and \$8,536,000 for 2019.

73.13 Subd. 7. Early childhood literacy programs. (a) For early childhood literacy programs
 73.14 under Minnesota Statutes, section 119A.50, subdivision 3:

73.15 \$ 6,125,000 2018

73.16 \$ 6,125,000 2019

73.17 (b) Up to \$6,125,000 each year is for leveraging federal and private funding to support
 73.18 AmeriCorps members serving in the Minnesota reading corps program established by
 73.19 ServeMinnesota, including costs associated with training and teaching early literacy skills
 73.20 to children ages three to grade 3 and evaluating the impact of the program under Minnesota
 73.21 Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

73.22 (c) Any balance in the first year does not cancel but is available in the second year.

73.23 (d) The base for fiscal year 2020 is \$7,125,000.

73.24 Subd. 8. Concurrent enrollment program. For concurrent enrollment programs under
 73.25 Minnesota Statutes, section 124D.091:

73.26 \$ 4,000,000 2018

73.27 \$ 4,000,000 2019

73.28 If the appropriation is insufficient, the commissioner must proportionately reduce the
 73.29 aid payment to each district.

73.30 Any balance in the first year does not cancel but is available in the second year.

74.1 Subd. 9. Expanded concurrent enrollment grants. For grants to institutions offering
 74.2 "Introduction to Teaching" or "Introduction to Education" college in the schools courses
 74.3 under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

74.4 \$ 375,000 2018

74.5 \$ 375,000 2019

74.6 The department may retain up to five percent of the appropriation amount to monitor
 74.7 and administer the grant program.

74.8 Subd. 10. ServeMinnesota program. For funding ServeMinnesota programs under
 74.9 Minnesota Statutes, sections 124D.37 to 124D.45:

74.10 \$ 900,000 2018

74.11 \$ 900,000 2019

74.12 A grantee organization may provide health and child care coverage to the dependents
 74.13 of each participant enrolled in a full-time ServeMinnesota program to the extent such
 74.14 coverage is not otherwise available.

74.15 Subd. 11. Student organizations. For student organizations:

74.16 \$ 725,000 2018

74.17 \$ 725,000 2019

74.18 (a) \$46,000 each year is for student organizations serving health occupations (HOSA).

74.19 (b) \$100,000 each year is for student organizations serving trade and industry occupations
 74.20 (Skills USA, secondary and postsecondary).

74.21 (c) \$95,000 each year is for student organizations serving business occupations (BPA,
 74.22 secondary and postsecondary).

74.23 (d) \$193,000 each year is for student organizations serving agriculture occupations (FFA,
 74.24 PAS).

74.25 (e) \$142,000 in fiscal years 2018 and 2019 is for student organizations serving family
 74.26 and consumer science occupations (FCCLA). Notwithstanding Minnesota Rules, part
 74.27 3505.1000, subparts 28 and 31, the student organizations serving FCCLA shall continue to
 74.28 serve students younger than grade 9. Beginning in fiscal year 2020, the amount is \$185,000.

74.29 (f) \$109,000 each year is for student organizations serving marketing occupations (DECA
 74.30 and DECA collegiate).

74.31 (g) \$40,000 each year is for the Minnesota Foundation for Student Organizations.

74.32 (h) Any balance in the first year does not cancel but is available in the second year.

75.1 (i) The base for fiscal year 2020 and later is \$768,000.

75.2 Subd. 12. **Museums and education centers.** For grants to museums and education
 75.3 centers:

75.4 \$ 460,000 2018

75.5 \$ 460,000 2019

75.6 (a) \$319,000 each year is for the Minnesota Children's Museum. Of the amount in this
 75.7 paragraph, \$50,000 in each year is for the Minnesota Children's Museum, Rochester.

75.8 (b) \$50,000 each year is for the Duluth Children's Museum.

75.9 (c) \$41,000 each year is for the Minnesota Academy of Science.

75.10 (d) \$50,000 each year is for the Headwaters Science Center.

75.11 Any balance in the first year does not cancel but is available in the second year.

75.12 Subd. 13. **Minnesota Center for the Book programming.** For grants to the entity
 75.13 designated by the Library of Congress as the Minnesota Center for the Book to provide
 75.14 statewide programming related to the Minnesota Book Awards and for additional
 75.15 programming throughout the state related to the Center for the Book designation:

75.16 \$ 50,000 2018

75.17 \$ 50,000 2019

75.18 The base for fiscal year 2020 is \$0.

75.19 Subd. 14. **Singing-based pilot program to improve student reading.** (a) For a grant
 75.20 to pilot a research-supported, computer-based educational program that uses singing to
 75.21 improve the reading ability of students in grades 2 through 5:

75.22 \$ 500,000 2018

75.23 \$ 0 2019

75.24 (b) The commissioner of education shall award a grant to the Rock 'n' Read Project to
 75.25 implement a research-supported, computer-based educational program that uses singing to
 75.26 improve the reading ability of students in grades 2 through 5. The grantee shall be responsible
 75.27 for selecting participating school sites; providing any required hardware and software,
 75.28 including software licenses, for the duration of the grant period; providing technical support,
 75.29 training, and staff to install required project hardware and software; providing on-site
 75.30 professional development and instructional monitoring and support for school staff and
 75.31 students; administering preintervention and postintervention reading assessments; evaluating
 75.32 the impact of the intervention; and other project management services as required. To the
 75.33 extent practicable, the grantee must select participating schools in urban, suburban, and

76.1 greater Minnesota, and give priority to schools in which a high proportion of students do
 76.2 not read proficiently at grade level and are eligible for free or reduced-price lunch.

76.3 (c) By February 15, 2019, the grantee must submit a report detailing expenditures and
 76.4 outcomes of the grant to the commissioner of education and the chairs and ranking minority
 76.5 members of the legislative committees with primary jurisdiction over kindergarten through
 76.6 grade 12 education policy and finance.

76.7 (d) This is a onetime appropriation.

76.8 Subd. 15. **Starbase MN.** (a) For a grant to Starbase MN for a rigorous science,
 76.9 technology, engineering, and math (STEM) program providing students in grades 4 through
 76.10 6 with a multisensory learning experience and a hands-on curriculum in an aerospace
 76.11 environment using state-of-the-art technology:

76.12 \$ 1,398,000 2018

76.13 \$ 0 2019

76.14 (b) Any balance in the first year does not cancel but is available in the second year. The
 76.15 base for fiscal year 2020 is \$500,000.

76.16 (c) All unspent funds, estimated at \$898,000 from the Starbase MN appropriation under
 76.17 Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 17, are canceled
 76.18 the day following final enactment.

76.19 Subd. 16. **Recovery program grants.** For recovery program grants under Minnesota
 76.20 Statutes, section 124D.695:

76.21 \$ 750,000 2018

76.22 \$ 750,000 2019

76.23 Any balance in the first year does not cancel but is available in the second year.

76.24 Subd. 17. **Minnesota math corps program.** For the Minnesota math corps program
 76.25 under Minnesota Statutes, section 124D.42, subdivision 9:

76.26 \$ 500,000 2018

76.27 \$ 500,000 2019

76.28 Any balance in the first year does not cancel but is available in the second year.

76.29 Subd. 18. **Civic education grants.** For grants to the Minnesota Civic Education Coalition,
 76.30 Minnesota Civic Youth, Learning Law and Democracy Foundation, and YMCA Youth in
 76.31 Government to provide civic education programs for Minnesota youth age 18 and younger.
 76.32 Civic education is the study of constitutional principles and the democratic foundation of

77.1 our national, state, and local institutions, and the study of political processes and structures
 77.2 of government, grounded in the understanding of constitutional government under the rule
 77.3 of law.

77.4 \$ 125,000 2018

77.5 \$ 125,000 2019

77.6 Any balance in the first year does not cancel but is available in the second year. The
 77.7 budget base for this program is \$0.

77.8 Subd. 19. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota
 77.9 College of Education and Human Development for the operation of the Minnesota Principals
 77.10 Academy:

77.11 \$ 200,000 2018

77.12 \$ 200,000 2019

77.13 (b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals
 77.14 from schools designated as priority schools by the commissioner of education. To the extent
 77.15 funds are available, the Department of Education must use up to \$200,000 of federal Title
 77.16 II funds to support additional participation in the Principals Academy by principals from
 77.17 priority schools.

77.18 (c) Any balance in the first year does not cancel but is available in the second year.

77.19 Subd. 20. **Educational stability for students living in foster care.** For a pilot project
 77.20 to promote educational stability for students living in foster care:

77.21 \$ 1,000,000 2018

77.22 Up to five percent of the appropriation may be used for state and local administrative
 77.23 costs such as reporting, technical support, and establishing a Title IV-E reimbursement
 77.24 claiming process. This is a onetime appropriation. This appropriation is available until June
 77.25 30, 2019.

77.26 Subd. 21. **Charter school building lease aid.** For building lease aid under Minnesota
 77.27 Statutes, section 124E.22:

77.28 \$ 73,204,000 2018

77.29 \$ 78,648,000 2019

77.30 The 2018 appropriation includes \$6,850,000 for 2017 and \$66,354,000 for 2018.

77.31 The 2019 appropriation includes \$7,372,000 for 2018 and \$74,276,000 for 2019.

78.1 Subd. 22. **Race 2 Reduce.** (a) For grants to support expanded Race 2 Reduce water
 78.2 conservation programming in Minnesota schools:

78.3 \$ 307,000 2018

78.4 \$ 0 2019

78.5 (b) \$143,000 is for H2O for Life; \$98,000 is for Independent School District No. 624,
 78.6 White Bear Lake; and \$66,000 is for Independent School District No. 832, Mahtomedi.

78.7 (c) The appropriation is available until June 30, 2019. The base for fiscal year 2020 is
 78.8 \$0.

78.9 Subd. 23. **Paraprofessional pathway to teacher licensure.** (a) For grants to school
 78.10 districts for Grow Your Own new teacher programs:

78.11 \$ 1,500,000 2018

78.12 \$ 1,500,000 2019

78.13 (b) The grants are for school districts with more than 30 percent minority students for
 78.14 a Board of Teaching-approved nonconventional teacher residency pilot program. The
 78.15 program must provide tuition scholarships or stipends to enable school district employees
 78.16 or community members affiliated with a school district who seek an education license to
 78.17 participate in a nonconventional teacher preparation program. School districts that receive
 78.18 funds under this subdivision are strongly encouraged to recruit candidates of color and
 78.19 American Indian candidates to participate in the Grow Your Own new teacher programs.
 78.20 Districts or schools providing financial support may require a commitment as determined
 78.21 by the district to teach in the district or school for a reasonable amount of time that does
 78.22 not exceed five years.

78.23 (c) Programs must annually report to the commissioner by the date determined by the
 78.24 commissioner on their activities under this section, including the number of participants,
 78.25 the percentage of participants who are of color or who are American Indian, and an
 78.26 assessment of program effectiveness, including participant feedback, areas for improvement,
 78.27 the percentage of participants continuing to pursue teacher licensure, and the number of
 78.28 participants hired in the school or district as teachers after completing preparation programs.

78.29 (d) The department may retain up to three percent of the appropriation amount to monitor
 78.30 and administer the grant program.

78.31 (e) Any balance in the first year does not cancel but is available in the second year.

78.32 Subd. 24. **Statewide testing and reporting system.** For the statewide testing and
 78.33 reporting system under Minnesota Statutes, section 120B.30:

79.1 \$ 10,892,000 2018

79.2 \$ 10,892,000 2019

79.3 Any balance in the first year does not cancel but is available in the second year.

79.4 Subd. 25. **College entrance examination reimbursement.** To reimburse districts for
 79.5 students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph
 79.6 (e), for payment of their college entrance examination fee:

79.7 \$ 1,511,000 2018

79.8 \$ 1,511,000 2019

79.9 The commissioner must reimburse school districts for their costs of one-time payments
 79.10 to free or reduced-price meal eligible students who take the ACT or SAT test under
 79.11 Minnesota Statutes, section 120B.30, subdivision 1.

79.12 Any balance in the first year does not cancel but is available in the second year.

79.13 Subd. 26. **Alternative teacher compensation aid.** For alternative teacher compensation
 79.14 aid under Minnesota Statutes, section 122A.415, subdivision 4:

79.15 \$ 89,863,000 2018

79.16 \$ 89,623,000 2019

79.17 The 2018 appropriation includes \$8,917,000 for 2017 and \$80,946,000 for 2018.

79.18 The 2019 appropriation includes \$8,993,000 for 2018 and \$80,630,000 for 2019.

79.19 Subd. 27. **Collaborative urban and greater Minnesota educators of color program**
 79.20 grants. (a) For collaborative urban and greater Minnesota educators of color program grants:

79.21 \$ 1,000,000 2018

79.22 \$ 1,000,000 2019

79.23 (b) Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast
 79.24 Asian Teacher program at Concordia University, St. Paul; \$195,000 each year is for the
 79.25 Collaborative Urban Educator program at the University of St. Thomas; \$195,000 each year
 79.26 is for the Center for Excellence in Urban Teaching at Hamline University; and \$195,000
 79.27 each year is for the East Africa Student to Teacher program at Augsburg College.

79.28 (c) By January 15 of each year, each institution shall prepare for the legislature a detailed
 79.29 report regarding the funds used to recruit, retain, and induct teacher candidates who are of
 79.30 color or who are American Indian. The report must include the total number of teacher
 79.31 candidates of color, disaggregated by race or ethnic group, who are recruited to the institution,
 79.32 are newly admitted to the licensure program, are enrolled in the licensure program, have
 79.33 completed student teaching, have graduated, and are licensed and newly employed as

80.1 Minnesota teachers in their licensure field. The total number of teacher candidates who are
 80.2 of color or who are American Indian at each stage from recruitment to licensed teaching
 80.3 must be reported as a percentage of total candidates seeking the same licensure at the
 80.4 institution. The report must include the graduation rate for each cohort of teacher candidates,
 80.5 the placement rate for each graduating cohort of teacher candidates, and the retention rate
 80.6 for each graduating cohort of teacher candidates, among other program outcomes.

80.7 (d) The commissioner must establish a competitive grant process to award \$220,000
 80.8 each year to Board of Teaching-approved teacher preparation programs, including alternative
 80.9 teacher preparation programs. The competitive process must award grants based on program
 80.10 benchmarks, including licensure rates, participation rates, and on-time graduation rates.

80.11 (e) For fiscal year 2020 and later, the commissioner must award all collaborative urban
 80.12 educator grants through the competitive grant program.

80.13 (f) Any balance in the first year does not cancel but is available in the second year.

80.14 Subd. 28. Examination fees; teacher training and support programs. (a) For students'
 80.15 advanced placement and international baccalaureate examination fees under Minnesota
 80.16 Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and
 80.17 other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

80.18 \$ 4,500,000 2018

80.19 \$ 4,500,000 2019

80.20 (b) The advanced placement program shall receive 75 percent of the appropriation each
 80.21 year and the international baccalaureate program shall receive 25 percent of the appropriation
 80.22 each year. The department, in consultation with representatives of the advanced placement
 80.23 and international baccalaureate programs selected by the Advanced Placement Advisory
 80.24 Council and International Baccalaureate Minnesota, respectively, shall determine the amounts
 80.25 of the expenditures each year for examination fees and training and support programs for
 80.26 each program.

80.27 (c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least \$500,000
 80.28 each year is for teachers to attend subject matter summer training programs and follow-up
 80.29 support workshops approved by the advanced placement or international baccalaureate
 80.30 programs. The amount of the subsidy for each teacher attending an advanced placement or
 80.31 international baccalaureate summer training program or workshop shall be the same. The
 80.32 commissioner shall determine the payment process and the amount of the subsidy.

80.33 (d) The commissioner shall pay all examination fees for all students of low-income
 80.34 families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent of

81.1 available appropriations, shall also pay examination fees for students sitting for an advanced
 81.2 placement examination, international baccalaureate examination, or both.

81.3 Any balance in the first year does not cancel but is available in the second year.

81.4 Subd. 29. **Grants to increase science, technology, engineering, and math course**
 81.5 **offerings.** For grants to schools to encourage low-income and other underserved students
 81.6 to participate in advanced placement and international baccalaureate programs according
 81.7 to Minnesota Statutes, section 120B.132:

81.8 \$ 250,000 2018

81.9 \$ 250,000 2019

81.10 Any balance in the first year does not cancel but is available in the second year.

81.11 Subd. 30. **Agricultural educator grants.** For agricultural educator grants under section
 81.12 48:

81.13 \$ 250,000 2018

81.14 \$ 250,000 2019

81.15 Any balance in the first year does not cancel but is available in the second year.

81.16 Subd. 31. **American Indian teacher preparation grants.** For joint grants to assist
 81.17 American Indian people to become teachers under Minnesota Statutes, section 122A.63:

81.18 \$ 460,000 2018

81.19 \$ 460,000 2019

81.20 Subd. 32. **African American Registry.** (a) For grants to the African American Registry
 81.21 for the Teacher's Forum:

81.22 \$ 100,000 2018

81.23 \$ 100,000 2019

81.24 (b) The African American Registry must use the grant funds to establish partnerships
 81.25 with Metropolitan State University and the University of St. Thomas to improve the cultural
 81.26 competency of candidates seeking a first teaching license. By January 15 of each year, the
 81.27 African American Registry shall submit to the legislature a detailed report regarding the
 81.28 funds used. The report must include the number of teachers prepared. The base in fiscal
 81.29 year 2020 is \$0.

81.30 Subd. 33. **Rural career and technical education consortium.** (a) For rural career and
 81.31 technical education consortium grants:

81.32 \$ 1,500,000 2018

81.33 \$ 1,500,000 2019

82.1 This appropriation is available until June 30, 2022. If the appropriation in the first year
 82.2 is insufficient, the 2019 appropriation is available.

82.3 (b) The base in fiscal year 2020 is \$3,000,000.

82.4 Subd. 34. **Sanneh Foundation.** (a) For a grant to the Sanneh Foundation to provide
 82.5 all-day, in-school, and before- and after-school academic and behavioral interventions for
 82.6 low-performing and chronically absent students with a focus on low-income students and
 82.7 students of color throughout the school year and during the summer to decrease absenteeism,
 82.8 encourage school engagement, and improve grades and graduation rates.

82.9 \$ 1,000,000 2018

82.10 (b) Funds appropriated in this section must be used to establish and provide services in
 82.11 schools where the Sanneh Foundation does not currently operate, and must not be used for
 82.12 programs operating in schools as of June 30, 2017.

82.13 (c) This is a onetime appropriation. Any balance in the first year does not cancel but is
 82.14 available in the second year.

82.15 Subd. 35. **Alternative teacher preparation grant program.** (a) For transfer to the
 82.16 commissioner of the Office of Higher Education for alternative teacher preparation program
 82.17 grants under Minnesota Statutes, section 136A.1276:

82.18 \$ 750,000 2018

82.19 \$ 0 2019

82.20 (b) Any balance in the first year does not cancel but is available in the second year.

82.21 Subd. 36. **Teacher shortage loan forgiveness.** (a) For transfer to the commissioner of
 82.22 the Office of Higher Education for the loan forgiveness program under Minnesota Statutes,
 82.23 section 136A.1791:

82.24 \$ 500,000 2018

82.25 \$ 0 2019

82.26 (b) The commissioner may use no more than three percent of this appropriation to
 82.27 administer the program under this subdivision.

82.28 (c) Any balance in the first year does not cancel but is available in the second year.

82.29 Subd. 37. **Statewide concurrent enrollment teacher training program.** For the
 82.30 statewide concurrent enrollment teacher training program under Laws 2016, chapter 189,
 82.31 article 25, section 58, as amended:

84.1

ARTICLE 4

84.2

SPECIAL EDUCATION

84.3

Section 1. Minnesota Statutes 2016, section 125A.0941, is amended to read:

84.4

125A.0941 DEFINITIONS.

84.5

(a) The following terms have the meanings given them.

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(b) "Emergency" means a situation where immediate intervention is needed to protect a child or other individual from physical injury. Emergency does not mean circumstances such as: a child who does not respond to a task or request and instead places his or her head on a desk or hides under a desk or table; a child who does not respond to a staff person's request unless failing to respond would result in physical injury to the child or other individual; or an emergency incident has already occurred and no threat of physical injury currently exists.

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(c) "Physical holding" means physical intervention intended to hold a child immobile or limit a child's movement, where body contact is the only source of physical restraint, and where immobilization is used to effectively gain control of a child in order to protect a child or other individual from physical injury. The term physical holding does not mean physical contact that:

84.18

(1) helps a child respond or complete a task;

84.19

(2) assists a child without restricting the child's movement;

84.20

(3) is needed to administer an authorized health-related service or procedure; or

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84.22

(4) is needed to physically escort a child when the child does not resist or the child's resistance is minimal.

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(d) "Positive behavioral interventions and supports" means interventions and strategies to improve the school environment and teach children the skills to behave appropriately, including the key components under section 122A.627.

84.26

(e) "Prone restraint" means placing a child in a face down position.

84.27

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(f) "Restrictive procedures" means the use of physical holding or seclusion in an emergency. Restrictive procedures must not be used to punish or otherwise discipline a child.

84.30

84.31

(g) "Seclusion" means confining a child alone in a room from which egress is barred. Egress may be barred by an adult locking or closing the door in the room or preventing the

85.1 child from leaving the room. Removing a child from an activity to a location where the
85.2 child cannot participate in or observe the activity is not seclusion.

85.3 Sec. 2. Minnesota Statutes 2016, section 125A.11, subdivision 1, is amended to read:

85.4 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and later,
85.5 when a school district provides special instruction and services for a pupil with a disability
85.6 as defined in section 125A.02 outside the district of residence, excluding a pupil for whom
85.7 an adjustment to special education aid is calculated according to section 127A.47, subdivision
85.8 7, paragraphs (b) to (d), special education aid paid to the resident district must be reduced
85.9 by an amount equal to (1) the actual cost of providing special instruction and services to
85.10 the pupil, including a proportionate amount for special transportation, plus (2) the amount
85.11 of general education revenue, excluding local optional revenue, plus local optional aid and
85.12 referendum equalization aid attributable to that pupil, calculated using the resident district's
85.13 average general education revenue and referendum equalization aid per adjusted pupil unit
85.14 excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue,
85.15 minus (3) the amount of special education aid for children with a disability under section
85.16 125A.76 received on behalf of that child, minus (4) if the pupil receives special instruction
85.17 and services outside the regular classroom for more than 60 percent of the school day, the
85.18 amount of general education revenue and referendum equalization aid, excluding portions
85.19 attributable to district and school administration, district support services, operations and
85.20 maintenance, capital expenditures, and pupil transportation, attributable to that pupil for
85.21 the portion of time the pupil receives special instruction and services outside of the regular
85.22 classroom, calculated using the resident district's average general education revenue and
85.23 referendum equalization aid per adjusted pupil unit excluding basic skills revenue, elementary
85.24 sparsity revenue and secondary sparsity revenue and the serving district's basic skills revenue,
85.25 elementary sparsity revenue and secondary sparsity revenue per adjusted pupil unit.
85.26 Notwithstanding clauses (1) and (4), for pupils served by a cooperative unit without a fiscal
85.27 agent school district, the general education revenue and referendum equalization aid
85.28 attributable to a pupil must be calculated using the resident district's average general
85.29 education revenue and referendum equalization aid excluding compensatory revenue,
85.30 elementary sparsity revenue, and secondary sparsity revenue. Special education aid paid to
85.31 the district or cooperative providing special instruction and services for the pupil must be
85.32 increased by the amount of the reduction in the aid paid to the resident district. If the resident
85.33 district's special education aid is insufficient to make the full adjustment, the remaining
85.34 adjustment shall be made to other state aid due to the district.

86.1 (b) Notwithstanding paragraph (a), when a charter school receiving special education
86.2 aid under section 124E.21, subdivision 3, provides special instruction and services for a
86.3 pupil with a disability as defined in section 125A.02, excluding a pupil for whom an
86.4 adjustment to special education aid is calculated according to section 127A.47, subdivision
86.5 7, paragraphs (b) to (e), special education aid paid to the resident district must be reduced
86.6 by an amount equal to that calculated under paragraph (a) as if the charter school received
86.7 aid under section 124E.21, subdivision 1. Notwithstanding paragraph (a), special education
86.8 aid paid to the charter school providing special instruction and services for the pupil must
86.9 not be increased by the amount of the reduction in the aid paid to the resident district.

86.10 (c) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs (b)
86.11 to (d):

86.12 (1) an intermediate district or a special education cooperative may recover unreimbursed
86.13 costs of serving pupils with a disability, including building lease, debt service, and indirect
86.14 costs necessary for the general operation of the organization, by billing membership fees
86.15 and nonmember access fees to the resident district;

86.16 (2) a charter school where more than 30 percent of enrolled students receive special
86.17 education and related services, a site approved under section 125A.515, an intermediate
86.18 district, a site constructed according to Laws 1992, chapter 558, section 7, subdivision 7,
86.19 to meet the educational needs of court-placed adolescents, or a special education cooperative
86.20 may apply to the commissioner for authority to charge the resident district an additional
86.21 amount to recover any remaining unreimbursed costs of serving pupils with a disability;

86.22 (3) the billing under clause (1) or application under clause (2) must include a description
86.23 of the costs and the calculations used to determine the unreimbursed portion to be charged
86.24 to the resident district. Amounts approved by the commissioner under clause (2) must be
86.25 included in the aid adjustments under paragraph (a), or section 127A.47, subdivision 7,
86.26 paragraphs (b) to (d), as applicable.

86.27 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph (b),
86.28 "general education revenue and referendum equalization aid" means the sum of the general
86.29 education revenue according to section 126C.10, subdivision 1, excluding the local optional
86.30 levy according to section 126C.10, subdivision 2e, paragraph (c), plus the referendum
86.31 equalization aid according to section 126C.17, subdivision 7.

86.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

87.1 Sec. 3. Minnesota Statutes 2016, section 125A.21, subdivision 2, is amended to read:

87.2 Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts shall seek
87.3 reimbursement from insurers and similar third parties for the cost of services provided by
87.4 the district whenever the services provided by the district are otherwise covered by the
87.5 child's health coverage. Districts shall request, but may not require, the child's family to
87.6 provide information about the child's health coverage when a child with a disability begins
87.7 to receive services from the district of a type that may be reimbursable, and shall request,
87.8 but may not require, updated information after that as needed.

87.9 (b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare
87.10 under chapter 256L who have no other health coverage, a district shall provide an initial
87.11 and annual written notice to the enrolled child's parent or legal representative of its intent
87.12 to seek reimbursement from medical assistance or MinnesotaCare for:

87.13 (1) the evaluations required as part of the individualized education program process or
87.14 individualized family service plan process; and

87.15 (2) health-related services provided by the district according to the individualized
87.16 education program or individualized family service plan.

87.17 The initial notice must give the child's parent or legal representative the right to request a
87.18 copy of the child's education records on the health-related services that the district provided
87.19 to the child and disclosed to a third-party payer.

87.20 (c) The district shall give the parent or legal representative annual written notice of:

87.21 (1) the district's intent to seek reimbursement from medical assistance or MinnesotaCare
87.22 for evaluations required as part of the individualized education program process or
87.23 individualized family service plan process, and for health-related services provided by the
87.24 district according to the individualized education program or individualized family service
87.25 plan;

87.26 (2) the right of the parent or legal representative to request a copy of all records
87.27 concerning individualized education program or individualized family service plan
87.28 health-related services disclosed by the district to any third party; and

87.29 (3) the right of the parent or legal representative to withdraw consent for disclosure of
87.30 a child's records at any time without consequence.

87.31 The written notice shall be provided as part of the written notice required by Code of Federal
87.32 Regulations, title 34, section 300.504 or 303.520. The district must ensure that the parent

88.1 of a child with a disability is given notice, in understandable language, of federal and state
88.2 procedural safeguards available to the parent under this paragraph and paragraph (b).

88.3 (d) In order to access the private health care coverage of a child who is covered by private
88.4 health care coverage in whole or in part, a district must:

88.5 (1) obtain annual written informed consent from the parent or legal representative, in
88.6 compliance with subdivision 5; and

88.7 (2) inform the parent or legal representative that a refusal to permit the district or state
88.8 Medicaid agency to access their private health care coverage does not relieve the district of
88.9 its responsibility to provide all services necessary to provide free and appropriate public
88.10 education at no cost to the parent or legal representative.

88.11 (e) If the commissioner of human services obtains federal approval to exempt covered
88.12 individualized education program or individualized family service plan health-related
88.13 services from the requirement that private health care coverage refuse payment before
88.14 medical assistance may be billed, paragraphs (b), (c), and (d) shall also apply to students
88.15 with a combination of private health care coverage and health care coverage through medical
88.16 assistance or MinnesotaCare.

88.17 (f) In the event that Congress or any federal agency or the Minnesota legislature or any
88.18 state agency establishes lifetime limits, limits for any health care services, cost-sharing
88.19 provisions, or otherwise provides that individualized education program or individualized
88.20 family service plan health-related services impact benefits for persons enrolled in medical
88.21 assistance or MinnesotaCare, the amendments to this subdivision adopted in 2002 are
88.22 repealed on the effective date of any federal or state law or regulation that imposes the
88.23 limits. In that event, districts must obtain informed consent consistent with this subdivision
88.24 as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement
88.25 for children enrolled in medical assistance under chapter 256B or MinnesotaCare under
88.26 chapter 256L who have no other health care coverage.

88.27 **EFFECTIVE DATE.** This section is effective August 1, 2017.

88.28 Sec. 4. Minnesota Statutes 2016, section 125A.515, is amended to read:

88.29 **125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION**
88.30 **PROGRAM.**

88.31 Subdivision 1. **Approval of on-site education programs.** The commissioner shall
88.32 approve on-site education programs for placement of children and youth in residential
88.33 facilities including detention centers, before being licensed by the Department of Human

89.1 Services or the Department of Corrections. Education programs in these facilities shall
89.2 conform to state and federal education laws including the Individuals with Disabilities
89.3 Education Act (IDEA). This section applies only to placements in children's residential
89.4 facilities licensed by the Department of Human Services or the Department of Corrections.
89.5 For purposes of this section, "on-site education program" means the educational services
89.6 provided directly on the grounds of the ~~care and treatment~~ children's residential facility to
89.7 children and youth placed for care and treatment.

89.8 Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's
89.9 residential facility is located must provide education services, including special education
89.10 if eligible, to all students placed in a facility.

89.11 (b) For education programs operated by the Department of Corrections, the providing
89.12 district shall be the Department of Corrections. For students remanded to the commissioner
89.13 of corrections, the providing and resident district shall be the Department of Corrections.

89.14 Subd. 3a. **Students without a disability from other states.** A school district is not
89.15 required to provide education services under this section to a student who:

89.16 (1) is not a resident of Minnesota;

89.17 (2) does not have an individualized education program; and

89.18 (3) does not have a tuition arrangement or agreement to pay the cost of education from
89.19 the placing authority.

89.20 Subd. 4. **Education services required.** (a) Education services must be provided to a
89.21 student beginning within three business days after the student enters the ~~care and treatment~~
89.22 children's residential facility. The first four days of the student's placement may be used to
89.23 screen the student for educational and safety issues.

89.24 (b) If the student does not meet the eligibility criteria for special education, regular
89.25 education services must be provided to that student.

89.26 Subd. 5. **Education programs for students placed in children's residential facilities.**

89.27 (a) When a student is placed in a children's residential facility ~~approved~~ under this section
89.28 that has an on-site education program, the providing district, upon notice from the ~~care and~~
89.29 ~~treatment~~ children's residential facility, must contact the resident district within one business
89.30 day to determine if a student has been identified as having a disability, and to request at
89.31 least the student's transcript, and for students with disabilities, the most recent individualized
89.32 education program (IEP) and evaluation report, ~~and to determine if the student has been~~

90.1 ~~identified as a student with a disability.~~ The resident district must send a facsimile copy to
90.2 the providing district within two business days of receiving the request.

90.3 (b) If a student placed under this section has been identified as having a disability and
90.4 has an individualized education program in the resident district:

90.5 (1) the providing agency must conduct an individualized education program meeting to
90.6 reach an agreement about continuing or modifying special education services in accordance
90.7 with the current individualized education program goals and objectives and to determine if
90.8 additional evaluations are necessary; and

90.9 (2) at least the following people shall receive written notice or documented phone call
90.10 to be followed with written notice to attend the individualized education program meeting:

90.11 (i) the person or agency placing the student;

90.12 (ii) the resident district;

90.13 (iii) the appropriate teachers and related services staff from the providing district;

90.14 (iv) appropriate staff from the children's residential facility;

90.15 (v) the parents or legal guardians of the student; and

90.16 (vi) when appropriate, the student.

90.17 (c) For a student who has not been identified as a student with a disability, a screening
90.18 must be conducted by the providing districts as soon as possible to determine the student's
90.19 educational and behavioral needs and must include a review of the student's educational
90.20 records.

90.21 **Subd. 6. Exit report summarizing educational progress.** If a student has been placed
90.22 in a facility under this section for 15 or more business days, the providing district must
90.23 prepare an exit report summarizing the regular education, special education, evaluation,
90.24 educational progress, and service information and must send the report to the resident district
90.25 and the next providing district if different, the parent or legal guardian, and any appropriate
90.26 social service agency. For students with disabilities, this report must include the student's
90.27 IEP.

90.28 **Subd. 7. Minimum educational services required.** When a student is placed in a
90.29 children's residential facility ~~approved~~ under this section, at a minimum, the providing
90.30 district is responsible for:

90.31 (1) the education necessary, including summer school services, for a student who is not
90.32 performing at grade level as indicated in the education record or IEP; and

91.1 (2) a school day, of the same length as the school day of the providing district, unless
 91.2 the unique needs of the student, as documented through the IEP or education record in
 91.3 consultation with treatment providers, requires an alteration in the length of the school day.

91.4 Subd. 8. **Placement, services, and due process.** When a student's treatment and
 91.5 educational needs allow, education shall be provided in a regular educational setting. The
 91.6 determination of the amount and site of integrated services must be a joint decision between
 91.7 the student's parents or legal guardians and the treatment and education staff. When
 91.8 applicable, educational placement decisions must be made by the IEP team of the providing
 91.9 district. Educational services shall be provided in conformance with the least restrictive
 91.10 environment principle of the Individuals with Disabilities Education Act. The providing
 91.11 district and ~~care and treatment~~ children's residential facility shall cooperatively develop
 91.12 discipline and behavior management procedures to be used in emergency situations that
 91.13 comply with the Minnesota Pupil Fair Dismissal Act and other relevant state and federal
 91.14 laws and regulations.

91.15 Subd. 9. **Reimbursement for education services.** (a) Education services provided to
 91.16 students who have been placed under this section are reimbursable in accordance with
 91.17 special education and general education statutes.

91.18 (b) Indirect or consultative services provided in conjunction with regular education
 91.19 prereferral interventions and assessment provided to regular education students suspected
 91.20 of being disabled and who have demonstrated learning or behavioral problems in a screening
 91.21 are reimbursable with special education categorical aids.

91.22 (c) Regular education, including screening, provided to students with or without
 91.23 disabilities is not reimbursable with special education categorical aids.

91.24 Subd. 10. **Students unable to attend school but not covered under this section.**
 91.25 Students who are absent from, or predicted to be absent from, school for 15 consecutive or
 91.26 intermittent days, and placed at home or in facilities not licensed by the Departments of
 91.27 Corrections or Human Services are entitled to regular and special education services
 91.28 consistent with this section or Minnesota Rules, part 3525.2325. These students include
 91.29 students with and without disabilities who are home due to accident or illness, in a hospital
 91.30 or other medical facility, or in a day treatment center.

91.31 Sec. 5. Minnesota Statutes 2016, section 125A.74, subdivision 1, is amended to read:

91.32 Subdivision 1. **Eligibility.** A district may enroll as a provider in the medical assistance
 91.33 program and receive medical assistance payments for covered evaluations and special

92.1 education services provided to persons eligible for medical assistance under chapter 256B.
92.2 To receive medical assistance payments, the district must pay the nonfederal share of medical
92.3 assistance services provided according to section 256B.0625, subdivision 26, and comply
92.4 with relevant provisions of state and federal statutes and regulations governing the medical
92.5 assistance program.

92.6 **EFFECTIVE DATE.** This section is effective August 1, 2017.

92.7 Sec. 6. Minnesota Statutes 2016, section 125A.76, subdivision 2c, is amended to read:

92.8 Subd. 2c. **Special education aid.** (a) For fiscal year 2016 and later, a district's special
92.9 education aid equals the sum of the district's special education initial aid under subdivision
92.10 2a and the district's excess cost aid under section 125A.79, subdivision 5.

92.11 (b) Notwithstanding paragraph (a), for fiscal year 2016, the special education aid for a
92.12 school district must not exceed the sum of the special education aid the district would have
92.13 received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76 and 125A.79,
92.14 as adjusted according to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision
92.15 7, and the product of the district's average daily membership served and the special education
92.16 aid increase limit.

92.17 (c) Notwithstanding paragraph (a), for fiscal year 2017 and later, the special education
92.18 aid for a school district must not exceed the sum of: (i) the product of the district's average
92.19 daily membership served and the special education aid increase limit and (ii) the product
92.20 of the sum of the special education aid the district would have received for fiscal year 2016
92.21 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to
92.22 Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of the
92.23 district's average daily membership served for the current fiscal year to the district's average
92.24 daily membership served for fiscal year 2016, and the program growth factor.

92.25 (d) Notwithstanding paragraph (a), for fiscal year 2016 and later the special education
92.26 aid for a school district, not including a charter school or cooperative unit as defined in
92.27 section 123A.24, must not be less than the lesser of (1) the district's nonfederal special
92.28 education expenditures for that fiscal year or (2) the product of the sum of the special
92.29 education aid the district would have received for fiscal year 2016 under Minnesota Statutes
92.30 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012,
92.31 sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted daily
92.32 membership for the current fiscal year to the district's average daily membership for fiscal
92.33 year 2016, and the program growth factor.

93.1 (e) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first year
 93.2 of operation shall generate special education aid based on current year data. A newly formed
 93.3 cooperative unit as defined in section 123A.24 may apply to the commissioner for approval
 93.4 to generate special education aid for its first year of operation based on current year data,
 93.5 with an offsetting adjustment to the prior year data used to calculate aid for programs at
 93.6 participating school districts or previous cooperatives that were replaced by the new
 93.7 cooperative. The department shall establish procedures to adjust the prior year data and
 93.8 fiscal year 2016 old formula aid used in calculating special education aid to exclude costs
 93.9 that have been eliminated for districts where programs have closed or where a substantial
 93.10 portion of the program has been transferred to a cooperative unit.

93.11 (f) The department shall establish procedures through the uniform financial accounting
 93.12 and reporting system to identify and track all revenues generated from third-party billings
 93.13 as special education revenue at the school district level; include revenue generated from
 93.14 third-party billings as special education revenue in the annual cross-subsidy report; and
 93.15 exclude third-party revenue from calculation of excess cost aid to the districts.

93.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

93.17 Sec. 7. Minnesota Statutes 2016, section 256B.0625, subdivision 26, is amended to read:

93.18 Subd. 26. **Special education services.** (a) Medical assistance covers evaluations necessary
 93.19 in making a determination for eligibility for individualized education program and
 93.20 individualized family service plan services and for medical services identified in a recipient's
 93.21 individualized education program and individualized family service plan and covered under
 93.22 the medical assistance state plan. Covered services include occupational therapy, physical
 93.23 therapy, speech-language therapy, clinical psychological services, nursing services, school
 93.24 psychological services, school social work services, personal care assistants serving as
 93.25 management aides, assistive technology devices, transportation services, health assessments,
 93.26 and other services covered under the medical assistance state plan. Mental health services
 93.27 eligible for medical assistance reimbursement must be provided or coordinated through a
 93.28 children's mental health collaborative where a collaborative exists if the child is included
 93.29 in the collaborative operational target population. The provision or coordination of services
 93.30 does not require that the individualized education program be developed by the collaborative.

93.31 The services may be provided by a Minnesota school district that is enrolled as a medical
 93.32 assistance provider or its subcontractor, and only if the services meet all the requirements
 93.33 otherwise applicable if the service had been provided by a provider other than a school
 93.34 district, in the following areas: medical necessity, physician's orders, documentation,

94.1 personnel qualifications, and prior authorization requirements. The nonfederal share of costs
94.2 for services provided under this subdivision is the responsibility of the local school district
94.3 as provided in section 125A.74. Services listed in a child's individualized education program
94.4 are eligible for medical assistance reimbursement only if those services meet criteria for
94.5 federal financial participation under the Medicaid program.

94.6 (b) Approval of health-related services for inclusion in the individualized education
94.7 program does not require prior authorization for purposes of reimbursement under this
94.8 chapter. The commissioner may require physician review and approval of the plan not more
94.9 than once annually or upon any modification of the individualized education program that
94.10 reflects a change in health-related services.

94.11 (c) Services of a speech-language pathologist provided under this section are covered
94.12 notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

94.13 (1) holds a masters degree in speech-language pathology;

94.14 (2) is licensed by the Minnesota Board of Teaching as an educational speech-language
94.15 pathologist; and

94.16 (3) either has a certificate of clinical competence from the American Speech and Hearing
94.17 Association, has completed the equivalent educational requirements and work experience
94.18 necessary for the certificate or has completed the academic program and is acquiring
94.19 supervised work experience to qualify for the certificate.

94.20 (d) Medical assistance coverage for medically necessary services provided under other
94.21 subdivisions in this section may not be denied solely on the basis that the same or similar
94.22 services are covered under this subdivision.

94.23 (e) The commissioner shall develop and implement package rates, bundled rates, or per
94.24 diem rates for special education services under which separately covered services are grouped
94.25 together and billed as a unit in order to reduce administrative complexity.

94.26 (f) The commissioner shall develop a cost-based payment structure for payment of these
94.27 services. Only costs reported through the designated Minnesota Department of Education
94.28 data systems in distinct service categories qualify for inclusion in the cost-based payment
94.29 structure. The commissioner shall reimburse claims submitted based on an interim rate, and
94.30 shall settle at a final rate once the department has determined it. The commissioner shall
94.31 notify the school district of the final rate. The school district has 60 days to appeal the final
94.32 rate. To appeal the final rate, the school district shall file a written appeal request to the
94.33 commissioner within 60 days of the date the final rate determination was mailed. The appeal

95.1 request shall specify (1) the disputed items and (2) the name and address of the person to
95.2 contact regarding the appeal.

95.3 (g) Effective July 1, 2000, medical assistance services provided under an individualized
95.4 education program or an individual family service plan by local school districts shall not
95.5 count against medical assistance authorization thresholds for that child.

95.6 (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an
95.7 individualized education program health-related service, are eligible for medical assistance
95.8 payment if they are otherwise a covered service under the medical assistance program.
95.9 Medical assistance covers the administration of prescription medications by a licensed nurse
95.10 who is employed by or under contract with a school district when the administration of
95.11 medications is identified in the child's individualized education program. The simple
95.12 administration of medications alone is not covered under medical assistance when
95.13 administered by a provider other than a school district or when it is not identified in the
95.14 child's individualized education program.

95.15 **EFFECTIVE DATE.** This section is effective August 1, 2017.

95.16 Sec. 8. Laws 2016, chapter 189, article 25, section 62, subdivision 17, is amended to read:

95.17 Subd. 17. **Southwest Minnesota State University special education teacher education**
95.18 **program.** (a) For the Southwest Minnesota State University special education teacher
95.19 education program to support Minnesota ~~resident~~ residents working toward licensure in an
95.20 online program, including persons currently employed as:

95.21 (1) special education paraprofessionals working toward licensure in an online program;

95.22 (2) teachers without a special education license working on a variance; or

95.23 (3) individuals teaching with a community expert license:

95.24 \$ 385,000
95.25 \$ 132,000 2017

95.26 \$ 253,000 2018

95.27 (b) \$253,000 of the \$385,000 appropriation in Laws 2016, chapter 189, article 25, section
95.28 62, subdivision 17, is canceled to the state general fund on June 30, 2017.

95.29 ~~The base for this program in fiscal year 2018 is \$0.~~ (c) The 2018 appropriation is available
95.30 until June 30, 2019.

95.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

96.1 Sec. 9. **SPECIAL EDUCATION ASSISTIVE TECHNOLOGY STUDY.**

96.2 Subdivision 1. **Study.** The commissioner of education must examine the use of assistive
 96.3 technology in Minnesota school districts. The commissioner may examine financial data,
 96.4 survey school officials, and use other methods to collect data on the use of assistive
 96.5 technology by Minnesota's students. The commissioner must consult with the Minnesota
 96.6 Assistive Technology Advisory Council and other interested organizations to determine the
 96.7 scope and focus of the study.

96.8 Subd. 2. **Data reporting.** The commissioner must examine the federally required uniform
 96.9 financial accounting and reporting standards object codes and, if necessary, recommend
 96.10 changes to better capture school district spending on assistive technology. The commissioner
 96.11 must examine approaches to collecting additional student-level assistive technology data
 96.12 through the electronic data reporting system.

96.13 Subd. 3. **Assistive technology manual.** The commissioner must examine the department's
 96.14 assistive technology manual, and determine whether to prepare a revised manual.

96.15 Subd. 4. **Report.** The commissioner of education must report to the chairs and ranking
 96.16 minority members of the legislative committees with jurisdiction over kindergarten through
 96.17 grade 12 education by February 15, 2018, on the use of assistive technology by Minnesota's
 96.18 students and recommend statutory changes to encourage individualized education programs
 96.19 and individualized family service plans to incorporate a child-centered assistive technology
 96.20 plan.

96.21 Sec. 10. **APPROPRIATIONS.**

96.22 Subdivision 1. **Department of Education.** The sums indicated in this section are
 96.23 appropriated from the general fund to the Department of Education for the fiscal years
 96.24 designated.

96.25 Subd. 2. **Special education; regular.** For special education aid under Minnesota Statutes,
 96.26 section 125A.75:

96.27 \$ 1,338,867,000 2018

96.28 \$ 1,425,924,000 2019

96.29 The 2018 appropriation includes \$156,403,000 for 2017 and \$1,182,464,000 for 2018.

96.30 The 2019 appropriation includes \$131,384,000 for 2018 and \$1,294,540,000 for 2019.

97.1 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 97.2 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 97.3 the district boundaries for whom no district of residence can be determined:

97.4 \$ 1,597,000 2018

97.5 \$ 1,830,000 2019

97.6 If the appropriation for either year is insufficient, the appropriation for the other year is
 97.7 available.

97.8 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based
 97.9 services under Minnesota Statutes, section 125A.75, subdivision 1:

97.10 \$ 508,000 2018

97.11 \$ 532,000 2019

97.12 The 2018 appropriation includes \$48,000 for 2017 and \$460,000 for 2018.

97.13 The 2019 appropriation includes \$51,000 for 2018 and \$481,000 for 2019.

97.14 Subd. 5. **Court-placed special education revenue.** For reimbursing serving school
 97.15 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 97.16 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

97.17 \$ 46,000 2018

97.18 \$ 47,000 2019

97.19 Subd. 6. **Special education out-of-state tuition.** For special education out-of-state
 97.20 tuition under Minnesota Statutes, section 125A.79, subdivision 8:

97.21 \$ 250,000 2018

97.22 \$ 250,000 2019

97.23 **Sec. 11. REPEALER.**

97.24 Minnesota Statutes 2016, sections 125A.75, subdivision 7; and 125A.76, subdivision
 97.25 2b, are repealed effective for fiscal year 2018 and later.

97.26 **ARTICLE 5**

97.27 **FACILITIES AND TECHNOLOGY**

97.28 Section 1. Minnesota Statutes 2016, section 43A.08, subdivision 1, is amended to read:

97.29 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees
 97.30 who are:

97.31 (1) chosen by election or appointed to fill an elective office;

98.1 (2) heads of agencies required by law to be appointed by the governor or other elective
98.2 officers, and the executive or administrative heads of departments, bureaus, divisions, and
98.3 institutions specifically established by law in the unclassified service;

98.4 (3) deputy and assistant agency heads and one confidential secretary in the agencies
98.5 listed in subdivision 1a and in the Office of Strategic and Long-Range Planning;

98.6 (4) the confidential secretary to each of the elective officers of this state and, for the
98.7 secretary of state and state auditor, an additional deputy, clerk, or employee;

98.8 (5) intermittent help employed by the commissioner of public safety to assist in the
98.9 issuance of vehicle licenses;

98.10 (6) employees in the offices of the governor and of the lieutenant governor and one
98.11 confidential employee for the governor in the Office of the Adjutant General;

98.12 (7) employees of the Washington, D.C., office of the state of Minnesota;

98.13 (8) employees of the legislature and of legislative committees or commissions; provided
98.14 that employees of the Legislative Audit Commission, except for the legislative auditor, the
98.15 deputy legislative auditors, and their confidential secretaries, shall be employees in the
98.16 classified service;

98.17 (9) presidents, vice-presidents, deans, other managers and professionals in academic
98.18 and academic support programs, administrative or service faculty, teachers, research
98.19 assistants, and student employees eligible under terms of the federal Economic Opportunity
98.20 Act work study program in the ~~Perpich Center for Arts Education and the Minnesota State~~
98.21 ~~Colleges and Universities~~, but not the custodial, clerical, or maintenance employees, or any
98.22 professional or managerial employee performing duties in connection with the business
98.23 administration of these institutions;

98.24 (10) officers and enlisted persons in the National Guard;

98.25 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney
98.26 general or employed with the attorney general's authorization;

98.27 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and
98.28 notaries public, except referees and adjusters employed by the Department of Labor and
98.29 Industry;

98.30 (13) members of the State Patrol; provided that selection and appointment of State Patrol
98.31 troopers must be made in accordance with applicable laws governing the classified service;

99.1 (14) examination monitors and intermittent training instructors employed by the
99.2 Departments of Management and Budget and Commerce and by professional examining
99.3 boards and intermittent staff employed by the technical colleges for the administration of
99.4 practical skills tests and for the staging of instructional demonstrations;

99.5 (15) student workers;

99.6 (16) executive directors or executive secretaries appointed by and reporting to any
99.7 policy-making board or commission established by statute;

99.8 (17) employees unclassified pursuant to other statutory authority;

99.9 (18) intermittent help employed by the commissioner of agriculture to perform duties
99.10 relating to pesticides, fertilizer, and seed regulation;

99.11 (19) the administrators and the deputy administrators at the State Academies for the
99.12 Deaf and the Blind; and

99.13 (20) chief executive officers in the Department of Human Services.

99.14 **EFFECTIVE DATE.** This section is effective June 30, 2018.

99.15 Sec. 2. Minnesota Statutes 2016, section 43A.08, subdivision 1a, is amended to read:

99.16 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
99.17 agencies may designate additional unclassified positions according to this subdivision: the
99.18 Departments of Administration; Agriculture; Commerce; Corrections; Education;
99.19 Employment and Economic Development; Explore Minnesota Tourism; Management and
99.20 Budget; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety;
99.21 Human Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and
99.22 Pollution Control Agencies; the State Lottery; the State Board of Investment; the Office of
99.23 Administrative Hearings; the Office of MN.IT Services; the Offices of the Attorney General,
99.24 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the
99.25 Minnesota Office of Higher Education; ~~the Perpich Center for Arts Education;~~ and the
99.26 Minnesota Zoological Board.

99.27 A position designated by an appointing authority according to this subdivision must
99.28 meet the following standards and criteria:

99.29 (1) the designation of the position would not be contrary to other law relating specifically
99.30 to that agency;

99.31 (2) the person occupying the position would report directly to the agency head or deputy
99.32 agency head and would be designated as part of the agency head's management team;

100.1 (3) the duties of the position would involve significant discretion and substantial
100.2 involvement in the development, interpretation, and implementation of agency policy;

100.3 (4) the duties of the position would not require primarily personnel, accounting, or other
100.4 technical expertise where continuity in the position would be important;

100.5 (5) there would be a need for the person occupying the position to be accountable to,
100.6 loyal to, and compatible with, the governor and the agency head, the employing statutory
100.7 board or commission, or the employing constitutional officer;

100.8 (6) the position would be at the level of division or bureau director or assistant to the
100.9 agency head; and

100.10 (7) the commissioner has approved the designation as being consistent with the standards
100.11 and criteria in this subdivision.

100.12 **EFFECTIVE DATE.** This section is effective June 30, 2018.

100.13 Sec. 3. **[121A.335] LEAD IN SCHOOL DRINKING WATER.**

100.14 **Subdivision 1. Model plan.** The commissioners of health and education shall jointly
100.15 develop a model plan to require school districts to accurately and efficiently test for the
100.16 presence of lead in water in public school buildings serving students in kindergarten through
100.17 grade 12. To the extent possible, the commissioners shall base the plan on the standards
100.18 established by the United States Environmental Protection Agency. The plan may be based
100.19 on the technical guidance in the Department of Health's document, "Reducing Lead in
100.20 Drinking Water: A Technical Guidance for Minnesota's School and Child Care Facilities."

100.21 **Subd. 2. School plans.** By July 1, 2018, the board of each school district or charter
100.22 school must adopt the commissioners' model plan or develop and adopt an alternative plan
100.23 to accurately and efficiently test for the presence of lead in water in school buildings serving
100.24 prekindergarten students and students in kindergarten through grade 12.

100.25 **Subd. 3. Frequency of testing.** The plan under subdivision 2 must include a testing
100.26 schedule for every building serving prekindergarten through grade 12 students. The schedule
100.27 must require that each building be tested at least once every five years. A school district
100.28 must begin testing school buildings by July 1, 2018, and complete testing of all buildings
100.29 that serve students within five years.

100.30 **Subd. 4. Ten-year facilities plan.** A school district may include lead testing and
100.31 remediation as a part of its ten-year facilities plan under section 123B.595.

101.1 Subd. 5. Reporting. A school district that has tested its buildings for the presence of
 101.2 lead shall make the results of the testing available to the public for review and must notify
 101.3 parents of the availability of the information.

101.4 EFFECTIVE DATE. This section is effective July 1, 2017.

101.5 Sec. 4. Minnesota Statutes 2016, section 122A.416, is amended to read:

101.6 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE FOR**
 101.7 **~~PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT~~**
 101.8 **INTEGRATION COLLABORATIVES.**

101.9 Notwithstanding sections 122A.414, 122A.415, and 126C.10, multidistrict integration
 101.10 collaboratives ~~and the Perpich Center for Arts Education~~ are eligible to receive alternative
 101.11 teacher compensation revenue as if they were intermediate school districts. To qualify for
 101.12 alternative teacher compensation revenue, a multidistrict integration collaborative ~~or the~~
 101.13 ~~Perpich Center for Arts Education~~ must meet all of the requirements of sections 122A.414
 101.14 and 122A.415 that apply to intermediate school districts, must report its enrollment as of
 101.15 October 1 of each year to the department, and must annually report its expenditures for the
 101.16 alternative teacher professional pay system consistent with the uniform financial accounting
 101.17 and reporting standards to the department by November 30 of each year.

101.18 EFFECTIVE DATE. This section is effective June 30, 2018.

101.19 Sec. 5. Minnesota Statutes 2016, section 123A.30, subdivision 6, is amended to read:

101.20 **Subd. 6. Severance pay.** A district must pay severance pay to a teacher who is placed
 101.21 on unrequested leave of absence by the district as a result of the agreement. A teacher is
 101.22 eligible under this subdivision if the teacher:

101.23 (1) is a teacher, but not a superintendent;

101.24 (2) has a continuing contract with the district according to section 122A.40, subdivision
 101.25 7.

101.26 The amount of severance pay must be equal to the teacher's salary for the school year
 101.27 during which the teacher was placed on unrequested leave of absence minus the gross
 101.28 amount the teacher was paid during the 12 months following the teacher's termination of
 101.29 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
 101.30 license, and minus the amount a teacher receives as severance or other similar pay according
 101.31 to a contract with the district or district policy. These entities requiring a valid Minnesota
 101.32 teaching license include, but are not limited to, the district that placed the teacher on

102.1 unrequested leave of absence, another district in Minnesota, an education district, an
102.2 intermediate school district, a service cooperative, a board formed under section 471.59, a
102.3 state residential academy, ~~the Perpich Center for Arts Education~~, a vocational center, or a
102.4 special education cooperative. These entities do not include a district in another state, a
102.5 Minnesota public postsecondary institution, or a state agency. Only amounts earned by the
102.6 teacher as a substitute teacher or in a position requiring a valid Minnesota teaching license
102.7 shall be subtracted. A teacher may decline any offer of employment as a teacher without
102.8 loss of rights to severance pay.

102.9 To determine the amount of severance pay that is due for the first six months following
102.10 termination of the teacher's salary, the district may require the teacher to provide documented
102.11 evidence of the teacher's employers and gross earnings during that period. The district must
102.12 pay the teacher the amount of severance pay it determines to be due from the proceeds of
102.13 the levy for this purpose. To determine the amount of severance pay that is due for the
102.14 second six months of the 12 months following the termination of the teacher's salary, the
102.15 district may require the teacher to provide documented evidence of the teacher's employers
102.16 and gross earnings during that period. The district must pay the teacher the amount of
102.17 severance pay it determines to be due from the proceeds of the levy for this purpose.

102.18 A teacher who receives severance pay under this subdivision waives all further
102.19 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
102.20 severance pay, the teacher shall not receive credit for any years of service in the district
102.21 paying severance pay prior to the year in which the teacher becomes eligible to receive
102.22 severance pay.

102.23 The severance pay is subject to section 465.72. The district may levy annually according
102.24 to section 126C.43, for the severance pay.

102.25 **EFFECTIVE DATE.** This section is effective June 30, 2018.

102.26 Sec. 6. Minnesota Statutes 2016, section 123A.73, subdivision 2, is amended to read:

102.27 Subd. 2. ~~Involuntary Dissolution; referendum revenue.~~ As of the effective date of
102.28 the voluntary or involuntary dissolution of a district and its attachment to one or more
102.29 existing districts pursuant to sections 123A.60 or 123A.64 to 123A.72, the authorization
102.30 for any referendum revenue previously approved by the voters of the dissolved district in
102.31 that district pursuant to section 126C.17, subdivision 9, or its predecessor or successor
102.32 provision, is canceled. The authorization for any referendum revenue previously approved
102.33 by the voters of a district to which all or part of the dissolved district is attached shall not

103.1 be affected by the attachment and shall apply to the entire area of the district as enlarged
103.2 by the attachment.

103.3 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2017.

103.4 Sec. 7. Minnesota Statutes 2016, section 123B.595, subdivision 1, is amended to read:

103.5 Subdivision 1. **Long-term facilities maintenance revenue.** (a) For fiscal year 2017
103.6 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$193
103.7 times the district's adjusted pupil units times the lesser of one or the ratio of the district's
103.8 average building age to 35 years, plus the cost approved by the commissioner for indoor
103.9 air quality, fire alarm and suppression, and asbestos abatement projects under section
103.10 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (ii) for a
103.11 school district with an approved voluntary prekindergarten program under section 124D.151,
103.12 the cost approved by the commissioner for remodeling existing instructional space to
103.13 accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would
103.14 have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes
103.15 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school
103.16 district with an approved voluntary prekindergarten program under section 124D.151, the
103.17 cost approved by the commissioner for remodeling existing instructional space to
103.18 accommodate prekindergarten instruction.

103.19 (b) For fiscal year 2018 only, long-term facilities maintenance revenue equals the greater
103.20 of (1) the sum of (i) \$292 times the district's adjusted pupil units times the lesser of one or
103.21 the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the
103.22 commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement
103.23 projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more
103.24 per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten program
103.25 under section 124D.151, the cost approved by the commissioner for remodeling existing
103.26 instructional space to accommodate prekindergarten instruction,~~ or (2) the sum of (i) the
103.27 amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57,
103.28 Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591,
103.29 ~~and (ii) for a school district with an approved voluntary prekindergarten program under
103.30 section 124D.151, the cost approved by the commissioner for remodeling existing
103.31 instructional space to accommodate prekindergarten instruction.~~

103.32 (c) For fiscal year 2019 and later, long-term facilities maintenance revenue equals the
103.33 greater of (1) the sum of (i) \$380 times the district's adjusted pupil units times the lesser of
103.34 one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved

104.1 by the commissioner for indoor air quality, fire alarm and suppression, and asbestos
 104.2 abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000
 104.3 or more per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten~~
 104.4 ~~program under section 124D.151, the cost approved by the commissioner for remodeling~~
 104.5 ~~existing instructional space to accommodate prekindergarten instruction, or (2) the sum of~~
 104.6 ~~(i) the amount the district would have qualified for under Minnesota Statutes 2014, section~~
 104.7 ~~123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section~~
 104.8 ~~123B.591, and (ii) for a school district with an approved voluntary prekindergarten program~~
 104.9 ~~under section 124D.151, the cost approved by the commissioner for remodeling existing~~
 104.10 ~~instructional space to accommodate prekindergarten instruction.~~

104.11 (d) Notwithstanding paragraphs (a), (b), and (c), a school district that qualified for
 104.12 eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a),
 104.13 for fiscal year 2010 remains eligible for funding under this section as a district that would
 104.14 have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision
 104.15 1, paragraph (a), for fiscal year 2017 and later.

104.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

104.17 Sec. 8. Minnesota Statutes 2016, section 123B.595, subdivision 4, is amended to read:

104.18 Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school district
 104.19 or intermediate district, not including a charter school, must have a ten-year facility plan
 104.20 adopted by the school board and approved by the commissioner. The plan must include
 104.21 provisions for implementing a health and safety program that complies with health, safety,
 104.22 and environmental regulations and best practices, including indoor air quality management
 104.23 and remediation of lead hazards.

104.24 (b) The district must annually update the plan, submit the plan to the commissioner for
 104.25 approval by July 31, and indicate whether the district will issue bonds to finance the plan
 104.26 or levy for the costs.

104.27 (c) For school districts issuing bonds to finance the plan, the plan must include a debt
 104.28 service schedule demonstrating that the debt service revenue required to pay the principal
 104.29 and interest on the bonds each year will not exceed the projected long-term facilities revenue
 104.30 for that year.

104.31 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

105.1 Sec. 9. Minnesota Statutes 2016, section 123B.71, subdivision 11, is amended to read:

105.2 Subd. 11. **Review of proposals.** In reviewing each proposal, the commissioner shall
105.3 submit to the school board, within 60 days of receiving the proposal, the review and comment
105.4 about the educational and economic advisability of the project. The commissioner must
105.5 include comments from residents of the school district in the review and comment. The
105.6 review and comment shall be based on information submitted with the proposal and other
105.7 information the commissioner determines is necessary. If the commissioner submits a
105.8 negative review and comment for a portion of a proposal, the review and comment shall
105.9 clearly specify which portion of the proposal received a negative review and comment and
105.10 which portion of the proposal received a positive review and comment.

105.11 Sec. 10. Minnesota Statutes 2016, section 123B.71, subdivision 12, is amended to read:

105.12 Subd. 12. **Publication.** (a) At least 20 days but not more than 60 days before a referendum
105.13 for bonds or solicitation of bids for a project that has received a positive or unfavorable
105.14 review and comment under section 123B.70, the school board shall publish a summary of
105.15 the commissioner's review and comment of that project in the legal newspaper of the district.
105.16 The school board must hold a public meeting to discuss the commissioner's review and
105.17 comment before the referendum for bonds. Supplementary information shall be available
105.18 to the public.

105.19 (b) The publication requirement in paragraph (a) does not apply to alternative facilities
105.20 projects approved under section ~~123B.59~~ 123B.595.

105.21 Sec. 11. Minnesota Statutes 2016, section 124D.05, subdivision 3, is amended to read:

105.22 Subd. 3. **Severance pay.** A district must pay severance pay to a teacher who is placed
105.23 on unrequested leave of absence by the district as a result of an agreement under this section.
105.24 A teacher is eligible under this subdivision if the teacher:

105.25 (1) is a teacher, as defined in section 122A.40, subdivision 1, but not a superintendent;

105.26 (2) has a continuing contract with the district according to section 122A.40, subdivision
105.27 7.

105.28 The amount of severance pay must be equal to the teacher's salary for the school year
105.29 during which the teacher was placed on unrequested leave of absence minus the gross
105.30 amount the teacher was paid during the 12 months following the teacher's termination of
105.31 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
105.32 license, and minus the amount a teacher receives as severance or other similar pay according

106.1 to a contract with the district or district policy. These entities include, but are not limited
106.2 to, the district that placed the teacher on unrequested leave of absence, another district in
106.3 Minnesota, an education district, an intermediate school district, a service cooperative, a
106.4 board formed under section 471.59, a state residential academy, ~~the Perpich Center for Arts~~
106.5 ~~Education~~, a vocational center, or a special education cooperative. These entities do not
106.6 include a district in another state, a Minnesota public postsecondary institution, or a state
106.7 agency. Only amounts earned by the teacher as a substitute teacher or in a position requiring
106.8 a valid Minnesota teaching license shall be subtracted. A teacher may decline any offer of
106.9 employment as a teacher without loss of rights to severance pay.

106.10 To determine the amount of severance pay that is due for the first six months following
106.11 termination of the teacher's salary, the district may require the teacher to provide documented
106.12 evidence of the teacher's employers and gross earnings during that period. The district must
106.13 pay the teacher the amount of severance pay it determines to be due from the proceeds of
106.14 the levy for this purpose. To determine the amount of severance pay that is due for the
106.15 second six months of the 12 months following the termination of the teacher's salary, the
106.16 district may require the teacher to provide documented evidence of the teacher's employers
106.17 and gross earnings during that period. The district must pay the teacher the amount of
106.18 severance pay it determines to be due from the proceeds of the levy for this purpose.

106.19 A teacher who receives severance pay under this subdivision waives all further
106.20 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
106.21 severance pay, the teacher must not receive credit for any years of service in the district
106.22 paying severance pay prior to the year in which the teacher becomes eligible to receive
106.23 severance pay.

106.24 The severance pay is subject to section 465.72. The district may levy annually according
106.25 to section 126C.43 for the severance pay.

106.26 **EFFECTIVE DATE.** This section is effective June 30, 2018.

106.27 **Sec. 12. [127A.155] LOLA AND RUDY PERPICH ARTS EDUCATION DIVISION.**

106.28 **Subdivision 1. Establishment of arts education division.** The department must provide
106.29 arts support services to school districts throughout Minnesota through the establishment of
106.30 the Lola and Rudy Perpich arts education and outreach division.

106.31 **Subd. 2. Division responsibilities.** (a) The Perpich division must offer resources and
106.32 outreach services statewide to enhance arts education opportunities for pupils in elementary

107.1 and secondary school. The Perpich division must work with school districts across Minnesota
107.2 to:

107.3 (1) gather and conduct research in arts education;

107.4 (2) develop exemplary curriculum, instructional practices, and assessments;

107.5 (3) disseminate information regarding arts education opportunities; and

107.6 (4) provide materials, training, and assistance to the arts education committees in school
107.7 districts.

107.8 (b) The Perpich division must collaborate with the commissioner of education to develop
107.9 arts standards and strengthen state policies related to arts education.

107.10 (c) The Perpich division must serve as liaison for the Department of Education to national
107.11 organizations for arts education.

107.12 (d) The commissioner may, on behalf of the Perpich division, apply for funds from
107.13 public and private sources.

107.14 **EFFECTIVE DATE.** This section is effective July 1, 2017.

107.15 Sec. 13. Minnesota Statutes 2016, section 297A.70, subdivision 2, is amended to read:

107.16 Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b), to the
107.17 following governments and political subdivisions, or to the listed agencies or instrumentalities
107.18 of governments and political subdivisions, are exempt:

107.19 (1) the United States and its agencies and instrumentalities;

107.20 (2) school districts, local governments, the University of Minnesota, state universities,
107.21 community colleges, technical colleges, state academies, ~~the Perpich Minnesota Center for~~
107.22 ~~Arts Education~~, and an instrumentality of a political subdivision that is accredited as an
107.23 optional/special function school by the North Central Association of Colleges and Schools;

107.24 (3) hospitals and nursing homes owned and operated by political subdivisions of the
107.25 state of tangible personal property and taxable services used at or by hospitals and nursing
107.26 homes;

107.27 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council
107.28 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt
107.29 through December 31, 2016;

107.30 (5) other states or political subdivisions of other states, if the sale would be exempt from
107.31 taxation if it occurred in that state; and

108.1 (6) public libraries, public library systems, multicounty, multitype library systems as
108.2 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
108.3 the state library under section 480.09, and the Legislative Reference Library.

108.4 (b) This exemption does not apply to the sales of the following products and services:

108.5 (1) building, construction, or reconstruction materials purchased by a contractor or a
108.6 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
108.7 maximum price covering both labor and materials for use in the construction, alteration, or
108.8 repair of a building or facility;

108.9 (2) construction materials purchased by tax exempt entities or their contractors to be
108.10 used in constructing buildings or facilities which will not be used principally by the tax
108.11 exempt entities;

108.12 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except
108.13 for leases entered into by the United States or its agencies or instrumentalities;

108.14 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
108.15 and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
108.16 subdivision 2, except for lodging, prepared food, candy, soft drinks, and alcoholic beverages
108.17 purchased directly by the United States or its agencies or instrumentalities; or

108.18 (5) goods or services purchased by a local government as inputs to a liquor store, gas
108.19 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
108.20 course, marina, campground, cafe, or laundromat.

108.21 (c) As used in this subdivision, "school districts" means public school entities and districts
108.22 of every kind and nature organized under the laws of the state of Minnesota, and any
108.23 instrumentality of a school district, as defined in section 471.59.

108.24 (d) For purposes of the exemption granted under this subdivision, "local governments"
108.25 has the following meaning:

108.26 (1) for the period prior to January 1, 2017, local governments means statutory or home
108.27 rule charter cities, counties, and townships; and

108.28 (2) beginning January 1, 2017, local governments means statutory or home rule charter
108.29 cities, counties, and townships; special districts as defined under section 6.465; any
108.30 instrumentality of a statutory or home rule charter city, county, or township as defined in
108.31 section 471.59; and any joint powers board or organization created under section 471.59.

108.32 **EFFECTIVE DATE.** This section is effective June 30, 2018.

109.1 Sec. 14. Laws 2016, chapter 189, article 30, section 25, subdivision 5, is amended to read:

109.2 Subd. 5. **Early repayment aid incentive.** (a) For incentive grants for a district that
 109.3 repays the full outstanding original principal on its capital loan by November 30, 2016,
 109.4 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by this
 109.5 act:

109.6 \$ ~~2,200,000~~
 109.7 \$ 2,350,000 2017

109.8 (b) Of this amount, \$150,000 is for a grant to Independent School District No. 36,
 109.9 Kelliher; \$180,000 is for a grant to Independent School District No. 95, Cromwell; \$495,000
 109.10 is for a grant to Independent School District No. 299, Caledonia; \$220,000 is for a grant to
 109.11 Independent School District No. 306, Laporte; \$150,000 is for a grant to Independent School
 109.12 District No. 362, Littlefork; \$650,000 is for a grant to Independent School District No. 682,
 109.13 Roseau; and \$505,000 is for a grant to Independent School District No. 2580, East Central.

109.14 (c) The grant may be used for any school-related purpose.

109.15 (d) The base appropriation for 2022 is zero.

109.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

109.17 Sec. 15. **DISPOSITION OF CROSSWINDS SCHOOL; PROCEEDS OF SALE.**

109.18 (a) Notwithstanding the appropriation of state general obligation bond proceeds in Laws
 109.19 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3;
 109.20 Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session
 109.21 chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5,
 109.22 subdivision 3, to acquire and better the Crosswinds school facilities by the Joint Powers
 109.23 District No. 6067, East Metro Integration District, in Woodbury, the Crosswinds school
 109.24 may be conveyed or sold by the commissioner of administration in accordance with
 109.25 Minnesota Statutes, sections 16B.281 to 16B.287.

109.26 (b) As soon as practicable following July 1, 2017, and consistent with Minnesota Statutes,
 109.27 sections 16A.695 and 16B.281 to 16B.287, and constraints on the disposition of
 109.28 bond-financed property, the commissioner of administration shall offer the Crosswinds
 109.29 school property for sale. Before offering the Crosswinds school property for sale, the
 109.30 commissioner of administration must determine that the property is no longer needed to
 109.31 carry out the governmental program for which it was acquired or constructed.

109.32 **EFFECTIVE DATE.** This section is effective July 1, 2017.

110.1 Sec. 16. **TRANSITION REQUIREMENTS; CROSSWINDS SCHOOL.**

110.2 For the 2017-2018 school year only, for a school district or charter school enrolling
110.3 pupils at the Crosswinds school, the Department of Education must calculate compensatory
110.4 revenue, literacy aid, and alternative compensation revenue for the Crosswinds school based
110.5 on the October 1, 2016, enrollment counts at that site.

110.6 **EFFECTIVE DATE.** This section is effective July 1, 2017.

110.7 Sec. 17. **PERPICH CENTER FOR ARTS EDUCATION CLOSURE.**

110.8 **Subdivision 1. Perpich Center for Arts Education abolished.** (a) The Perpich Center
110.9 for Arts Education (Perpich Center) is abolished effective June 30, 2018. Abolishment under
110.10 this section does not reduce or otherwise limit the powers and authority of the Perpich Center
110.11 during the concluding duration of its existence.

110.12 (b) Notwithstanding any other law, any unexpended and unencumbered appropriations
110.13 to the Perpich Center lapse to the fund or account from which they were appropriated on
110.14 June 30, 2018. All money in a dedicated fund or account of the Perpich Center on June 30,
110.15 2018, must be transferred to the general fund.

110.16 **Subd. 2. Library.** All property in the Perpich Arts Library is transferred to the State
110.17 Library Services Division of the Department of Education, in accordance with Minnesota
110.18 Statutes, section 15.039, subdivisions 5 and 8, effective June 1, 2018.

110.19 **Subd. 3. Student enrollment.** Students enrolled in the Perpich Arts High School during
110.20 the 2016-2017 school year may continue to enroll in that school for the 2017-2018 school
110.21 year. No student may enroll in the Perpich Arts High School after the 2017-2018 school
110.22 year.

110.23 **Subd. 4. Education records.** The Perpich Center must transfer the education records
110.24 of each student of the Perpich Arts High School and Crosswinds school according to
110.25 Minnesota Statutes, section 120A.22, subdivision 7.

110.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

110.27 Sec. 18. **APPROPRIATIONS.**

110.28 **Subdivision 1. Department of Education.** The sums indicated in this section are
110.29 appropriated from the general fund to the Department of Education for the fiscal years
110.30 designated.

111.1 Subd. 2. Debt service equalization aid. For debt service equalization aid under
 111.2 Minnesota Statutes, section 123B.53, subdivision 6:

111.3 \$ 24,908,000 2018

111.4 \$ 22,360,000 2019

111.5 The 2018 appropriation includes \$2,324,000 for 2017 and \$22,584,000 for 2018.

111.6 The 2019 appropriation includes \$2,509,000 for 2018 and \$19,851,000 for 2019.

111.7 Subd. 3. Long-term facilities maintenance equalized aid. For long-term facilities
 111.8 maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

111.9 \$ 80,121,000 2018

111.10 \$ 103,397,000 2019

111.11 The 2018 appropriation includes \$5,815,000 for 2017 and \$74,306,000 for 2018.

111.12 The 2019 appropriation includes \$8,256,000 for 2018 and \$95,141,000 for 2019.

111.13 Subd. 4. Equity in telecommunications access. For equity in telecommunications
 111.14 access:

111.15 \$ 3,750,000 2018

111.16 \$ 3,750,000 2019

111.17 If the appropriation amount is insufficient, the commissioner shall reduce the
 111.18 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
 111.19 revenue for fiscal years 2018 and 2019 shall be prorated.

111.20 Any balance in the first year does not cancel but is available in the second year.

111.21 Subd. 5. Early repayment aid incentive. (a) For incentive grants for a district that
 111.22 repays the full outstanding original principal on its capital loan by November 30, 2016,
 111.23 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by Laws
 111.24 2016, chapter 189, article 30, section 22:

111.25 \$ 2,350,000 2018

111.26 \$ 2,350,000 2019

111.27 (b) Of this amount, \$150,000 is for a grant to Independent School District No. 36,
 111.28 Kelliher; \$180,000 is for a grant to Independent School District No. 95, Cromwell; \$495,000
 111.29 is for a grant to Independent School District No. 299, Caledonia; \$220,000 is for a grant to
 111.30 Independent School District No. 306, Laporte; \$150,000 is for a grant to Independent School
 111.31 District No. 362, Littlefork; \$650,000 is for a grant to Independent School District No. 682,
 111.32 Roseau; and \$505,000 is for a grant to Independent School District No. 2580, East Central.

112.1 (c) The grant may be used for any school-related purpose.

112.2 (d) The base for 2022 is \$0.

112.3 Sec. 19. **REPEALER.**

112.4 (a) Minnesota Statutes 2016, section 123A.73, subdivision 3, is repealed retroactively
112.5 from January 1, 2017.

112.6 (b) Minnesota Statutes 2016, sections 129C.10, subdivision 5a; and 129C.30, are repealed
112.7 effective July 1, 2017.

112.8 (c) Minnesota Statutes 2016, sections 129C.10, subdivisions 1, 2, 3, 3a, 3b, 4, 4a, 6, 7,
112.9 and 8; 129C.105; 129C.15; 129C.20; 129C.25; and 129C.26, and Minnesota Rules, parts
112.10 3600.0010, subparts 1, 2, 2a, 2b, 3, and 6; 3600.0020; 3600.0030, subparts 1, 2, 4, and 6;
112.11 3600.0045; 3600.0055; 3600.0065; 3600.0075; and 3600.0085, are repealed effective June
112.12 30, 2018.

112.13 **ARTICLE 6**

112.14 **NUTRITION**

112.15 Section 1. Minnesota Statutes 2016, section 123B.52, subdivision 1, is amended to read:

112.16 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture,
112.17 fixtures, or other property, except books registered under the copyright laws and information
112.18 systems software, or for the construction or repair of school houses, the estimated cost or
112.19 value of which shall exceed that specified in section 471.345, subdivision 3, must not be
112.20 made by the school board without first advertising for bids or proposals by two weeks'
112.21 published notice in the official newspaper. This notice must state the time and place of
112.22 receiving bids and contain a brief description of the subject matter.

112.23 Additional publication in the official newspaper or elsewhere may be made as the board
112.24 shall deem necessary.

112.25 After taking into consideration conformity with the specifications, terms of delivery,
112.26 and other conditions imposed in the call for bids, every such contract for which a call for
112.27 bids has been issued must be awarded to the lowest responsible bidder, be duly executed
112.28 in writing, and be otherwise conditioned as required by law. The person to whom the contract
112.29 is awarded shall give a sufficient bond to the board for its faithful performance.

112.30 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to
112.31 the purchase of a finished tangible product, a board may require, at its discretion, a
112.32 performance bond of a contractor in the amount the board considers necessary. A record

113.1 must be kept of all bids, with names of bidders and amount of bids, and with the successful
113.2 bid indicated thereon. A bid containing an alteration or erasure of any price contained in
113.3 the bid which is used in determining the lowest responsible bid must be rejected unless the
113.4 alteration or erasure is corrected as provided in this section. An alteration or erasure may
113.5 be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and
113.6 initialed in ink by the person signing the bid. In the case of identical low bids from two or
113.7 more bidders, the board may, at its discretion, utilize negotiated procurement methods with
113.8 the tied low bidders for that particular transaction, so long as the price paid does not exceed
113.9 the low tied bid price. In the case where only a single bid is received, the board may, at its
113.10 discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid
113.11 does not exceed the original bid. If no satisfactory bid is received, the board may readvertise.
113.12 Standard requirement price contracts established for supplies or services to be purchased
113.13 by the district must be established by competitive bids. Such standard requirement price
113.14 contracts may contain escalation clauses and may provide for a negotiated price increase
113.15 or decrease based upon a demonstrable industrywide or regional increase or decrease in the
113.16 vendor's costs. Either party to the contract may request that the other party demonstrate
113.17 such increase or decrease. The term of such contracts must not exceed two years with an
113.18 option on the part of the district to renew for an additional two years, except as provided in
113.19 subdivision 7. Contracts for the purchase of perishable food items, except milk for school
113.20 lunches and vocational training programs, in any amount may be made by direct negotiation
113.21 by obtaining two or more written quotations for the purchase or sale, when possible, without
113.22 advertising for bids or otherwise complying with the requirements of this section or section
113.23 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least
113.24 one year after receipt.

113.25 Every contract made without compliance with the provisions of this section shall be
113.26 void. Except in the case of the destruction of buildings or injury thereto, where the public
113.27 interest would suffer by delay, contracts for repairs may be made without advertising for
113.28 bids.

113.29 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
113.30 1, 2017.

113.31 Sec. 2. Minnesota Statutes 2016, section 123B.52, is amended by adding a subdivision to
113.32 read:

113.33 **Subd. 7. Food service contracts.** A contract between a school board and a food service
113.34 management company that complies with Code of Federal Regulations, title 7, section

114.1 210.16, may be renewed annually after its initial term for not more than four additional
 114.2 years.

114.3 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
 114.4 1, 2017.

114.5 Sec. 3. Minnesota Statutes 2016, section 124D.1158, subdivision 3, is amended to read:

114.6 Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each
 114.7 participating school 30 cents for each reduced-price breakfast, 55 cents for each fully paid
 114.8 breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast served
 114.9 to a ~~prekindergarten student enrolled in an approved voluntary prekindergarten program~~
 114.10 ~~under section 124D.151~~ or a kindergarten student.

114.11 Sec. 4. Minnesota Statutes 2016, section 124D.1158, subdivision 4, is amended to read:

114.12 Subd. 4. **No fees.** A school that receives school breakfast aid under this section must
 114.13 make breakfast available without charge to all participating students in grades 1 to 12 who
 114.14 qualify for free or reduced-price meals and to all ~~prekindergarten students enrolled in an~~
 114.15 ~~approved voluntary prekindergarten program under section 124D.151~~ and all kindergarten
 114.16 students.

114.17 Sec. 5. **APPROPRIATIONS.**

114.18 Subdivision 1. **Department of Education.** The sums indicated in this section are
 114.19 appropriated from the general fund to the Department of Education for the fiscal years
 114.20 designated.

114.21 Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
 114.22 and Code of Federal Regulations, title 7, section 210.17:

114.23 \$ 16,670,000 2018

114.24 \$ 17,172,000 2019

114.25 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes,
 114.26 section 124D.1158:

114.27 \$ 10,511,000 2018

114.28 \$ 11,269,000 2019

114.29 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 114.30 section 124D.118:

114.31 \$ 758,000 2018

116.1 \$ 1,300,000 2018

116.2 \$ 1,300,000 2019

116.3 The 2018 appropriation includes \$130,000 for 2017 and \$1,170,000 for 2018.

116.4 The 2019 appropriation includes \$130,000 for 2018 and \$1,170,000 for 2019.

116.5 Subd. 4. **Electronic library for Minnesota.** For statewide licenses to online databases
 116.6 selected in cooperation with the Minnesota Office of Higher Education for school media
 116.7 centers, public libraries, state government agency libraries, and public or private college or
 116.8 university libraries:

116.9 \$ 900,000 2018

116.10 \$ 900,000 2019

116.11 Any balance in the first year does not cancel but is available in the second year.

116.12 Subd. 5. **Regional library telecommunications aid.** For regional library
 116.13 telecommunications aid under Minnesota Statutes, section 134.355:

116.14 \$ 2,300,000 2018

116.15 \$ 2,300,000 2019

116.16 The 2018 appropriation includes \$230,000 for 2017 and \$2,070,000 for 2018.

116.17 The 2019 appropriation includes \$230,000 for 2018 and \$2,070,000 for 2019.

ARTICLE 8

EARLY CHILDHOOD AND FAMILY SUPPORT

116.20 Section 1. Minnesota Statutes 2016, section 124D.1158, subdivision 3, is amended to
 116.21 read:

116.22 Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each
 116.23 participating school 30 cents for each reduced-price breakfast, 55 cents for each fully paid
 116.24 breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast served
 116.25 to a ~~prekindergarten student enrolled in an approved voluntary prekindergarten program~~
 116.26 ~~under section 124D.151~~ or a kindergarten student.

116.27 Sec. 2. Minnesota Statutes 2016, section 124D.1158, subdivision 4, is amended to read:

116.28 Subd. 4. **No fees.** A school that receives school breakfast aid under this section must
 116.29 make breakfast available without charge to all participating students in grades 1 to 12 who
 116.30 qualify for free or reduced-price meals and to all ~~prekindergarten students enrolled in an~~

117.1 ~~approved voluntary prekindergarten program under section 124D.151 and all kindergarten~~
117.2 ~~students.~~

117.3 Sec. 3. Minnesota Statutes 2016, section 124D.165, subdivision 1, is amended to read:

117.4 Subdivision 1. **Establishment; purpose.** There is established an early learning
117.5 scholarships program in order to ~~increase~~ close the opportunity gap by increasing access to
117.6 high-quality early childhood programs ~~for children ages three to five.~~

117.7 **EFFECTIVE DATE.** This section is effective July 1, 2017.

117.8 Sec. 4. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

117.9 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
117.10 parents or guardians must meet the following eligibility requirements:

117.11 (1) have ~~a~~ an eligible child ~~three or four years of age on September 1 of the current~~
117.12 ~~school year, who has not yet started kindergarten;~~ and

117.13 (2) have income equal to or less than 185 percent of federal poverty level income in the
117.14 current calendar year, or be able to document their child's current participation in the free
117.15 and reduced-price lunch program or child and adult care food program, National School
117.16 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution
117.17 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections
117.18 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
117.19 of 2007; Minnesota family investment program under chapter 256J; child care assistance
117.20 programs under chapter 119B; the supplemental nutrition assistance program; or placement
117.21 in foster care under section 260C.212.

117.22 ~~(b) Notwithstanding the other provisions of this section, a parent under age 21 who is~~
117.23 ~~pursuing a high school or general education equivalency diploma is eligible for an early~~
117.24 ~~learning scholarship if the parent has a child age zero to five years old and meets the income~~
117.25 ~~eligibility guidelines in this subdivision.~~

117.26 ~~(c) Any siblings between the ages zero to~~ (b) An "eligible child" means a child who has
117.27 not yet enrolled in kindergarten and is:

117.28 (1) at least three but not yet five years of age on September 1 of the current school year;

117.29 (2) a sibling from birth to age five years old of a child who has been awarded a
117.30 scholarship under this section ~~must be awarded a scholarship upon request,~~ provided the
117.31 sibling attends the same program as long as funds are available;

118.1 (3) the child of a parent under age 21 who is pursuing a high school degree or a course
118.2 of study for a high school equivalency test; or

118.3 (4) homeless, in foster care, or in need of child protective services.

118.4 ~~(d)~~ (c) A child who has received a scholarship under this section must continue to receive
118.5 a scholarship each year until that child is eligible for kindergarten under section 120A.20
118.6 and as long as funds are available.

118.7 ~~(e)~~ (d) Early learning scholarships may not be counted as earned income for the purposes
118.8 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
118.9 family investment program under chapter 256J, child care assistance programs under chapter
118.10 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
118.11 2007.

118.12 ~~(f)~~ (e) A child from an adjoining state whose family resides at a Minnesota address as
118.13 assigned by the United States Postal Service, who has received developmental screening
118.14 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
118.15 and whose family meets the criteria of paragraph (a) is eligible for an early learning
118.16 scholarship under this section.

118.17 **EFFECTIVE DATE.** This section is effective July 1, 2017.

118.18 Sec. 5. Minnesota Statutes 2016, section 124D.165, subdivision 3, is amended to read:

118.19 Subd. 3. **Administration.** (a) The commissioner shall establish application timelines
118.20 and determine the schedule for awarding scholarships that meets operational needs of eligible
118.21 families and programs. The commissioner must give highest priority to applications from
118.22 children who:

118.23 (1) have a parent under age 21 who is pursuing a high school diploma or a course of
118.24 study for a high school equivalency test;

118.25 (2) are in foster care or otherwise in need of protection or services; or

118.26 (3) have experienced homelessness in the last 24 months, as defined under the federal
118.27 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

118.28 The commissioner may prioritize applications on additional factors including family
118.29 income, geographic location, and whether the child's family is on a waiting list for a publicly
118.30 funded program providing early education or child care services.

118.31 (b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year~~
118.32 ~~for each eligible child. For fiscal year 2016 and later,~~ The commissioner shall establish a

119.1 target for the average scholarship amount per child based on the results of the rate survey
119.2 conducted under section 119B.02.

119.3 (c) A four-star rated program that has children eligible for a scholarship enrolled in or
119.4 on a waiting list for a program beginning in July, August, or September may notify the
119.5 commissioner, in the form and manner prescribed by the commissioner, each year of the
119.6 program's desire to enhance program services or to serve more children than current funding
119.7 provides. The commissioner may designate a predetermined number of scholarship slots
119.8 for that program and notify the program of that number. For fiscal year 2018 and later, the
119.9 statewide total number of scholarship slots directly designated by the commissioner must
119.10 not exceed the number of scholarships awarded for fiscal year 2017. Beginning July 1, 2016,
119.11 a school district or Head Start program qualifying under this paragraph may use its established
119.12 registration process to enroll scholarship recipients and may verify a scholarship recipient's
119.13 family income in the same manner as for other program participants.

119.14 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not
119.15 been accepted and subsequently enrolled in a rated program within ten months of the
119.16 awarding of the scholarship, the scholarship cancels and the recipient must reapply in order
119.17 to be eligible for another scholarship. A child may not be awarded more than one scholarship
119.18 in a 12-month period.

119.19 (e) A child who receives a scholarship who has not completed development screening
119.20 under sections 121A.16 to 121A.19 must complete that screening within 90 days of first
119.21 attending an eligible program.

119.22 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
119.23 scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
119.24 manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
119.25 the application, the commissioner must pay each program directly for each approved
119.26 scholarship recipient enrolled under paragraph (c) according to the metered payment system
119.27 or another schedule established by the commissioner.

119.28 Sec. 6. Minnesota Statutes 2016, section 124D.165, subdivision 4, is amended to read:

119.29 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept an
119.30 early learning scholarship, a program must:

119.31 (1) participate in the quality rating and improvement system under section 124D.142;
119.32 and

120.1 (2) beginning July 1, ~~2016~~ 2022, have a three- or four-star rating in the quality rating
120.2 and improvement system.

120.3 (b) Any program accepting scholarships must use the revenue to supplement and not
120.4 supplant federal funding.

120.5 (c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship
120.6 program pilot sites are eligible to accept an early learning scholarship under this section.

120.7 Sec. 7. Minnesota Statutes 2016, section 124D.59, subdivision 2, is amended to read:

120.8 Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through
120.9 grade 12 ~~or a prekindergarten student enrolled in an approved voluntary prekindergarten~~
120.10 ~~program under section 124D.151~~ who meets the requirements under subdivision 2a or the
120.11 following requirements:

120.12 (1) the pupil, as declared by a parent or guardian first learned a language other than
120.13 English, comes from a home where the language usually spoken is other than English, or
120.14 usually speaks a language other than English; and

120.15 (2) the pupil is determined by a valid assessment measuring the pupil's English language
120.16 proficiency and by developmentally appropriate measures, which might include observations,
120.17 teacher judgment, parent recommendations, or developmentally appropriate assessment
120.18 instruments, to lack the necessary English skills to participate fully in academic classes
120.19 taught in English.

120.20 (b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the
120.21 previous school year took a commissioner-provided assessment measuring the pupil's
120.22 emerging academic English, shall be counted as an English learner in calculating English
120.23 learner pupil units under section 126C.05, subdivision 17, and shall generate state English
120.24 learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff
120.25 score or is otherwise counted as a nonproficient participant on the assessment measuring
120.26 the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers,
120.27 consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic
120.28 language proficiency in English, including oral academic language, sufficient to successfully
120.29 and fully participate in the general core curriculum in the regular classroom.

120.30 (c) Notwithstanding paragraphs (a) and (b), a pupil in ~~prekindergarten under section~~
120.31 ~~124D.151~~, kindergarten through grade 12 shall not be counted as an English learner in
120.32 calculating English learner pupil units under section 126C.05, subdivision 17, and shall not
120.33 generate state English learner aid under section 124D.65, subdivision 5, if:

121.1 (1) the pupil is not enrolled during the current fiscal year in an educational program for
 121.2 English learners under sections 124D.58 to 124D.64; or

121.3 (2) the pupil has generated seven or more years of average daily membership in Minnesota
 121.4 public schools since July 1, 1996.

121.5 Sec. 8. Minnesota Statutes 2016, section 126C.05, subdivision 1, is amended to read:

121.6 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age
 121.7 of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in
 121.8 average daily membership enrolled in the district of residence, in another district under
 121.9 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
 121.10 chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22,
 121.11 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03
 121.12 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

121.13 (a) A prekindergarten pupil with a disability who is enrolled in a program approved by
 121.14 the commissioner and has an individualized education program is counted as the ratio of
 121.15 the number of hours of assessment and education service to 825 times 1.0 with a minimum
 121.16 average daily membership of 0.28, but not more than 1.0 pupil unit.

121.17 (b) A prekindergarten pupil who is assessed but determined not to be disabled is counted
 121.18 as the ratio of the number of hours of assessment service to 825 times 1.0.

121.19 (c) A kindergarten pupil with a disability who is enrolled in a program approved by the
 121.20 commissioner is counted as the ratio of the number of hours of assessment and education
 121.21 services required in the fiscal year by the pupil's individualized education program to 875,
 121.22 but not more than one.

121.23 ~~(d) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled~~
 121.24 ~~in an approved voluntary prekindergarten program under section 124D.151 is counted as~~
 121.25 ~~the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil~~
 121.26 ~~units.~~

121.27 ~~(e)~~ (d) A kindergarten pupil who is not included in paragraph (c) is counted as 1.0 pupil
 121.28 unit if the pupil is enrolled in a free all-day, every day kindergarten program available to
 121.29 all kindergarten pupils at the pupil's school that meets the minimum hours requirement in
 121.30 section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day,
 121.31 every day kindergarten program available to all kindergarten pupils at the pupil's school.

121.32 ~~(f)~~ (e) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.

122.1 ~~(g)~~ (f) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.

122.2 ~~(h)~~ (g) A pupil who is in the postsecondary enrollment options program is counted as
 122.3 1.2 pupil units.

122.4 Sec. 9. **SCHOOL READINESS ADJUSTMENT.**

122.5 For fiscal year 2018 and later, a charter school's or a district's school readiness aid under
 122.6 Minnesota Statutes, section 124D.16, must be increased by an amount equal to the charter
 122.7 school's or district's total voluntary prekindergarten revenue for fiscal year 2017.

122.8 Notwithstanding any other law, a charter school qualifying for revenue under this section
 122.9 is eligible for school readiness aid.

122.10 Sec. 10. **APPROPRIATIONS.**

122.11 Subdivision 1. Department of Education. The sums indicated in this section are
 122.12 appropriated from the general fund to the Department of Education for the fiscal years
 122.13 designated.

122.14 Subd. 2. School readiness. For revenue for school readiness programs under Minnesota
 122.15 Statutes, sections 124D.15 and 124D.16:

122.16	\$	<u>55,260,000</u>	.....	<u>2018</u>
122.17	\$	<u>57,657,000</u>	.....	<u>2019</u>

122.18 The 2018 appropriation includes \$3,368,000 for 2017 and \$51,892,000 for 2018.

122.19 The 2019 appropriation includes \$5,765,000 for 2018 and \$51,892,000 for 2019.

122.20 Subd. 3. Early learning scholarships. (a) For the early learning scholarship program
 122.21 under Minnesota Statutes, section 124D.165:

122.22	\$	<u>69,384,000</u>	.....	<u>2018</u>
122.23	\$	<u>69,384,000</u>	.....	<u>2019</u>

122.24 (b) Of the amounts appropriated in paragraph (a), no more than the amount necessary
 122.25 to fund the same number of scholarship slots as were provided through the predetermined
 122.26 selection process for fiscal year 2017 may be awarded through that method.

122.27 (c) Up to \$950,000 each year is for administration of this program.

122.28 (d) Any balance in the first year does not cancel but is available in the second year.

122.29 (e) The base for fiscal year 2020 is \$69,884,000.

123.1 Subd. 4. **Head Start program.** For Head Start programs under Minnesota Statutes,
 123.2 section 119A.52:

123.3 \$ 25,100,000 2018

123.4 \$ 25,100,000 2019

123.5 Subd. 5. **Early childhood family education aid.** For early childhood family education
 123.6 aid under Minnesota Statutes, section 124D.135:

123.7 \$ 30,175,000 2018

123.8 \$ 31,474,000 2019

123.9 The 2018 appropriation includes \$2,904,000 for 2017 and \$27,271,000 for 2018.

123.10 The 2019 appropriation includes \$3,030,000 for 2018 and \$28,444,000 for 2019.

123.11 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 123.12 Minnesota Statutes, sections 121A.17 and 121A.19:

123.13 \$ 3,606,000 2018

123.14 \$ 3,629,000 2019

123.15 The 2018 appropriation includes \$358,000 for 2017 and \$3,248,000 for 2018.

123.16 The 2019 appropriation includes \$360,000 for 2018 and \$3,269,000 for 2019.

123.17 Subd. 7. **Parent-child home program.** For a grant to the parent-child home program:

123.18 \$ 900,000 2018

123.19 \$ 900,000 2019

123.20 The grant must be used for an evidence-based and research-validated early childhood
 123.21 literacy and school readiness program for children ages 16 months to four years at its existing
 123.22 suburban program location. The program must include urban and rural program locations
 123.23 for fiscal years 2018 and 2019.

123.24 The base for this program for fiscal year 2020 and later is \$900,000.

123.25 Subd. 8. **Kindergarten entrance assessment initiative and intervention program.**

123.26 For the kindergarten entrance assessment initiative and intervention program under Minnesota
 123.27 Statutes, section 124D.162:

123.28 \$ 281,000 2018

123.29 \$ 281,000 2019

123.30 Subd. 9. **Quality rating and improvement system.** (a) For transfer to the commissioner
 123.31 of human services for the purposes of expanding the quality rating and improvement system

124.1 under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports
 124.2 for providers participating in the quality rating and improvement system:

124.3 \$ 1,750,000 2018

124.4 \$ 1,750,000 2019

124.5 (b) The amounts in paragraph (a) must be in addition to any federal funding under the
 124.6 child care and development block grant authorized under Public Law 101-508 in that year
 124.7 for the system under Minnesota Statutes, section 124D.142.

124.8 (c) Any balance in the first year does not cancel but is available in the second year.

124.9 (d) The base for this program in fiscal year 2020 and later is \$1,750,000.

124.10 Subd. 10. **Early childhood programs at tribal schools.** For early childhood family
 124.11 education programs at tribal contract schools under Minnesota Statutes, section 124D.83,
 124.12 subdivision 4:

124.13 \$ 68,000 2018

124.14 \$ 68,000 2019

124.15 Subd. 11. **Educate parents partnership.** For the educate parents partnership under
 124.16 Minnesota Statutes, section 124D.129:

124.17 \$ 49,000 2018

124.18 \$ 49,000 2019

124.19 Subd. 12. **Home visiting aid.** For home visiting aid under Minnesota Statutes, section
 124.20 124D.135:

124.21 \$ 527,000 2018

124.22 \$ 571,000 2019

124.23 The 2018 appropriation includes \$0 for 2017 and \$527,000 for 2018.

124.24 The 2019 appropriation includes \$58,000 for 2018 and \$513,000 for 2019.

124.25 Sec. 11. **REPEALER.**

124.26 Minnesota Statutes 2016, section 124D.151, is repealed.

124.27 **ARTICLE 9**

124.28 **COMMUNITY EDUCATION AND PREVENTION**

124.29 Section 1. **[124D.99] EDUCATION PARTNERSHIPS COALITION FUND.**

125.1 Subdivision 1. **Program establishment.** The commissioner of education shall establish
125.2 a program supporting a coalition of coordinated, aligned education partnerships as specified
125.3 in this section, for a comprehensive network of evidence-based support services designed
125.4 to close opportunity gaps by improving educational and developmental outcomes of children
125.5 and their families within communities experiencing poverty and impediments to economic
125.6 viability.

125.7 Subd. 2. **Definitions.** (a) For purposes of this section the terms defined in this subdivision
125.8 have the meanings given them.

125.9 (b) "Tier 1 grant" means a sustaining grant for the ongoing operation, stability, and
125.10 expansion of existing education partnership program locations.

125.11 (c) "Tier 2 grant" means an implementation grant for expanding activity in education
125.12 partnership program locations.

125.13 Subd. 3. **Administration; design.** (a) The commissioner shall establish program
125.14 requirements, an application process and timeline for each tier of grants specified in
125.15 subdivision 4, criteria for evaluation of applications, and a grant awards process. The
125.16 commissioner's process must minimize administrative costs, minimize burdens for applicants
125.17 and grant recipients, and provide a framework that permits flexibility in program design
125.18 and implementation among grant recipients.

125.19 (b) To the extent practicable, the commissioner shall design the program to align with
125.20 programs implemented or proposed by organizations in Minnesota that:

125.21 (1) identify and increase the capacity of organizations that are focused on achieving
125.22 data-driven, locally controlled positive outcomes for children and youth throughout an entire
125.23 neighborhood or geographic area through programs such as Strive Together, Promise
125.24 Neighborhood, and the Education Partnerships Coalition members;

125.25 (2) build a continuum of educational family and community supports with academically
125.26 rigorous schools at the center;

125.27 (3) maximize program efficiencies by integrating programmatic activities and eliminating
125.28 administrative barriers;

125.29 (4) develop local infrastructure needed to sustain and scale up proven and effective
125.30 solutions beyond the initial neighborhood or geographic area; and

125.31 (5) utilize appropriate outcome measures based on unique community needs and interests
125.32 and apply rigorous evaluation on a periodic basis to be used to both monitor outcomes and
125.33 allow for continuous improvements to systems.

126.1 (c) A grant recipient's supportive services programming must address:

126.2 (1) kindergarten readiness and youth development;

126.3 (2) grade 3 reading proficiency;

126.4 (3) high school graduation;

126.5 (4) postsecondary educational attainment;

126.6 (5) physical and mental health;

126.7 (6) development of career skills and readiness;

126.8 (7) parental engagement and development;

126.9 (8) community engagement and programmatic alignment; and

126.10 (9) reduction of remedial education.

126.11 (d) The commissioner, in consultation with grant recipients, must:

126.12 (1) develop and revise core indicators of progress toward outcomes specifying impacts

126.13 for each tier identified under subdivision 4;

126.14 (2) establish a reporting system for grant recipients to measure program outcomes using
126.15 data sources and program goals; and

126.16 (3) evaluate effectiveness based on the core indicators established by each partnership
126.17 for each tier.

126.18 Subd. 4. **Requirements.** A grant recipient's program in the planning, development, or
126.19 implementation phase must include:

126.20 (1) integrated supportive services programming, as specified in paragraph (b), within a
126.21 specific community or geographic area for all ages of children and youth and their families
126.22 within that area, provided that services may be phased in to all ages over time; and

126.23 (2) a system for evaluating goals and outcomes as provided under subdivision 3,
126.24 paragraph (c).

126.25 Subd. 5. **Grants.** The commissioner shall award Tier 1 and Tier 2 grants to qualifying
126.26 recipients that can demonstrate a nonstate source of funds, including in-kind contributions.

126.27 Subd. 6. **Legislative report.** By December 15 of each odd-numbered year, the
126.28 commissioner shall submit a report on the education partnership program to the chairs and
126.29 ranking minority members of the legislative committees having jurisdiction over kindergarten
126.30 through grade 12 education, early childhood education, economic development, and human

127.1 services. At a minimum, the report must summarize grantee activities, identify grant
 127.2 recipients and awards, analyze program performance measures and outcomes, and make
 127.3 any recommendations for legislative changes.

127.4 **EFFECTIVE DATE.** This section is effective July 1, 2017, and subdivision 6 applies
 127.5 to reports due starting in calendar year 2019.

127.6 **Sec. 2. APPROPRIATIONS.**

127.7 Subdivision 1. **Department of Education.** The sums indicated in this section are
 127.8 appropriated from the general fund to the Department of Education for the fiscal years
 127.9 designated.

127.10 Subd. 2. **Community education aid.** For community education aid under Minnesota
 127.11 Statutes, section 124D.20:

127.12 \$ 483,000 2018
 127.13 \$ 393,000 2019

127.14 The 2018 appropriation includes \$53,000 for 2017 and \$430,000 for 2018.

127.15 The 2019 appropriation includes \$47,000 for 2018 and \$346,000 for 2019.

127.16 Subd. 3. **Adults with disabilities program aid.** For adults with disabilities programs
 127.17 under Minnesota Statutes, section 124D.56:

127.18 \$ 710,000 2018
 127.19 \$ 710,000 2019

127.20 The 2018 appropriation includes \$71,000 for 2017 and \$639,000 for 2018.

127.21 The 2019 appropriation includes \$71,000 for 2018 and \$639,000 for 2019.

127.22 Subd. 4. **Hearing-impaired adults.** For programs for hearing-impaired adults under
 127.23 Minnesota Statutes, section 124D.57:

127.24 \$ 70,000 2018
 127.25 \$ 70,000 2019

127.26 Subd. 5. **School-age care aid.** For school-age care aid under Minnesota Statutes, section
 127.27 124D.22:

127.28 \$ 1,000 2018
 127.29 \$ 1,000 2019

127.30 The 2018 appropriation includes \$0 for 2017 and \$1,000 for 2018.

127.31 The 2019 appropriation includes \$0 for 2018 and \$1,000 for 2019.

128.1 Subd. 6. Tier 1 grants. (a) For education partnership program Tier 1 sustaining grants
 128.2 under Minnesota Statutes, section 124D.99:

128.3 \$ 2,600,000 2018

128.4 \$ 2,600,000 2019

128.5 (b) Of the amounts in paragraph (a), \$1,300,000 each year is for the Northside
 128.6 Achievement Zone and \$1,300,000 each year is for the St. Paul Promise Neighborhood.

128.7 (c) The base funding for Tier 1 sustaining grants is \$2,600,000.

128.8 (d) Any balance in the first year does not cancel but is available in the second year.

128.9 Subd. 7. Tier 2 implementing grants. (a) For Tier 2 implementing grants under
 128.10 Minnesota Statutes, section 124D.99:

128.11 \$ 480,000 2018

128.12 \$ 480,000 2019

128.13 (b) For fiscal years 2018 and 2019 only, \$160,000 each year is for the Northfield Healthy
 128.14 Community Initiative in Northfield; \$160,000 is for the Jones Family Foundation for the
 128.15 Every Hand Joined program in Red Wing; and \$160,000 is for the United Way of Central
 128.16 Minnesota for the Partners for Student Success program.

128.17 (c) The base funding for Tier 2 implementing grants is \$480,000. The commissioner
 128.18 must competitively award all grants under this subdivision for fiscal year 2020 and later.

128.19 (d) Any balance in the first year does not cancel but is available in the second year.

128.20 **ARTICLE 10**

128.21 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

128.22 Section 1. Minnesota Statutes 2016, section 124D.52, subdivision 7, is amended to read:

128.23 **Subd. 7. Performance tracking system. (a)** By July 1, 2000, each approved adult basic
 128.24 education program must develop and implement a performance tracking system to provide
 128.25 information necessary to comply with federal law and serve as one means of assessing the
 128.26 effectiveness of adult basic education programs. For required reporting, longitudinal studies,
 128.27 and program improvement, the tracking system must be designed to collect data on the
 128.28 following core outcomes for learners, including English learners, who have completed
 128.29 participating in the adult basic education program:

128.30 (1) demonstrated improvements in literacy skill levels in reading, writing, speaking the
 128.31 English language, numeracy, problem solving, English language acquisition, and other
 128.32 literacy skills;

129.1 (2) placement in, retention in, or completion of postsecondary education, training,
129.2 unsubsidized employment, or career advancement;

129.3 (3) receipt of a secondary school diploma or its recognized equivalent; and

129.4 (4) reduction in participation in the diversionary work program, Minnesota family
129.5 investment program, and food support education and training program.

129.6 (b) A district, group of districts, state agency, or private nonprofit organization providing
129.7 an adult basic education program may meet this requirement by developing a tracking system
129.8 based on either or both of the following methodologies:

129.9 (1) conducting a reliable follow-up survey; or

129.10 (2) submitting student information, including collected Social Security numbers for data
129.11 matching.

129.12 ~~Data related to obtaining employment must be collected in the first quarter following~~
129.13 ~~program completion or can be collected while the student is enrolled, if known. Data related~~
129.14 ~~to employment retention must be collected in the third quarter following program exit. Data~~
129.15 related to any other of the specified outcome outcomes may be collected at any time during
129.16 a program year.

129.17 (c) When a student in a program is requested to provide the student's Social Security
129.18 number, the student must be notified in a written form easily understandable to the student
129.19 that:

129.20 (1) providing the Social Security number is optional and no adverse action may be taken
129.21 against the student if the student chooses not to provide the Social Security number;

129.22 (2) the request is made under section 124D.52, subdivision 7;

129.23 (3) if the student provides the Social Security number, it will be used to assess the
129.24 effectiveness of the program by tracking the student's subsequent career; and

129.25 (4) the Social Security number will be shared with the Department of Education;
129.26 Minnesota State Colleges and Universities; Office of Higher Education; Department of
129.27 Human Services; and Department of Employment and Economic Development in order to
129.28 accomplish the purposes described in paragraph (a) and will not be used for any other
129.29 purpose or reported to any other governmental entities.

129.30 (d) Annually a district, group of districts, state agency, or private nonprofit organization
129.31 providing programs under this section must forward the tracking data collected to the
129.32 Department of Education. For the purposes of longitudinal studies on the employment status

130.1 of former students under this section, the Department of Education must forward the Social
 130.2 Security numbers to the Department of Employment and Economic Development to
 130.3 electronically match the Social Security numbers of former students with wage detail reports
 130.4 filed under section 268.044. The results of data matches must, for purposes of this section
 130.5 and consistent with the requirements of the ~~United States Code, title 29, section 2871, of~~
 130.6 ~~the Workforce Investment Act of 1998~~ Workforce Innovation and Opportunity Act, be
 130.7 compiled in a longitudinal form by the Department of Employment and Economic
 130.8 Development and released to the Department of Education in the form of summary data
 130.9 that does not identify the individual students. The Department of Education may release
 130.10 this summary data. State funding for adult basic education programs must not be based on
 130.11 the number or percentage of students who decline to provide their Social Security numbers
 130.12 or on whether the program is evaluated by means of a follow-up survey instead of data
 130.13 matching.

130.14 Sec. 2. Minnesota Statutes 2016, section 124D.549, is amended to read:

130.15 **~~124D.549 GENERAL EDUCATION DEVELOPMENT (GED) TESTS RULES;~~**
 130.16 **~~COMMISSIONER~~ COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY**
 130.17 **TEST.**

130.18 The commissioner ~~may amend rules to reflect changes in the national minimum standard~~
 130.19 ~~score for passing the general education development (GED) tests, in consultation with adult~~
 130.20 basic education stakeholders, must select a high school equivalency test. The commissioner
 130.21 may issue a high school equivalency diploma to a Minnesota resident 19 years of age or
 130.22 older who has not earned a high school diploma, who has not previously been issued a
 130.23 general education development (GED) certification, and who has exceeded or achieved a
 130.24 minimum passing score on the equivalency test established by the publisher. The
 130.25 commissioner of education may waive the minimum age requirement if supportive evidence
 130.26 is provided by an employer or a recognized education or rehabilitation provider.

130.27 Sec. 3. Minnesota Statutes 2016, section 124D.55, is amended to read:

130.28 **~~124D.55 GENERAL EDUCATION DEVELOPMENT (GED)~~**
 130.29 **~~COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.~~**

130.30 The commissioner shall pay 60 percent of the fee that is charged to an eligible individual
 130.31 for the full battery of ~~general education development (GED)~~ the commissioner-selected
 130.32 high school equivalency tests, but not more than \$40 for an eligible individual.

131.1 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged to
 131.2 an eligible individual for the full battery of general education development (GED) tests, but
 131.3 not more than the cost of one full battery of tests per year for any individual.

131.4 Sec. 4. Minnesota Statutes 2016, section 256J.08, subdivision 38, is amended to read:

131.5 Subd. 38. **Full-time student.** "Full-time student" means a person who is enrolled in a
 131.6 graded or ungraded primary, intermediate, secondary, ~~GED~~ commissioner of
 131.7 education-selected high school equivalency preparatory, trade, technical, vocational, or
 131.8 postsecondary school, and who meets the school's standard for full-time attendance.

131.9 Sec. 5. Minnesota Statutes 2016, section 256J.08, subdivision 39, is amended to read:

131.10 Subd. 39. ~~General educational development or GED~~ Commissioner of
 131.11 education-selected high school equivalency. "~~General educational development" or "GED"~~
 131.12 "Commissioner of education-selected high school equivalency" means the ~~general educational~~
 131.13 ~~development~~ high school equivalency certification issued by the commissioner of education
 131.14 as an equivalent to a secondary school diploma under ~~Minnesota Rules, part 3500.3100,~~
 131.15 ~~subpart 4~~ section 124D.549.

131.16 Sec. 6. APPROPRIATIONS.

131.17 Subdivision 1. Department of Education. The sums indicated in this section are
 131.18 appropriated from the general fund to the Department of Education for the fiscal years
 131.19 designated.

131.20 Subd. 2. Adult basic education aid. For adult basic education aid under Minnesota
 131.21 Statutes, section 124D.531:

131.22 \$ 50,010,000 2018

131.23 \$ 51,497,000 2019

131.24 The 2018 appropriation includes \$4,881,000 for 2017 and \$45,129,000 for 2018.

131.25 The 2019 appropriation includes \$5,014,000 for 2018 and \$46,483,000 for 2019.

131.26 Subd. 3. High school equivalency tests. For payment of 60 percent of the costs of the
 131.27 commissioner-selected high school equivalency tests under Minnesota Statutes, section
 131.28 124D.55:

131.29 \$ 125,000 2018

131.30 \$ 125,000 2019

132.1 Sec. 7. **REVISOR'S INSTRUCTION.**

132.2 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the
132.3 term "commissioner-selected high school equivalency" or similar term for "general education
132.4 development," "GED," or similar terms for wherever the term refers to the tests or programs
132.5 leading to a certification issued by the commissioner of education as an equivalency to a
132.6 secondary diploma.

132.7 Sec. 8. **REPEALER.**

132.8 Minnesota Rules, part 3500.3100, subpart 4, is repealed.

132.9 **ARTICLE 11**

132.10 **STATE AGENCIES**

132.11 Section 1. Minnesota Statutes 2016, section 122A.14, subdivision 9, is amended to read:

132.12 Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay
132.13 the board a fee of \$75, collected each fiscal year. When transmitting notice of the license
132.14 fee, the board also must notify the licensee of the penalty for failing to pay the fee within
132.15 the time specified by the board. The board may provide a lower fee for persons on retired
132.16 or inactive status. After receiving notice from the board, any licensed school administrator
132.17 who does not pay the fee in the given fiscal year shall have all administrative licenses held
132.18 by the person automatically suspended, without the right to a hearing, until the fee has been
132.19 paid to the board. If the board suspends a licensed school administrator for failing to pay
132.20 the fee, it must immediately notify the district currently employing the school administrator
132.21 of the school administrator's suspension. The executive secretary shall deposit the fees in
132.22 the educator licensure account in the special revenue fund in the state treasury.

132.23 **EFFECTIVE DATE.** This section is effective July 1, 2019.

132.24 Sec. 2. **[122A.175] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR**
132.25 **LICENSURE AND BACKGROUND CHECKS.**

132.26 Subdivision 1. **Educator licensure account.** An educator licensure account is created
132.27 in the special revenue fund. Applicant licensure fees received by the Department of
132.28 Education, the Board of Teaching, or the Board of School Administrators must be deposited
132.29 in the educator licensure account. Any funds appropriated from this account that remain
132.30 unexpended at the end of the biennium cancel to the educator licensure account in the special
132.31 revenue fund.

133.1 Subd. 2. **Background check account.** An educator licensure background check account
133.2 is created in the special revenue fund. The Department of Education, the Board of Teaching,
133.3 and the Board of School Administrators must deposit all payments submitted by license
133.4 applicants for criminal background checks conducted by the Bureau of Criminal
133.5 Apprehension in the educator licensure background check account. Amounts in the account
133.6 are annually appropriated to the commissioner of education for payment to the superintendent
133.7 of the Bureau of Criminal Apprehension for the costs of background checks on applicants
133.8 for licensure.

133.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

133.10 Sec. 3. Minnesota Statutes 2016, section 122A.18, subdivision 7c, is amended to read:

133.11 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish a
133.12 temporary license in accordance with section 197.4552 for teaching. The fee for a temporary
133.13 license under this subdivision shall be \$87.90 for an online application or \$86.40 for a paper
133.14 application. The board must deposit the fees received from applicants in the educator
133.15 licensure account in the special revenue fund.

133.16 **EFFECTIVE DATE.** This section is effective July 1, 2019.

133.17 Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

133.18 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of
133.19 education must request a criminal history background check from the superintendent of the
133.20 Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under
133.21 their jurisdiction. Applicants must include with their licensure applications:

133.22 (1) an executed criminal history consent form, including fingerprints; and

133.23 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
133.24 ~~for the fee for conducting payment to conduct the criminal history background check. The~~
133.25 Board of Teaching and the commissioner of education must deposit payments received
133.26 under this subdivision in the educator licensure background check account in the special
133.27 revenue fund.

133.28 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
133.29 background check required under paragraph (a) by retrieving criminal history data as defined
133.30 in section 13.87 and shall also conduct a search of the national criminal records repository.
133.31 The superintendent is authorized to exchange fingerprints with the Federal Bureau of
133.32 Investigation for purposes of the criminal history check. The superintendent shall recover

134.1 the cost to the bureau of a background check through the fee charged to the applicant under
134.2 paragraph (a).

134.3 (c) The Board of Teaching or the commissioner of education may issue a license pending
134.4 completion of a background check under this subdivision, but must notify the individual
134.5 that the individual's license may be revoked based on the result of the background check.

134.6 **EFFECTIVE DATE.** This section is effective July 1, 2019.

134.7 Sec. 5. Minnesota Statutes 2016, section 122A.21, subdivision 1, is amended to read:

134.8 Subdivision 1. **Licensure applications.** Each applicant submitting an application for
134.9 ~~the issuance, renewal, or extension of~~ to the Board of Teaching to issue, renew, or extend
134.10 a teaching license to teach, including applications for licensure via portfolio under subdivision
134.11 2, ~~must be accompanied by~~ include a processing fee of \$57. The processing fee for a teacher's
134.12 license and for the licenses of supervisory personnel must be paid to the executive secretary
134.13 of the appropriate board and deposited in the educator licensure account in the special
134.14 revenue fund. ~~The executive secretary of the board shall deposit the fees with the~~
134.15 ~~commissioner of management and budget.~~ The fees as set by the board are nonrefundable
134.16 for applicants not qualifying for a license. However, ~~a fee must be refunded by the~~
134.17 commissioner of management and budget must refund a fee in any case in which the applicant
134.18 already holds a valid unexpired license. The board may waive or reduce fees for applicants
134.19 who apply at the same time for more than one license.

134.20 **EFFECTIVE DATE.** This section is effective July 1, 2019.

134.21 Sec. 6. Minnesota Statutes 2016, section 122A.21, subdivision 2, is amended to read:

134.22 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via portfolio
134.23 to obtain a professional five-year teaching license or to add a licensure field, consistent with
134.24 applicable Board of Teaching licensure rules.

134.25 (b) A candidate for a professional five-year teaching license must submit to the Educator
134.26 Licensing Division at the department one portfolio demonstrating pedagogical competence
134.27 and one portfolio demonstrating content competence.

134.28 (c) A candidate seeking to add a licensure field must submit to the Educator Licensing
134.29 Division at the department one portfolio demonstrating content competence.

134.30 (d) The Board of Teaching must notify a candidate who submits a portfolio under
134.31 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
134.32 the portfolio was approved. If the portfolio was not approved, the board must immediately

135.1 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
135.2 competence. The candidate may resubmit a revised portfolio at any time and the Educator
135.3 Licensing Division at the department must approve or disapprove the portfolio within 60
135.4 calendar days of receiving it.

135.5 (e) A candidate must pay to the executive secretary of the Board of Teaching a \$300 fee
135.6 for the first portfolio submitted for review and a \$200 fee for any portfolio submitted
135.7 subsequently. ~~The revenue generated from Board of Teaching executive secretary must~~
135.8 deposit the fee must be deposited in an education the educator licensure portfolio account
135.9 in the special revenue fund. The fees set by the Board of Teaching are nonrefundable for
135.10 applicants not qualifying for a license. The Board of Teaching may waive or reduce fees
135.11 for candidates based on financial need.

135.12 **EFFECTIVE DATE.** This section is effective July 1, 2019.

135.13 Sec. 7. Minnesota Statutes 2016, section 122A.21, is amended by adding a subdivision to
135.14 read:

135.15 Subd. 3. **Annual appropriations.** (a) The amounts collected under subdivision 2 and
135.16 deposited in the educator licensure account in the special revenue fund are annually
135.17 appropriated to the Board of Teaching.

135.18 (b) The appropriations in paragraph (a) must be reduced by the amount of any money
135.19 specifically appropriated for the same purposes in any year from any state fund.

135.20 **EFFECTIVE DATE.** This section is effective July 1, 2019.

135.21 Sec. 8. **TRANSFERS.**

135.22 Subdivision 1. **Portfolio account.** On July 1, 2019, the commissioner of management
135.23 and budget shall transfer any balances in the educator licensure portfolio account in the
135.24 special revenue fund to the educator licensure account in the special revenue fund.

135.25 Subd. 2. **Background check.** Any balance in an account that holds fees collected under
135.26 Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator licensure
135.27 background check account in the special revenue fund under Minnesota Statutes, section
135.28 122A.175, subdivision 2. On July 2, 2019, \$80,000 is transferred from the educator licensure
135.29 background check account in the special revenue fund to the educator licensure account in
135.30 the special revenue fund.

136.1 Sec. 9. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

136.2 **Subdivision 1. Department of Education.** Unless otherwise indicated, the sums indicated
 136.3 in this section are appropriated from the general fund to the Department of Education for
 136.4 the fiscal years designated.

136.5 **Subd. 2. Department.** (a) For the Department of Education:

136.6 \$ 19,854,000 2018

136.7 \$ 19,829,000 2019

136.8 Of these amounts:

136.9 (1) \$231,000 each year is for the Board of School Administrators. Beginning in fiscal
 136.10 year 2020, the amount indicated is appropriated from the educator licensure account in the
 136.11 special revenue fund;

136.12 (2) \$123,000 each year is for a dyslexia specialist;

136.13 (3) \$200,000 each year is for the Lola and Rudy Perpich arts education and outreach
 136.14 division; and

136.15 (4) \$370,000 each year is for grants for arts integration and Turnaround Arts programs.
 136.16 The base for fiscal year 2020 is \$0.

136.17 (b) Any balance in the first year does not cancel but is available in the second year.

136.18 (c) None of the amounts appropriated under this subdivision may be used for Minnesota's
 136.19 Washington, D.C. office.

136.20 (d) The expenditures of federal grants and aids as shown in the biennial budget document
 136.21 and its supplements are approved and appropriated and shall be spent as indicated.

136.22 (e) If H.F. 140 or a similarly styled bill transferring the Educator Licensing Division to
 136.23 the Board of Teaching is enacted, the fiscal year 2018 appropriation in paragraph (a) is
 136.24 reduced by \$836,000 and the fiscal year 2019 appropriation in paragraph (a) is reduced by
 136.25 \$845,000.

136.26 (f) The agency's base in fiscal year 2020 is \$19,228,000 and \$19,228,000 in 2021.

136.27 (g) Notwithstanding paragraph (f), if H.F. 140 or a similarly styled bill transferring the
 136.28 Educator Licensing Division to the Board of Teaching or its successor organization is
 136.29 enacted, the base in fiscal year 2020 is \$18,294,000 and \$18,205,000 in 2021.

137.1 Sec. 10. **APPROPRIATIONS; BOARD OF TEACHING.**

137.2 Subdivision 1. **Board of Teaching.** (a) The sums indicated in this section are appropriated
 137.3 from the general fund to the Board of Teaching or any successor organization for the fiscal
 137.4 years designated:

137.5 \$ 3,481,000 2018

137.6 \$ 3,493,000 2019

137.7 (b) This appropriation includes funds for information technology project services and
 137.8 support subject to Minnesota Statutes, section 16E.0466. Any ongoing information
 137.9 technology costs will be incorporated into an interagency agreement and will be paid to the
 137.10 Office of MN.IT Services by the Board of Teaching under the mechanism specified in that
 137.11 agreement.

137.12 (c) Of the amounts in paragraph (a), \$2,513,000 in fiscal year 2018 and \$2,525,000 in
 137.13 fiscal year 2019 are available only if H.F. 140 or a similarly styled bill is enacted.

137.14 (d) Any balance in the first year does not cancel but is available in the second year.

137.15 (e) The base for fiscal year 2020 is \$968,000. This amount is increased by \$1,766,000
 137.16 if H.F. 140 or a similarly styled bill is enacted. The base for fiscal year 2021 is \$968,000.
 137.17 This amount is increased by \$1,741,000 if H.F. 140 or a similarly styled bill is enacted.
 137.18 Beginning in fiscal year 2020, the amounts indicated are appropriated from the educator
 137.19 licensure account in the special revenue fund or, if the amount in the educator licensure
 137.20 account is insufficient, from the general fund to the Board of Teaching or any successor
 137.21 organization. If a successor organization is established, the Department of Administration
 137.22 must provide administrative support to the successor organization under Minnesota Statutes,
 137.23 section 16B.371. The commissioner of administration must assess the board for services
 137.24 provided under this section.

137.25 Subd. 2. **Licensure by portfolio.** For licensure by portfolio:

137.26 \$ 34,000 2018

137.27 \$ 34,000 2019

137.28 This appropriation is from the educator licensure portfolio account in the special revenue
 137.29 fund.

137.30 Sec. 11. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

137.31 (a) The sums indicated in this section are appropriated from the general fund to the
 137.32 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

139.1 Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 3, is
 139.2 amended to read:

139.3 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
 139.4 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
 139.5 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

139.6	\$	39,000	.....	2016
139.7		42,000		
139.8	\$	<u>26,000</u>	.....	2017

139.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

139.10 Sec. 3. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 4, as
 139.11 amended by Laws 2016, chapter 189, article 34, section 1, is amended to read:

139.12 Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section
 139.13 127A.49:

139.14	\$	3,051,000	.....	2016
139.15		3,425,000		
139.16	\$	<u>2,666,000</u>	.....	2017

139.17 The 2016 appropriation includes \$278,000 for 2015 and \$2,773,000 for 2016.

139.18 The 2017 appropriation includes \$308,000 for 2016 and ~~\$3,117,000~~ \$2,358,000 for
 139.19 2017.

139.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

139.21 Sec. 4. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 6, as
 139.22 amended by Laws 2016, chapter 189, article 34, section 3, is amended to read:

139.23 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 139.24 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

139.25	\$	16,759,000	.....	2016
139.26		17,235,000		
139.27	\$	<u>16,879,000</u>	.....	2017

139.28 The 2016 appropriation includes \$1,575,000 for 2015 and \$15,184,000 for 2016.

139.29 The 2017 appropriation includes \$1,687,000 for 2016 and ~~\$15,548,000~~ \$15,192,000 for
 139.30 2017.

139.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

140.1 Sec. 5. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 7, as
 140.2 amended by Laws 2016, chapter 189, article 34, section 4, is amended to read:

140.3 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
 140.4 Minnesota Statutes, section 123B.92, subdivision 9:

140.5	\$	17,673,000	.....	2016
140.6		18,103,000		
140.7	\$	<u>18,278,000</u>	.....	2017

140.8 The 2016 appropriation includes \$1,816,000 for 2015 and \$15,857,000 for 2016.

140.9 The 2017 appropriation includes \$1,761,000 for 2016 and ~~\$16,342,000~~ \$16,517,000 for
 140.10 2017.

140.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

140.12 Sec. 6. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 9, as
 140.13 amended by Laws 2016, chapter 189, article 34, section 5, is amended to read:

140.14 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 140.15 Statutes, section 124D.4531, subdivision 1b:

140.16	\$	5,922,000	.....	2016
140.17		4,262,000		
140.18	\$	<u>4,806,000</u>	.....	2017

140.19 The 2016 appropriation includes \$574,000 for 2015 and \$5,348,000 for 2016.

140.20 The 2017 appropriation includes \$517,000 for 2016 and ~~\$3,745,000~~ \$4,289,000 for
 140.21 2017.

140.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

140.23 **B. EDUCATION EXCELLENCE**

140.24 Sec. 7. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 2, as
 140.25 amended by Laws 2016, chapter 189, article 25, section 44, is amended to read:

140.26 Subd. 2. **Alternative compensation.** For alternative teacher compensation aid under
 140.27 Minnesota Statutes, section 122A.415, subdivision 4:

140.28	\$	78,907,000	.....	2016
140.29		89,049,000		
140.30	\$	<u>88,137,000</u>	.....	2017

140.31 The 2016 appropriation includes \$7,766,000 for 2015 and \$71,141,000 for 2016.

141.1 The 2017 appropriation includes \$7,876,000 for 2016 and ~~\$81,173,000~~ \$80,261,000 for
 141.2 2017.

141.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

141.4 Sec. 8. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 3, as
 141.5 amended by Laws 2016, chapter 189, article 25, section 45, is amended to read:

141.6 Subd. 3. **Achievement and integration aid.** For achievement and integration aid under
 141.7 Minnesota Statutes, section 124D.862:

141.8	\$	65,439,000	.....	2016
141.9		69,372,000		
141.10	\$	<u>67,091,000</u>	.....	2017

141.11 The 2016 appropriation includes \$6,382,000 for 2015 and \$59,057,000 for 2016.

141.12 The 2017 appropriation includes \$6,561,000 for 2016 and ~~\$62,811,000~~ \$60,530,000 for
 141.13 2017.

141.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

141.15 Sec. 9. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 4, as
 141.16 amended by Laws 2016, chapter 189, article 34, section 6, is amended to read:

141.17 Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes,
 141.18 section 124D.98:

141.19	\$	44,538,000	.....	2016
141.20		45,855,000		
141.21	\$	<u>45,803,000</u>	.....	2017

141.22 The 2016 appropriation includes \$4,683,000 for 2015 and \$39,855,000 for 2016.

141.23 The 2017 appropriation includes \$4,428,000 for 2016 and ~~\$41,427,000~~ \$41,375,000 for
 141.24 2017.

141.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

141.26 Sec. 10. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 5,
 141.27 as amended by Laws 2016, chapter 189, article 34, section 7, is amended to read:

141.28 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For
 141.29 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 141.30 section 124D.87:

141.31	\$	14,423,000	2016
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142.1 ~~15,193,000~~
 142.2 \$ 13,496,000 2017

142.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.4 Sec. 11. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 7,
 142.5 as amended by Laws 2016, chapter 189, article 34, section 8, is amended to read:

142.6 Subd. 7. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes,
 142.7 section 124D.83:

142.8 \$ 3,539,000 2016

142.9 ~~3,715,000~~

142.10 \$ 3,278,000 2017

142.11 The 2016 appropriation includes \$204,000 for 2015 and \$3,335,000 for 2016.

142.12 The 2017 appropriation includes \$370,000 for 2016 and ~~\$3,345,000~~ \$2,908,000 for
 142.13 2017.

142.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.15 Sec. 12. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 11,
 142.16 as amended by Laws 2016, chapter 189, article 34, section 9, is amended to read:

142.17 Subd. 11. **American Indian education aid.** For American Indian education aid under
 142.18 Minnesota Statutes, section 124D.81, subdivision 2a:

142.19 \$ 7,740,000 2016

142.20 ~~8,878,000~~

142.21 \$ 8,838,000 2017

142.22 The 2016 appropriation includes \$0 for 2015 and \$7,740,000 for 2016.

142.23 The 2017 appropriation includes \$860,000 for 2016 and ~~\$8,018,000~~ \$7,978,000 for
 142.24 2017.

142.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.26 Sec. 13. Laws 2015, First Special Session chapter 3, article 4, section 9, subdivision 2, as
 142.27 amended by Laws 2016, chapter 189, article 28, section 10, is amended to read:

142.28 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
 142.29 Statutes, section 124E.22:

142.30 \$ 63,540,000 2016

142.31 ~~70,132,000~~

142.32 \$ 68,046,000 2017

143.1 The 2016 appropriation includes \$6,032,000 for 2015 and \$57,508,000 for 2016.

143.2 The 2017 appropriation includes \$6,389,000 for 2016 and ~~\$63,743,000~~ \$61,657,000 for
 143.3 2017.

143.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

143.5 **C. SPECIAL EDUCATION**

143.6 Sec. 14. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 2,
 143.7 as amended by Laws 2016, chapter 189, article 29, section 15, is amended to read:

143.8 Subd. 2. **Special education; regular.** For special education aid under Minnesota Statutes,
 143.9 section 125A.75:

143.10 \$ 1,183,619,000 2016

143.11 ~~1,247,107,000~~

143.12 \$ 1,258,250,000 2017

143.13 The 2016 appropriation includes \$137,932,000 for 2015 and \$1,045,687,000 for 2016.

143.14 The 2017 appropriation includes \$147,202,000 for 2016 and ~~\$1,099,905,000~~

143.15 \$1,111,048,000 for 2017.

143.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

143.17 Sec. 15. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 3,
 143.18 as amended by Laws 2016, chapter 189, article 34, section 10, is amended to read:

143.19 Subd. 3. **Travel for home-based services.** For aid for teacher travel for home-based
 143.20 services under Minnesota Statutes, section 125A.75, subdivision 1:

143.21 \$ 416,000 2016

143.22 ~~435,000~~

143.23 \$ 482,000 2017

143.24 The 2016 appropriation includes \$35,000 for 2015 and \$381,000 for 2016.

143.25 The 2017 appropriation includes \$42,000 for 2016 and ~~\$393,000~~ \$440,000 for 2017.

143.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

144.1 Sec. 16. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 5,
 144.2 as amended by Laws 2016, chapter 189, article 34, section 11, is amended to read:

144.3 Subd. 5. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 144.4 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 144.5 the district boundaries for whom no district of residence can be determined:

144.6	\$	1,307,000	.....	2016
144.7		1,516,000		
144.8	\$	<u>1,390,000</u>	.....	2017

144.9 If the appropriation for either year is insufficient, the appropriation for the other year is
 144.10 available.

144.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

144.12 Sec. 17. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 6,
 144.13 is amended to read:

144.14 Subd. 6. **Court-placed special education revenue.** For reimbursing serving school
 144.15 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 144.16 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

144.17	\$	56,000	.....	2016
144.18		57,000		
144.19	\$	<u>45,000</u>	.....	2017

144.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

144.21 **D. FACILITIES AND TECHNOLOGY**

144.22 Sec. 18. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision 2,
 144.23 as amended by Laws 2016, chapter 189, article 30, section 23, is amended to read:

144.24 Subd. 2. **Long-term facilities maintenance equalization equalized aid.** For long-term
 144.25 facilities maintenance equalization equalized aid under Minnesota Statutes, section 123B.595:

144.26	\$	0	.....	2016
144.27		52,844,000		
144.28	\$	<u>50,571,000</u>	.....	2017

144.29 The 2017 appropriation includes \$0 for 2016 and ~~\$52,844,000~~ \$50,571,000 for 2017.

144.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.1 Sec. 19. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision 3,
 145.2 as amended by Laws 2016, chapter 189, article 34, section 12, is amended to read:

145.3 Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota Statutes,
 145.4 section 123B.53, subdivision 6:

145.5	\$	20,349,000	.....	2016
145.6		22,926,000		
145.7	\$	<u>20,406,000</u>	.....	2017

145.8 The 2016 appropriation includes \$2,295,000 for 2015 and \$18,054,000 for 2016.

145.9 The 2017 appropriation includes \$2,005,000 for 2016 and ~~\$20,921,000~~ \$18,401,000 for
 145.10 2017.

145.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.12 **E. NUTRITION**

145.13 Sec. 20. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 2, as
 145.14 amended by Laws 2016, chapter 189, article 27, section 18, is amended to read:

145.15 Subd. 2. **School lunch.** For school lunch aid according to Minnesota Statutes, section
 145.16 124D.111, and Code of Federal Regulations, title 7, section 210.17:

145.17	\$	16,251,000	.....	2016
145.18		16,775,000		
145.19	\$	<u>16,234,000</u>	.....	2017

145.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.21 Sec. 21. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 3, as
 145.22 amended by Laws 2016, chapter 189, article 27, section 19, is amended to read:

145.23 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes,
 145.24 section 124D.1158:

145.25	\$	9,457,000	.....	2016
145.26		10,365,000		
145.27	\$	<u>9,869,000</u>	.....	2017

145.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

146.1 Sec. 22. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 4, as
 146.2 amended by Laws 2016, chapter 189, article 34, section 15, is amended to read:

146.3 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 146.4 section 124D.118:

146.5	\$	788,000	.....	2016
146.6		788,000		
146.7	\$	<u>758,000</u>	.....	2017

146.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

146.9 **F. EARLY CHILDHOOD EDUCATION**

146.10 Sec. 23. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 5, as
 146.11 amended by Laws 2016, chapter 189, article 34, section 16, is amended to read:

146.12 Subd. 5. **Early childhood family education aid.** For early childhood family education
 146.13 aid under Minnesota Statutes, section 124D.135:

146.14	\$	27,948,000	.....	2016
146.15		29,336,000		
146.16	\$	<u>28,944,000</u>	.....	2017

146.17 The 2016 appropriation includes \$2,713,000 for 2015 and \$25,235,000 for 2016.

146.18 The 2017 appropriation includes \$2,803,000 for 2016 and ~~\$26,533,000~~ \$26,141,000 for
 146.19 2017.

146.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

146.21 Sec. 24. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 6, as
 146.22 amended by Laws 2016, chapter 189, article 34, section 17, is amended to read:

146.23 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 146.24 Minnesota Statutes, sections 121A.17 and 121A.19:

146.25	\$	3,477,000	.....	2016
146.26		3,488,000		
146.27	\$	<u>3,573,000</u>	.....	2017

146.28 The 2016 appropriation includes \$338,000 for 2015 and \$3,139,000 for 2016.

146.29 The 2017 appropriation includes \$348,000 for 2016 and ~~\$3,140,000~~ \$3,225,000 for
 146.30 2017.

146.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

147.1 Sec. 25. Laws 2015, First Special Session chapter 3, article 10, section 3, subdivision 2,
 147.2 as amended by Laws 2016, chapter 189, article 34, section 18, is amended to read:

147.3 Subd. 2. **Community education aid.** For community education aid under Minnesota
 147.4 Statutes, section 124D.20:

147.5 \$ 790,000 2016

147.6 ~~553,000~~

147.7 \$ 555,000 2017

147.8 The 2016 appropriation includes \$107,000 for 2015 and \$683,000 for 2016.

147.9 The 2017 appropriation includes \$75,000 for 2016 and ~~\$478,000~~ \$480,000 for 2017.

147.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

147.11 **G. SELF-SUFFICIENCY AND LIFELONG LEARNING**

147.12 Sec. 26. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision 2,
 147.13 as amended by Laws 2016, chapter 189, article 34, section 19, is amended to read:

147.14 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
 147.15 Statutes, section 124D.531:

147.16 \$ 48,231,000 2016

147.17 ~~49,683,000~~

147.18 \$ 48,762,000 2017

147.19 The 2016 appropriation includes \$4,782,000 for 2015 and \$43,449,000 for 2016.

147.20 The 2017 appropriation includes \$4,827,000 for 2016 and ~~\$44,856,000~~ \$43,935,000 for
 147.21 2017.

147.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX
Article locations in H0890-5

ARTICLE 1	GENERAL EDUCATION	Page.Ln 2.9
ARTICLE 2	EDUCATION EXCELLENCE	Page.Ln 16.3
ARTICLE 3	TEACHERS	Page.Ln 83.7
ARTICLE 4	SPECIAL EDUCATION	Page.Ln 84.1
ARTICLE 5	FACILITIES AND TECHNOLOGY	Page.Ln 97.26
ARTICLE 6	NUTRITION	Page.Ln 112.13
ARTICLE 7	LIBRARIES	Page.Ln 115.6
ARTICLE 8	EARLY CHILDHOOD AND FAMILY SUPPORT	Page.Ln 116.18
ARTICLE 9	COMMUNITY EDUCATION AND PREVENTION	Page.Ln 124.27
ARTICLE 10	SELF-SUFFICIENCY AND LIFELONG LEARNING	Page.Ln 128.20
ARTICLE 11	STATE AGENCIES	Page.Ln 132.9
ARTICLE 12	FORECAST ADJUSTMENTS	Page.Ln 138.13

122A.40 EMPLOYMENT; CONTRACTS; TERMINATION.

Subd. 11. **Unrequested leave of absence.** The board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave is effective at the close of the school year. In placing teachers on unrequested leave, the board is governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. A teacher who has acquired continuing contract rights must not be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed in the inverse order in which they were employed by the school district. In the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed is negotiable;

(c) Notwithstanding the provisions of paragraph (b), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the board of teaching, unless that exercise of seniority results in the placement on unrequested leave of absence of another teacher who also holds a provisional license in the same field. The provisions of this paragraph do not apply to vocational education licenses;

(d) Notwithstanding paragraphs (a), (b), and (c), if the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights, the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority, or the restriction imposed by the provisions of paragraph (c) would place the district in violation of its affirmative action program, the district may retain the probationary teacher, the teacher with less seniority, or the provisionally licensed teacher;

(e) Teachers placed on unrequested leave of absence must be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are licensed. Reinstatement must be in the inverse order of placement on leave of absence. A teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field remains on unrequested leave. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year is negotiable;

(f) Appointment of a new teacher must not be made while there is available, on unrequested leave, a teacher who is properly licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to that teacher who may return to employment and assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence must not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher who is placed on unrequested leave of absence and who is not reinstated shall continue for a period of five years, after which the right to reinstatement shall terminate. The teacher's right to reinstatement shall also terminate if the teacher fails to file with the board by April 1 of any year a written statement requesting reinstatement;

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 5 and 7 must apply to placement on unrequested leave of absence;

(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment benefits if otherwise eligible.

122A.41 TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.

Subd. 14. **Services terminated by discontinuance or lack of pupils; preference given.**

(a) A teacher whose services are terminated on account of discontinuance of position or lack of pupils must receive first consideration for other positions in the district for which that teacher is

APPENDIX

Repealed Minnesota Statutes: H0890-5

qualified. In the event it becomes necessary to discontinue one or more positions, in making such discontinuance, teachers must be discontinued in any department in the inverse order in which they were employed, unless a board and the exclusive representative of teachers in the district negotiate a plan providing otherwise.

(b) Notwithstanding the provisions of clause (a), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the Board of Teaching, unless that exercise of seniority results in the termination of services, on account of discontinuance of position or lack of pupils, of another teacher who also holds a provisional license in the same field. The provisions of this clause do not apply to vocational education licenses.

(c) Notwithstanding the provisions of clause (a), a teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field is available for reinstatement.

123A.73 LEVY LIMITATIONS OF REORGANIZED DISTRICTS.

Subd. 3. **Voluntary dissolution; referendum revenue.** As of the effective date of the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 123A.46, the authorization for all referendum revenues previously approved by the voters of all affected districts for those districts pursuant to section 126C.17, subdivision 9, or its predecessor provision, is canceled. However, if all of the territory of any independent district is included in the enlarged district, and if the adjusted net tax capacity of taxable property in that territory comprises 90 percent or more of the adjusted net tax capacity of all taxable property in an enlarged district, the enlarged district's referendum revenue shall be determined as follows:

The referendum revenue shall be the revenue per adjusted pupil unit times the number of adjusted pupil units in the enlarged district. Any new referendum revenue shall be authorized only after approval is granted by the voters of the entire enlarged district in an election pursuant to section 126C.17, subdivision 9.

124D.151 VOLUNTARY PREKINDERGARTEN PROGRAM.

Subdivision 1. **Establishment; purpose.** A district, a charter school, a group of districts, a group of charter schools, or a group of districts and charter schools may establish a voluntary prekindergarten program. The purpose of a voluntary prekindergarten program is to prepare children for success as they enter kindergarten in the following year.

Subd. 2. **Program requirements.** (a) A voluntary prekindergarten program provider must:

(1) provide instruction through play-based learning to foster children's social and emotional development, cognitive development, physical and motor development, and language and literacy skills, including the native language and literacy skills of English learners, to the extent practicable;

(2) measure each child's cognitive and social skills using a formative measure aligned to the state's early learning standards when the child enters and again before the child leaves the program, screening and progress monitoring measures, and others from the state-approved menu of kindergarten entry profile measures;

(3) provide comprehensive program content including the implementation of curriculum, assessment, and instructional strategies aligned with the state early learning standards, and kindergarten through grade 3 academic standards;

(4) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least 350 hours of instruction per school year for a prekindergarten student;

(5) provide voluntary prekindergarten instructional staff salaries comparable to the salaries of local kindergarten through grade 12 instructional staff;

(6) coordinate appropriate kindergarten transition with families, community-based prekindergarten programs, and school district kindergarten programs;

(7) involve parents in program planning and transition planning by implementing parent engagement strategies that include culturally and linguistically responsive activities in prekindergarten through third grade that are aligned with early childhood family education under section 124D.13;

(8) coordinate with relevant community-based services, including health and social service agencies, to ensure children have access to comprehensive services;

APPENDIX

Repealed Minnesota Statutes: H0890-5

(9) coordinate with all relevant school district programs and services including early childhood special education, homeless students, and English learners;

(10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

(11) provide high-quality coordinated professional development, training, and coaching for both school district and community-based early learning providers that is informed by a measure of adult-child interactions and enables teachers to be highly knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and

(12) implement strategies that support the alignment of professional development, instruction, assessments, and prekindergarten through grade 3 curricula.

(b) A voluntary prekindergarten program must have teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction.

(c) Districts and charter schools must include their strategy for implementing and measuring the impact of their voluntary prekindergarten program under section 120B.11 and provide results in their world's best workforce annual summary to the commissioner of education.

Subd. 3. Mixed delivery of services. A district or charter school may contract with a charter school, Head Start or child care centers, family child care programs licensed under section 245A.03, or a community-based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2. Components of a mixed-delivery plan include strategies for recruitment, contracting, and monitoring of fiscal compliance and program quality.

Subd. 4. Eligibility. A child who is four years of age as of September 1 in the calendar year in which the school year commences is eligible to participate in a voluntary prekindergarten program free of charge. Each eligible child must complete a health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

Subd. 5. Application process; priority for high poverty schools. (a) To qualify for program approval for fiscal year 2017, a district or charter school must submit an application to the commissioner by July 1, 2016. To qualify for program approval for fiscal year 2018 and later, a district or charter school must submit an application to the commissioner by January 30 of the fiscal year prior to the fiscal year in which the program will be implemented. The application must include:

(1) a description of the proposed program, including the number of hours per week the program will be offered at each school site or mixed-delivery location;

(2) an estimate of the number of eligible children to be served in the program at each school site or mixed-delivery location; and

(3) a statement of assurances signed by the superintendent or charter school director that the proposed program meets the requirements of subdivision 2.

(b) The commissioner must review all applications submitted for fiscal year 2017 by August 1, 2016, and must review all applications submitted for fiscal year 2018 and later by March 1 of the fiscal year in which the applications are received and determine whether each application meets the requirements of paragraph (a).

(c) The commissioner must divide all applications for new or expanded programs meeting the requirements of paragraph (a) into four groups as follows: the Minneapolis and St. Paul school districts; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

(1) concentration of kindergarten students eligible for free or reduced-price lunches by school site on October 1 of the previous school year. For school district programs to be operated at locations that do not have free and reduced-price lunch concentration data for kindergarten programs for October 1 of the previous school year, including mixed-delivery programs, the school district average concentration of kindergarten students eligible for free or reduced-price lunches must be used for the rank ordering;

(2) presence or absence of a three- or four-star Parent Aware rated program within the school district or close proximity of the district. School sites with the highest concentration of kindergarten students eligible for free or reduced-price lunches that do not have a three- or four-star Parent Aware program within the district or close proximity of the district shall receive the highest priority, and school sites with the lowest concentration of kindergarten students eligible for free or reduced-price lunches that have a three- or four-star Parent Aware rated program within the district or close proximity of the district shall receive the lowest priority.

APPENDIX

Repealed Minnesota Statutes: H0890-5

(d) The aid available for the program as specified in subdivision 6, paragraph (b), must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the available aid must be allocated among school sites in priority order until that region's share of the aid limit is reached. If the aid limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis.

(e) Once a school site is approved for aid under this subdivision, it shall remain eligible for aid if it continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price lunches.

(f) If the total aid entitlement approved based on applications submitted under paragraph (a) is less than the aid entitlement limit under subdivision 6, paragraph (b), the commissioner must notify all school districts and charter schools of the amount that remains available within 30 days of the initial application deadline under paragraph (a), and complete a second round of allocations based on applications received within 60 days of the initial application deadline.

(g) Procedures for approving applications submitted under paragraph (f) shall be the same as specified in paragraphs (a) to (d), except that the allocations shall be made to the highest priority school sites not funded in the initial allocation on a statewide basis.

Subd. 6. Program and aid entitlement limits. (a) Notwithstanding section 126C.05, subdivision 1, paragraph (d), the pupil units for a voluntary prekindergarten program for an eligible school district or charter school must not exceed 60 percent of the kindergarten pupil units for that school district or charter school under section 126C.05, subdivision 1, paragraph (e).

(b) In reviewing applications under subdivision 5, the commissioner must limit the estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year 2017, \$27,239,000 for fiscal year 2018, and \$26,399,000 for fiscal year 2019 and later. If the actual state aid entitlement based on final data exceeds the limit in any year, the aid of the participating districts must be prorated so as not to exceed the limit.

124D.73 DEFINITIONS.

Subd. 2. American Indian child. "American Indian child" means any child, living on or off a reservation, who is enrolled or eligible for enrollment in a federally recognized tribe.

125A.75 SPECIAL EDUCATION PROGRAMS; APPROVAL; AID PAYMENTS; TRAVEL AID; LITIGATION COSTS.

Subd. 7. Allocation from cooperative centers, service cooperatives, education districts, and intermediate districts. For purposes of this section, a special education cooperative, service cooperative, education district, or an intermediate district must allocate its approved expenditures for special education programs among participating districts. Special education aid for services provided by a cooperative, service cooperative, education district, or intermediate district must be paid to the participating school districts.

125A.76 SPECIAL EDUCATION AID.

Subd. 2b. Cross subsidy reduction aid. For fiscal years 2014 and 2015, the cross subsidy reduction aid for a school district, not including a charter school, equals the lesser of (a) the product of the cross subsidy reduction aid limit and the district's average daily membership served or (b) the sum of the product of the cross subsidy reduction aid percentage, the district's average daily membership served, and the sum of:

(1) \$450; plus

(2) \$400 times the ratio of the sum of the number of pupils enrolled on October 1 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus

(3) .008 times the district's average daily membership served; plus the product of the cross subsidy aid percentage and the sum of:

(i) \$10,100 times the December 1 child count for the primary disability areas of autism spectrum disorders, developmental delay, and severely multiply impaired; plus

(ii) \$17,500 times the December 1 child count for the primary disability areas of deaf and hard-of-hearing and emotional or behavioral disorders; plus

APPENDIX

Repealed Minnesota Statutes: H0890-5

(iii) \$26,000 times the December 1 child count for the primary disability areas of developmentally cognitive mild-moderate, developmentally cognitive severe-profound, physically impaired, visually impaired, and deafblind.

129C.10 PERPICH CENTER FOR ARTS EDUCATION.

Subdivision 1. **Governance.** (a) The board of the Perpich Center for Arts Education shall consist of 15 persons. The members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

(b) All board members must complete board training requirements consistent with section 127A.19.

Subd. 2. **Terms, compensation, and other.** The membership terms, compensation, removal of members, and filling of vacancies shall be as provided for in section 15.0575. A member may serve not more than two consecutive terms.

Subd. 3. **Powers and duties of board.** (a) The board has the powers necessary for the care, management, and control of the Perpich Center for Arts Education and any other school authorized in this chapter, and all their real and personal property. The powers shall include, but are not limited to, those listed in this subdivision.

(b) The board may employ and discharge necessary employees, and contract for other services to ensure the efficient operation of the Center for Arts Education and any other school authorized in this chapter.

(c) The board may receive and award grants. The board may establish a charitable foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational purposes and hold, manage, invest, and dispose of them and the proceeds and income of them according to the terms and conditions of the gift, grant, bequest, or devise and its acceptance. The board must adopt internal procedures to administer and monitor aids and grants.

(d) The board may establish or coordinate evening, continuing education, extension, and summer programs for teachers and pupils.

(e) The board may identify pupils who have artistic talent, either demonstrated or potential, in dance, literary arts, media arts, music, theater, and visual arts, or in more than one art form.

(f) The board must educate pupils with artistic talent by providing:

(1) an interdisciplinary academic and arts program for pupils in the 11th and 12th grades. The total number of pupils accepted under this clause and clause (2) shall not exceed 310;

(2) additional instruction to pupils for a 13th grade. Pupils eligible for this instruction are those enrolled in 12th grade who need extra instruction and who apply to the board, or pupils enrolled in the 12th grade who do not meet learner outcomes established by the board;

(3) intensive arts seminars for one or two weeks for pupils in grades 9 to 12;

(4) summer arts institutes for pupils in grades 9 to 12;

(5) artist mentor and extension programs in regional sites; and

(6) teacher education programs for indirect curriculum delivery.

(g) The board may determine the location for the Perpich Center for Arts Education and any additional facilities related to the center, including the authority to lease a temporary facility.

(h) The board must plan for the enrollment of pupils on an equal basis from each congressional district.

(i) The board may establish task forces as needed to advise the board on policies and issues. The task forces expire as provided in section 15.059, subdivision 6.

(j) The board may request the commissioner of education for assistance and services.

(k) The board may enter into contracts with other public and private agencies and institutions for residential and building maintenance services if it determines that these services could be provided more efficiently and less expensively by a contractor than by the board itself. The board may also enter into contracts with public or private agencies and institutions, school districts or combinations of school districts, or service cooperatives to provide supplemental educational instruction and services.

(l) The board may provide or contract for services and programs by and for the Center for Arts Education, including a store, operating in connection with the center; theatrical events; and other programs and services that, in the determination of the board, serve the purposes of the center.

(m) The board may provide for transportation of pupils to and from the Center for Arts Education for all or part of the school year, as the board considers advisable and subject to its rules. Notwithstanding any other law to the contrary, the board may charge a reasonable fee for transportation of pupils. Every driver providing transportation of pupils under this paragraph must

APPENDIX

Repealed Minnesota Statutes: H0890-5

possess all qualifications required by the commissioner of education. The board may contract for furnishing authorized transportation under rules established by the commissioner of education and may purchase and furnish gasoline to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the Center for Arts Education. When transportation is provided, scheduling of routes, establishment of the location of bus stops, the manner and method of transportation, the control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board.

(n) The board may provide room and board for its pupils. If the board provides room and board, it shall charge a reasonable fee for the room and board. The fee is not subject to chapter 14 and is not a prohibited fee according to sections 123B.34 to 123B.39.

(o) The board may establish and set fees for services and programs. If the board sets fees not authorized or prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 123B.38.

(p) The board may apply for all competitive grants administered by agencies of the state and other government or nongovernment sources.

Subd. 3a. **Center account.** A center for arts education account is established in the special revenue fund in the state treasury. All money collected by the board, including rental income, must be deposited in the account. Money in the account, including interest earned, is appropriated to the board for the operation of its services and programs.

Subd. 3b. **Appeal.** A parent who disagrees with a board action that adversely affects the academic program of an enrolled pupil may appeal the board's action to the commissioner of education within 30 days of the board's action. The decision of the commissioner shall be binding on the board. The board must inform each pupil and parent at the time of enrolling of a parent's right to appeal a board action affecting the pupil's academic program.

Subd. 4. **Employees.** (a)(1) The board must appoint a director of the Center for Arts Education who shall serve in the unclassified service.

(2) The board must employ, upon recommendation of the director, a coordinator of resource programs who shall serve in the unclassified service.

(3) The board must employ, upon recommendation of the director, up to six department chairs who shall serve in the unclassified service. The chairs shall be licensed teachers unless no licensure exists for the subject area or discipline for which the chair is hired.

(4) The board may employ other necessary employees, upon recommendation of the director.

(5) The board must employ, upon recommendation of the director, an executive secretary for the director, who shall serve in the unclassified service.

(b) The employees hired under this subdivision and other necessary employees hired by the board shall be state employees in the executive branch.

Subd. 4a. **Admission and curriculum requirements.** (a) The board may adopt rules for admission to and discharge from the full-time programs for talented pupils, rules regarding discharge from the dormitory, and rules regarding the operation of the center, including transportation of its pupils. Rules covering admission are governed by chapter 14. Rules covering discharge from the full-time program for talented pupils must be consistent with sections 121A.40 to 121A.56, the Pupil Fair Dismissal Act. Rules covering discharge from the dormitory are not governed by the Pupil Fair Dismissal Act as set forth in sections 121A.40 to 121A.56. Rules regarding discharge and the operation of the center are not governed by chapter 14.

(b) Proceedings concerning the full-time program for talented pupils, including admission, discharge, a pupil's program, and a pupil's progress, are governed by the rules adopted by the board and are not contested cases governed by chapter 14.

Subd. 5a. **Interdistrict voluntary integration magnet program.** Notwithstanding Minnesota Rules, parts 3535.0110 and 3535.0150, the board may establish and operate an interdistrict integration magnet program according to section 129C.30. For fiscal year 2016 and later, the board must have an approved achievement and integration plan and budget under section 124D.861.

Subd. 6. **Public postsecondary institutions; providing space.** Public postsecondary institutions must provide space for programs offered by the Perpich Center for Arts Education at no cost or reasonable cost to the center to the extent that space is available at the public postsecondary institutions.

Subd. 7. **Purchasing instructional items.** Technical educational equipment may be procured for programs of the Perpich Center for Arts Education by the board either by brand designation or in accordance with standards and specifications the board may adopt, notwithstanding chapters 16B and 16C.

APPENDIX

Repealed Minnesota Statutes: H0890-5

Subd. 8. **Exemption to September 1 school start restriction.** Notwithstanding section 120A.40, the Perpich Center for Arts Education may begin the school year any day prior to September 1.

129C.105 BOARD MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS.

(a) Notwithstanding section 13D.01 and if complying with section 13D.02 is impractical, the Board of the Perpich Center for Arts Education may conduct a meeting of its members by telephone or other electronic means when:

(1) all members of the board participating in the meeting, wherever the members' physical locations, can hear one another and all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear all discussion and testimony and all votes of members of the board;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(b) Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented marginal costs that the board incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

129C.15 RESOURCE, MAGNET, AND OUTREACH PROGRAMS.

Subdivision 1. **Resource and outreach.** The center must offer resource and outreach programs and services statewide aimed at the enhancement of arts education opportunities for pupils in elementary and secondary school. The programs and services must include:

(1) developing and demonstrating exemplary curriculum, instructional practices, and assessment;

(2) disseminating information; and

(3) providing programs for pupils and teachers that develop technical and creative skills in art forms that are underrepresented and in geographic regions that are underserved.

Subd. 2. **Magnet programs.** The center must identify at least one school district in each congressional district with interest and the potential to offer magnet arts programs using the curriculum developed by the Perpich Center for Arts Education.

Subd. 3. **Center responsibilities.** The center must:

(1) provide information and technical services to arts teachers, professional arts organizations, school districts, and the Department of Education;

(2) gather and conduct research in arts education;

(3) design and promote arts education opportunities for all Minnesota pupils in elementary and secondary schools; and

(4) serve as liaison for the Department of Education to national organizations for arts education.

129C.20 MATERIALS, TRAINING, AND ASSISTANCE.

The Perpich Center for Arts Education, in cooperation with the Minnesota Alliance for Arts in Education and the Minnesota State Arts Board must provide materials, training, and assistance to the arts education committees in the school districts. The center may contract with the Minnesota Alliance for Arts in Education for its involvement in providing services, including staff assistance, to the program.

129C.25 COMPREHENSIVE ARTS PLANNING PROGRAM.

APPENDIX

Repealed Minnesota Statutes: H0890-5

The Perpich Center for Arts Education shall prescribe the form and manner of application by one or more districts to be designated as a site to participate in the comprehensive arts planning program. Up to 30 sites may be selected. The center shall designate sites in consultation with the Minnesota Alliance for Arts in Education and the Minnesota State Arts Board.

129C.26 COMPREHENSIVE ARTS PLANNING PROGRAM SITES.

Subdivision 1. **Funding.** Each site shall receive \$1,250 each year for two years. If fewer than 30 sites are selected, each site shall receive an additional proportionate share of money appropriated and not used. Before receiving money for the second year, a long-range plan for arts education must be submitted to the Perpich Center for Arts Education.

Subd. 2. **Criteria.** The center, in consultation with the Comprehensive Arts Planning Program State Steering Committee, must establish criteria for site selection. Criteria shall include at least the following:

(1) a willingness by the district or group of districts to designate a program chair for comprehensive arts planning with sufficient authority to implement the program;

(2) a willingness by the district or group of districts to create a committee comprised of school district and community people whose function is to promote comprehensive arts education in the district;

(3) commitment on the part of committee members to participate in training offered by the Department of Education;

(4) a commitment of the committee to conduct a needs assessment of arts education;

(5) commitment by the committee to evaluate its involvement in the program;

(6) a willingness by the district to adopt a long-range plan for arts education in the district; and

(7) location of the district or group of districts to assure representation of urban, suburban, and rural districts and distribution of sites throughout the state.

Subd. 3. **Program accounts.** A district receiving funds must maintain a separate account for the receipt and disbursement of all funds relating to the program. The funds must be spent only for the purpose of arts education programs, including teacher release time.

Subd. 4. **Additional funding.** A district receiving funds may receive funds for the program from private sources and from other governmental agencies, including any state or federal funds available for arts education.

129C.30 CROSSWINDS INTEGRATION MAGNET SCHOOL.

Subdivision 1. **Definitions.** (a) The following terms have the meanings given them for this chapter.

(b) "Board" means the board of directors of the Perpich Center for Arts Education.

(c) "Crosswinds school" means the Crosswinds school in Woodbury operated during the 2012-2013 school year by Joint Powers District No. 6067, East Metro Integration District.

Subd. 2. **Board to operate the Crosswinds school.** The board may operate the Crosswinds school with the powers and duties granted to it under this chapter. A student may apply to the Crosswinds school under section 124D.03 and the Crosswinds school may accept students under that section.

Subd. 3. **General education funding.** General education revenue must be paid to the Crosswinds school as though it were a district. The general education revenue for each adjusted pupil unit is the state average general education revenue per pupil unit, plus the referendum equalization aid allowance in the pupil's district of residence, minus an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0466, calculated without declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, and transition revenue as though the school were a school district. The general education revenue for each extended time pupil unit equals \$4,794.

Subd. 4. **Special education funding.** Special education aid must be paid to the Crosswinds school according to sections 125A.76 and 125A.79, as though it were a school district. The special education aid paid to the Crosswinds school shall be adjusted as follows:

(1) if the Crosswinds school does not receive general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 125A.11; or

APPENDIX

Repealed Minnesota Statutes: H0890-5

(2) if the Crosswinds school receives general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraphs (b) to (d).

Subd. 5. **Pupil transportation.** (a) For fiscal year 2015 only, a member district of Joint Powers District No. 6067, East Metro Integration District, must transport pupils enrolled at the Crosswinds school in the same manner as they were transported in fiscal year 2014.

(b) Pupil transportation expenses under this section are reimbursable under section 124D.87.

Subd. 6. **Achievement and integration aid.** For fiscal year 2016 and later, the Crosswinds school is eligible for achievement and integration aid under section 124D.862 as if it were a school district.

Subd. 7. **Other aids, grants, revenue.** (a) The Crosswinds school is eligible to receive other aids, grants, and revenue according to chapters 120A to 129C as though it were a district.

(b) Notwithstanding paragraph (a), the Crosswinds school may not receive aid, a grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy revenue that is not general education revenue, except as otherwise provided in this section.

(c) Federal aid received by the state must be paid to the school if it qualifies for the aid as though it were a school district.

(d) In the year-end report to the commissioner of education, the Crosswinds school shall report the total amount of funds received from grants and other outside sources.

Subd. 8. **Year-round programming.** The Crosswinds school may operate as a flexible learning year program under sections 124D.12 to 124D.127.

Subd. 9. **Data requirements.** The commissioner of education shall require the Crosswinds school to follow the budget and accounting procedures required for school districts and the Crosswinds school shall report all data to the Department of Education in the form and manner required by the commissioner.

3500.3100 ISSUANCE OF GENERAL EDUCATIONAL DEVELOPMENT (GED) DIPLOMA.

Subp. 4. **General Educational Development (GED) diploma.** The commissioner of education may issue a General Educational Development (GED) diploma to a Minnesota resident 19 years of age or over who has not earned a high school diploma and who has not previously been issued a GED if:

A. the person makes written application through any of the approved GED testing centers located in Minnesota; and

B. the person obtains a minimum standard score of 410 on each of the five GED tests and an average standard score of at least 450 on all five tests or the minimum standard scores required by the GED testing service, whichever is greater.

GED tests must be administered only by official agencies established by the American Council on Education and approved by the commissioner of education.

The commissioner of education may waive the minimum age requirement if supportive evidence is provided by an employer or a recognized education or rehabilitation provider.

3600.0010 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 3600.0010 to 3600.0085 have the meanings given them in this part.

3600.0010 DEFINITIONS.

Subp. 2. **Board.** "Board" means the board of the Perpich Center for Arts Education established in Minnesota Statutes, section 129C.10, subdivision 1.

3600.0010 DEFINITIONS.

Subp. 2a. **Center.** "Center" means the full-time high school program offered at the Perpich Center for Arts Education established in Minnesota Statutes, section 129C.10, subdivision 3, paragraph (f), clause (1).

3600.0010 DEFINITIONS.

Subp. 2b. **Eligible applicant.** "Eligible applicant" means a student who resides in Minnesota at the time of the arts review process and at the time of enrollment, as determined by the executive director or the executive director's designee, and meets the following criteria:

A. is living with one or more parents who maintain a domicile and resides in Minnesota at the time of the arts review process and enrollment; or

B. is living with a legal guardian who maintains a domicile and resides in Minnesota at the time of the student's arts review process and enrollment, and the student is living with the guardian primarily for the purpose of care and support and not for the primary purpose of receiving an education in Minnesota.

3600.0010 DEFINITIONS.

Subp. 3. **Executive director.** "Executive director" means the individual appointed by the board under Minnesota Statutes, section 129C.10, subdivision 4, paragraph (a), clause (1), to administer the Perpich Center for Arts Education.

3600.0010 DEFINITIONS.

Subp. 6. **School record.** "School record" means the information requested of the applicant by the center to help determine the appropriateness of the applicant's admission. The information requested must relate to the areas of review as described in part 3600.0030, subpart 6, and includes for example, a transcript of courses taken at the secondary level and their accompanying grades; secondary level attendance records; information about the high school content standards under chapter 3501 attempted or completed by the applicant; and a certified record from the applicant's previous secondary schools regarding grades and standards completed and recommendation. This recommendation must be completed by the applicant's school counselor or teacher of English, math, science, social studies, or world languages.

3600.0020 HOW THIS CHAPTER APPLIES.

APPENDIX
Repealed Minnesota Rule: H0890-5

Parts 3600.0010 to 3600.0085 prescribe the application, arts review, and evaluation processes for students wanting admission to the center. Participants in other programs under Minnesota Statutes, section 129C.10, are not included in the application, arts review, and evaluation process in parts 3600.0010 to 3600.0085.

3600.0030 APPLICATION PROCESS.

Subpart 1. **Eligible applicants.**

A. An eligible applicant for enrollment in the full-time high school program as an 11th grader must have:

(1) successfully completed the requirements of the sending school for grade 9 and be enrolled in grade 10 at the time of application and successfully completed the requirements of the sending school for grade 10 by the end of the grade 10 academic year; and

(2) completed the number of high school content standards as determined annually by the executive director or the executive director's designee. In order to make this determination, by September 1 of each academic year, the executive director or the executive director's designee must determine, for the following academic year, which standards and how many standards the eligible applicant must have completed. This determination will be based on:

(a) which content areas will not be offered by the center during the applicant's enrollment; and

(b) whether, given those standards being offered at the center, the student can complete the number of standards required so as to be able to graduate at the end of two years of enrollment.

B. An eligible applicant for enrollment in the center as a 12th grader must have:

(1) successfully completed the requirements of the sending school for grades 9 and 10 and be enrolled in grade 11 at the time of application and successfully completed the requirements of the sending school for grade 11 by the end of the grade 11 academic year;

(2) completed the number of high school content standards as determined annually by the executive director or the executive director's designee. In order to make this determination, by September 1 of each academic year, the executive director or the executive director's designee must determine, for the following academic year, which standards and how many standards the eligible applicant must have completed. This determination will be based on:

(a) which content areas will not be offered by the center during the applicant's enrollment; and

(b) whether, given those standards being offered at the center, the student can complete the number of standards required so as to be able to graduate at the end of one year of enrollment; and

(3) a "C" average in high school coursework.

3600.0030 APPLICATION PROCESS.

Subp. 2. **Application process.** An eligible applicant must apply for admission to the center by completing application forms and supplying a school record. Students whose applications or school records are not complete by the deadline established annually by the executive director or the executive director's designee shall not be considered further for enrollment. The deadline established annually is stated on the yearly application form.

3600.0030 APPLICATION PROCESS.

Subp. 4. **Number of applications.** Subject to the limitations in parts 3600.0045 to 3600.0085, an individual may apply no more than two times for admission into the center if the individual is an eligible applicant under part 3600.0030, subpart 1, at the time of the arts review process.

3600.0030 APPLICATION PROCESS.

Subp. 6. **Areas of review.** An applicant shall be evaluated for admission into the center based on a review of the applicant in three areas:

A. the arts review process in part 3600.0045;

B. the academic interview process in part 3600.0055; and

C. the final evaluation process in part 3600.0065.

APPENDIX
Repealed Minnesota Rule: H0890-5

The processes under this subpart shall occur at the location and times determined by the executive director or the executive director's designee.

3600.0045 ARTS REVIEW PROCESS.

Subpart 1. **Arts activities.** An applicant may choose to be reviewed in up to two areas of specialty designated on the application, within the following categories: dance, literary arts, media arts, music, theater, and visual arts. Within each specialty area, the executive director or the executive director's designee shall evaluate the applicant's following arts activities:

A. The demonstration of an example or examples of the applicant's previous arts activities, products, and abilities. The executive director or the executive director's designee must evaluate an applicant's artistic abilities or potential with the following criteria:

(1) skills/proficiency, including the degree the applicant possesses potential for rapid acquisition of skills needed to effectively communicate the applicant's arts specialty area or areas;

(2) creativity/imagination, including the level at which the applicant demonstrates the ability to develop inventive, personal, concise, creative expressions within the applicant's arts specialty area or areas; and

(3) attitude, including the extent the applicant demonstrates commitment, energy, and motivation for activities within the applicant's arts specialty area or areas.

B. The spontaneous individual and group activities that highlight individual creativity and group interaction. These activities must be related to the applicant's specialty area or areas. The executive director or the executive director's designee must evaluate an applicant's artistic abilities or potential with the following criteria:

(1) skills/proficiency, including the degree the applicant possesses potential for rapid acquisition of skills needed to effectively communicate the applicant's arts specialty area or areas;

(2) creativity/imagination, including the level at which the applicant's responses demonstrate inventive, personal, concise, imaginative creative expressions; and

(3) attitude, including the extent the applicant demonstrates a willingness to participate with commitment, energy, and motivation.

C. The solution to an arts assignment. Two weeks before the arts review begins, the center shall send applicants an arts assignment specific to the applicants' specialty area or areas. An applicant must bring the solution to the assignment to the arts review and present it to the executive director or the executive director's designee who must evaluate the solution with the following criteria:

(1) the extent that the solution demonstrates skill and proficiency effectiveness including the ability to effectively communicate the arts specialty area or areas;

(2) the extent that the solution represents an imaginative, creative solution including the ability to develop inventive, personal, concise expression within the arts specialty area or areas; and

(3) attitude, including the extent the applicant demonstrates a willingness to participate with commitment, energy, and motivation.

D. Participation in an interview. The executive director or the executive director's designee shall interview an applicant using a list of questions prepared by the executive director or executive director's designee to assess the applicant's attitude, including motivation and commitment to the applicant's arts specialty area or areas.

Subp. 2. **Rating of arts review.** Applicants shall be given a rating of "strongly recommended," "recommended," or "not recommended" in each arts review within each specialty area or areas under subpart 1.

3600.0055 ACADEMIC INTERVIEW PROCESS.

After the arts review, academic applicants shall be interviewed at a location designated by the executive director or the executive director's designee. The purpose of the interview is to comprehensively assess the applicant, including for example the applicant's maturity, the applicant's ability to handle the transition to the center, the applicant's attitude toward obtaining a comprehensive education in addition to an arts education, an explanation of past academic issues, including, for example, absences or low academic standing, and what the applicant will contribute to the community of students and faculty at the center.

3600.0065 FINAL EVALUATION PROCESS.

APPENDIX

Repealed Minnesota Rule: H0890-5

A. After completing the arts review process under part 3600.0045 and the academic interview process under part 3600.0055, an administrative team designated by the executive director or the executive director's designee shall review the student's school record and the results of the arts review and the academic interview to determine whether to admit the applicant into the center. An applicant shall be assessed on the applicant's arts review, the strength of the applicant's overall school records, and the academic interview or interviews. An applicant shall be admitted if a majority of the team recommends admission.

B. An applicant shall be disqualified from further consideration prior to final evaluation if:

- (1) the school record as requested by the center is not complete; and
- (2) the academic interview process is not complete.

3600.0075 SECOND ROUND APPLICATIONS.

If openings at the center remain unfilled after the final evaluations are completed, the executive director or the executive director's designee may reopen the entire application process under parts 3600.0030 to 3600.0065. Students who were not recommended in the process in the immediately preceding application round are not eligible to reapply for enrollment in the upcoming academic year.

3600.0085 BASIS FOR DISQUALIFICATION FROM ENROLLMENT.

A. An approved applicant for enrollment in grade 11 shall not be enrolled unless the following information has been provided by a date annually determined by the executive director or the executive director's designee:

- (1) a certified record from each high school attended that demonstrates the applicant has successfully completed the requirements of grades 9 and 10; and
- (2) a certified record from each high school attended that demonstrates the number and type of completed high school content standards.

B. An approved applicant for enrollment in grade 12 shall not be enrolled unless the following information has been provided by a date annually determined by the executive director or the executive director's designee:

- (1) a certified record from each high school attended that demonstrates the applicant successfully completed the requirements of grades 9, 10, and 11; and
- (2) a certified record from each high school attended that demonstrates the number and type of completed high school content standards.