

1.1 A bill for an act

1.2 relating to education finance; providing for supplemental funding for

1.3 prekindergarten through grade 12 education; modifying provisions for general

1.4 education, education excellence, literacy, teachers, charter schools, special

1.5 education, health and safety, facilities, nutrition, libraries, early childhood education,

1.6 and state agencies; providing for rulemaking; requiring reports; appropriating

1.7 money; amending Minnesota Statutes 2022, sections 13.321, by adding a

1.8 subdivision; 120A.41; 121A.035; 121A.037; 122A.415, by adding a subdivision;

1.9 122A.73, subdivision 4; 123B.71, subdivision 8; 124D.093, subdivisions 4, 5;

1.10 124D.151, by adding a subdivision; 124D.19, subdivisions 8, 11; 124D.65, by

1.11 adding a subdivision; 124D.957, subdivision 1; 124E.22; 126C.05, subdivision

1.12 15; 126C.10, subdivision 13a; 127A.33; Minnesota Statutes 2023 Supplement,

1.13 sections 120B.018, subdivision 6; 120B.021, subdivisions 1, 2, 3, 4; 120B.024,

1.14 subdivision 1; 120B.123, subdivision 7; 120B.124, subdivisions 1, 2; 121A.642;

1.15 122A.415, subdivision 4; 122A.73, subdivisions 2, 3; 122A.77, subdivisions 1, 2,

1.16 3; 123B.71, subdivision 12; 123B.92, subdivision 11; 124D.111, subdivision 3;

1.17 124D.151, subdivisions 5, 6; 124D.65, subdivision 5, as amended; 124D.81,

1.18 subdivision 2b; 124D.901, subdivisions 1, 2, 3, 4; 124D.98, subdivision 5;

1.19 124D.995, subdivision 3; 124E.13, subdivision 1; 126C.10, subdivisions 2e, 3, 3a,

1.20 3c, 18a; 126C.40, subdivision 6; 127A.21, subdivision 2, by adding subdivisions;

1.21 134.356, by adding a subdivision; 256B.0625, subdivision 26; 256B.0671, by

1.22 adding a subdivision; Laws 2023, chapter 18, section 4, subdivisions 2, as amended,

1.23 3, as amended; Laws 2023, chapter 54, section 20, subdivisions 6, 24; Laws 2023,

1.24 chapter 55, article 1, section 36, subdivisions 2, as amended, 8, 13; article 2, section

1.25 64, subdivisions 2, as amended, 6, as amended, 14, 16, 26, 31, 33; article 3, section

1.26 11, subdivisions 3, 4; article 5, sections 64, subdivisions 3, as amended, 5, 13, 15,

1.27 16; 65, subdivisions 3, 6, 7; article 7, section 18, subdivision 4, as amended; article

1.28 8, section 19, subdivisions 5, 6, as amended; article 12, section 17, subdivision 2;

1.29 Laws 2023, chapter 64, article 15, section 34, subdivision 2; proposing coding for

1.30 new law in Minnesota Statutes, chapters 120B; 121A; 123B; 127A; repealing Laws

1.31 2023, chapter 55, article 10, section 4.

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

2.2 **ARTICLE 1**

2.3 **GENERAL EDUCATION**

2.4 Section 1. Minnesota Statutes 2022, section 120A.41, is amended to read:

2.5 **120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.**

2.6 (a) A school board's annual school calendar must include at least 425 hours of instruction
2.7 for a kindergarten student ~~without a disability~~, 935 hours of instruction for a student in
2.8 grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not
2.9 including summer school. The school calendar for all-day kindergarten must include at least
2.10 850 hours of instruction for the school year. The school calendar for a prekindergarten
2.11 student under section 124D.151, if offered by the district, must include at least 350 hours
2.12 of instruction for the school year. A school board's annual calendar must include at least
2.13 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule
2.14 has been approved by the commissioner under section 124D.126.

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

2.18 **EFFECTIVE DATE.** This section is effective for the 2023-2024 school year and later.

2.19 Sec. 2. Minnesota Statutes 2023 Supplement, section 123B.92, subdivision 11, is amended
2.20 to read:

2.21 Subd. 11. **Area learning center transportation aid.** (a) A district or cooperative unit
2.22 under section 123A.24, subdivision 2, that provides transportation of pupils to and from an
2.23 area learning center program established under section 123A.05 is eligible for state aid to
2.24 reimburse the additional costs of transportation during the preceding fiscal year.

2.25 (b) A district or cooperative unit under section 123A.24, subdivision 2, may apply to
2.26 the commissioner of education for state aid to reimburse the costs of transporting pupils
2.27 who are enrolled in an area learning center program established under section 123A.05
2.28 during the preceding fiscal year. The commissioner shall develop the form and manner of
2.29 applications for state aid, the criteria to determine when transportation is necessary, and the
2.30 accounting procedure to determine excess costs. In determining aid amounts, the
2.31 commissioner shall consider other revenue received by the district or cooperative unit under
2.32 section 123A.24, subdivision 2, for transportation for area learning center purposes.

3.1 (c) The total aid entitlement for this section is \$1,000,000 each year. The commissioner
3.2 must prorate aid if this amount is insufficient to reimburse ~~district~~ costs for a district or
3.3 cooperative unit under section 123A.24, subdivision 2.

3.4 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

3.5 Sec. 3. Minnesota Statutes 2023 Supplement, section 124D.65, subdivision 5, as amended
3.6 by Laws 2024, chapter 85, section 21, is amended to read:

3.7 Subd. 5. **School district EL revenue.** (a) For fiscal year 2024 through fiscal year 2026,
3.8 a district's English learner programs revenue equals the sum of:

3.9 (1) the product of (i) \$1,228, and (ii) the greater of 20 or the adjusted average daily
3.10 membership of eligible English learners enrolled in the district during the current fiscal
3.11 year; and

3.12 (2) \$436 times the English learner pupil units under section 126C.05, subdivision 17.

3.13 (b) For fiscal year 2027 and later, a district's English learner programs revenue equals
3.14 the sum of:

3.15 (1) the product of (i) \$1,775, and (ii) the greater of 20 or the adjusted average daily
3.16 membership of eligible English learners enrolled in the district during the current fiscal
3.17 year; and

3.18 (2) \$630 times the English learner pupil units under section 126C.05, subdivision 17;
3.19 ~~and~~

3.20 ~~(3) the district's English learner cross-subsidy aid. A district's English learner cross~~
3.21 ~~subsidy aid equals 25 percent of the district's English learner cross-subsidy under paragraph~~
3.22 ~~(e) for fiscal year 2027 and later.~~

3.23 ~~(c) A district's English learner cross-subsidy equals the greater of zero or the difference~~
3.24 ~~between the district's expenditures for qualifying English learner services for the second~~
3.25 ~~previous year and the district's English learner revenue for the second previous year.~~

3.26 ~~(d)~~ A pupil ceases to generate state English learner aid in the school year following the
3.27 school year in which the pupil attains the state cutoff score on a commissioner-provided
3.28 assessment that measures the pupil's emerging academic English.

3.29 **EFFECTIVE DATE.** This section is effective July 1, 2024.

4.1 Sec. 4. Minnesota Statutes 2022, section 124D.65, is amended by adding a subdivision to
4.2 read:

4.3 Subd. 5a. **English learner cross subsidy aid.** (a) For fiscal year 2027 and later, a district's
4.4 English learner cross subsidy aid equals 25 percent of the district's English learner cross
4.5 subsidy calculated under paragraph (b).

4.6 (b) A district's English learner cross subsidy equals the greater of zero or the difference
4.7 between the district's expenditures for qualifying English learner services for the second
4.8 previous year and the district's English learner revenue for the second previous year. For
4.9 the purposes of this subdivision, "qualifying English learner services" means the services
4.10 necessary to implement the language instruction educational program for students identified
4.11 as English learners under sections 124D.58 to 124D.65. Only expenditures that both address
4.12 the English language development standards in Minnesota Rules, parts 3501.1200 and
4.13 3501.1210, which may include home language instruction, and are supplemental to the cost
4.14 of core content instruction may be included as expenditures for qualifying English learner
4.15 services. Expenditures do not include costs related to construction, indirect costs, core
4.16 content instruction, or core administrative personnel.

4.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

4.18 Sec. 5. Minnesota Statutes 2023 Supplement, section 124D.995, subdivision 3, is amended
4.19 to read:

4.20 **Subd. 3. Money appropriated.** (a) Subject to the availability of funds, money in the
4.21 account is annually appropriated to the commissioner of education to reimburse school
4.22 districts; charter schools; intermediate school districts and cooperative units under section
4.23 123A.24, subdivision 2; the Perpich Center for Arts Education; and the Minnesota State
4.24 Academies for costs associated with providing unemployment benefits to school employees
4.25 under section 268.085, subdivision 7, paragraph (b).

4.26 (b) The Perpich Center for Arts Education and the Minnesota State Academies may only
4.27 apply to the commissioner for reimbursement of unemployment insurance amounts in excess
4.28 of the amounts specifically identified in their annual agency appropriations.

4.29 (c) If the amount in the account is insufficient, the commissioner must proportionately
4.30 reduce the aid payment to each recipient. Notwithstanding section 127A.45, subdivision 3,
4.31 aid payments must be paid ~~100~~ 90 percent in the current year and ten percent in the following
4.32 year on a schedule determined by the commissioner.

4.33 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

5.1 Sec. 6. Minnesota Statutes 2022, section 126C.05, subdivision 15, is amended to read:

5.2 Subd. 15. **Learning year pupil units.** (a) When a pupil is enrolled in a learning year
5.3 program under section 124D.128, an area learning center or an alternative learning program
5.4 approved by the commissioner under sections 123A.05 and 123A.06, or a contract alternative
5.5 program under section 124D.68, subdivision 3, paragraph (d), or subdivision 4, for more
5.6 than 1,020 hours in a school year for a secondary student, more than 935 hours in a school
5.7 year for an elementary student, more than 850 hours in a school year for a kindergarten
5.8 student ~~without a disability~~ in an all-day kindergarten program, or more than 425 hours in
5.9 a school year for a half-day kindergarten student ~~without a disability~~, that pupil may be
5.10 counted as more than one pupil in average daily membership for purposes of section 126C.10,
5.11 subdivision 2a. The amount in excess of one pupil must be determined by the ratio of the
5.12 number of hours of instruction provided to that pupil in excess of: (i) the greater of 1,020
5.13 hours or the number of hours required for a full-time secondary pupil in the district to 1,020
5.14 for a secondary pupil; (ii) the greater of 935 hours or the number of hours required for a
5.15 full-time elementary pupil in the district to 935 for an elementary pupil in grades 1 through
5.16 6; and (iii) the greater of 850 hours or the number of hours required for a full-time
5.17 kindergarten student ~~without a disability~~ in the district to 850 for a kindergarten student
5.18 ~~without a disability~~. Hours that occur after the close of the instructional year in June shall
5.19 be attributable to the following fiscal year. A student in kindergarten or grades 1 through
5.20 12 must not be counted as more than 1.2 pupils in average daily membership under this
5.21 subdivision.

5.22 (b)(i) To receive general education revenue for a pupil in an area learning center or
5.23 alternative learning program that has an independent study component, a district must meet
5.24 the requirements in this paragraph. The district must develop, for the pupil, a continual
5.25 learning plan consistent with section 124D.128, subdivision 3. Each school district that has
5.26 an area learning center or alternative learning program must reserve revenue in an amount
5.27 equal to at least 90 and not more than 100 percent of the district average general education
5.28 revenue per pupil unit, minus an amount equal to the product of the formula allowance
5.29 according to section 126C.10, subdivision 2, times .0466, calculated without basic skills
5.30 revenue, local optional revenue, and transportation sparsity revenue, times the number of
5.31 pupil units generated by students attending an area learning center or alternative learning
5.32 program. The amount of reserved revenue available under this subdivision may only be
5.33 spent for program costs associated with the area learning center or alternative learning
5.34 program. Basic skills revenue generated according to section 126C.10, subdivision 4, by
5.35 pupils attending the eligible program must be allocated to the program.

6.1 (ii) General education revenue for a pupil in a state-approved alternative program without
 6.2 an independent study component must be prorated for a pupil participating for less than a
 6.3 full year, or its equivalent. The district must develop a continual learning plan for the pupil,
 6.4 consistent with section 124D.128, subdivision 3. Each school district that has an area learning
 6.5 center or alternative learning program must reserve revenue in an amount equal to at least
 6.6 90 and not more than 100 percent of the district average general education revenue per pupil
 6.7 unit, minus an amount equal to the product of the formula allowance according to section
 6.8 126C.10, subdivision 2, times .0466, calculated without basic skills revenue, local optional
 6.9 revenue, and transportation sparsity revenue, times the number of pupil units generated by
 6.10 students attending an area learning center or alternative learning program. The amount of
 6.11 reserved revenue available under this subdivision may only be spent for program costs
 6.12 associated with the area learning center or alternative learning program. Basic skills revenue
 6.13 generated according to section 126C.10, subdivision 4, by pupils attending the eligible
 6.14 program must be allocated to the program.

6.15 (iii) General education revenue for a pupil in a state-approved alternative program that
 6.16 has an independent study component must be paid for each hour of teacher contact time
 6.17 and each hour of independent study time completed toward a credit or graduation standards
 6.18 necessary for graduation. Average daily membership for a pupil shall equal the number of
 6.19 hours of teacher contact time and independent study time divided by 1,020.

6.20 (iv) For a state-approved alternative program having an independent study component,
 6.21 the commissioner shall require a description of the courses in the program, the kinds of
 6.22 independent study involved, the expected learning outcomes of the courses, and the means
 6.23 of measuring student performance against the expected outcomes.

6.24 **EFFECTIVE DATE.** This section is effective for the 2023-2024 school year and later.

6.25 Sec. 7. Minnesota Statutes 2023 Supplement, section 126C.10, subdivision 2e, is amended
 6.26 to read:

6.27 Subd. 2e. **Local optional revenue.** (a) Local optional revenue for a school district equals
 6.28 the sum of the district's first tier local optional revenue and second tier local optional revenue.
 6.29 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
 6.30 district for that school year. A district's second tier local optional revenue equals \$424 times
 6.31 the adjusted pupil units of the district for that school year.

6.32 (b) A district's local optional levy equals the sum of the first tier local optional levy and
 6.33 the second tier local optional levy.

7.1 (c) A district's first tier local optional levy equals the district's first tier local optional
7.2 revenue times the lesser of one or the ratio of the district's referendum market value per
7.3 resident pupil unit to \$880,000.

7.4 (d) For fiscal year 2023, a district's second tier local optional levy equals the district's
7.5 second tier local optional revenue times the lesser of one or the ratio of the district's
7.6 referendum market value per resident pupil unit to \$548,842. For fiscal year 2024, a district's
7.7 second tier local optional levy equals the district's second tier local optional revenue times
7.8 the lesser of one or the ratio of the district's referendum market value per resident pupil unit
7.9 to \$510,000. For fiscal year 2025, a district's second tier local optional levy equals the
7.10 district's second tier local optional revenue times the lesser of one or the ratio of the district's
7.11 referendum market value per resident pupil unit to ~~\$587,244~~ \$626,450. For fiscal year 2026,
7.12 a district's second tier local optional levy equals the district's second tier local optional
7.13 revenue times the lesser of one or the ratio of the district's referendum market value per
7.14 resident pupil unit to \$642,038. For fiscal year 2027 and later, a district's second tier local
7.15 optional levy equals the district's second tier local optional revenue times the lesser of one
7.16 or the ratio of the district's referendum market value per resident pupil unit to \$671,345.

7.17 (e) The local optional levy must be spread on referendum market value. A district may
7.18 levy less than the permitted amount.

7.19 (f) A district's local optional aid equals its local optional revenue minus its local optional
7.20 levy. If a district's actual levy for first or second tier local optional revenue is less than its
7.21 maximum levy limit for that tier, its aid must be proportionately reduced.

7.22 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

7.23 Sec. 8. Minnesota Statutes 2023 Supplement, section 126C.10, subdivision 3, is amended
7.24 to read:

7.25 Subd. 3. **Compensatory education revenue.** (a) ~~For fiscal year 2024, the compensatory~~
7.26 ~~education revenue for each building in the district equals the formula allowance minus \$839~~
7.27 ~~times the compensation revenue pupil units computed according to section 126C.05,~~
7.28 ~~subdivision 3.~~ A district's compensatory revenue equals the sum of its compensatory revenue
7.29 for each building in the district and the amounts designated under Laws 2015, First Special
7.30 Session chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017. Revenue shall
7.31 be paid to the district and must be allocated according to section 126C.15, subdivision 2.

7.32 (b) ~~For fiscal year 2025, compensatory revenue must be calculated under Laws 2023,~~
7.33 ~~chapter 18, section 3.~~ For fiscal years 2024 and 2025, the compensatory education revenue

8.1 for each building in the district equals the formula allowance minus \$839 times the
8.2 compensation revenue pupil units computed according to section 126C.05, subdivision 3.

8.3 (c) For fiscal year 2026 and later, the compensatory education revenue for each building
8.4 in the district equals its compensatory pupils multiplied by the building compensatory
8.5 allowance. ~~Revenue shall be paid to the district and must be allocated according to section~~
8.6 ~~126C.15, subdivision 2.~~

8.7 (d) When the district contracting with an alternative program under section 124D.69
8.8 changes prior to the start of a school year, the compensatory revenue generated by pupils
8.9 attending the program shall be paid to the district contracting with the alternative program
8.10 for the current school year, and shall not be paid to the district contracting with the alternative
8.11 program for the prior school year.

8.12 (e) When the fiscal agent district for an area learning center changes prior to the start of
8.13 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
8.14 current school year, and shall not be paid to the fiscal agent district for the prior school year.

8.15 ~~(f) Notwithstanding paragraph (c), for voluntary prekindergarten programs under section~~
8.16 ~~124D.151, charter schools, and contracted alternative programs in the first year of operation,~~
8.17 ~~compensatory education revenue must be computed using data for the current fiscal year.~~
8.18 ~~If the voluntary prekindergarten program, charter school, or contracted alternative program~~
8.19 ~~begins operation after October 1, compensatory education revenue must be computed based~~
8.20 ~~on pupils enrolled on an alternate date determined by the commissioner, and the~~
8.21 ~~compensatory education revenue must be prorated based on the ratio of the number of days~~
8.22 ~~of student instruction to 170 days.~~

8.23 ~~(g) (f) Notwithstanding paragraph (c), for fiscal year 2026, if the calculation under~~
8.24 ~~paragraph (d) results in statewide revenue of sum of the amounts calculated under paragraph~~
8.25 ~~(c) is less than \$838,947,000, additional revenue must be provided the commissioner must~~
8.26 ~~proportionately increase the revenue to each building in a manner prescribed by the~~
8.27 ~~commissioner of education until the total statewide revenue calculated for each building~~
8.28 ~~equals \$838,947,000.~~

8.29 ~~(h) (g) Notwithstanding paragraph (c), for fiscal year 2027 and later, if the calculation~~
8.30 ~~under paragraph (d) results in statewide revenue of sum of the amounts calculated under~~
8.31 ~~paragraph (c) is less than \$857,152,000, additional revenue must be provided the~~
8.32 ~~commissioner must proportionately increase the revenue to each building in a manner~~
8.33 ~~prescribed by the commissioner of education until the total statewide revenue calculated~~
8.34 ~~for each building equals \$857,152,000.~~

9.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

9.2 Sec. 9. Minnesota Statutes 2023 Supplement, section 126C.10, subdivision 3a, is amended
9.3 to read:

9.4 Subd. 3a. **Definitions.** The definitions in this subdivision apply only to subdivisions 3,
9.5 3b, and 3c.

9.6 (a) "Building compensatory allowance" means a building concentration factor multiplied
9.7 by the statewide compensatory allowance.

9.8 (b) "Building concentration factor" means the ratio of a building's compensatory pupils
9.9 to the number of pupils enrolled in the building on October 1 of the previous fiscal year.

9.10 (c) "Compensatory pupils" means the sum of the number of pupils enrolled in a building
9.11 eligible to receive free meals pursuant to subdivision 3b plus one-half of the pupils eligible
9.12 to receive reduced-priced meals pursuant to subdivision 3b on October 1 of the previous
9.13 fiscal year.

9.14 (d) "Statewide compensatory allowance" means the amount calculated pursuant to
9.15 subdivision 3c.

9.16 (e) Notwithstanding paragraphs (b) and (c), for voluntary prekindergarten programs
9.17 under section 124D.151, charter schools, and contracted alternative programs in the first
9.18 year of operation, the building concentration factor and compensatory pupils must be
9.19 computed using data for the current fiscal year. If the voluntary prekindergarten program,
9.20 charter school, or contracted alternative program begins operation after October 1, the
9.21 building concentration factor and compensatory pupils must be computed based on pupils
9.22 enrolled on an alternate date determined by the commissioner and the compensatory pupils
9.23 must be prorated based on the ratio of the number of days of student instruction to 170 days.

9.24 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

9.25 Sec. 10. Minnesota Statutes 2023 Supplement, section 126C.10, subdivision 3c, is amended
9.26 to read:

9.27 Subd. 3c. **Statewide compensatory allowance.** ~~(a)~~ For fiscal year 2026, the statewide
9.28 compensatory allowance is \$6,734. For fiscal year 2027 and later, the statewide compensatory
9.29 allowance equals the statewide compensatory allowance in effect for the prior fiscal year
9.30 times the ratio of the formula allowance under section 126C.10, subdivision 2, for the current
9.31 fiscal year to the formula allowance under section 126C.10, subdivision 2, for the prior
9.32 fiscal year, rounded to the nearest whole dollar.

10.1 ~~(b) For fiscal year 2026 and later, the statewide compensatory allowance equals the~~
10.2 ~~statewide compensatory allowance in effect for the prior fiscal year times the ratio of the~~
10.3 ~~formula allowance under section 126C.10, subdivision 2, for the current fiscal year to the~~
10.4 ~~formula allowance under section 126C.10, subdivision 2, for the prior fiscal year, rounded~~
10.5 ~~to the nearest whole dollar.~~

10.6 Sec. 11. Minnesota Statutes 2022, section 126C.10, subdivision 13a, is amended to read:

10.7 Subd. 13a. **Operating capital levy.** (a) To obtain operating capital revenue, a district
10.8 may levy an amount not more than the product of its operating capital equalization revenue
10.9 for the fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per
10.10 adjusted pupil unit to the operating capital equalizing factor. The operating capital equalizing
10.11 factor equals ~~\$23,902 for fiscal year 2020, \$23,885 for fiscal year 2021, and \$22,912 for~~
10.12 ~~fiscal year 2022 and later~~ 2024, \$23,138 for fiscal year 2025, and \$22,912 for fiscal year
10.13 2026 and later.

10.14 (b) A district's operating capital equalization revenue equals the district's total operating
10.15 capital revenue under subdivision 13, calculated without the amount under subdivision 13,
10.16 paragraph (a), clause (3).

10.17 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

10.18 Sec. 12. Minnesota Statutes 2023 Supplement, section 126C.10, subdivision 18a, is
10.19 amended to read:

10.20 Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special
10.21 school district's transportation sparsity revenue under subdivision 18 is increased by the
10.22 greater of zero or 35 percent of the difference between:

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

10.26 (2) the sum of:

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

10.28 (ii) transportation sparsity revenue under subdivision 18 for the previous fiscal year;

10.29 (iii) the district's charter school transportation adjustment for the previous fiscal year;

10.30 ~~and~~

11.1 (iv) the district's reimbursement for transportation provided under section 123B.92,
11.2 subdivision 1, paragraph (b), clause (1), item (vi); and

11.3 (v) the district's area learning center transportation aid under section 123B.92, subdivision
11.4 11.

11.5 (b) A charter school's pupil transportation adjustment equals the school district per pupil
11.6 unit adjustment under paragraph (a).

11.7 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

11.8 Sec. 13. Minnesota Statutes 2022, section 127A.33, is amended to read:

11.9 **127A.33 SCHOOL ENDOWMENT FUND; APPORTIONMENT.**

11.10 The commissioner ~~shall~~ must apportion the school endowment fund semiannually on
11.11 the first Monday in March and September in each year; to districts ~~whose schools~~ and
11.12 participating schools and American Indian schools as defined in section 124D.73 that have
11.13 been in session at least nine months. The apportionment shall must be in proportion to each
11.14 district's, participating school's, and American Indian school's adjusted average daily
11.15 membership during the preceding year. The apportionment shall must not be paid to a
11.16 district, participating school, or American Indian school for pupils for whom tuition is
11.17 received by the district or school.

11.18 Sec. 14. Laws 2023, chapter 55, article 1, section 36, subdivision 2, as amended by Laws
11.19 2024, chapter 81, section 1, is amended to read:

11.20 Subd. 2. **General education aid.** (a) For general education aid under Minnesota Statutes,
11.21 section 126C.13, subdivision 4:

11.22 \$ 8,103,909,000 2024

11.23 ~~8,299,317,000~~

11.24 \$ 8,333,843,000 2025

11.25 (b) The 2024 appropriation includes \$707,254,000 for 2023 and \$7,396,655,000 for
11.26 2024.

11.27 (c) The 2025 appropriation includes \$771,421,000 for 2024 and ~~\$7,527,896,000~~
11.28 \$7,562,422,000 for 2025.

11.29 Sec. 15. Laws 2023, chapter 55, article 1, section 36, subdivision 8, is amended to read:

11.30 Subd. 8. **One-room schoolhouse.** (a) For a grant aid to Independent School District No.
11.31 690, Warroad, to operate the Angle Inlet School:

12.1 \$ 65,000 2024

12.2 \$ 65,000 2025

12.3 (b) This aid is 100 percent payable in the current year.

12.4 Sec. 16. Laws 2023, chapter 64, article 15, section 34, subdivision 2, is amended to read:

12.5 Subd. 2. **Windom School District onetime supplemental aid.** (a) For aid to Independent
12.6 School District No. 177, Windom:

12.7 \$ 1,000,000 2024

12.8 (b) For fiscal year 2024 only, Windom School District's onetime supplemental aid equals
12.9 the greater of zero or the product of: (1) \$10,000, and (2) the difference between the October
12.10 1, 2022, pupil enrollment count and the October 1, 2023, pupil enrollment count. The amount
12.11 calculated under this paragraph must not exceed \$1,000,000.

12.12 (c) 100 percent of the aid must be paid in the current year.

12.13 (d) This is a onetime appropriation.

12.14 (e) On June 29, 2024, \$840,000 from the initial fiscal year 2024 appropriation is canceled
12.15 to the general fund.

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

12.17 Sec. 17. **BASIC SKILLS REVENUE ACCOUNT TRANSFERS.**

12.18 Notwithstanding Minnesota Statutes, section 126C.15, subdivision 4, by June 30, 2025,
12.19 school districts with a balance in their basic skills revenue account that is restricted for use
12.20 on extended time programs must transfer those funds to an account that is restricted for
12.21 basic skills revenue.

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

12.23 **ARTICLE 2**

12.24 **EDUCATION EXCELLENCE**

12.25 Section 1. **[120B.26] STUDENT ACADEMIC FREEDOM.**

12.26 A school district or charter school must not restrict a student's academic freedom.

12.27 **EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

13.1 Sec. 2. Minnesota Statutes 2023 Supplement, section 121A.642, is amended to read:

13.2 **121A.642 PARAPROFESSIONAL TRAINING.**

13.3 Subdivision 1. **Training required.** A school district ~~or~~, charter school, intermediate,
13.4 other cooperative unit, Perpich Center for Arts Education, or the Minnesota State Academies
13.5 must provide a minimum of eight hours of paid orientation or professional development
13.6 annually to all paraprofessionals, Title I aides, and other instructional support staff. Six of
13.7 the eight hours must be completed before the first instructional day of the school year or
13.8 within 30 days of hire. The orientation or professional development must be relevant to the
13.9 employee's occupation and may include collaboration time with classroom teachers and
13.10 planning for the school year. For paraprofessionals who provide direct support to students,
13.11 at least 50 percent of the professional development or orientation must be dedicated to
13.12 meeting the requirements of this section. Professional development for paraprofessionals
13.13 may also address the requirements of section 120B.363, subdivision 3. A school administrator
13.14 must provide an annual certification of compliance with this requirement to the commissioner.

13.15 Subd. 2. **Reimbursement for paraprofessional training.** (a) Beginning in fiscal year
13.16 2025, the commissioner of education must reimburse school districts, charter schools,
13.17 intermediate school districts and other cooperative units, the Perpich Center for Arts
13.18 Education, and the Minnesota State Academies in the form and manner specified by the
13.19 commissioner for paraprofessional training costs.

13.20 (b) The paraprofessional reimbursement equals the prior year compensation expenses
13.21 associated with providing up to eight hours of paid orientation and professional development
13.22 for each paraprofessional trained under subdivision 1. "Compensation" means the regular
13.23 hourly wage as defined in applicable collective bargaining agreements, Federal Insurance
13.24 Contributions Act (FICA) taxes under United States Code, title 26, chapter 21, and employer
13.25 contributions required under chapter 352, 353, 354, or 354A.

13.26 (c) The commissioner may establish procedures to ensure that any costs reimbursed
13.27 under this section are excluded from other school revenue calculations.

13.28 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

13.29 Sec. 3. Minnesota Statutes 2022, section 124D.093, subdivision 4, is amended to read:

13.30 Subd. 4. **Approval process.** (a) The commissioner of education must appoint an advisory
13.31 committee to review the applications and to recommend approval for those applications
13.32 that meet the requirements of this section. The commissioner of education has final authority
13.33 over application approvals.

14.1 (b) To the extent practicable, the commissioner must ensure an equitable geographic
14.2 distribution of approved P-TECH schools.

14.3 ~~(c) The commissioner must first begin approving applications for a P-TECH school~~
14.4 ~~enrolling students in the 2020-2021 school year or later.~~

14.5 Sec. 4. Minnesota Statutes 2022, section 124D.093, subdivision 5, is amended to read:

14.6 Subd. 5. **P-TECH implementation grants: support; start-up; and mentoring**
14.7 **grants.** (a) When an appropriation is available, each P-TECH school is eligible for a grant
14.8 to support start-up and ongoing program costs, which may include, but are not limited to,
14.9 recruitment, student support, program materials, and P-TECH school liaisons. A P-TECH
14.10 school may form a partnership with a school in another school district.

14.11 (b) For fiscal year 2026 and later, the maximum P-TECH support grant must not exceed
14.12 \$500,000 per year. A support grant may be awarded for a period not to exceed two years.

14.13 (c) An approved P-TECH school is eligible to receive a grant to support start-up costs
14.14 the year before first enrolling P-TECH students. A start-up grant may be awarded to a new
14.15 applicant in an amount not to exceed \$50,000.

14.16 (d) A grant recipient operating a P-TECH program may provide mentoring and technical
14.17 assistance to a school eligible for a start-up grant. A mentoring and technical assistance
14.18 grant may not exceed \$50,000.

14.19 (e) For each year that an appropriation is made for the purposes of this section, the
14.20 department may retain five percent of the appropriation for grant administration and program
14.21 oversight.

14.22 Sec. 5. Minnesota Statutes 2022, section 124D.19, subdivision 8, is amended to read:

14.23 Subd. 8. **Program approval.** ~~To be eligible for revenue for the program for adults with~~
14.24 ~~disabilities, a program and budget must receive approval from the community education~~
14.25 ~~section in the department. Approval may be for five years. During that time, a board must~~
14.26 ~~report any significant changes to the department for approval. For programs offered~~
14.27 ~~cooperatively, the request for approval must include an agreement on the method by which~~
14.28 ~~local money is to be derived and distributed. A request for approval~~ (a) Beginning July 1,
14.29 2024, and at least once every five years thereafter, a district's community education advisory
14.30 council must review and approve the district's adults with disabilities program and submit
14.31 a statement of assurances to the commissioner in the form and manner determined by the

15.1 commissioner. The program must seek feedback from adults with disabilities and other
15.2 community organizations providing services to adults with disabilities.

15.3 (b) Each school district with an adults with disabilities program must include all of at
15.4 least the following information about its adults with disabilities program in its annual
15.5 community education report under subdivision 14:

15.6 (1) a summary of the characteristics of the people to be served by the program;

15.7 (2) a description of the program services and activities;

15.8 (3) the most recent program budget and amount of aid requested;

15.9 (4) a summary of the participation by adults with disabilities in developing the program;

15.10 (5) an assessment of the needs of adults with disabilities; and

15.11 (6) a description of cooperative efforts with community organizations.

15.12 **EFFECTIVE DATE.** This section is effective July 1, 2024, for plans developed on or
15.13 after that date.

15.14 Sec. 6. Minnesota Statutes 2023 Supplement, section 124D.81, subdivision 2b, is amended
15.15 to read:

15.16 Subd. 2b. **Carry forward of funds.** Notwithstanding section 16A.28, if a school district
15.17 or Tribal contract school does not expend the full amount of the American Indian education
15.18 aid in accordance with the plan in the designated fiscal year, the school district or Tribal
15.19 contract school may carry forward and expend up to half of the remaining funds in the ~~first~~
15.20 ~~six months of the~~ following fiscal year, and is not subject to an aid reduction if:

15.21 (1) the district is otherwise following the plan submitted and approved under subdivision
15.22 2;

15.23 (2) the American Indian Parent Advisory Committee for the school is aware of and has
15.24 approved the carry forward and has concurred with the district's educational offerings
15.25 extended to American Indian students under section 124D.78;

15.26 (3) the funds carried over are used in accordance with section 124D.74, subdivision 1;
15.27 and

15.28 (4) by April 1, the district reports to the Department of Education American Indian
15.29 education director the reason the aid was not expended in the designated fiscal year, and
15.30 describes how the district intends to expend the funds in the following fiscal year. The
15.31 district must report this information in the form and manner determined by the commissioner.

16.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

16.2 Sec. 7. Minnesota Statutes 2022, section 124D.957, subdivision 1, is amended to read:

16.3 Subdivision 1. **Establishment and membership.** The Minnesota Youth Council
16.4 Committee is established within and under the auspices of the Minnesota Alliance With
16.5 Youth. The committee consists of four members from each congressional district in
16.6 Minnesota and four members selected at-large. Members must be selected through an
16.7 application and interview process conducted by the Minnesota Alliance With Youth. In
16.8 making its appointments, the Minnesota Alliance With Youth should strive to ensure gender
16.9 and ethnic diversity in the committee's membership. Members must be ~~between the ages of~~
16.10 ~~13 and 19~~ in grades 8 through 12 and serve two-year terms, except that one-half of the initial
16.11 members must serve a one-year term. Members may serve a maximum of two terms.

16.12 Sec. 8. Laws 2023, chapter 55, article 1, section 36, subdivision 13, is amended to read:

16.13 Subd. 13. **Emergency medical training.** (a) For grants to offer high school students
16.14 courses in emergency medical services:

16.15 \$ 500,000 2024

16.16 \$ ~~500,000~~ 750,000 2025

16.17 (b) A school district, charter school, or cooperative unit under Minnesota Statutes, section
16.18 123A.24, subdivision 2, may apply for a grant under this section to offer enrolled students
16.19 emergency medical services courses approved by the Minnesota Emergency Medical Services
16.20 Regulatory Board to prepare students to take the emergency medical technician certification
16.21 test, including an emergency medical services course that is a prerequisite to an emergency
16.22 medical technician course.

16.23 (c) A grant recipient may use grant funds to partner with a district, charter school,
16.24 cooperative unit, postsecondary institution, political subdivision, or entity with expertise in
16.25 emergency medical services, including health systems, hospitals, ambulance services, and
16.26 health care providers to offer an emergency medical services course.

16.27 (d) Eligible uses of grant funds include teacher salaries, transportation, equipment costs,
16.28 emergency medical technician certification test fees, and student background checks.

16.29 (e) To the extent practicable, the commissioner must award at least half of the grant
16.30 funds to applicants outside of the seven-county metropolitan area, and at least 30 percent
16.31 of the grant funds to applicants with high concentrations of students of color.

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

17.1 (g) Of the amount in fiscal year 2025 only, \$250,000 is for a grant to Independent School
 17.2 District No. 742, St. Cloud, for an emergency medical services education facility suitable
 17.3 for coursework in emergency medical services. For the project under this paragraph, eligible
 17.4 uses of grant funds include any design and construction costs and remodeling costs necessary
 17.5 to prepare the education facility in addition to the eligible uses under paragraph (d).
 17.6 Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to three percent
 17.7 of the amount in this paragraph is available for grant administration.

17.8 (h) The base for fiscal year 2026 and later is \$500,000.

17.9 Sec. 9. Laws 2023, chapter 55, article 2, section 64, subdivision 2, as amended by Laws
 17.10 2024, chapter 81, section 8, is amended to read:

17.11 Subd. 2. **Achievement and integration aid.** (a) For achievement and integration aid
 17.12 under Minnesota Statutes, section 124D.862:

17.13	\$	82,818,000	.....	2024
17.14		84,739,000		
17.15	\$	<u>85,043,000</u>	.....	2025

17.16 (b) The 2024 appropriation includes \$8,172,000 for 2023 and \$74,646,000 for 2024.

17.17 (c) The 2025 appropriation includes \$8,294,000 for 2024 and ~~\$76,445,000~~ \$76,749,000
 17.18 for 2025.

17.19 Sec. 10. Laws 2023, chapter 55, article 2, section 64, subdivision 14, is amended to read:

17.20 Subd. 14. **Ethnic studies school grants.** (a) For competitive grants to school districts
 17.21 and charter schools to develop, evaluate, and implement ethnic studies courses:

17.22	\$	700,000	.....	2024
17.23	\$	700,000	.....	2025

17.24 (b) The commissioner must consult with the Ethnic Studies Working Group to develop
 17.25 criteria for the grants.

17.26 (c) Up to five percent of the appropriation is available for grant administration.

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

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

18.1 Sec. 11. Laws 2023, chapter 55, article 2, section 64, subdivision 16, is amended to read:

18.2 Subd. 16. **Full-service community schools.** (a) For grants to plan or expand the
18.3 full-service community schools program under Minnesota Statutes, section 124D.231:

18.4 \$ 7,500,000 2024

18.5 \$ 7,500,000 2025

18.6 (b) Of this amount, priority must be given to programs in the following order:

18.7 (1) current grant recipients issued under Minnesota Statutes, section 124D.231;

18.8 (2) schools identified as low-performing under the federal Every Student Succeeds Act;
18.9 and

18.10 (3) any other applicants.

18.11 (c) Up to two percent of the appropriation is available for grant administration.

18.12 (d) The base for fiscal year 2026 and later is \$5,000,000.

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

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

18.15 Sec. 12. Laws 2023, chapter 55, article 2, section 64, subdivision 26, is amended to read:

18.16 Subd. 26. **Minnesota Council on Economic Education.** (a) For a grant to the Minnesota
18.17 Council on Economic Education:

18.18 \$ 200,000 2024

18.19 \$ 200,000 2025

18.20 (b) The grant must be used to:

18.21 (1) provide professional development to kindergarten through grade 12 teachers
18.22 implementing state graduation standards in learning areas related to economic education;
18.23 and

18.24 (2) support the direct-to-student ancillary economic and personal finance programs that
18.25 teachers supervise and coach.

18.26 (c) By February 15 of each year following the receipt of a grant, the Minnesota Council
18.27 on Economic Education must report to the commissioner of education the number and type
18.28 of in-person and online teacher professional development opportunities provided by the
18.29 Minnesota Council on Economic Education or its affiliated state centers. The report must
18.30 include a description of the content, length, and location of the programs; the number of

19.1 preservice and licensed teachers receiving professional development through each of these
19.2 opportunities; and summaries of evaluations of teacher professional opportunities.

19.3 (d) ~~The Department of Education must pay the full amount of the grant to the Minnesota~~
19.4 ~~Council on Economic Education by August 15 of each fiscal year for which the grant is~~
19.5 ~~appropriated.~~ The Minnesota Council on Economic Education must submit its fiscal reporting
19.6 in the form and manner specified by the commissioner. The commissioner may request
19.7 additional information as necessary.

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

19.9 (f) The base for fiscal year 2026 and later is \$0.

19.10 Sec. 13. Laws 2023, chapter 55, article 2, section 64, subdivision 31, is amended to read:

19.11 Subd. 31. **Nonexclusionary discipline.** (a) For grants to school districts and charter
19.12 schools to provide training for school staff on nonexclusionary disciplinary practices:

19.13 \$ 1,750,000 2024

19.14 \$ 1,750,000 2025

19.15 (b) Grants are to develop training and to work with schools to train staff on
19.16 nonexclusionary disciplinary practices that maintain the respect, trust, and attention of
19.17 students and help keep students in classrooms. These funds may also be used for grant
19.18 administration.

19.19 (c) Eligible grantees include school districts, charter schools, intermediate school districts,
19.20 and cooperative units as defined in section 123A.24, subdivision 2.

19.21 (d) Up to five percent of the appropriation is available for grant administration.

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

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

19.24 Sec. 14. Laws 2023, chapter 55, article 2, section 64, subdivision 33, is amended to read:

19.25 Subd. 33. **P-TECH schools.** (a) For P-TECH support grants under Minnesota Statutes,
19.26 section 124D.093, subdivision 5:

19.27 \$ 791,000 2024

19.28 \$ 791,000 0 2025

19.29 (b) The amounts in this subdivision are for grants, including to a public-private
19.30 partnership that includes Independent School District No. 535, Rochester.

20.1 ~~(c) Any balance in the first year does not cancel but is available in the second year~~ This
20.2 appropriation is available until June 30, 2025. The base for fiscal year 2026 and later is \$0.

20.3 (d) Up to five percent of the fiscal year 2024 appropriation is available for grant
20.4 administration.

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

20.6 Sec. 15. **DIGITAL CITIZENSHIP, INTERNET SAFETY, AND MEDIA LITERACY**
20.7 **ADVISORY COUNCIL.**

20.8 Subdivision 1. **Establishment; membership.** (a) The commissioner of education must
20.9 establish and convene the 25-member Digital Citizenship, Internet Safety, and Media Literacy
20.10 Advisory Council. The council must be composed of the following members:

20.11 (1) three licensed classroom teachers, one each from a district or charter school located
20.12 in rural, urban, and suburban Minnesota;

20.13 (2) three licensed school media specialists, one each from a district or charter school
20.14 located in rural, urban, and suburban Minnesota;

20.15 (3) three representatives from parent-teacher organizations, one each from a district or
20.16 charter school located in rural, urban, and suburban Minnesota;

20.17 (4) four representatives from the Minnesota Regional Public Library Systems;

20.18 (5) two academic librarians;

20.19 (6) two people with expertise in digital citizenship;

20.20 (7) two people with expertise in Internet safety;

20.21 (8) two people with expertise in computer science education;

20.22 (9) two representatives from school districts with expertise in student information systems
20.23 and the data privacy issues surrounding those systems; and

20.24 (10) two people with expertise in media literacy.

20.25 (b) Advisory council member compensation is determined under Minnesota Statutes,
20.26 section 15.059.

20.27 Subd. 2. **Duties.** The advisory council must make recommendations to the commissioner
20.28 of education regarding:

20.29 (1) best practices relating to instruction in digital citizenship, Internet safety, and media
20.30 literacy; and

21.1 (2) methods of instructing students to safely, ethically, responsibly, and effectively use
21.2 media and technology resources.

21.3 Subd. 3. **Report.** By January 14, 2026, the commissioner must report to the chairs and
21.4 ranking minority members of the legislative committees having jurisdiction over kindergarten
21.5 through grade 12 education. The report must include guidelines to assist stakeholders with
21.6 instructional practices and methods regarding digital citizenship, Internet safety, and media
21.7 literacy under subdivision 2 and any draft legislation, if necessary.

21.8 Subd. 4. **Meetings.** The commissioner must convene the first meeting by April 1, 2025.
21.9 At the first meeting, the members must select a chair or cochairs to convene and facilitate
21.10 future advisory council meetings. The commissioner must provide administrative support
21.11 to the advisory council.

21.12 Subd. 5. **Open meeting law.** Meetings of the advisory council are subject to the
21.13 Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

21.14 Subd. 6. **Expiration.** The advisory council expires on January 15, 2026.

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

21.16 Sec. 16. **APPROPRIATIONS.**

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

21.20 Subd. 2. **Civic education grants.** (a) For the Minnesota Civic Education Coalition for
21.21 grants to Youth in Government, the Learning Law and Democracy Foundation, and the
21.22 YMCA Center for Youth Voice to support civic education programs for youth age 18 and
21.23 under to provide teacher professional development, educational resources, and program
21.24 support:

21.25 \$ 150,000 2025

21.26 (b) The programs must instruct students in:

21.27 (1) the constitutional principles and the democratic foundation of our national, state,
21.28 and local institutions; and

21.29 (2) the political processes and structures of government, grounded in the understanding
21.30 of constitutional government and individual rights.

22.1 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to three
22.2 percent of the appropriation is available for grant administration.

22.3 (d) This is a onetime appropriation.

22.4 Subd. 3. **Digital Citizenship, Internet Safety, and Media Literacy Advisory**

22.5 **Council.** (a) For administration and per diem compensation for members of the Digital
22.6 Citizenship, Internet Safety, and Media Literacy Advisory Council:

22.7 § 151,000 2025

22.8 (b) This is a onetime appropriation and is available until June 30, 2026.

22.9 Subd. 4. **Dyslexia Institute of Minnesota.** (a) For a grant to the Dyslexia Institute of
22.10 Minnesota to provide free evidence-based literacy interventions to students who are reading
22.11 below grade level and are enrolled in public schools where a majority of students are eligible
22.12 for free or reduced-price meals:

22.13 § 450,000 2025

22.14 (b) Grant funds must be used to support tutor training and compensation, curricular
22.15 materials, program delivery, and program administration.

22.16 (c) The Dyslexia Institute of Minnesota must provide a detailed report to the chairs and
22.17 ranking minority members of the legislative committees having jurisdiction over kindergarten
22.18 through grade 12 education and higher education by January 15, 2027. At a minimum, the
22.19 report must include information on how the grant funds were used and describe how the
22.20 grant-funded activities improved the literacy proficiency of participating students. The
22.21 report must be filed according to Minnesota Statutes, section 3.195.

22.22 (d) This is a onetime appropriation and is available until June 30, 2026.

22.23 (e) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the department
22.24 may retain up to three percent of this appropriation to administer the grant program.

22.25 Subd. 5. **Girl Scouts.** (a) For a grant to Girl Scouts River Valleys as fiscal agent for Girl
22.26 Scouts councils' community engagement programs:

22.27 § 500,000 2025

22.28 (b) Grant funds must be used for community engagement programs for underserved
22.29 communities and girls facing systemic barriers in education through innovative, culturally
22.30 responsive programming for underrepresented, underresourced girls in kindergarten through
22.31 grade 12, including programming relating to healthy relationships; science, technology,

23.1 engineering, and math; financial literacy; college and career readiness; and leadership
23.2 development and service learning.

23.3 (c) By February 1, 2026, the grantee must submit a report detailing expenditures and
23.4 outcomes of the grant-supported programs to the commissioner of education and the chairs
23.5 and ranking minority members of the legislative committees with primary jurisdiction over
23.6 kindergarten through grade 12 education policy and finance. The report must include:

23.7 (1) self-reported demographic information for the participants in programs funded by
23.8 the grant;

23.9 (2) the number and percentage of participants who self-report positive social and
23.10 emotional health benefits as a result of participating in the program; and

23.11 (3) self-reported data on the number of participants who believe they will graduate from
23.12 high school and enroll in postsecondary education or career training.

23.13 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to three
23.14 percent of the appropriation is available for grant administration.

23.15 (e) This is a onetime appropriation.

23.16 Subd. 6. **Minnesota Alliance With Youth.** (a) For a grant to the Minnesota Alliance
23.17 With Youth to improve student attendance and academic engagement provided through the
23.18 Promise Fellow program:

23.19 § 625,000 2025

23.20 (b) The Promise Fellow program must form partnerships with AmeriCorps members,
23.21 individual schools, school districts, charter schools, and community organizations to provide
23.22 attendance and academic engagement intervention services. Services may include family
23.23 and caregiver outreach and engagement, academic support, connection to out-of-school
23.24 activities and resources, and individual and small group mentoring designed to help students
23.25 return to and maintain consistent school attendance.

23.26 (c) The Minnesota Alliance With Youth must promote Promise Fellow program
23.27 opportunities throughout the state.

23.28 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to three
23.29 percent of the appropriation is available for grant administration.

23.30 (e) This is a onetime appropriation.

23.31 Subd. 7. **Minnesota Youth Council.** (a) For a grant to the Minnesota Alliance With
23.32 Youth for the activities of the Minnesota Youth Council:

24.1 \$ 375,000 2025

24.2 (b) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to three
24.3 percent of the appropriation is available for grant administration.

24.4 (c) This is a onetime appropriation.

24.5 Subd. 8. **P-TECH schools.** (a) For P-TECH implementation grants under Minnesota
24.6 Statutes, section 124D.093, subdivision 5:

24.7 \$ 791,000 2025

24.8 (b) Of the amount in paragraph (a), at least \$500,000 is for a grant to a public-private
24.9 partnership that includes Independent School District No. 535, Rochester. The department
24.10 may award start-up grants and mentoring and technical assistance grants.

24.11 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the department
24.12 may retain money from this appropriation for administrative costs under Minnesota Statutes,
24.13 section 124D.093, subdivision 5.

24.14 (d) This appropriation is available until June 30, 2027.

24.15 (e) The base for fiscal year 2026 is \$791,000, of which at least \$250,000 is for a support
24.16 grant to a public-private partnership that includes Independent School District No. 535,
24.17 Rochester. The base for fiscal year 2027 and later is \$791,000, of which at least \$50,000 is
24.18 for a mentorship and technical assistance grant to a public-private partnership that includes
24.19 Independent School District No. 535, Rochester.

24.20 Subd. 9. **Student connections pilot program.** (a) For a pilot program to help connect
24.21 students to their schools and improve student attendance:

24.22 \$ 5,000,000 2025

24.23 (b) A school district, charter school, intermediate district, or other cooperative unit may
24.24 apply to the commissioner of education in the form and manner determined by the
24.25 commissioner for participation in the student connections pilot program. A school district,
24.26 charter school, intermediate district, or cooperative unit may individually or jointly apply
24.27 for participation in the pilot program. To the extent practicable, the commissioner must
24.28 select pilot program participants representing urban, suburban, and rural schools. In selecting
24.29 pilot program participants, the commissioner must give priority to applicants who demonstrate
24.30 low consistent student attendance among enrolled students according to the most recent
24.31 North Star Accountability data or according to another reliable data source selected by the
24.32 commissioner.

25.1 (c) The commissioner of education may award a student connections grant to each pilot
25.2 program participant. The grant may not exceed \$250,000 per individual or joint applicant.

25.3 (d) A student connections grant under this subdivision must be used for programs that
25.4 build connections to students and encourage regular school attendance. A school may provide
25.5 a program with its own staff or a school may contract for services. Student connections
25.6 program activities may include individualized contact through phone, texting, and home
25.7 visits. To the extent possible, a program must include preventive measures, build student
25.8 skills and capacity to remain in school, use existing school and community resources, and
25.9 focus on the individual needs of each student.

25.10 (e) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner
25.11 may retain up to \$150,000 to administer the pilot program and grants.

25.12 (f) On or before January 15 in each of calendar years 2026, 2027, and 2028, the
25.13 commissioner of education must deliver a report on the pilot program to the chairs and
25.14 ranking minority members of the legislative committees with jurisdiction over
25.15 prekindergarten through grade 12 education finance and policy. Each report must include
25.16 information on the progress of the pilot program and the programmatic activities and student
25.17 attendance outcomes among the pilot program participants, including any successful strategies
25.18 implemented by participants. The report must be filed according to Minnesota Statutes,
25.19 section 3.195.

25.20 (g) This is a onetime appropriation.

25.21 (h) This appropriation does not cancel but is available until June 30, 2027.

25.22 Subd. 10. **Writing skills.** (a) For a grant to 826 MSP:

25.23 § 300,000 2025

25.24 (b) The grant recipient must use grant funds for programs for students from low-income
25.25 families and students of color in the Twin Cities that strengthen students' literacy skills,
25.26 increase student engagement, and develop student leadership. Grant funds may be used to:

25.27 (1) provide all-day, in-school academic support and tutoring throughout the school year;

25.28 (2) provide year-round, out-of-school writing, publishing, and leadership activities;

25.29 (3) enhance career exploration opportunities, including exposure to literary arts and
25.30 creative industries; and

25.31 (4) support families' literacy development through family literacy activities.

26.1 (c) A grant applicant must submit to the commissioner of education a description of the
26.2 program's goals and strategies consistent with the evidence-based grant requirements of
26.3 Minnesota Statutes, section 127A.20. The grant recipient must submit a preliminary report
26.4 on the program's status on January 15, 2025, and submit a final report consistent with
26.5 Minnesota Statutes, section 127A.20.

26.6 (d) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the department
26.7 may retain up to five percent of the appropriation amount to monitor and administer the
26.8 grant program.

26.9 (e) This appropriation is available until June 30, 2026. This is a onetime appropriation.

26.10 **ARTICLE 3**

26.11 **READ ACT**

26.12 Section 1. Minnesota Statutes 2023 Supplement, section 120B.123, subdivision 7, is
26.13 amended to read:

26.14 Subd. 7. **Department of Education.** (a) By July 1, 2023, the department must make
26.15 available to districts a list of approved evidence-based screeners in accordance with section
26.16 120B.12. A district must use an approved screener to assess students' mastery of foundational
26.17 reading skills in accordance with section 120B.12.

26.18 (b) The Department of Education must partner with CAREI as required under section
26.19 120B.124 to approve professional development programs, subject to final determination by
26.20 the department. After the implementation partnership under section 120B.124 ends, the
26.21 department must continue to regularly provide districts with information about professional
26.22 development opportunities available throughout the state on reading instruction that is
26.23 evidence-based.

26.24 (c) The department must identify training required for a literacy lead and literacy specialist
26.25 employed by a district or Minnesota service cooperatives.

26.26 (d) The department must employ a literacy specialist to provide support to districts
26.27 implementing the Read Act and coordinate duties assigned to the department under the
26.28 Read Act. The literacy specialist must work on state efforts to improve literacy tracking
26.29 and implementation.

26.30 (e) The department must develop a template for a local literacy plan in accordance with
26.31 section 120B.12, subdivision 4a.

27.1 (f) The department must partner with CAREI as required under section 120B.124 to
27.2 approve literacy intervention models, subject to final determination by the department. The
27.3 department must make a list of the approved intervention models available to districts, and
27.4 make available to districts a list of at least 15 approved evidence-based literacy intervention
27.5 models by November 1, 2025. The department may make the list of approved intervention
27.6 models available as each program is approved.

27.7 (g) The department must provide ongoing coaching and support to certified trained
27.8 facilitators.

27.9 (h) The department must collaborate with the publishers of curriculum and intervention
27.10 models approved by the department and CAREI to update the curriculum and materials to
27.11 meet the culturally responsive standard under section 120B.124, subdivision 1, and reflect
27.12 students with disabilities.

27.13 Sec. 2. Minnesota Statutes 2023 Supplement, section 120B.124, subdivision 1, is amended
27.14 to read:

27.15 Subdivision 1. **Resources.** (a) The Department of Education must partner with CAREI
27.16 for two years beginning July 1, 2023, until August 30, 2025, to support implementation of
27.17 the Read Act. The department and CAREI must jointly:

27.18 (1) identify at least five literacy curricula and supporting materials that are evidence-based
27.19 or focused on structured literacy by January 1, 2024, and post a list of the curricula on the
27.20 department website. The list must only include curricula that use culturally and linguistically
27.21 responsive materials that reflect diverse populations and, ~~to the extent practicable,~~ curricula
27.22 that reflect the experiences of students from diverse backgrounds, including multilingual
27.23 learners, biliterate students, and students who are Black, Indigenous, and People of Color.
27.24 A district is not required to use an approved curriculum, unless the curriculum was purchased
27.25 with state funds that require a curriculum to be selected from a list of approved curricula;

27.26 (2) identify at least three professional development programs that focus on the five pillars
27.27 of literacy and the components of structured literacy by August 15, 2023, subject to final
27.28 approval by the department. The department must post a list of the programs on the
27.29 department website. The programs may include a program offered by CAREI. The
27.30 requirements of section 16C.08 do not apply to the selection of a provider under this section;

27.31 (3) identify evidence-based literacy intervention materials for students in kindergarten
27.32 through grade 12;

28.1 (4) develop an evidence-based literacy lead training program that trains literacy specialists
28.2 throughout Minnesota to support schools' efforts in screening, measuring growth, monitoring
28.3 progress, and implementing interventions in accordance with subdivision 1;

28.4 (5) identify measures of foundational literacy skills and mastery that a district must
28.5 report on a local literacy plan;

28.6 (6) provide guidance to districts about best practices in literacy instruction, and practices
28.7 that are not evidence-based;

28.8 (7) develop MTSS model plans that districts may adopt to support efforts to screen,
28.9 identify, intervene, and monitor the progress of students not reading at grade level; and

28.10 (8) ensure that teacher professional development options and MTSS framework trainings
28.11 are geographically equitable by supporting trainings through the regional service
28.12 cooperatives;

28.13 (9) develop a coaching and mentorship program for certified trained facilitators; and

28.14 (10) identify at least 15 evidence-based literacy intervention models by November 1,
28.15 2025, and post a list of the interventions on the department website. A district is not required
28.16 to use an approved intervention model, unless the intervention model was purchased with
28.17 state funds that require an intervention model to be selected from a list of approved models.

28.18 (b) The department must contract to develop culturally and linguistically responsive
28.19 supplemental materials and guidance for the approved literacy curricula to meet the culturally
28.20 and linguistically responsive standard in paragraph (a), clause (1).

28.21 (c) The department and CAREI may partner to revise the list of culturally and
28.22 linguistically responsive curriculum and supporting materials that are evidence-based or
28.23 that are focused on structured literacy, starting in 2033.

28.24 Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.124, subdivision 2, is amended
28.25 to read:

28.26 Subd. 2. **Reconsideration.** (a) The department and CAREI must provide districts an
28.27 opportunity to request that the department and CAREI add to the list of curricula or
28.28 professional development programs a specific curriculum or professional development
28.29 program. The department must publish the request for reconsideration procedure on the
28.30 department website. A request for reconsideration must demonstrate that the curriculum or
28.31 professional development program meets the requirements of the Read Act, is
28.32 evidence-based, and has structured literacy components; ~~or that the screener accurately~~

29.1 ~~measures literacy growth, monitors progress, and accurately assesses effective reading,~~
29.2 ~~including phonemic awareness, phonics, fluency, vocabulary, and comprehension.~~ The
29.3 department and CAREI must review the request for reconsideration and approve or deny
29.4 the request within 60 days.

29.5 (b) The department and CAREI must conduct a final curriculum review by March 3,
29.6 2025, to review curriculum that is available to districts at no cost.

29.7 Sec. 4. Minnesota Statutes 2023 Supplement, section 124D.98, subdivision 5, is amended
29.8 to read:

29.9 Subd. 5. **Literacy incentive aid uses.** A school district must use its literacy incentive
29.10 aid to support implementation of evidence-based reading instruction. The following are
29.11 eligible uses of literacy incentive aid:

29.12 (1) training for kindergarten through grade 3 teachers, early childhood educators, special
29.13 education teachers, reading intervention teachers working with students in kindergarten
29.14 through grade 12, curriculum directors, and instructional support staff that provide reading
29.15 instruction, on using evidence-based screening and progress monitoring tools;

29.16 (2) evidence-based training using a training program approved by the Department of
29.17 Education under the Read Act;

29.18 (3) employing or contracting with a literacy lead, as defined in section ~~120B.118~~
29.19 120B.119;

29.20 (4) employing an intervention specialist;

29.21 ~~(4)~~ (5) screeners, materials, training, and ongoing coaching to ensure reading interventions
29.22 under section 125A.56, subdivision 1, are evidence-based; and

29.23 ~~(5)~~ (6) costs of substitute teachers to allow teachers to complete required training during
29.24 the teachers' contract day; and

29.25 (7) stipends for teachers completing training required under section 120B.12.

29.26 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

29.27 Sec. 5. Laws 2023, chapter 55, article 3, section 11, subdivision 3, is amended to read:

29.28 Subd. 3. **Read Act curriculum and intervention materials reimbursement literacy**
29.29 **aid.** (a) ~~To reimburse~~ For state aid for school districts, charter schools, and cooperative
29.30 units for evidence-based literacy supports for children in prekindergarten through grade 12
29.31 based on structured literacy:

30.1 \$ 35,000,000 2024

30.2 ~~(b) The commissioner must use this appropriation to reimburse school districts, charter~~
30.3 ~~schools, and cooperatives for approved evidence-based structured literacy curriculum and~~
30.4 ~~supporting materials, and intervention materials purchased after July 1, 2021. An applicant~~
30.5 ~~must apply for the reimbursement in the form and manner determined by the commissioner~~
30.6 The aid amount for each school district, charter school, and cooperative unit providing direct
30.7 instructional services equals the greater of \$2,000 or \$39.91 times the number of students
30.8 served by the school district, charter school, or cooperative as determined by the fall 2023
30.9 enrollment count of students.

30.10 ~~(c) The commissioner must report to the legislative committees with jurisdiction over~~
30.11 ~~kindergarten through grade 12 education the districts, charter schools, and cooperative units~~
30.12 ~~that receive literacy grants and the amounts of each grant, by January 15, 2025, according~~
30.13 ~~to Minnesota Statutes, section 3.195~~ A school district, charter school, or cooperative unit
30.14 must place any aid received under this subdivision in a reserved account in the general fund.
30.15 Aid in the reserved account may only be used for literacy interventions authorized under
30.16 the Read Act or for literacy incentive aid uses under Minnesota Statutes, section 124D.98,
30.17 subdivision 5.

30.18 ~~(d) A school district, charter school, or cooperative unit must purchase curriculum and~~
30.19 ~~instructional materials that reflect diverse populations.~~

30.20 ~~(e)~~ Of this amount, up to \$250,000 is available for ~~grant~~ administration.

30.21 ~~(f)~~ (e) This appropriation does not cancel but is available until June 30, 2025. This is a
30.22 onetime appropriation ~~and is available until June 30, 2028.~~

30.23 (f) This aid is 100 percent payable in fiscal year 2025.

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

30.25 Sec. 6. Laws 2023, chapter 55, article 3, section 11, subdivision 4, is amended to read:

30.26 Subd. 4. **Read Act professional development.** (a) For evidence-based training on
30.27 structured literacy for teachers working in school districts, charter schools, and cooperatives:

30.28 \$ 34,950,000 2024

30.29 \$ 0 7,000,000 2025

30.30 (b) Of the amount in paragraph (a), \$18,000,000 in fiscal year 2024 is for the Department
30.31 of Education and the regional literacy networks and \$16,700,000 in fiscal year 2024 and
30.32 \$7,000,000 in fiscal year 2025 is for statewide training. The department must use the funding

31.1 to develop a data collection system to collect and analyze the submission of the local literacy
31.2 plans and student-level universal screening data, to establish the regional literacy networks
31.3 as a partnership between the department and the Minnesota service cooperatives, and to
31.4 administer statewide training based in structured literacy to be offered free to school districts
31.5 and charter schools and facilitated by the regional literacy networks and the department.
31.6 The regional literacy networks must focus on implementing comprehensive literacy reform
31.7 efforts based on structured literacy. Each regional literacy network must add a literacy lead
31.8 position and establish a team of trained literacy coaches to facilitate evidence-based structured
31.9 literacy training opportunities and ongoing supports to school districts and charter schools
31.10 in each of their regions. Funds appropriated under this subdivision may also be used to
31.11 provide training in structured literacy to fourth and fifth grade classroom teachers.

31.12 (c) Of the amount in paragraph (a), \$250,000 in fiscal year 2024 only is for administration.

31.13 (d) If funds remain unspent on July 1, 2026, the commissioner must expand eligibility
31.14 for approved training to include principals and other district, charter school, or cooperative
31.15 administrators.

31.16 (e) The commissioner must report to the legislative committees with jurisdiction over
31.17 kindergarten through grade 12 education the number of teachers from each district who
31.18 received approved structured literacy training using funds under this subdivision, and the
31.19 amounts awarded to districts, charter schools, or cooperatives.

31.20 (f) The regional literacy networks and staff at the Department of Education must provide
31.21 ongoing support to school districts, charter schools, and cooperatives implementing
31.22 evidence-based literacy instruction.

31.23 (g) This appropriation is available until June 30, 2028. The base for fiscal year 2026 and
31.24 later is \$7,750,000, of which \$6,500,000 is for the regional literacy networks and \$1,250,000
31.25 is for statewide training.

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

31.27 **Sec. 7. PELSB READING AUDIT REPORT.**

31.28 (a) The Professional Educator Licensing and Standards Board must conduct an audit
31.29 that evaluates whether and how approved teacher training programs for candidates for the
31.30 following licensure areas meet subject matter standards for reading:

31.31 (1) early childhood education in accordance with Minnesota Rules, part 8710.3000;

31.32 (2) elementary education in accordance with Minnesota Rules, part 8710.3200; and

32.1 (3) special education in accordance with Minnesota Rules, part 8710.5000.

32.2 (b) The board must submit an initial report with its findings to the legislative committees
32.3 with jurisdiction over kindergarten through grade 12 and higher education by January 15,
32.4 2025, and a final report by August 1, 2026. Each report must:

32.5 (1) identify the reading standards for each licensure area, identify how they are aligned
32.6 to the requirements of the Read Act, including requirements on evidence-based instruction,
32.7 phonemic awareness, phonics, vocabulary development, reading fluency, and reading
32.8 comprehension, and to the requirements of Minnesota Statutes, section 122A.092, subdivision
32.9 5;

32.10 (2) describe how the board conducted the audit;

32.11 (3) identify the results of the audit; and

32.12 (4) summarize the program effectiveness reports for continuing approval related to
32.13 reading standards reviewed by the board, including the board determinations under Minnesota
32.14 Rules, part 8705.2200.

32.15 **Sec. 8. READ ACT DEAF, DEAFBLIND, AND HARD OF HEARING WORKING**
32.16 **GROUP.**

32.17 Subdivision 1. **Working group purpose.** The Department of Education must establish
32.18 a working group to make recommendations on literacy training, screeners, and curriculum
32.19 for students who cannot fully access sound-based approaches such as phonics.

32.20 Subd. 2. **Members.** The Department of Education must appoint representatives from
32.21 the Center for Applied Research and Educational Improvement at the University of
32.22 Minnesota; the Minnesota Commission of the Deaf, Deafblind and Hard of Hearing; the
32.23 Minnesota State Academies; Metro Deaf School; intermediate school districts; regional
32.24 low-incidence facilitators; a Deaf and Hard of Hearing teacher licensure preparation program
32.25 in Minnesota approved by the Professional Educator Licensing and Standards Board; and
32.26 teachers of students who are deaf, deafblind, or hard of hearing.

32.27 Subd. 3. **Report.** The working group must review curriculum, screeners, and training
32.28 approved under the Read Act and make recommendations for adapting curriculum, screeners,
32.29 and training available to districts, charter schools, teachers, and administrators to meet the
32.30 needs of students and educators who cannot fully access sound-based approaches. The report
32.31 must address how approved curriculum, screeners, and training may be modified and identify
32.32 resources for alternatives to sound-based approaches. The working group must post its
32.33 report on the Department of Education website, and submit the report to the legislative

33.1 committees with jurisdiction over kindergarten through grade 12 education no later than
33.2 January 15, 2025.

33.3 Subd. 4. **Administrative provisions.** (a) The commissioner, or the commissioner's
33.4 designee, must convene the initial meeting of the working group. At the first meeting, the
33.5 department must provide members of the working group information on structured literacy
33.6 and the curriculum, screeners, and training approved under the Read Act.

33.7 (b) Members of the working group are eligible for per diem compensation as provided
33.8 under Minnesota Statutes, section 15.059, subdivision 3. The working group expires January
33.9 16, 2025, or upon submission of the report to the legislature under subdivision 3, whichever
33.10 is earlier.

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

33.12 Sec. 9. **APPROPRIATIONS.**

33.13 Subdivision 1. **Department of Education.** The sums indicated in this section are
33.14 appropriated from the general fund to the Department of Education in the fiscal years
33.15 designated.

33.16 Subd. 2. **Read Act substitute teacher and teacher stipend reimbursements.** (a) For
33.17 payments to school districts, charter schools, and cooperative units for substitute teachers
33.18 and teacher stipends related to Read Act implementation:

33.19 § 23,800,000 2025

33.20 (b) To be eligible for payment under this subdivision, a school district, charter school,
33.21 or cooperative unit must apply in the form and manner determined by the commissioner for
33.22 reimbursement for: (1) substitute teachers to enable teachers to complete required training
33.23 during the school day, unless the teachers are compensated for time outside the school day
33.24 to complete the training, and (2) stipends to teachers who complete an evidence-based
33.25 professional development program approved under Minnesota Statutes, section 120B.124.
33.26 To be eligible for the stipend, a teacher must have a license to teach in Minnesota; work for
33.27 a school district, charter school, or cooperative; and complete an approved professional
33.28 development program between July 1, 2024, and July 1, 2027. If the appropriation is
33.29 insufficient, the commissioner must prorate the amounts to applicants seeking payment.

33.30 (c) This is a onetime appropriation. This appropriation is available until June 30, 2028.

34.1 Subd. 3. **Read Act deaf, deafblind, and hard of hearing working group.** (a) For
34.2 administration and per diem compensation for members of the Read Act deaf, deafblind,
34.3 and hard of hearing working group:

34.4 § 100,000 2025

34.5 (b) This is a onetime appropriation.

34.6 Subd. 4. **Supplemental culturally responsive materials.** (a) For a contract to develop
34.7 supplemental culturally responsive materials for evidence-based structured literacy
34.8 curriculum:

34.9 § 1,000,000 2025

34.10 (b) The commissioner must issue a request for proposals for a contract to develop
34.11 supplemental culturally responsive materials for the approved evidence-based structured
34.12 literacy curriculum under Minnesota Statutes, section 120B.124, subdivision 1, clause (1).
34.13 Upon completion, the commissioner must make the supplemental culturally responsive
34.14 materials available at no cost to districts.

34.15 (c) This is a onetime appropriation. This appropriation is available until June 30, 2026.

34.16 Subd. 5. **Read Act paraprofessional training.** (a) To provide structured literacy
34.17 instruction training to paraprofessionals:

34.18 § 500,000 2025

34.19 (b) The department must partner with the Regional Centers of Excellence to provide
34.20 training for paraprofessionals that assist in providing Tier 2 literacy interventions to students
34.21 in Minnesota school districts on the key components of structured literacy instruction and
34.22 interventions by June 10, 2025. The training must be eight hours long.

34.23 (c) This is a onetime appropriation.

34.24 Subd. 6. **Evidence-based reading instruction training reimbursement.** (a) To
34.25 reimburse teachers for evidence-based reading instruction training:

34.26 § 1,500,000 2025

34.27 (b) A teacher who is currently teaching in a Minnesota school district, charter school,
34.28 or cooperative unit must apply in the form and manner determined by the commissioner to
34.29 be eligible to receive reimbursement for the actual cost the applicant paid for an
34.30 evidence-based reading instruction training, including tuition, books, and other instructional
34.31 materials. The commissioner must establish procedures to ensure that the costs reimbursed
34.32 under this section have not been reimbursed by the applicant's employer or another source.

35.1 If the appropriation is insufficient, the commissioner must prorate the amount paid to
35.2 applicants seeking reimbursement.

35.3 (c) An eligible evidence-based reading instruction training is an approved professional
35.4 development program identified under Minnesota Statutes, section 120B.124, subdivision
35.5 1, paragraph (a), clause (2), that was completed by the applicant between January 1, 2020,
35.6 and June 30, 2023.

35.7 (d) This is a onetime appropriation.

35.8 ARTICLE 4

35.9 TEACHERS

35.10 Section 1. Minnesota Statutes 2023 Supplement, section 122A.415, subdivision 4, is
35.11 amended to read:

35.12 Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher
35.13 compensation aid for a school with a plan approved under section 122A.414, subdivision
35.14 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
35.15 The basic alternative teacher compensation aid for a charter school with a plan approved
35.16 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
35.17 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
35.18 for a charter school in the first year of operation, times the ratio of the sum of the alternative
35.19 teacher compensation aid and alternative teacher compensation levy for all participating
35.20 school districts to the maximum alternative teacher compensation revenue for those districts
35.21 under subdivision 1.

35.22 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
35.23 teacher compensation aid entitlement must not exceed \$88,118,000 for fiscal year 2023;
35.24 \$88,461,000 for fiscal year 2024; ~~\$88,461,000~~ \$88,961,000 for fiscal year 2025; and
35.25 \$89,486,000 for fiscal year 2026 and later. The commissioner must limit the amount of
35.26 alternative teacher compensation aid approved under this section so as not to exceed these
35.27 limits by not approving new participants or by prorating the aid among participating districts,
35.28 intermediate school districts, school sites, and charter schools. The commissioner may also
35.29 reallocate a portion of the allowable aid for the biennium from the second year to the first
35.30 year to meet the needs of approved participants.

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

36.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

36.2 Sec. 2. Minnesota Statutes 2022, section 122A.415, is amended by adding a subdivision
36.3 to read:

36.4 Subd. 7. **Revenue reserved.** Revenue under this section must be reserved and used only
36.5 for the programs authorized under section 122A.414.

36.6 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

36.7 Sec. 3. Minnesota Statutes 2023 Supplement, section 122A.73, subdivision 2, is amended
36.8 to read:

36.9 Subd. 2. **Grow Your Own district programs.** (a) A school district, charter school,
36.10 Tribal contract school, or cooperative unit under section 123A.24, subdivision 2, may apply
36.11 for a grant for a teacher preparation program that meets the requirements of paragraph (c)
36.12 to establish a Grow Your Own pathway for adults to obtain their first professional teaching
36.13 license. The grant recipient must use at least 80 percent of grant funds to provide tuition
36.14 scholarships or stipends to enable ~~school district~~ grant recipient employees or community
36.15 members affiliated with a ~~school district~~ grant recipient, who are of color or American
36.16 Indian and who seek a teaching license, to participate in the teacher preparation program.
36.17 Grant funds may also be used to pay for teacher licensure exams and licensure fees.

36.18 (b) A district using grant funds under this subdivision to provide financial support to
36.19 teacher candidates may require a commitment as determined by the district to teach in the
36.20 ~~district~~ school district, charter school, Tribal contract school, or cooperative unit for a
36.21 reasonable amount of time that does not exceed five years.

36.22 (c) A grantee must partner with:

36.23 (1) a Professional Educator Licensing and Standards Board-approved teacher preparation
36.24 program;

36.25 (2) a Council for the Accreditation of Educator Preparation-accredited teacher preparation
36.26 program from a private, not for profit, institution of higher education; or

36.27 (3) an institution that has an articulated transfer pathway with a board-approved teacher
36.28 preparation program.

37.1 Sec. 4. Minnesota Statutes 2023 Supplement, section 122A.73, subdivision 3, is amended
37.2 to read:

37.3 Subd. 3. **Grants for programs serving secondary school students.** (a) A school district,
37.4 ~~or~~ charter school, Tribal contract school, or cooperative unit may apply for grants under
37.5 this section to offer other innovative programs that encourage secondary school students,
37.6 especially students of color and American Indian students, to pursue teaching. To be eligible
37.7 for a grant under this subdivision, an applicant must ensure that the aggregate percentage
37.8 of secondary school students of color and American Indian students participating in the
37.9 program is equal to or greater than the aggregate percentage of students of color and
37.10 American Indian students in the school district, charter school, Tribal contract school, or
37.11 cooperative unit.

37.12 (b) A grant recipient must use grant funds awarded under this subdivision for:

37.13 (1) supporting future teacher clubs or service-learning opportunities that provide middle
37.14 and high school students with experiential learning that supports the success of younger
37.15 students or peers and increases students' interest in pursuing a teaching career;

37.16 (2) developing and offering postsecondary enrollment options for "Introduction to
37.17 Teaching" or "Introduction to Education" courses consistent with section 124D.09,
37.18 subdivision 10, that meet degree requirements for teacher licensure;

37.19 (3) providing direct support, including wrap-around services, for students who are of
37.20 color or American Indian to enroll and be successful in postsecondary enrollment options
37.21 courses under section 124D.09 that would meet degree requirements for teacher licensure;
37.22 or

37.23 (4) offering scholarships to graduating high school students who are of color or American
37.24 Indian to enroll in board-approved undergraduate teacher preparation programs at a college
37.25 or university in Minnesota or in an institution that has an articulated transfer pathway with
37.26 a board-approved teacher preparation program.

37.27 (c) The maximum grant award under this subdivision is \$500,000. The commissioner
37.28 may consider the number of participants a grant recipient intends to support when determining
37.29 a grant amount.

37.30 Sec. 5. Minnesota Statutes 2022, section 122A.73, subdivision 4, is amended to read:

37.31 Subd. 4. **Grant procedure.** (a) ~~A district~~ An applicant must apply for a grant under this
37.32 section in the form and manner specified by the commissioner. The commissioner must
37.33 give priority to ~~districts~~ applicants with the highest total number or percentage of students

38.1 who are of color or American Indian. To the extent that there are sufficient applications,
38.2 the commissioner must, to the extent practicable, award an equal number of grants between
38.3 ~~districts~~ applicants in greater Minnesota and those in the Twin Cities metropolitan area.

38.4 (b) ~~For the 2022-2023 school year and later,~~ Grant applications for new and existing
38.5 programs must be received by the commissioner no later than January 15 of the year prior
38.6 to the school year in which the grant will be used. The commissioner must review all
38.7 applications and notify grant recipients by March 15 or as soon as practicable of the
38.8 anticipated amount awarded. If the commissioner determines that sufficient funding is
38.9 unavailable for the grants, the commissioner must notify grant applicants by June 30 or as
38.10 soon as practicable that there are insufficient funds.

38.11 (c) ~~For the 2021-2022 school year, the commissioner must set a timetable for awarding~~
38.12 ~~grants as soon as practicable~~ The commissioner may allow existing grantees to revise their
38.13 grant agreements to operate under the current statutory program requirements of this section
38.14 if the requirements differ from those in place at the time of the original grant agreement.

38.15 Sec. 6. Minnesota Statutes 2023 Supplement, section 122A.77, subdivision 1, is amended
38.16 to read:

38.17 Subdivision 1. **Grant program established.** The commissioner of education must
38.18 administer a grant program to develop a pipeline of trained, licensed Tier 3 or Tier 4 special
38.19 education teachers. A school district, charter school, Tribal contract school, or cooperative
38.20 unit under section 123A.24, subdivision 2, may apply for a grant under this section. An
38.21 applicant must partner with:

38.22 (1) a Professional Educator Licensing and Standards Board-approved teacher preparation
38.23 program;

38.24 (2) a Council for the Accreditation of Educator Preparation-accredited teacher preparation
38.25 program from a private, not-for-profit, institution of higher education; or

38.26 (3) an institution that has an articulated transfer pathway with a board-approved teacher
38.27 preparation program.

38.28 Sec. 7. Minnesota Statutes 2023 Supplement, section 122A.77, subdivision 2, is amended
38.29 to read:

38.30 Subd. 2. **Grant uses.** (a) A grant recipient must use grant funds to support participants
38.31 who are employed by the grant recipient ~~as either a paraprofessional or other unlicensed~~
38.32 ~~staff, or a teacher with a Tier 1 or Tier 2 license~~ or are community members affiliated with

39.1 the grant recipient, and who demonstrate a willingness to be a special education teacher
39.2 after completing the program.

39.3 (b) A grant recipient may use grant funds for:

39.4 (1) tuition assistance or stipends for participants;

39.5 (2) supports for participants, including mentoring, licensure test preparation, and
39.6 technology support; or

39.7 (3) participant recruitment.

39.8 Sec. 8. Minnesota Statutes 2023 Supplement, section 122A.77, subdivision 3, is amended
39.9 to read:

39.10 Subd. 3. **Grant procedure.** (a) Applicants must apply for a grant under this section in
39.11 the form and manner specified by the commissioner.

39.12 (b) In awarding grants, the commissioner must prioritize funding for training to allow
39.13 participants holding a Tier 1 or Tier 2 special education license to obtain a Tier 3 special
39.14 education license.

39.15 (c) To the extent that there are sufficient applications, the commissioner must, to the
39.16 extent practicable, award an equal number of grants between applicants in greater Minnesota
39.17 and applicants in the metropolitan area.

39.18 (d) The commissioner may allow existing grantees to revise their grant agreements to
39.19 operate under the current statutory program requirements of this section if the requirements
39.20 differ from those in place at the time of the original grant agreement.

39.21 Sec. 9. **[123B.155] PAID LEAVE FOR SCHOOL CLOSURES.**

39.22 A school district or charter school that alters its calendar due to a weather event, public
39.23 health emergency, or any other circumstance must continue to pay the full wages for
39.24 scheduled work hours and benefits of all school employees for full or partial day closures,
39.25 if the district or charter school counts that day as an instructional day for any students in
39.26 the district or charter school. School employees may be allowed to work from home to the
39.27 extent practicable. Paid leave for an e-learning day is provided under section 120A.414,
39.28 subdivision 6.

39.29 **EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

40.1 Sec. 10. Minnesota Statutes 2023 Supplement, section 124D.901, subdivision 1, is amended
40.2 to read:

40.3 Subdivision 1. **Definitions.** For the purposes of this section, the following terms have
40.4 the meanings given:

40.5 (1) "new position" means a student support services personnel full-time or part-time
40.6 position not under contract by a school district, charter school, or cooperative unit at the
40.7 start of the 2022-2023 school year;

40.8 (2) "part-time position" means a student support services personnel position less than
40.9 1.0 full-time equivalent at the start of the 2022-2023 school year;

40.10 (3) "American Rescue Plan Act" means the federal American Rescue Plan Act of 2021,
40.11 Public Law 117-2, that awarded funds; and

40.12 (4) "student support services personnel" means:

40.13 (i) an individual licensed to serve as a school counselor, school psychologist, school
40.14 social worker, school nurse, or chemical dependency counselor in Minnesota; or

40.15 (ii) an individual not included in item (i) whose work duties primarily consist of activities
40.16 that reduce chronic student absenteeism.

40.17 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2025 and later.

40.18 Sec. 11. Minnesota Statutes 2023 Supplement, section 124D.901, subdivision 2, is amended
40.19 to read:

40.20 Subd. 2. **Purpose.** The purpose of student support personnel aid is to:

40.21 (1) address shortages of student support services personnel within Minnesota schools;

40.22 (2) decrease caseloads for existing student support services personnel to ensure effective
40.23 services;

40.24 (3) ensure that students receive effective student support services and integrated and
40.25 comprehensive services to improve prekindergarten through grade 12 academic, physical,
40.26 social, and emotional outcomes supporting career and college readiness and effective school
40.27 mental health services;

40.28 (4) ensure that student support services personnel serve within the scope and practice
40.29 of their training and licensure;

41.1 (5) fully integrate learning supports, instruction, assessment, data-based decision making,
41.2 and family and community engagement within a comprehensive approach that facilitates
41.3 interdisciplinary collaboration; and

41.4 (6) improve student attendance, health, school safety, and school climate to support
41.5 academic success and career and college readiness.

41.6 Sec. 12. Minnesota Statutes 2023 Supplement, section 124D.901, subdivision 3, is amended
41.7 to read:

41.8 Subd. 3. **Student support personnel aid.** (a) The initial student support personnel aid
41.9 for a school district equals the greater of the student support personnel allowance times the
41.10 adjusted pupil units at the district for the current fiscal year or \$40,000. The initial student
41.11 support personnel aid for a charter school equals the greater of the student support personnel
41.12 allowance times the adjusted pupil units at the charter school for the current fiscal year or
41.13 \$20,000. Aid under this paragraph must be reserved in a fund balance that, beginning in
41.14 fiscal year 2025, may not exceed the greater of the aid entitlement in the prior fiscal year
41.15 or the fund balance in the prior fiscal year.

41.16 (b) The cooperative student support personnel aid for a school district that is a member
41.17 of an intermediate school district or other cooperative unit that serves students equals the
41.18 greater of the cooperative student support allowance times the adjusted pupil units at the
41.19 district for the current fiscal year or \$40,000. If a district is a member of more than one
41.20 cooperative unit that serves students, the revenue must be allocated among the cooperative
41.21 units. Aid under this paragraph must not exceed actual expenditures.

41.22 (c) The student support personnel allowance equals \$11.94 for fiscal year 2024, \$17.08
41.23 for fiscal year 2025, and \$48.73 for fiscal year 2026 and later.

41.24 (d) The cooperative student support allowance equals \$0.60 for fiscal year 2024, \$0.85
41.25 for fiscal year 2025, and \$2.44 for fiscal year 2026 and later.

41.26 ~~(e) Notwithstanding paragraphs (a) and (b), the student support personnel aid must not~~
41.27 ~~exceed the district's, charter school's, or cooperative unit's actual expenditures.~~

41.28 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

41.29 Sec. 13. Minnesota Statutes 2023 Supplement, section 124D.901, subdivision 4, is amended
41.30 to read:

41.31 Subd. 4. **Allowed uses.** (a) Except as provided in paragraph (b), aid under this section
41.32 must be used to hire new positions for student support services personnel or increase a

42.1 current position that is less than 1.0 full-time equivalent to a greater number of service hours
42.2 or make permanent a position hired using onetime resources awarded through the federal
42.3 Coronavirus Aid Relief and Economic Security Act, the federal Consolidated Appropriations
42.4 Act, the federal Division M-Coronavirus Response and Relief Supplemental Appropriations
42.5 Act, or the federal American Rescue Plan Act, or to maintain a position that would otherwise
42.6 be eliminated.

42.7 (b) Cooperative student support personnel aid must be transferred to the intermediate
42.8 district or other cooperative unit of which the district is a member and used to:

42.9 (1) hire new positions for student support services personnel or increase a current position
42.10 that is less than 1.0 full-time equivalent to a greater number of service hours or make
42.11 permanent a position hired using onetime resources awarded through the American Rescue
42.12 Plan Act at the intermediate district or cooperative unit; or

42.13 (2) pay the costs of necessary transportation among cooperative member school sites
42.14 for student support services personnel.

42.15 (c) If a school district, charter school, or cooperative unit does not receive at least two
42.16 applications and is not able to hire a new full-time equivalent position with student support
42.17 personnel aid, the aid may be used for contracted services from individuals licensed to serve
42.18 as a school counselor, school psychologist, school social worker, school nurse, or chemical
42.19 dependency counselor in Minnesota.

42.20 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2024 and later.

42.21 Sec. 14. Laws 2023, chapter 55, article 5, section 64, subdivision 3, as amended by Laws
42.22 2024, chapter 81, section 14, is amended to read:

42.23 Subd. 3. **Alternative teacher compensation aid.** (a) For alternative teacher compensation
42.24 aid under Minnesota Statutes, section 122A.415, subdivision 4:

42.25 \$ 88,706,000 2024

42.26 ~~\$88,562,000~~

42.27 \$ 89,012,000 2025

42.28 (b) The 2024 appropriation includes \$8,824,000 for fiscal year 2023 and \$79,882,000
42.29 for fiscal year 2024.

42.30 (c) The 2025 appropriation includes \$8,875,000 for fiscal year 2024 and ~~\$79,687,000~~
42.31 \$80,137,000 for fiscal year 2025.

43.1 Sec. 15. Laws 2023, chapter 55, article 5, section 64, subdivision 5, is amended to read:

43.2 Subd. 5. **Closing educational opportunity gaps grants.** (a) To support schools in their
43.3 efforts to close opportunity gaps under Minnesota Statutes, section 120B.113:

43.4 \$ 3,000,000 2024

43.5 \$ 3,000,000 2025

43.6 (b) The department may retain up to five percent of this appropriation to administer the
43.7 grant program.

43.8 (c) The base for fiscal year 2026 and later is \$0.

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

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

43.11 Sec. 16. Laws 2023, chapter 55, article 5, section 64, subdivision 13, is amended to read:

43.12 Subd. 13. **Statewide teacher mentoring program.** (a) For a statewide teacher induction
43.13 and mentoring program:

43.14 \$ 9,940,000 2024

43.15 \$ 0 2025

43.16 (b) Funds may be used for:

43.17 (1) competitive grants to Minnesota regional partners, including institutions of higher
43.18 education, regional service cooperatives, other district or charter collaboratives, and
43.19 professional organizations, to provide mentoring supports for new teachers, on-the-ground
43.20 training, technical assistance, and networks or communities of practice for local new teachers,
43.21 districts, and charter schools to implement Minnesota's induction model;

43.22 (2) competitive grants to school districts to fund ~~Teacher of Record~~ mentorships to Tier
43.23 1 and Tier 2 special education teachers, including training and supervision; and

43.24 (3) contracts with national content experts and research collaboratives to assist in
43.25 developing Minnesota's induction model, to provide ongoing training to mentors and
43.26 principals, and to evaluate the program over time.

43.27 (c) Up to five percent of the appropriation is available for grant administration.

43.28 (d) This is a onetime appropriation and is available until June 30, 2027.

44.1 Sec. 17. Laws 2023, chapter 55, article 5, section 64, subdivision 15, is amended to read:

44.2 Subd. 15. **Student support personnel workforce pipeline.** (a) For a grant program to
44.3 develop a student support personnel workforce pipeline focused on increasing school
44.4 psychologists, school nurses, school counselors, and school social workers of color and
44.5 Indigenous providers, professional respecialization, recruitment, and retention:

44.6 \$ 5,000,000 2024

44.7 \$ 5,000,000 2025

44.8 (b) Of the amount in paragraph (a), \$150,000 is for providing support to school nurses
44.9 across the state.

44.10 (c) To the extent practicable, the pipeline grants must be used to support equal numbers
44.11 of students pursuing careers as school psychologists, school nurses, school counselors, and
44.12 school social workers.

44.13 (d) For grants awarded under this subdivision to school psychologists, the following
44.14 terms have the meanings given:

44.15 (1) "eligible designated trainee" means an individual enrolled in a NASP-approved or
44.16 APA-accredited school psychology program granting educational specialist certificates or
44.17 doctoral degrees in school psychology;

44.18 (2) "practica" means an educational experience administered and evaluated by the
44.19 graduate training program, with university and site supervision by appropriately credentialed
44.20 school psychologists, to develop trainees' competencies to provide school psychological
44.21 services based on the graduate program's goals and competencies relative to accreditation
44.22 and licensure requirements; and

44.23 (3) "eligible employment" means a paid position within a school or local education
44.24 agency directly related to the training program providing direct or indirect school psychology
44.25 services. Direct services include assessment, intervention, prevention, or consultation services
44.26 to students or their family members and educational staff. Indirect services include
44.27 supervision, research and evaluation, administration, program development, technical
44.28 assistance, or professional learning to support direct services.

44.29 (e) Grants awarded to school psychologists must be used for:

44.30 (1) the provision of paid, supervised, and educationally meaningful practica in a public
44.31 school setting for an eligible designated trainee enrolled in a qualifying program within the
44.32 grantee's institution;

45.1 (2) to support student recruitment and retention to enroll and hire an eligible designated
45.2 trainee for paid practica in public school settings; and

45.3 (3) oversight of trainee practica and professional development by the qualifying institution
45.4 to ensure the qualifications and conduct by an eligible designated trainee meet requirements
45.5 set forth by the state and accrediting agencies.

45.6 (f) Upon successful completion of the graduate training program, grants awarded to
45.7 school psychologists must maintain eligible employment within Minnesota for a minimum
45.8 period of one-year full-time equivalent for each academic year of paid traineeship under
45.9 the grant program.

45.10 (g) Up to \$150,000 of the appropriation is available for grant administration.

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

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

45.13 Sec. 18. Laws 2023, chapter 55, article 5, section 64, subdivision 16, is amended to read:

45.14 Subd. 16. **Teacher residency program.** (a) For the teacher residency program that meets
45.15 the requirements of Minnesota Rules, part 8705.2100, subpart 2, item D, subitem (5), unit
45.16 (g):

45.17 \$ 3,000,000 2024

45.18 \$ 3,000,000 2025

45.19 (b) Up to three percent of the appropriation is available for grant administration.

45.20 (c) Any balance in the first year does not cancel but is available in the ~~following fiscal~~
45.21 second year.

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

45.23 Sec. 19. Laws 2023, chapter 55, article 5, section 65, subdivision 3, is amended to read:

45.24 Subd. 3. **Collaborative urban and greater Minnesota educators of color grants.** (a)
45.25 For collaborative urban and greater Minnesota educators of color competitive grants under
45.26 Minnesota Statutes, section 122A.635:

45.27 \$ 5,440,000 2024

45.28 ~~5,440,000~~

45.29 \$ 6,440,000 2025

45.30 (b) The board may retain up to \$100,000 of the appropriation amount to monitor and
45.31 administer the grant program.

46.1 (c) Any balance in the first year does not cancel but is available in the ~~following fiscal~~
46.2 second year.

46.3 (d) The base for fiscal year 2026 and later is \$5,440,000.

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

46.5 Sec. 20. Laws 2023, chapter 55, article 5, section 65, subdivision 6, is amended to read:

46.6 Subd. 6. **Mentoring, induction, and retention incentive program grants for teachers**
46.7 **of color.** (a) To develop and expand mentoring, induction, and retention programs designed
46.8 for teachers of color or American Indian teachers under Minnesota Statutes, section 122A.70:

46.9 \$ 3,500,000 2024

46.10 ~~3,500,000~~

46.11 \$ 8,500,000 2025

46.12 (b) Any balance in the first year does not cancel but is available in the ~~following fiscal~~
46.13 second year.

46.14 (c) The base for grants under Minnesota Statutes, section 122A.70, for fiscal year 2026
46.15 and later is \$4,500,000, of which at least \$3,500,000 each fiscal year is for grants to develop
46.16 and expand mentoring, induction, and retention programs designed for teachers of color or
46.17 American Indian teachers.

46.18 (d) The board may retain up to three percent of the appropriation amount to monitor and
46.19 administer the grant program.

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

46.21 Sec. 21. Laws 2023, chapter 55, article 5, section 65, subdivision 7, is amended to read:

46.22 Subd. 7. **Pathway preparation grants.** (a) For grants to support teachers holding a Tier
46.23 1 or Tier 2 license and seeking a Tier 3 or Tier 4 license:

46.24 \$ 400,000 2024

46.25 \$ 400,000 2025

46.26 (b) The following are eligible for grants under this subdivision:

46.27 (1) school districts;

46.28 (2) charter schools;

46.29 (3) service cooperatives; and

47.1 (4) partnerships between one or more teacher preparation providers, school districts, or
47.2 charter schools.

47.3 (c) Grant funds must be used to support teachers holding a Tier 1 or Tier 2 license and
47.4 seeking a Tier 3 or Tier 4 license through completion of a teacher preparation program or
47.5 the licensure via portfolio process. A grant recipient must provide teachers holding a Tier
47.6 1 or Tier 2 license with professional development, mentorship, and coursework aligned to
47.7 state standards for teacher licensure.

47.8 (d) The Professional Educator Licensing and Standards Board may collaborate with the
47.9 Department of Education and the Office of Higher Education to administer the grant program.

47.10 (e) The board may retain up to three percent of the appropriation amount to monitor and
47.11 administer the grant.

47.12 Sec. 22. **TEACHER AND PARAPROFESSIONAL COMPENSATION WORKING**
47.13 **GROUP.**

47.14 **Subdivision 1. Establishment; membership.** (a) The Teacher and Paraprofessional
47.15 Compensation Working Group is established and consists of the following 22 members:

47.16 (1) one prekindergarten teacher;

47.17 (2) one elementary school teacher;

47.18 (3) one middle school teacher;

47.19 (4) one high school teacher;

47.20 (5) one physical education teacher;

47.21 (6) one vocal music or instrumental music teacher;

47.22 (7) one visual arts teacher;

47.23 (8) one library media specialist;

47.24 (9) one community education teacher;

47.25 (10) one teacher teaching in an alternative setting;

47.26 (11) one member working in a school setting with children from birth to age three;

47.27 (12) one special education teacher;

47.28 (13) four paraprofessionals working with elementary, middle, or high school students;

47.29 (14) two superintendents;

48.1 (15) one community education director;

48.2 (16) two school finance directors; and

48.3 (17) one member with expertise in school board governance.

48.4 (b) The members under paragraph (a), clauses (1) to (13), must be appointed by the
48.5 Professional Educator Licensing and Standards Board. The members under paragraph (a),
48.6 clauses (14) to (16), must be appointed by the Minnesota Board of School Administrators.
48.7 The members under paragraph (a), clause (17), must be appointed by the Minnesota School
48.8 Boards Association. To the extent practicable, each appointing authority must appoint
48.9 members representing schools in regions across the state. All appointments must be made
48.10 no later than September 1, 2024.

48.11 Subd. 2. **Duties; report.** (a) The working group is established to advise the legislature
48.12 on strategies and recommendations to provide competitive compensation to teachers and
48.13 paraprofessionals in Minnesota elementary, middle, and secondary schools.

48.14 (b) The working group must report its proposed strategies, recommendations, and draft
48.15 legislation to the legislative committees with jurisdiction over prekindergarten through
48.16 grade 12 education finance and policy by February 14, 2025. The report must be filed
48.17 according to Minnesota Statutes, section 3.195.

48.18 (c) At a minimum, the report must:

48.19 (1) analyze data on the professional pay gap for Minnesota teachers;

48.20 (2) provide historical analysis on pay trends for Minnesota teachers;

48.21 (3) examine historical trends in total compensation for Minnesota teachers, including
48.22 wages and salary, health insurance and other benefits, and pension benefits;

48.23 (4) examine historical trends in the tuition and opportunity costs of teacher preparation
48.24 and student debt burdens; and

48.25 (5) collect and analyze data on the workloads and compensation of Minnesota education
48.26 support professionals.

48.27 Subd. 3. **Meetings; compensation.** (a) The working group must convene its initial
48.28 meeting no later than September 15, 2024, and must meet regularly thereafter.

48.29 (b) Members of the working group are eligible for per diem compensation as provided
48.30 under Minnesota Statutes, section 15.059, subdivision 3.

49.1 Subd. 4. **Administrative provisions.** (a) The executive director of the Professional
49.2 Educator Licensing and Standards Board or the executive director's designee must convene
49.3 the initial meeting of the working group. Upon request of the working group, the executive
49.4 director must provide meeting space and administrative services for the group. The members
49.5 of the working group must elect a chair or cochairs from the members of the working group
49.6 at the initial meeting.

49.7 (b) Upon request of the working group, the Professional Educator Licensing and Standards
49.8 Board must provide information necessary for the working group to make its
49.9 recommendations, including but not limited to information on teacher and paraprofessional
49.10 qualifications, licensure, employment, assignment, and compensation.

49.11 Subd. 5. **Expiration.** The working group expires February 14, 2025, or upon submission
49.12 of the report required under subdivision 2, whichever is earlier.

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

49.14 Sec. 23. **APPROPRIATIONS.**

49.15 Subdivision 1. **Professional Educator Licensing and Standards Board.** The sum
49.16 indicated in this section is appropriated from the general fund to the Professional Educator
49.17 Licensing and Standards Board for the fiscal year designated.

49.18 Subd. 2. **Teacher and paraprofessional compensation working group.** (a) For
49.19 administration and per diem compensation for members of the teacher and paraprofessional
49.20 compensation working group:

49.21 § 150,000 2025

49.22 (b) This is a onetime appropriation.

49.23 **ARTICLE 5**

49.24 **CHARTER SCHOOLS**

49.25 Section 1. Minnesota Statutes 2023 Supplement, section 124E.13, subdivision 1, is amended
49.26 to read:

49.27 Subdivision 1. **Leased space.** A charter school may lease space from: an independent
49.28 or special school board; other public organization; private, nonprofit, nonsectarian
49.29 organization; private property owner; or a sectarian organization if the leased space is
49.30 constructed as a school facility. In all cases, the eligible lessor must also be the building

50.1 owner. The commissioner must review and approve or disapprove ~~leases~~ lease aid
50.2 applications in a timely manner to determine eligibility for lease aid under section 124E.22.

50.3 Sec. 2. Minnesota Statutes 2022, section 124E.22, is amended to read:

50.4 **124E.22 BUILDING LEASE AID.**

50.5 (a) When a charter school finds it economically advantageous to rent or lease a building
50.6 or land for any instructional purpose and it determines that the total operating capital revenue
50.7 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
50.8 commissioner for building lease aid in the form and manner prescribed by the commissioner.
50.9 The commissioner must review and either approve or deny a lease aid application using at
50.10 least the following criteria:

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

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

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

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

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

50.25 (d) A charter school's building lease aid pupil units equals the sum of the charter school
50.26 pupil units under section 126C.05 and the pupil units for the portion of the day that the
50.27 charter school's enrolled students are participating in the Postsecondary Enrollment Options
50.28 Act under section 124D.09 and not otherwise included in the pupil count under section
50.29 126C.05.

51.1 Sec. 3. Laws 2023, chapter 55, article 2, section 64, subdivision 6, as amended by Laws
51.2 2024, chapter 81, section 9, is amended to read:

51.3 Subd. 6. **Charter school building lease aid.** (a) For building lease aid under Minnesota
51.4 Statutes, section 124E.22:

51.5 \$ 91,457,000 2024

51.6 ~~94,578,000~~

51.7 \$ 94,906,000 2025

51.8 (b) The 2024 appropriation includes \$9,047,000 for 2023 and \$82,410,000 for 2024.

51.9 (c) The 2025 appropriation includes \$9,156,000 for 2024 and ~~\$85,422,000~~ \$85,750,000
51.10 for 2025.

51.11 Sec. 4. **APPROPRIATIONS.**

51.12 Subdivision 1. Department of Education. The sum indicated in this section is
51.13 appropriated from the general fund to the Department of Education for the fiscal year
51.14 designated.

51.15 Subd. 2. Safe schools supplemental aid for charter schools. (a) For safe schools
51.16 supplemental aid for charter schools:

51.17 \$ 3,000,000 2025

51.18 (b) Safe schools supplemental aid for a charter school equals the product of:

51.19 (1) the amount appropriated under paragraph (a); and

51.20 (2) the ratio of (i) the charter school's student enrollment on October 1, 2024, to (ii) the
51.21 student enrollment on October 1, 2024, for all charter schools in the state.

51.22 (c) Safe schools supplemental aid must be reserved and used only for costs associated
51.23 with safe schools activities authorized under Minnesota Statutes, section 126C.44, subdivision
51.24 4, or building lease expenses not funded by building lease aid that are attributable to facility
51.25 security enhancements made by the landlord after March 1, 2024.

51.26 (d) One hundred percent of the aid under this subdivision must be paid in fiscal year
51.27 2025 on a schedule to be determined by the commissioner.

51.28 (e) This is a onetime appropriation.

52.1 **ARTICLE 6**

52.2 **SPECIAL EDUCATION**

52.3 Section 1. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 26, is
52.4 amended to read:

52.5 Subd. 26. **Special education services.** (a) Medical assistance covers evaluations necessary
52.6 in making a determination for eligibility for individualized education program and
52.7 individualized family service plan services and for medical services identified in a recipient's
52.8 individualized education program and individualized family service plan and covered under
52.9 the medical assistance state plan. Covered services include occupational therapy, physical
52.10 therapy, speech-language therapy, clinical psychological services, nursing services, school
52.11 psychological services, school social work services, personal care assistants serving as
52.12 management aides, assistive technology devices, transportation services, health assessments,
52.13 and other services covered under the medical assistance state plan. Mental health services
52.14 eligible for medical assistance reimbursement must be provided or coordinated through a
52.15 children's mental health collaborative where a collaborative exists if the child is included
52.16 in the collaborative operational target population. The provision or coordination of services
52.17 does not require that the individualized education program be developed by the collaborative.

52.18 The services may be provided by a Minnesota school district that is enrolled as a medical
52.19 assistance provider or its subcontractor, and only if the services meet all the requirements
52.20 otherwise applicable if the service had been provided by a provider other than a school
52.21 district, in the following areas: medical necessity; physician's, advanced practice registered
52.22 nurse's, or physician assistant's orders; documentation; personnel qualifications; and prior
52.23 authorization requirements. The nonfederal share of costs for services provided under this
52.24 subdivision is the responsibility of the local school district as provided in section 125A.74.
52.25 Services listed in a child's individualized education program are eligible for medical
52.26 assistance reimbursement only if those services meet criteria for federal financial participation
52.27 under the Medicaid program.

52.28 (b) Approval of health-related services for inclusion in the individualized education
52.29 program does not require prior authorization for purposes of reimbursement under this
52.30 chapter. The commissioner may require physician, advanced practice registered nurse, or
52.31 physician assistant review and approval of the plan not more than once annually or upon
52.32 any modification of the individualized education program that reflects a change in
52.33 health-related services.

53.1 (c) Services of a speech-language pathologist provided under this section are covered
53.2 notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

53.3 (1) holds a masters degree in speech-language pathology;

53.4 (2) is licensed by the Professional Educator Licensing and Standards Board as an
53.5 educational speech-language pathologist; and

53.6 (3) either has a certificate of clinical competence from the American Speech and Hearing
53.7 Association, has completed the equivalent educational requirements and work experience
53.8 necessary for the certificate or has completed the academic program and is acquiring
53.9 supervised work experience to qualify for the certificate.

53.10 (d) Medical assistance coverage for medically necessary services provided under other
53.11 subdivisions in this section may not be denied solely on the basis that the same or similar
53.12 services are covered under this subdivision.

53.13 (e) The commissioner shall develop and implement package rates, bundled rates, or per
53.14 diem rates for special education services under which separately covered services are grouped
53.15 together and billed as a unit in order to reduce administrative complexity.

53.16 (f) The commissioner shall develop a cost-based payment structure for payment of these
53.17 services. Only costs reported through the designated Minnesota Department of Education
53.18 data systems in distinct service categories qualify for inclusion in the cost-based payment
53.19 structure. The commissioner shall reimburse claims submitted based on an interim rate, and
53.20 shall settle at a final rate once the department has determined it. The commissioner shall
53.21 notify the school district of the final rate. The school district has 60 days to appeal the final
53.22 rate. To appeal the final rate, the school district shall file a written appeal request to the
53.23 commissioner within 60 days of the date the final rate determination was mailed. The appeal
53.24 request shall specify (1) the disputed items and (2) the name and address of the person to
53.25 contact regarding the appeal.

53.26 (g) Effective July 1, 2000, medical assistance services provided under an individualized
53.27 education program or an individual family service plan by local school districts shall not
53.28 count against medical assistance authorization thresholds for that child.

53.29 (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an
53.30 individualized education program health-related service, are eligible for medical assistance
53.31 payment if they are otherwise a covered service under the medical assistance program.
53.32 Medical assistance covers the administration of prescription medications by a licensed nurse
53.33 who is employed by or under contract with a school district when the administration of

54.1 medications is identified in the child's individualized education program. The simple
54.2 administration of medications alone is not covered under medical assistance when
54.3 administered by a provider other than a school district or when it is not identified in the
54.4 child's individualized education program.

54.5 (i) ~~School social work Services~~ provided by a school social worker as described in
54.6 paragraph (l) must be provided by a mental health professional as defined in section 245I.04,
54.7 subdivision 2; a clinical trainee as defined in section 245I.04, subdivision 6, under the
54.8 supervision of a mental health professional; or a mental health practitioner as defined in
54.9 section 245I.04, subdivision 4, under the supervision of a mental health professional, ~~are~~
54.10 to be eligible for medical assistance payment. A mental health practitioner performing
54.11 ~~school social work services under this section must provide services within the mental health~~
54.12 ~~practitioner's licensure scope of practice, if applicable, and within the mental health~~
54.13 ~~practitioner scope of practice under section 245I.04, subdivision 5~~ reimbursement. Services
54.14 described in paragraph (l) must be provided within the provider's scope of practice as defined
54.15 in section 245I.04, subdivisions 3, 5, and 7.

54.16 (j) Notwithstanding section 245I.10, subdivision 2, a special education evaluation, and
54.17 assessment for and within an individual family service plan or individualized education
54.18 ~~program, or individual family service plan~~ may be used to determine medical necessity and
54.19 ~~eligibility for school social work services under paragraph (i) instead of a diagnostic~~
54.20 ~~assessment~~ for services described under paragraph (l). The special education evaluation and
54.21 assessments for and within the individualized education program, or individual family
54.22 service plan, that meet the requirements in section 245I.10, subdivision 4 and subdivision
54.23 5 or 6, and that is completed by a licensed mental health professional or clinical trainee
54.24 supervised by a licensed mental health professional can be used for determining medical
54.25 necessity. In addition, for services that do not require a diagnosis using an assessment as
54.26 defined in section 245I.10, subdivision 4 and subdivision 5 or 6, the special education
54.27 evaluation and assessments for and within the individualized education program, or individual
54.28 family service plan, that provide an International Classification of Diseases diagnostic code
54.29 and are completed by a licensed mental health professional or clinical trainee supervised
54.30 by a licensed mental health professional can be used for determining medical necessity.

54.31 (k) A school social worker or school providing ~~mental health~~ services under paragraph
54.32 ~~(i)~~ (l) is not required to be certified to provide children's therapeutic services and supports
54.33 under section 256B.0943.

54.34 (l) Covered ~~mental health~~ services provided by a school social worker under this
54.35 paragraph ~~(i)~~ include ~~but are not limited to:~~

- 55.1 ~~(1) administering and reporting standardized measures;~~
- 55.2 ~~(2) care coordination;~~
- 55.3 ~~(3) children's mental health crisis assistance, planning, and response services;~~
- 55.4 (1) the explanation of findings as described in section 256B.0671, subdivision 4;
- 55.5 (2) psychotherapy for crisis as described in section 256B.0671, subdivision 14;
- 55.6 ~~(4)~~ (3) children's mental health clinical care consultation, as described in section
- 55.7 256B.0671, subdivision 7;
- 55.8 ~~(5)~~ (4) dialectical behavioral therapy for adolescents, as described in section 256B.0671,
- 55.9 subdivision 6;
- 55.10 ~~(6) direction of mental health behavioral aides;~~
- 55.11 ~~(7)~~ (5) family psychoeducation, as described in section 256B.0671, subdivision 5; and
- 55.12 ~~(8)~~ (6) individual, family, and group psychotherapy, as described in section 256B.0671,
- 55.13 subdivision 11.
- 55.14 ~~(9) mental health behavioral aide services;~~
- 55.15 ~~(10) skills training; and~~
- 55.16 ~~(11) treatment plan development and review.~~

55.17 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,

55.18 whichever is later.

55.19 Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.0671, is amended by adding

55.20 a subdivision to read:

55.21 **Subd. 14. Psychotherapy for crisis.** (a) Medical assistance covers psychotherapy for

55.22 crisis when a recipient is in need of an immediate response due to an increase of mental

55.23 illness symptoms that put them at risk of one of the following:

- 55.24 (1) experiencing a life threatening mental health crisis;
- 55.25 (2) needing a higher level of care;
- 55.26 (3) worsening symptoms without mental health intervention;
- 55.27 (4) harm to self, others, or property damage; or
- 55.28 (5) significant disruption of functioning in at least one life area.

56.1 (b) "Psychotherapy for crisis" means a treatment of client to reduce their mental health
56.2 crisis through immediate assessment and psychotherapeutic interventions. It must include:

56.3 (1) emergency assessment of the crisis situation;

56.4 (2) mental status exam;

56.5 (3) psychotherapeutic interventions to reduce the crisis; and

56.6 (4) development of a post-crisis plan that addresses the recipient's coping skills and
56.7 community resources.

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

56.9 Sec. 3. Laws 2023, chapter 55, article 7, section 18, subdivision 4, as amended by Laws
56.10 2024, chapter 81, section 18, is amended to read:

56.11 Subd. 4. **Special education; regular.** (a) For special education aid under Minnesota
56.12 Statutes, section 125A.75:

56.13 \$ 2,288,826,000 2024

56.14 ~~2,485,140,000~~

56.15 \$ 2,486,181,000 2025

56.16 (b) The 2024 appropriation includes \$229,860,000 for 2023 and \$2,058,966,000 for
56.17 2024.

56.18 (c) The 2025 appropriation includes \$289,842,000 for 2024 and ~~\$2,195,298,000~~
56.19 \$2,196,339,000 for 2025.

56.20 Sec. 4. **APPROPRIATIONS.**

56.21 Subdivision 1. Department of Education. The sum indicated in this section is
56.22 appropriated from the general fund to the Department of Education in the fiscal year
56.23 designated.

56.24 Subd. 2. Special education apprenticeship programs. (a) For grants to intermediate
56.25 school districts for special education registered apprenticeship programs:

56.26 \$ 1,030,000 2025

56.27 (b) The department must award grants of \$250,000 each to Intermediate School Districts
56.28 Nos. 287, 288, 916, and 917. The grant funds must be used for special education registered
56.29 apprenticeship programs. Grant funds may be used for:

57.1 (1) program oversight and administrative costs of the intermediate school district and
57.2 its partner higher education institution;

57.3 (2) stipends and tuition, fees, and other direct program costs incurred by apprentices;

57.4 (3) stipends for teachers serving as mentors; and

57.5 (4) the cost of substitute teachers.

57.6 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, up to \$30,000
57.7 of the appropriation is available for grant administration.

57.8 (d) This appropriation does not cancel but is available until June 30, 2027.

57.9 (e) This is a onetime appropriation.

57.10 **ARTICLE 7**

57.11 **HEALTH AND SAFETY**

57.12 Section 1. Minnesota Statutes 2023 Supplement, section 120B.018, subdivision 6, is
57.13 amended to read:

57.14 Subd. 6. **Required standard.** "Required standard" means ~~(1)~~ a statewide adopted
57.15 expectation for student learning in the content areas of language arts, mathematics, science,
57.16 social studies, physical education, health, and the arts; ~~and (2) a locally adopted expectation~~
57.17 ~~for student learning in health.~~

57.18 Sec. 2. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 1, is amended
57.19 to read:

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

57.22 (1) language arts;

57.23 (2) mathematics, encompassing algebra II, integrated mathematics III, or an equivalent
57.24 in high school, and to be prepared for the three credits of mathematics in grades 9 through
57.25 12, the grade 8 standards include completion of algebra;

57.26 (3) science, including earth and space science, life science, and the physical sciences,
57.27 including chemistry and physics;

57.28 (4) social studies, including history, geography, economics, and government and
57.29 citizenship that includes civics;

57.30 (5) physical education;

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

58.2 (7) the arts. Public elementary and middle schools must offer at least three and require
58.3 at least two of the following five arts areas: dance; media arts; music; theater; and visual
58.4 arts. Public high schools must offer at least three and require at least one of the following
58.5 five arts areas: media arts; dance; music; theater; and visual arts.

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

58.12 (c) The department may modify SHAPE America (Society of Health and Physical
58.13 Educators) standards and adapt the national standards to accommodate state interest. The
58.14 modification and adaptations must maintain the purpose and integrity of the national
58.15 standards. The department must make available sample assessments, which school districts
58.16 may use as an alternative to local assessments, to assess students' mastery of the physical
58.17 education standards beginning in the 2018-2019 school year.

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

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

58.29 (f) Locally developed academic standards in health apply until the end of the 2025-2026
58.30 school year, or until the commissioner adopts statewide rules implementing statewide health
58.31 standards under subdivision 3, whichever occurs later.

59.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 2, is amended
59.2 to read:

59.3 Subd. 2. **Standards development.** (a) The commissioner must consider advice from at
59.4 least the following stakeholders in developing statewide rigorous core academic standards
59.5 in language arts, mathematics, science, social studies, including history, geography,
59.6 economics, government and citizenship, health, and the arts:

59.7 (1) parents of school-age children and members of the public throughout the state;

59.8 (2) teachers throughout the state currently licensed and providing instruction in language
59.9 arts, mathematics, science, social studies, health, or the arts and licensed elementary and
59.10 secondary school principals throughout the state currently administering a school site;

59.11 (3) currently serving members of local school boards and charter school boards throughout
59.12 the state;

59.13 (4) faculty teaching core subjects at postsecondary institutions in Minnesota;

59.14 (5) representatives of the Minnesota business community; ~~and~~

59.15 (6) representatives from the Tribal Nations Education Committee and Tribal Nations
59.16 and communities in Minnesota, including both Anishinaabe and Dakota; and

59.17 (7) current students, with input from the Minnesota Youth Council.

59.18 (b) Academic standards must:

59.19 (1) be clear, concise, objective, measurable, and grade-level appropriate;

59.20 (2) not require a specific teaching methodology or curriculum; and

59.21 (3) be consistent with the Constitutions of the United States and the state of Minnesota.

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

59.23 Sec. 4. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 3, is amended
59.24 to read:

59.25 Subd. 3. **Rulemaking.** (a) The commissioner, consistent with the requirements of this
59.26 section and section 120B.022, must adopt statewide rules under section 14.389 for
59.27 implementing statewide rigorous core academic standards in language arts, mathematics,
59.28 science, social studies, physical education, and the arts.

59.29 (b) The commissioner must adopt statewide rules for implementing statewide rigorous
59.30 core academic standards in health.

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

60.2 Sec. 5. Minnesota Statutes 2023 Supplement, section 120B.021, subdivision 4, is amended
60.3 to read:

60.4 Subd. 4. **Revisions and reviews required.** (a) The commissioner of education must
60.5 revise the state's academic standards and graduation requirements and implement a ten-year
60.6 cycle to review and, consistent with the review, revise state academic standards and related
60.7 benchmarks, consistent with this subdivision. During each ten-year review and revision
60.8 cycle, the commissioner also must examine the alignment of each required academic standard
60.9 and related benchmark with the knowledge and skills students need for career and college
60.10 readiness and advanced work in the particular subject area. The commissioner must include
60.11 the contributions of Minnesota American Indian Tribes and communities, including urban
60.12 Indigenous communities, as related to the academic standards during the review and revision
60.13 of the required academic standards. The commissioner must embed Indigenous education
60.14 for all students consistent with recommendations from Tribal Nations and urban Indigenous
60.15 communities in Minnesota regarding the contributions of American Indian Tribes and
60.16 communities in Minnesota into the state's academic standards during the review and revision
60.17 of the required academic standards. The recommendations to embed Indigenous education
60.18 for all students includes but is not limited to American Indian experiences in Minnesota,
60.19 including Tribal histories, Indigenous languages, sovereignty issues, cultures, treaty rights,
60.20 governments, socioeconomic experiences, contemporary issues, and current events.

60.21 (b) The commissioner must ensure that the statewide mathematics assessments
60.22 administered to students in grades 3 through 8 and 11 are aligned with the state academic
60.23 standards in mathematics, consistent with section 120B.302, subdivision 3, paragraph (a).
60.24 The commissioner must implement a review of the academic standards and related
60.25 benchmarks in mathematics beginning in the 2021-2022 school year and every ten years
60.26 thereafter.

60.27 (c) The commissioner must implement a review of the academic standards and related
60.28 benchmarks in arts beginning in the 2017-2018 school year and every ten years thereafter.

60.29 (d) The commissioner must implement a review of the academic standards and related
60.30 benchmarks in science beginning in the 2018-2019 school year and every ten years thereafter.

60.31 (e) The commissioner must implement a review of the academic standards and related
60.32 benchmarks in language arts beginning in the 2019-2020 school year and every ten years
60.33 thereafter.

61.1 (f) The commissioner must implement a review of the academic standards and related
61.2 benchmarks in social studies beginning in the 2020-2021 school year and every ten years
61.3 thereafter.

61.4 (g) The commissioner must implement a review of the academic standards and related
61.5 benchmarks in physical education beginning in the 2026-2027 school year and every ten
61.6 years thereafter.

61.7 (h) The commissioner must implement a review of the academic standards and related
61.8 benchmarks in health education beginning in the 2034-2035 school year and every ten years
61.9 thereafter.

61.10 ~~(h)~~ (i) School districts and charter schools must revise and align local academic standards
61.11 and high school graduation requirements in ~~health~~, world languages, and career and technical
61.12 education to require students to complete the revised standards beginning in a school year
61.13 determined by the school district or charter school. School districts and charter schools must
61.14 formally establish a periodic review cycle for the academic standards and related benchmarks
61.15 in ~~health~~, world languages, and career and technical education.

61.16 ~~(i)~~ (j) The commissioner of education must embed technology and information literacy
61.17 standards consistent with recommendations from school media specialists into the state's
61.18 academic standards and graduation requirements.

61.19 ~~(j)~~ (k) The commissioner of education must embed ethnic studies as related to the
61.20 academic standards during the review and revision of the required academic standards.

61.21 Sec. 6. Minnesota Statutes 2023 Supplement, section 120B.024, subdivision 1, is amended
61.22 to read:

61.23 Subdivision 1. **Graduation requirements.** (a) Students must successfully complete the
61.24 following high school level credits for graduation:

61.25 (1) four credits of language arts sufficient to satisfy all of the academic standards in
61.26 English language arts;

61.27 (2) three credits of mathematics sufficient to satisfy all of the academic standards in
61.28 mathematics;

61.29 (3) three credits of science, including one credit to satisfy all the earth and space science
61.30 standards for grades 9 through 12, one credit to satisfy all the life science standards for
61.31 grades 9 through 12, and one credit to satisfy all the chemistry or physics standards for
61.32 grades 9 through 12;

62.1 (4) three and one-half credits of social studies, including credit for a course in government
62.2 and citizenship in either grade 11 or 12 for students beginning grade 9 in the 2024-2025
62.3 school year and later or an advanced placement, international baccalaureate, or other rigorous
62.4 course on government and citizenship under section 120B.021, subdivision 1a, and a
62.5 combination of other credits encompassing at least United States history, geography,
62.6 government and citizenship, world history, and economics sufficient to satisfy all of the
62.7 academic standards in social studies;

62.8 (5) one credit of the arts sufficient to satisfy all of the academic standards in the arts;

62.9 (6) credits sufficient to satisfy the state standards in physical education; ~~and~~

62.10 (7) credits sufficient to satisfy the state standards in health upon adoption of statewide
62.11 rules for implementing health standards under section 120B.021; and

62.12 ~~(7)~~ (8) a minimum of seven elective credits.

62.13 (b) Students who begin grade 9 in the 2024-2025 school year and later must successfully
62.14 complete a course for credit in personal finance in grade 10, 11, or 12. A teacher of a personal
62.15 finance course that satisfies the graduation requirement must have a field license or
62.16 out-of-field permission in agricultural education, business, family and consumer science,
62.17 social studies, or math.

62.18 Sec. 7. Minnesota Statutes 2022, section 121A.035, is amended to read:

62.19 **121A.035 CRISIS MANAGEMENT POLICY.**

62.20 Subdivision 1. **Model policy.** The commissioner shall maintain and make available to
62.21 school boards and charter schools a model crisis management policy that includes, among
62.22 other items, cardiac emergency response plans, school lock-down and tornado drills,
62.23 consistent with subdivision 2, and school fire drills under section 299F.30.

62.24 Subd. 2. **School district and charter school policy.** A school board and a charter school
62.25 must adopt a crisis management policy to address potential violent crisis situations in the
62.26 district or charter school. The policy must be developed cooperatively with administrators,
62.27 teachers, employees, students, parents, community members, law enforcement agencies,
62.28 other emergency management officials, county attorney offices, social service agencies,
62.29 emergency medical responders, and any other appropriate individuals or organizations. The
62.30 policy must include at least ~~five~~ three school lock-down drills, five school fire drills consistent
62.31 with section 299F.30, ~~and~~ one tornado drill, and one cardiac emergency response drill
62.32 consistent with section 121A.241. An active shooter drill conducted according to the criteria
62.33 established in section 121A.038, subdivision 2, is equivalent to a school lock-down drill.

63.1 Sec. 8. Minnesota Statutes 2022, section 121A.037, is amended to read:

63.2 **121A.037 SCHOOL SAFETY DRILLS.**

63.3 Private schools and educational institutions not subject to section 121A.035 must have
63.4 at least ~~five~~ three school lock-down drills, five school fire drills consistent with section
63.5 299F.30, ~~and one tornado drill,~~ and one cardiac emergency response drill consistent with
63.6 section 121A.241. An active shooter drill conducted according to the criteria established in
63.7 section 121A.038, subdivision 2, is equivalent to a school lock-down drill.

63.8 Sec. 9. **[121A.055] SAFE SCHOOLS TRANSPARENCY.**

63.9 A charter school or school district is prohibited from engaging in retaliatory action
63.10 against a teacher or other school employee for discussing incidents of school violence or
63.11 dangerous conduct. A school or school district must not retaliate against an employee for
63.12 participating in an investigation, hearing, or inquiry regarding school and classroom safety.
63.13 Nothing in this section waives a student's data privacy rights under federal and state law.

63.14 **EFFECTIVE DATE.** This section is effective for the 2024-2025 school year and later.

63.15 Sec. 10. **[121A.241] CARDIAC EMERGENCY RESPONSE PLAN.**

63.16 Subdivision 1. Cardiac emergency response plan. (a) For purposes of this section, a
63.17 "cardiac emergency response plan" is a written document that establishes specific steps to
63.18 reduce death from cardiac arrest. A cardiac emergency response plan must integrate
63.19 evidence-based core elements, such as those recommended by the American Heart
63.20 Association in accordance with a published, peer-reviewed journal article or similar
63.21 document.

63.22 (b) Beginning in the 2025-2026 school year, a school district or charter school must
63.23 develop a cardiac emergency response plan that addresses the appropriate use of school
63.24 personnel to respond to incidents involving an individual experiencing sudden cardiac arrest
63.25 or a similar life-threatening emergency while on school grounds or at a school-sponsored
63.26 activity or event. A district or charter school must consult with athletic trainers when
63.27 developing the plan. A principal or other person having administrative control over the
63.28 school site must ensure that the plan is:

63.29 (1) available to the school community on the school website and in paper form at various
63.30 locations at the school site;

63.31 (2) distributed to all coaches and other athletic staff members at each school site, all
63.32 persons responsible for executing the plan in the event of a cardiac emergency, all health

64.1 care professionals that provide medical services during school-sponsored activities or events,
64.2 and to other appropriate school staff, as determined by school administrators; and

64.3 (3) annually reviewed, rehearsed, and revised, as necessary.

64.4 (c) A cardiac emergency response plan must:

64.5 (1) identify the members of a cardiac emergency response team at each school site who
64.6 are on duty during the regular school day and while extracurricular activities are conducted
64.7 at the school site;

64.8 (2) provide guidelines for the cardiac emergency response team's response to sudden
64.9 cardiac arrest;

64.10 (3) require that automatic external defibrillators are available for use within close
64.11 proximity to the site of a school-sponsored activity or event; identify where automatic
64.12 external defibrillators are located at the school site, in accordance with guidelines from the
64.13 American Heart Association or other nationally recognized guidelines focused on emergency
64.14 cardiovascular care; and identify the maintenance schedule for the automatic external
64.15 defibrillators;

64.16 (4) require training on cardiopulmonary resuscitation and automatic external defibrillator
64.17 use for coaches, assistant coaches, and other school staff identified by school administrators;

64.18 (5) require the emergency response team to participate in a cardiac emergency simulation
64.19 at least 30 days before the beginning of each school year;

64.20 (6) describe the procedures that must be followed after a serious or life-threatening injury
64.21 or cardiac emergency occurs at a school-sponsored event or activity, including but not
64.22 limited to responding to the injured individual, summoning emergency medical care, assisting
64.23 emergency medical service providers, and documenting the actions taken during the
64.24 emergency;

64.25 (7) encourage cooperation and coordination with community members such as emergency
64.26 medical technicians and paramedics, among others; and

64.27 (8) integrate an emergency action plan that was developed by health care personnel and
64.28 is currently in place.

64.29 Subd. 2. **Training requirements.** A school district or charter school must provide all
64.30 members of a cardiac emergency response team with training necessary to implement a
64.31 cardiac emergency response plan.

65.1 **Sec. 11. HEALTH EDUCATION STANDARDS; RULEMAKING.**

65.2 (a) The commissioner of education must begin the rulemaking process to adopt statewide
65.3 academic standards in health in accordance with Minnesota Statutes, chapter 14 and section
65.4 120B.021. The commissioner must consult with the commissioner of health and the
65.5 commissioner of human services in developing the proposed rules. The rules must include
65.6 at least the expectations for learning listed in paragraph (b), but may consider expectations
65.7 in paragraph (c).

65.8 (b) The standards must include expectations for learning in the following areas:

65.9 (1) mental health education in accordance with Minnesota Statutes, section 120B.21;

65.10 (2) cardiopulmonary resuscitation and automatic defibrillator education that allows
65.11 districts to include instruction for grades 7 through 12 that meets the requirements of
65.12 Minnesota Statutes, section 120B.236;

65.13 (3) vaping awareness and prevention education that allows districts to include instruction
65.14 for grades 6 through 8 that meets the requirements of Minnesota Statutes, section 120B.238;

65.15 (4) cannabis use and substance use education that allows districts to include instruction
65.16 for grades 6 through 12 that meets the requirements of Minnesota Statutes, section 120B.215;
65.17 and

65.18 (5) sexually transmitted infections and diseases education that meets the requirements
65.19 of Minnesota Statutes, section 121A.23.

65.20 (c) The standards may include the following optional expectations for learning:

65.21 (1) child sexual abuse prevention education in accordance with Minnesota Statutes,
65.22 sections 120B.021, subdivision 1, paragraph (d); and 120B.234;

65.23 (2) violence prevention education in accordance with Minnesota Statutes, section
65.24 120B.22;

65.25 (3) character development education in accordance with Minnesota Statutes, section
65.26 120B.232; and

65.27 (4) safe and supportive schools education in accordance with Minnesota Statutes, section
65.28 121A.031, subdivision 5.

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

66.1 Sec. 12. APPROPRIATIONS.

66.2 Subdivision 1. Department of Education. The sums indicated in this section are
66.3 appropriated from the general fund to the Department of Education in the fiscal years
66.4 designated.

66.5 Subd. 2. Rulemaking. (a) For rulemaking related to health education standards:

66.6 \$ 132,000 2025

66.7 (b) This is a onetime appropriation. This appropriation is available until June 30, 2026.

66.8 Subd. 3. Cardiac emergency response plan assistance. (a) To reimburse school districts
66.9 and charter schools for costs related to implementing cardiac emergency response plans
66.10 under Minnesota Statutes, section 121A.241:

66.11 \$ 1,000,000 2025

66.12 (b) To receive reimbursement, a school district or charter school must apply in the form
66.13 and manner determined by the commissioner. The commissioner must provide reimbursement
66.14 for expenses incurred on or after July 1, 2024, for activities and equipment that promote
66.15 cardiac emergency response plan preparedness in schools, including but not limited to the
66.16 purchase and maintenance of automatic external defibrillators, purchase of cardiopulmonary
66.17 resuscitation equipment and training for faculty and staff, basic first aid training, and
66.18 educational materials related to cardiac emergency response preparedness. If the appropriation
66.19 is insufficient, the commissioner must prorate the amount paid to districts seeking
66.20 reimbursement.

66.21 (c) This is a onetime appropriation. This appropriation is available until June 30, 2026.

66.22 **ARTICLE 8**
66.23 **FACILITIES**

66.24 Section 1. Minnesota Statutes 2022, section 123B.71, subdivision 8, is amended to read:

66.25 Subd. 8. **Review and comment.** A school district, a special education cooperative, or
66.26 a cooperative unit of government, as defined in section 123A.24, subdivision 2, must not
66.27 ~~initiate~~ enter into an installment contract for purchase or a lease agreement, hold a referendum
66.28 for bonds, nor solicit bids for new construction, expansion, or remodeling of an educational
66.29 facility that requires an expenditure in excess of \$500,000 per school site if it has a capital
66.30 loan outstanding, or \$2,000,000 per school site if it does not have a capital loan outstanding,
66.31 prior to review and comment by the commissioner. ~~A facility addition, maintenance project,~~
66.32 ~~or remodeling project~~ New construction, expansion, or remodeling of an educational facility

67.1 funded only with general education revenue, lease levy proceeds from an additional capital
67.2 expenditure levy under section 126C.40, subdivision 1, capital facilities bond proceeds, or
67.3 long-term facilities maintenance revenue is exempt from this provision. A capital project
67.4 under section 123B.63 addressing only technology is exempt from this provision if the
67.5 district submits a school board resolution stating that funds approved by the voters will be
67.6 used only as authorized in section 126C.10, subdivision 14. A school board shall not separate
67.7 portions of a single project into components to avoid the requirements of this subdivision.

67.8 Sec. 2. Minnesota Statutes 2023 Supplement, section 123B.71, subdivision 12, is amended
67.9 to read:

67.10 Subd. 12. **Publication.** (a) At least 48 days but not more than ~~60~~ 88 days before a
67.11 referendum for bonds under chapter 475 or solicitation of bids for a project that has received
67.12 a positive or unfavorable review and comment under section 123B.70, the school board
67.13 shall publish a summary of the commissioner's review and comment of that project in the
67.14 legal newspaper of the district. The school board must hold a public meeting to discuss the
67.15 commissioner's review and comment before ~~the~~ such a referendum for bonds. Supplementary
67.16 information shall be available to the public. Where no such referendum for bonds is required,
67.17 the publication and public meeting requirements of this subdivision shall not apply.

67.18 (b) The publication requirement in paragraph (a) does not apply to alternative facilities
67.19 projects approved under section 123B.595.

67.20 Sec. 3. Minnesota Statutes 2023 Supplement, section 126C.40, subdivision 6, is amended
67.21 to read:

67.22 Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by,
67.23 the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs
67.24 (a) and (b), a district, as defined in this subdivision, may:

67.25 (1) purchase real or personal property under an installment contract or may lease real
67.26 or personal property with an option to purchase under a lease purchase agreement, by which
67.27 installment contract or lease purchase agreement title is kept by the seller or vendor or
67.28 assigned to a third party as security for the purchase price, including interest, if any; and

67.29 (2) annually levy the amounts necessary to pay the district's obligations under the
67.30 installment contract or lease purchase agreement.

67.31 (b) The obligation created by the installment contract or the lease purchase agreement
67.32 must not be included in the calculation of net debt for purposes of section 475.53, and does

68.1 not constitute debt under other law. An election is not required in connection with the
68.2 execution of the installment contract or the lease purchase agreement.

68.3 (c) The proceeds of the levy authorized by this subdivision must not be used to acquire
68.4 a facility to be primarily used for athletic or school administration purposes.

68.5 (d) For the purposes of this subdivision, "district" means:

68.6 (1) Special School District No. 1, Minneapolis, Independent School District No. 625,
68.7 St. Paul, Independent School District No. 709, Duluth, or Independent School District No.
68.8 535, Rochester, if the district's desegregation plan has been determined by the commissioner
68.9 to be in compliance with Department of Education rules relating to equality of educational
68.10 opportunity and where the acquisition of property under this subdivision is determined by
68.11 the commissioner to contribute to the implementation of the desegregation plan; or

68.12 (2) other districts eligible for revenue under section 124D.862 if the facility acquired
68.13 under this subdivision is to be primarily used for a joint program for interdistrict
68.14 desegregation and the commissioner determines that the joint programs are being undertaken
68.15 to implement the districts' desegregation plan.

68.16 (e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease
68.17 or rent a district-owned building to itself does not apply to levies otherwise authorized by
68.18 this subdivision.

68.19 (f) For the purposes of this subdivision, any references in subdivision 1 to building or
68.20 land shall include personal property.

68.21 (g) Projects funded under this subdivision that require an expenditure in excess of
68.22 \$500,000 per school site if the school district has a capital loan outstanding, or \$2,000,000
68.23 per school site if the school district does not have a capital loan outstanding, are subject to
68.24 review and comment under section 123B.71, subdivision 8, in the same manner as other
68.25 school construction projects.

68.26 Sec. 4. Laws 2023, chapter 55, article 8, section 19, subdivision 5, is amended to read:

68.27 Subd. 5. **Grants for gender-neutral single-user restrooms.** (a) For grants to school
68.28 districts for remodeling, constructing, or repurposing space for gender-neutral single-user
68.29 restrooms:

68.30 \$ 1,000,000 2024

68.31 \$ 1,000,000 2025

69.1 (b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24,
69.2 subdivision 2, may apply for a grant of not more than \$75,000 per site under this subdivision
69.3 in the form and manner specified by the commissioner. The commissioner must award at
69.4 least one grant under this subdivision to Independent School District No. 709, Duluth, for
69.5 a demonstration grant for a project awaiting construction.

69.6 (c) The commissioner must ensure that grants are awarded to schools to reflect the
69.7 geographic diversity of the state.

69.8 (d) Up to \$75,000 each year is available for grant administration and monitoring.

69.9 (e) By February 1 of each year, the commissioner must annually report to the committees
69.10 of the legislature with jurisdiction over education on the number of grants that were awarded
69.11 each year and the number of grant applications that were unfunded during that year.

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

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

69.14 Sec. 5. Laws 2023, chapter 55, article 8, section 19, subdivision 6, as amended by Laws
69.15 2024, chapter 81, section 22, is amended to read:

69.16 Subd. 6. **Long-term facilities maintenance equalized aid.** (a) For long-term facilities
69.17 maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

69.18	\$	107,905,000	.....	2024
69.19		107,630,000		
69.20	\$	<u>107,865,000</u>	.....	2025

69.21 (b) The 2024 appropriation includes \$10,821,000 for 2023 and \$97,084,000 for 2024.

69.22 (c) The 2025 appropriation includes \$10,787,000 for 2024 and ~~\$96,843,000~~ \$97,078,000
69.23 for 2025.

69.24 **ARTICLE 9**

69.25 **NUTRITION AND LIBRARIES**

69.26 Section 1. Minnesota Statutes 2023 Supplement, section 124D.111, subdivision 3, is
69.27 amended to read:

69.28 Subd. 3. **School food service fund.** (a) The expenses described in this subdivision must
69.29 be recorded as provided in this subdivision.

69.30 (b) In each district, the expenses for a school food service program for pupils must be
69.31 attributed to a school food service fund. Under a food service program, the school food

70.1 service may prepare or serve milk, meals, or snacks in connection with school or community
70.2 service activities.

70.3 (c) Revenues and expenditures for food service activities must be recorded in the food
70.4 service fund. The costs of processing applications, accounting for meals, preparing and
70.5 serving food, providing kitchen custodial services, and other expenses involving the preparing
70.6 of meals or the kitchen section of the lunchroom may be charged to the food service fund
70.7 or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial
70.8 services, lunchroom utilities, lunchroom furniture, and other administrative costs of the
70.9 food service program must be charged to the general fund.

70.10 That portion of superintendent and fiscal manager costs that can be documented as
70.11 attributable to the food service program may be charged to the food service fund provided
70.12 that the school district does not employ or contract with a food service director or other
70.13 individual who manages the food service program, or food service management company.
70.14 If the cost of the superintendent or fiscal manager is charged to the food service fund, the
70.15 charge must be at a wage rate not to exceed the statewide average for food service directors
70.16 as determined by the department.

70.17 (d) Capital expenditures for the purchase of food service equipment must be made from
70.18 the general fund and not the food service fund, unless the restricted balance in the food
70.19 service fund at the end of the last fiscal year is greater than the cost of the equipment to be
70.20 purchased.

70.21 (e) If the condition set out in paragraph (d) applies, the equipment may be purchased
70.22 from the food service fund.

70.23 (f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit
70.24 is not eliminated by revenues from food service operations in the next fiscal year, then the
70.25 deficit must be eliminated by a permanent fund transfer from the general fund at the end of
70.26 that second fiscal year. However, if a district contracts with a food service management
70.27 company during the period in which the deficit has accrued, the deficit must be eliminated
70.28 by a payment from the food service management company.

70.29 (g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund
70.30 for up to three years without making the permanent transfer if the district submits to the
70.31 commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at
70.32 the end of the third fiscal year.

70.33 (h) If a surplus in the food service fund exists at the end of a fiscal year for three
70.34 successive years, a district may recode for that fiscal year the costs of lunchroom supervision,

71.1 lunchroom custodial services, lunchroom utilities, lunchroom furniture, and other
71.2 administrative costs of the food service program charged to the general fund according to
71.3 paragraph (c) and charge those costs to the food service fund in a total amount not to exceed
71.4 the amount of surplus in the food service fund.

71.5 (i) For purposes of this subdivision, "lunchroom furniture" means tables and chairs
71.6 regularly used by pupils in a lunchroom from which they may consume milk, meals, or
71.7 snacks in connection with school or community service activities.

71.8 **EFFECTIVE DATE.** This section is effective for fiscal year 2024 and later.

71.9 **Sec. 2. [127A.151] STATE SCHOOL LIBRARIAN.**

71.10 (a) The Department of Education must employ a state school librarian within the State
71.11 Library Services Division of the department to provide technical assistance to licensed
71.12 school library media specialists and licensed school librarians. The state school librarian
71.13 must be or have been a licensed school library media specialist.

71.14 (b) The responsibilities of the state school librarian include but are not limited to providing
71.15 advice and guidance in academic standards development and statewide library data collection
71.16 from district and charter schools, and related activities. The state school librarian may
71.17 provide advice and guidance to the Department of Education staff responsible for
71.18 administering state library aid and monitoring district compliance. The state school librarian
71.19 must support district and charter schools on issues of intellectual freedom, media and digital
71.20 literacy, and growing lifelong readers. The state school librarian must share information
71.21 about available grant funds and resources, work with the Professional Educator Licensing
71.22 and Standards Board to support licensure acquisition, and support professional development
71.23 for licensed school library media specialists and licensed school librarians.

71.24 **Sec. 3.** Minnesota Statutes 2023 Supplement, section 134.356, is amended by adding a
71.25 subdivision to read:

71.26 Subd. 3. **Report.** By January 15, 2025, and annually thereafter, the commissioner of
71.27 education must report to the chairs and ranking minority members of the legislative
71.28 committees with jurisdiction over kindergarten through grade 12 education on how school
71.29 districts and charter schools used aid under this section in the previous fiscal year. In
71.30 preparing the report, the commissioner may use information available from the uniform
71.31 financial accounting and reporting system. The report must be filed in accordance with
71.32 section 3.195.

72.1 Sec. 4. Laws 2023, chapter 18, section 4, subdivision 2, as amended by Laws 2023, chapter
72.2 55, article 9, section 16, and Laws 2024, chapter 81, section 23, is amended to read:

72.3 Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
72.4 including the amounts for the free school meals program:

72.5 \$ 218,801,000 2024

72.6 ~~238,987,000~~

72.7 \$ 239,686,000 2025

72.8 Sec. 5. Laws 2023, chapter 18, section 4, subdivision 3, as amended by Laws 2023, chapter
72.9 55, article 9, section 17, and Laws 2024, chapter 81, section 24, is amended to read:

72.10 Subd. 3. **School breakfast.** For school breakfast aid under Minnesota Statutes, section
72.11 124D.1158:

72.12 \$ 44,178,000 2024

72.13 ~~48,334,000~~

72.14 \$ 48,747,000 2025

72.15 Sec. 6. **REVISOR INSTRUCTION.**

72.16 The revisor of statutes shall renumber Minnesota Statutes, section 134.356, as Minnesota
72.17 Statutes, section 124D.992, and make any necessary changes to statutory cross-references
72.18 to reflect these changes.

72.19 **ARTICLE 10**

72.20 **EARLY CHILDHOOD EDUCATION**

72.21 Section 1. Minnesota Statutes 2023 Supplement, section 124D.151, subdivision 5, is
72.22 amended to read:

72.23 Subd. 5. **Application process; priority for high poverty schools.** (a) ~~To qualify for~~
72.24 ~~program approval for fiscal year 2017, a district or charter school must submit an application~~
72.25 ~~to the commissioner by July 1, 2016.~~ To qualify for program approval for fiscal year 2018
72.26 ~~and later,~~ a district or charter school must submit an application to the commissioner by
72.27 January 30 of the fiscal year prior to the fiscal year in which the program will be
72.28 implemented. The application must include:

72.29 (1) a description of the proposed program, including the number of hours per week the
72.30 program will be offered at each school site or mixed-delivery location;

73.1 (2) an estimate of the number of eligible children to be served in the program at each
73.2 school site or mixed-delivery location; and

73.3 (3) a statement of assurances signed by the superintendent or charter school director that
73.4 the proposed program meets the requirements of subdivision 2.

73.5 (b) The commissioner ~~must review all applications submitted for fiscal year 2017 by~~
73.6 ~~August 1, 2016, and~~ must review all applications submitted for fiscal year 2018 and later
73.7 by March 1 of the fiscal year in which the applications are received and determine whether
73.8 each application meets the requirements of paragraph (a).

73.9 (c) The commissioner must divide all applications for new or expanded voluntary
73.10 prekindergarten programs under this section meeting the requirements of paragraph (a) and
73.11 school readiness plus programs into ~~four~~ five groups as follows: the Minneapolis ~~and school~~
73.12 district; the St. Paul school districts district; other school districts located in the metropolitan
73.13 equity region as defined in section 126C.10, subdivision 28; school districts located in the
73.14 rural equity region as defined in section 126C.10, subdivision 28; and charter schools.
73.15 Within each group, the applications must be ordered by rank using a sliding scale based on
73.16 the following criteria:

73.17 (1) concentration of kindergarten students eligible for free or reduced-price meals by
73.18 school site on October 1 of the previous school year. A school site may contract to partner
73.19 with a community-based provider or Head Start under subdivision 3 or establish an early
73.20 childhood center and use the concentration of kindergarten students eligible for free or
73.21 reduced-price meals from a specific school site as long as those eligible children are
73.22 prioritized and guaranteed services at the mixed-delivery site or early education center. For
73.23 school district programs to be operated at locations that do not have free and reduced-price
73.24 meals concentration data for kindergarten programs for October 1 of the previous school
73.25 year, including mixed-delivery programs, the school district average concentration of
73.26 kindergarten students eligible for free or reduced-price meals must be used for the rank
73.27 ordering;

73.28 (2) presence or absence of a three- or four-star Parent Aware rated program within the
73.29 school district or close proximity of the district. School sites with the highest concentration
73.30 of kindergarten students eligible for free or reduced-price meals that do not have a three-
73.31 or four-star Parent Aware program within the district or close proximity of the district shall
73.32 receive the highest priority, and school sites with the lowest concentration of kindergarten
73.33 students eligible for free or reduced-price meals that have a three- or four-star Parent Aware

74.1 rated program within the district or close proximity of the district shall receive the lowest
74.2 priority; and

74.3 (3) whether the district has implemented a mixed delivery system.

74.4 ~~(d) The limit on participation for the programs as specified in subdivision 6 must initially~~
74.5 ~~be allocated among the four groups based on each group's percentage share of the statewide~~
74.6 ~~kindergarten enrollment on October 1 of the previous school year. Within each group, the~~
74.7 ~~participation limit for fiscal years 2018 and 2019 must first be allocated to school sites~~
74.8 ~~approved for aid in the previous year to ensure that those sites are funded for the same~~
74.9 ~~number of participants as approved for the previous year. The remainder of the participation~~
74.10 ~~limit for each group must be allocated among school sites in priority order until that region's~~
74.11 ~~share of the participation limit is reached. If the participation limit is not reached for all~~
74.12 ~~groups, the remaining amount must be allocated to the highest priority school sites, as~~
74.13 ~~designated under this section, not funded in the initial allocation on a statewide basis. For~~
74.14 ~~fiscal year 2020 and later, the participation limit must first be allocated to school sites~~
74.15 ~~approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year~~
74.16 ~~2018 based on the statewide rankings under paragraph (c).~~

74.17 ~~(e) Once a school site or a mixed delivery site under subdivision 3 is approved for aid~~
74.18 ~~under this subdivision, it shall remain eligible for aid if it continues to meet program~~
74.19 ~~requirements, regardless of changes in the concentration of students eligible for free or~~
74.20 ~~reduced-price meals.~~

74.21 ~~(f) If the total number of participants approved based on applications submitted under~~
74.22 ~~paragraph (a) is less than the participation limit under subdivision 6, the commissioner must~~
74.23 ~~notify all school districts and charter schools of the amount that remains available within~~
74.24 ~~30 days of the initial application deadline under paragraph (a), and complete a second round~~
74.25 ~~of allocations based on applications received within 60 days of the initial application deadline.~~

74.26 ~~(g) Procedures for approving applications submitted under paragraph (f) shall be the~~
74.27 ~~same as specified in paragraphs (a) to (d), except that the allocations shall be made to the~~
74.28 ~~highest priority school sites not funded in the initial allocation on a statewide basis.~~

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

74.30 Sec. 2. Minnesota Statutes 2022, section 124D.151, is amended by adding a subdivision
74.31 to read:

74.32 **Subd. 5a. Participation limit allocation.** (a) Beginning July 1, 2024, the participation
74.33 limit specified in subdivision 6 must be initially allocated as follows:

75.1 (1) a school site or mixed delivery site must receive the same number of seats the site
75.2 received in fiscal year 2024; and

75.3 (2) the remaining seats must be allocated among the five groups identified under
75.4 subdivision 5, paragraph (c), based on each group's percentage share of the statewide
75.5 kindergarten enrollment on October 1 of the previous school year.

75.6 (b) Within each group:

75.7 (1) the seats must be first allocated to any school sites and mixed delivery sites approved
75.8 for aid in the previous year; and

75.9 (2) any remaining seats must be allocated among school sites in priority order, as
75.10 determined under subdivision 5, paragraph (c), until the group's share of seats are allocated.

75.11 (c) If a group's entire share of seats is not allocated under paragraphs (a) and (b), then
75.12 the remaining seats must be allocated to the highest priority school sites and mixed delivery
75.13 sites in the state, as designated under subdivision 5, paragraph (c), not funded in the allocation
75.14 under paragraphs (a) and (b).

75.15 (d) Once a school site or a mixed delivery site is approved for aid under subdivision 5
75.16 and is allocated seats under this subdivision, it shall remain eligible for aid and seats if it
75.17 continues to meet program requirements, regardless of changes in the concentration of
75.18 students eligible for free or reduced-price meals.

75.19 (e) If the total number of participants approved based on applications submitted under
75.20 subdivision 5, paragraph (a), is less than the participation limit under subdivision 6, the
75.21 commissioner must notify all school districts and charter schools of the amount that remains
75.22 available within 30 days of the initial application deadline under subdivision 5, paragraph
75.23 (a), and complete a second round of allocations based on applications received within 60
75.24 days of the initial application deadline.

75.25 (f) Procedures for approving applications submitted under paragraph (e) shall be the
75.26 same as specified in subdivision 5, and the allocations shall be made to the highest priority
75.27 school sites in the state as designated under subdivision 5, paragraph (c), not funded in the
75.28 initial allocation under paragraphs (a) and (b).

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

76.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 124D.151, subdivision 6, is amended
76.2 to read:

76.3 Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1,
76.4 paragraph (c), the pupil units for a voluntary prekindergarten program for an eligible school
76.5 district or charter school must not exceed 60 percent of the kindergarten pupil units for that
76.6 school district or charter school under section 126C.05, subdivision 1, paragraph (d).

76.7 (b) In reviewing applications under subdivision 5 and allocating seats under subdivision
76.8 5a, the commissioner must limit the total number of participants in the voluntary
76.9 prekindergarten and school readiness plus programs under Laws 2017, First Special Session
76.10 chapter 5, article 8, section 9, to not more than 7,160 participants for fiscal ~~years 2023, year~~
76.11 ~~2024, and 2025~~, and 12,360 participants for fiscal year ~~2026~~ 2025 and later.

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

76.13 Sec. 4. Minnesota Statutes 2022, section 124D.19, subdivision 11, is amended to read:

76.14 Subd. 11. **School-age care programs.** (a) A school board may offer, as part of a
76.15 community education program, a school-age care program for children ~~from kindergarten~~
76.16 enrolled in the district through grade 6 for the purpose of expanding students' learning
76.17 opportunities. If the school board chooses not to offer a school-age care program, it may
76.18 allow an appropriate insured community group, for profit entity or nonprofit organization
76.19 to use available school facilities for the purpose of offering a school-age care program.

76.20 (b) A school-age care program must include the following:

76.21 (1) adult supervised programs while school is not in session;

76.22 (2) parental involvement in program design and direction;

76.23 (3) partnerships with the kindergarten through grade 12 system, and other public, private,
76.24 or nonprofit entities;

76.25 (4) opportunities for trained secondary school pupils to work with younger children in
76.26 a supervised setting as part of a community service program; and

76.27 (5) access to available school facilities, including the gymnasium, sports equipment,
76.28 computer labs, and media centers, when not otherwise in use as part of the operation of the
76.29 school. The school district may establish reasonable rules relating to access to these facilities
76.30 and may require that:

76.31 (i) the organization request access to the facilities and prepare and maintain a schedule
76.32 of proposed use;

77.1 (ii) the organization provide evidence of adequate insurance to cover the activities to be
77.2 conducted in the facilities; and

77.3 (iii) the organization prepare and maintain a plan demonstrating the adequacy and training
77.4 of staff to supervise the use of the facilities.

77.5 (c) The district may charge a sliding fee based upon family income for school-age care
77.6 programs. The district may receive money from other public or private sources for the
77.7 school-age care program. The board of the district must develop standards for school-age
77.8 child care programs. The commissioner of education may not adopt rules for school-age
77.9 care programs.

77.10 (d) The district shall maintain a separate account within the community services fund
77.11 for all funds related to the school-age care program.

77.12 (e) A district is encouraged to coordinate the school-age care program with its special
77.13 education, vocational education, adult basic education, early childhood family education
77.14 programs, kindergarten through grade 12 instruction and curriculum services, youth
77.15 development and youth service agencies, and with related services provided by other
77.16 governmental agencies and nonprofit agencies.

77.17 Sec. 5. Laws 2023, chapter 54, section 20, subdivision 6, is amended to read:

77.18 Subd. 6. **Head Start program.** (a) For Head Start programs under Minnesota Statutes,
77.19 section 119A.52:

77.20 \$ 35,100,000 2024

77.21 \$ 35,100,000 2025

77.22 (b) For fiscal year 2025 and later, up to two percent of the appropriation in each year is
77.23 available for administration.

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

77.25 Sec. 6. Laws 2023, chapter 54, section 20, subdivision 24, is amended to read:

77.26 Subd. 24. **Early childhood curriculum grants.** (a) For competitive grants to Minnesota
77.27 postsecondary institutions to improve the curricula of the recipient institution's early
77.28 childhood education programs by incorporating or conforming to the Minnesota knowledge
77.29 and competency frameworks for early childhood professionals:

77.30 \$ 250,000 2024

77.31 \$ 250,000 2025

78.1 (b) By December 1, 2024, and again by December 1, 2025, the commissioner must
78.2 submit a report to the chairs and ranking minority members of the legislative committees
78.3 with jurisdiction over early childhood through grade 12 education and higher education
78.4 finance and policy reporting on grants awarded under this subdivision. The report must
78.5 include the following information for the previous fiscal year:

78.6 (1) the number of grant applications received;

78.7 (2) the criteria applied by the commissioner for evaluating applications;

78.8 (3) the number of grants awarded, grant recipients, and amounts awarded;

78.9 (4) early childhood education curricular reforms proposed by each recipient institution;

78.10 (5) grant outcomes for each recipient institution; and

78.11 (6) other information identified by the commissioner as outcome indicators.

78.12 (c) The commissioner may use no more than three percent of the appropriation under
78.13 this subdivision to administer the grant program.

78.14 (d) This is a onetime appropriation.

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

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

78.17 **Sec. 7. DIRECTION TO THE COMMISSIONER OF EDUCATION; ADJUSTING**
78.18 **VOLUNTARY PREKINDERGARTEN PARTICIPATION LIMITS.**

78.19 The commissioner of education must retroactively adjust the voluntary prekindergarten
78.20 and school readiness plus seat allocation under Minnesota Statutes, section 124D.151,
78.21 subdivision 5a, for fiscal year 2025 to match the participation limit under Minnesota Statutes,
78.22 section 124D.141, subdivision 6, for fiscal year 2025. The commissioner of education, in
78.23 consultation with the Department of Children, Youth, and Families Implementation Office,
78.24 must finish allocating the new seats for fiscal year 2025 by June 1, 2024, and must notify
78.25 qualifying school districts and charter schools about the new seats by June 15, 2024.

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

78.27 **Sec. 8. REPEALER.**

78.28 Laws 2023, chapter 55, article 10, section 4, is repealed.

79.1

ARTICLE 11

79.2

STATE AGENCIES

79.3 Section 1. Minnesota Statutes 2022, section 13.321, is amended by adding a subdivision
79.4 to read:

79.5 Subd. 12. Office of inspector general; access to data. Data sharing with the Department
79.6 of Education's Office of the Inspector General is governed by section 127A.21.

79.7 Sec. 2. Minnesota Statutes 2023 Supplement, section 127A.21, subdivision 2, is amended
79.8 to read:

79.9 Subd. 2. ~~Data practices; Hiring; reporting.~~ ~~The Office of the Inspector General has~~
79.10 ~~access to all program data, regardless of classification under chapter 13, held by the~~
79.11 ~~department, school districts or charter schools, grantees, and any other recipient of funds~~
79.12 ~~from the department.~~ The commissioner, or the commissioner's designee, must hire an
79.13 inspector general to lead the Office of the Inspector General. The inspector general must
79.14 hire a deputy inspector general and, at the discretion of the inspector general, sufficient
79.15 assistant inspectors general to carry out the duties of the office. In a form and manner
79.16 determined by the inspector general, the Office of the Inspector General must develop a
79.17 public platform for the public to report instances of potential fraud, waste, or abuse of public
79.18 funds administered by the department.

79.19 Sec. 3. Minnesota Statutes 2023 Supplement, section 127A.21, is amended by adding a
79.20 subdivision to read:

79.21 Subd. 3. Subpoenas. (a) For the purpose of any audit, investigation, proceeding, or
79.22 inquiry related to the duties and responsibilities of the inspector general, the inspector general
79.23 or a designee may administer oaths and affirmations, subpoena witnesses, compel attendance,
79.24 take evidence, and issue subpoenas duces tecum to require the production of documents
79.25 relevant to an audit or investigation.

79.26 (b) A subpoena issued pursuant to this subdivision must state that the subpoena recipient
79.27 may not disclose the fact that the subpoena was issued or the fact that the requested records
79.28 have been given to the inspector general, or their staff, except:

79.29 (1) in so far as the disclosure is necessary to find and disclose the records; or

79.30 (2) pursuant to court order.

79.31 (c) The fees for service of a subpoena must be paid in the same manner as prescribed
79.32 by law for a service of process issued by a district court.

80.1 (d) The subpoena issued under this subdivision shall be enforceable through the district
80.2 court in the district where the subpoena is issued.

80.3 Sec. 4. Minnesota Statutes 2023 Supplement, section 127A.21, is amended by adding a
80.4 subdivision to read:

80.5 Subd. 4. **Access to records.** (a) For purposes of a fraud, waste, or abuse investigation,
80.6 the Office of the Inspector General shall have the authority to receive from other state
80.7 agencies routing and account numbers to which the Department of Education's public funding
80.8 has been disbursed, provided that a subpoena has been issued by the inspector general under
80.9 this section.

80.10 (b) For purposes of detecting fraud, waste, or abuse, the Office of the Inspector General
80.11 shall have access to all books, accounts, documents, data, and property related to programs
80.12 funded by the Department of Education that are held by the department, state agencies,
80.13 school districts, or charter schools. The program and financial data shall be provided in a
80.14 reasonable format and time frame prescribed by the inspector general. The department may
80.15 enter into specific agreements with other agencies related to each request.

80.16 (c) For purposes of detecting fraud, waste, or abuse, the Office of the Inspector General
80.17 shall have access to all books, accounts, documents, data, and property related to programs
80.18 funded by the Department of Education that are held by entities, corporations, firms, or
80.19 individuals that receive, disburse, or have custody of program funds disbursed by the
80.20 department. Requested records shall be made available at a time and place requested by the
80.21 Office of the Inspector General. The information shall be provided in a reasonable format
80.22 and time frame prescribed by the inspector general.

80.23 Sec. 5. Minnesota Statutes 2023 Supplement, section 127A.21, is amended by adding a
80.24 subdivision to read:

80.25 Subd. 5. **Recommended actions.** (a) If a criminal conviction or guilty plea results from
80.26 a fraud, waste, or abuse investigation related to a department program, the inspector general
80.27 may recommend to the commissioner that sanctions, including ending program participation,
80.28 stopping funds disbursement, or ending, denying, or declining all department contracts with
80.29 the impacted entity, may be imposed.

80.30 (b) If, during the course of an investigation by the Office of the Inspector General, there
80.31 are credible indicia of fraud, waste, or abuse, the inspector general may recommend to the
80.32 commissioner that temporary sanctions, including temporary stop payment, be imposed.

81.1 (c) If a fraud, waste, or abuse investigation conducted by the Office of the Inspector
81.2 General results in a finding of fraud, waste, or abuse by a preponderance of the evidence,
81.3 the inspector general may recommend to the commissioner that sanctions, including ending
81.4 program participation, stopping funds disbursement, or ending, denying, or declining all
81.5 department contracts with the impacted entity, may be imposed.

81.6 (d) If an entity, provider, vendor, or individual enrolled or otherwise receiving funds
81.7 under any contract or registered in any program administered by a Minnesota state or federal
81.8 agency is excluded from that program, the Office of the Inspector General may recommend
81.9 that the commissioner:

81.10 (1) prohibit the excluded provider, vendor, individual, or any associated entities or
81.11 associated individuals from enrolling, receiving grant funds, or registering in any program
81.12 administered by the commissioner; and

81.13 (2) disenroll, disqualify, or debar the excluded provider, vendor, individual, or any
81.14 associated entities or associated individuals in any program administered by the
81.15 commissioner.

81.16 The duration of a prohibition, disenrollment, disqualification, or debarment may last until
81.17 up to the longest applicable sanction or disqualifying period in effect for the entity, provider,
81.18 vendor, individual, associated entity, or associated individual as permitted by state or federal
81.19 law.

81.20 (e) The commissioner has the authority to implement recommendations from the Office
81.21 of Inspector General pursuant to paragraphs (a) to (d).

81.22 (f) The commissioner must send notice of a sanction under paragraph (a), (b), or (c)
81.23 within seven business days of taking such action unless requested in writing by a law
81.24 enforcement agency to temporarily delay issuing the notice to prevent disruption of an
81.25 ongoing law enforcement agency investigation. The notice must state: (1) the action being
81.26 taken; (2) the general allegations that form the basis for the sanction; (3) except in the case
81.27 of a conviction for conduct described in paragraph (a), state the duration of the exclusion,
81.28 suspension, or termination; (4) identify the programs to which the sanction applies; and (5)
81.29 provide notice of the right to request reconsideration.

81.30 (g) Upon receipt of a notice under paragraph (f), a provider, vendor, individual, associated
81.31 individual, or associated entity may request a contested case hearing, as defined in section
81.32 14.02, subdivision 3, by filing with the Office of the Inspector General a written request of
81.33 appeal. The scope of any contested case hearing is solely limited to action taken under this
81.34 section. The Office of the Inspector General must receive the appeal request no later than

82.1 30 days after the date the notice was mailed to the provider, vendor, individual, associated
82.2 individual, or associated entity. The appeal request must specify:

82.3 (1) each disputed item and the reason for the dispute;

82.4 (2) the authority in statute or rule upon which the provider, vendor, individual, associated
82.5 individual, or associated entity relies for each disputed item;

82.6 (3) the name and address of the person or entity with whom contacts may be made
82.7 regarding the appeal; and

82.8 (4) any other information required by the Office of the Inspector General.

82.9 (h) The commissioner shall stop withholding payments if the Office of the Inspector
82.10 General determines there is insufficient evidence of fraud by the entity, provider, vendor,
82.11 individual, associated individual, or associated entity or when legal proceedings relating to
82.12 the alleged fraud are completed.

82.13 (i) For the purposes of this subdivision, fraud, waste, or abuse includes any of the
82.14 following, but is not limited to:

82.15 (1) a pattern of presentment of false or duplicate information or claims;

82.16 (2) a pattern of making false statements of material facts for the purpose of obtaining
82.17 greater compensation than that to which the individual or entity is legally entitled;

82.18 (3) suspension or termination as a vendor, provider, or contractor with any other state
82.19 agency;

82.20 (4) refusal to provide access to records as required by subdivision 4; or

82.21 (5) failure to correct errors in the maintenance of records after a request by the
82.22 commissioner or the department.

82.23 Sec. 6. Minnesota Statutes 2023 Supplement, section 127A.21, is amended by adding a
82.24 subdivision to read:

82.25 Subd. 6. **Data practices.** (a) It is not a violation of rights conferred by chapter 13 or any
82.26 other statute related to the confidentiality of government data for a government entity as
82.27 defined in section 13.02 to provide data or information under this section.

82.28 (b) The inspector general is subject to the Government Data Practices Act, chapter 13,
82.29 and shall protect from unlawful disclosure data classified as not public.

- 83.1 Sec. 7. Laws 2023, chapter 55, article 12, section 17, subdivision 2, is amended to read:
- 83.2 Subd. 2. **Department.** (a) For the Department of Education:
- 83.3 \$ 47,005,000 2024
- 83.4 \$ 39,922,000 2025
- 83.5 Of these amounts:
- 83.6 (1) \$405,000 each year is for the Board of School Administrators;
- 83.7 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
83.8 section 120B.115;
- 83.9 (3) \$720,000 each year is for implementing Minnesota's Learning for English Academic
83.10 Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;
- 83.11 (4) \$480,000 each year is for the Department of Education's mainframe update;
- 83.12 (5) \$7,500,000 in fiscal year 2024 only is for legal fees and costs associated with
83.13 litigation;
- 83.14 (6) \$595,000 in fiscal year 2024 and \$2,609,000 in fiscal year 2025 are for modernizing
83.15 district data submissions. The base for fiscal year 2026 and later is \$2,359,000;
- 83.16 (7) \$573,000 each year is for engagement and rulemaking related to Specific Learning
83.17 Disability;
- 83.18 (8) \$150,000 each year is for an ethnic studies specialist in the academic standards
83.19 division to provide support to the ethnic studies working group and to school districts seeking
83.20 to establish or strengthen ethnic studies courses;
- 83.21 (9) \$150,000 each year is for the comprehensive school mental health services lead under
83.22 Minnesota Statutes, section 127A.215;
- 83.23 (10) \$150,000 each year is for a school health services specialist under Minnesota
83.24 Statutes, section 121A.20;
- 83.25 (11) \$2,000,000 each year is for the Office of the Inspector General established under
83.26 Minnesota Statutes, section 127A.21;
- 83.27 (12) \$800,000 each year is for audit and internal control resources;
- 83.28 (13) \$2,000,000 in fiscal year 2024 only is for information technology infrastructure
83.29 and portfolio resources;

84.1 (14) \$2,000,000 each year is for staffing the Equity, Diversity and Inclusion (EDI) Center
84.2 at the Department of Education; ~~and~~

84.3 (15) \$275,000 in fiscal year 2024 and ~~\$175,000~~ \$45,000 in fiscal year 2025 are for
84.4 administrative expenses for unemployment aid; and

84.5 (16) \$130,000 in fiscal year 2025 is for the state school librarian under Minnesota
84.6 Statutes, section 127A.151.

84.7 (b) None of the amounts appropriated under this subdivision may be used for Minnesota's
84.8 Washington, D.C., office.

84.9 (c) The expenditures of federal grants and aids as shown in the biennial budget document
84.10 and its supplements are approved and appropriated and must be spent as indicated.

84.11 (d) The base for fiscal year 2026 and later is \$39,667,000.

84.12 **Sec. 8. PERMANENT SCHOOL FUND; DISTRIBUTION OF ENDOWMENT**
84.13 **FUND EARNINGS TASK FORCE.**

84.14 Subdivision 1. **Task force established.** A task force of nine members is established to
84.15 examine the distribution of earnings from the permanent school fund endowment.

84.16 Subd. 2. **Membership qualifications and appointments.** (a) Appointed members of
84.17 the task force must have outstanding professional experience in at least one of the following
84.18 areas:

84.19 (1) institutional asset management;

84.20 (2) investment finance;

84.21 (3) trust administration;

84.22 (4) investment fund accounting;

84.23 (5) investment banking; or

84.24 (6) the practice of law in the areas of capital markets, securities funds, trusts, foundations,
84.25 or endowments.

84.26 (b) The task force consists of the following nine members, each of whom must be
84.27 appointed by September 1, 2024:

84.28 (1) the commissioner of education or the commissioner's designee;

84.29 (2) an employee or other member appointed by the State Board of Investment;

84.30 (3) four members appointed by the governor; and

85.1 (4) three members appointed by vote of the Legislative Permanent School Fund
85.2 Commission.

85.3 (c) The first meeting of the task force must be called by the commissioner of education
85.4 no later than October 1, 2024. The Department of Education must provide staff, technical
85.5 assistance, and organizational support for the task force.

85.6 Subd. 3. **Duties.** The task force must examine the historical returns on the permanent
85.7 school fund endowment and evaluate and recommend potential changes to the distribution
85.8 of earnings. The task force may examine school trust endowment policies in other states.
85.9 The task force recommendations may include proposed changes to state statutes and
85.10 Minnesota's constitutional provisions governing the school trust fund endowment.

85.11 Subd. 4. **Report; expiration.** The task force must report its recommendations to the
85.12 chairs and ranking minority members of the legislative committees with jurisdiction over
85.13 the permanent school fund by January 15, 2026. The task force report must be submitted
85.14 consistent with Minnesota Statutes, section 3.195. The task force expires on January 15,
85.15 2026, or upon submission of the report required under this subdivision, whichever occurs
85.16 earlier.

85.17 **Sec. 9. APPROPRIATION; PERMANENT SCHOOL FUND TASK FORCE.**

85.18 Subdivision 1. **Department of Education.** The sum indicated in this section is
85.19 appropriated from the general fund to the Department of Education for the fiscal year
85.20 designated.

85.21 Subd. 2. **Permanent School Fund Task Force.** (a) To administer the task force on the
85.22 distribution of earnings from the permanent school fund:

85.23 § 64,000 2025

85.24 (b) This is a onetime appropriation. This appropriation is available until June 30, 2026.

85.25 **Sec. 10. APPROPRIATION; PROFESSIONAL EDUCATOR LICENSING AND**
85.26 **STANDARDS BOARD.**

85.27 Subdivision 1. **Professional Educator Licensing and Standards Board.** The sum
85.28 indicated in this section is appropriated from the general fund to the Professional Educator
85.29 Licensing and Standards Board in the fiscal year designated.

85.30 Subd. 2. **Educator online licensing system.** (a) For information technology costs for
85.31 the educator online licensing system:

86.1 \$ 2,767,000 2025

86.2 (b) This is a onetime appropriation and is available until June 30, 2027.

Laws 2023, chapter 55, article 10, section 4

Sec. 4. **APPROPRIATION; VOLUNTARY PREKINDERGARTEN RESERVE.**

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

Subd. 2. Voluntary prekindergarten reserve. (a) The commissioner must reserve the following amount for future allocation towards 3,000 voluntary prekindergarten seats:

\$	<u>0</u>	<u>.....</u>	<u>2024</u>
\$	<u>50,000,000</u>	<u>.....</u>	<u>2025</u>

(b) The 2024 legislature must provide direction to the commissioner on allocating the money reserved under paragraph (a).

(c) This is a onetime appropriation and is available until June 30, 2026.