Appropriations Committee of Representatives and the Health Care and Human Family Services Division of the Senate Finance Committee.

Sec. 28. EFFECTIVE DATE.

This act is effective the day after its final enactment.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 5:54 p.m.

CHAPTER 374—H.F.No. 125

An act relating to education; making corrections to the 1993 omnibus education finance law; authorizing a levy in independent school district No. 256, Red Wing; amending Minnesota Statutes 1992, sections 124.155, subdivision 1; 125.05, subdivision 1a; 125.185, subdivision 4; and 128B.03, subdivision 2; Laws 1993, chapter 224, article 1, sections 10; 14; and 18, subdivision 1; article 2, sections 14; and 15, subdivision 2; article 3, sections 18; 24, subdivision 2b; 25; 26; 40; and 41; article 4, sections 14; and 43, subdivision 4; article 6, sections 16, subdivision 8; 32; and 33; article 7, sections 6; and 31; article 8, sections 18, subdivision 1; 21, subdivision 1; and 23; article 12, section 32; article 13, section 40; and article 14, section 7; and 17.

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

- Section 1. CORRECTION 1; REFERENDUM REDUCTION. Laws 1993, chapter 224, article 1, section 10, if enacted, is amended to read:
- Sec. 10. Minnesota Statutes 1992, section 124A.03, is amended by adding a subdivision to read:
- Subd. 3b. **REFERENDUM ALLOWANCE REDUCTION.** A district's referendum allowance under subdivision 1c is reduced by the amounts calculated in paragraphs (a), (b), and (c).
- (a) The referendum allowance reduction equals the amount by which a district's supplemental revenue reduction exceeds the district's supplemental revenue allowance for fiscal year 1993.
- (b) Notwithstanding paragraph (a), if a district's initial referendum allowance is less than ten percent of the formula allowance for that year, the reduction equals the lesser of (1) an amount equal to \$100, or (2) the amount calculated in paragraph (a).
 - (c) Notwithstanding paragraph (a) or (b), a school district's referendum

allowance reduction equals (1) an amount equal to \$100, times (2) one minus the ratio of 20 percent of the initial referendum formula allowance limit minus the district's initial referendum allowance limit to 20 percent of the formula allowance for that year if:

- (i) the district's adjusted net tax capacity for assessment year 1992 per actual pupil unit for fiscal year 1995 is less than \$3,000;
- (ii) the district's net unappropriated operating fund balance as of June 30, 1993, divided by the actual pupil units for fiscal year 1995 is less than \$200;
- (iii) the district's supplemental revenue allowance for fiscal year 1993 is equal to zero; and
- (iv) the district's initial referendum revenue authority for the current year divided by the district's net tax capacity for assessment year 1992 is greater than ten percent.
- Sec. 2. CORRECTION 2; SPARSITY; NETT LAKE. Laws 1993, chapter 224, article 1, section 14, if enacted, is amended to read:
- Sec. 14. Minnesota Statutes 1992, section 124A.22, subdivision 5, is amended to read:
- Subd. 5. **DEFINITIONS.** The definitions in this subdivision apply only to subdivisions 6 and 6a.
- (a) "High school" means a secondary school that has pupils enrolled in at least the 10th, 11th, and 12th grades. If there is no secondary school in the district that has pupils enrolled in at least the 10th, 11th, and 12th grades, and the school is at least 19 miles from the next nearest school, the commissioner shall designate one school in the district as a high school for the purposes of this section.
- (b) "Secondary average daily membership" means, for a district that has only one high school, the average daily membership of resident pupils in grades 7 through 12. For a district that has more than one high school, "secondary average daily membership" for each high school means the product of the average daily membership of resident pupils in grades 7 through 12 in the high school, times the ratio of six to the number of grades in the high school.
- (c) "Attendance area" means the total surface area of the district, in square miles, divided by the number of high schools in the district. For a district that does not operate a high school and is less than 19 miles from the nearest operating high school, the attendance area equals zero.
- (d) "Isolation index" for a high school means the square root of one-half the attendance area plus the distance in miles, according to the usually traveled routes, between the high school and the nearest high school.

- (e) "Qualifying high school" means a high school that has an isolation index greater than 23 and that has secondary average daily membership of less than 400.
- (f) "Qualifying elementary school" means an elementary school that is located 19 miles or more from the nearest elementary school or from the nearest elementary school within the district and, in either case, has an elementary average daily membership of an average of 20 or fewer per grade.
- (g) "Elementary average daily membership" means, for a district that has only one elementary school, the average daily membership of resident pupils in kindergarten through grade 6. For a district that has more than one elementary school, "average daily membership" for each school means the average daily membership of kindergarten through grade 6 multiplied by the ratio of seven to the number of grades in the elementary school.
- Sec. 3. CORRECTION 3; CLASS SIZE REVENUE; ALLOCATION. Laws 1993, chapter 224, article 1, section 18, subdivision 1, if enacted, is amended to read:
- Subdivision 1. **REVENUE.** (a) Of a district's general education revenue an amount equal to the sum of the number of elementary pupil units defined in section 124.17, subdivision 1, clause (f) and kindergarten pupil units as defined in section 124.17, subdivision 1, clause (e), times .03 for fiscal year 1994 and .06 for fiscal year 1995 and thereafter times the formula allowance must be reserved according to this section.
- (b) For fiscal year 1995, a district that is not subject to a supplemental revenue reduction under section 17 or a referendum revenue reduction under section 10 must reserve an additional amount of revenue equal to \$100 must reserve an additional amount equal to the greater of
 - (i) \$0, or
- (ii) \$100 minus the sum of the reduction for supplemental revenue under section 17 and the reduction for referendum revenue under section 10 times the district's actual pupil units times the ratio of the district's elementary average daily membership to the district's average daily membership according to this section. The revenue must be placed in a learning and development reserved account and may only be used according to this section.
- (c) The ratio in paragraph (a) for fiscal year 1995 is adjusted by adding an amount equal to the ratio of the difference between the formula allowance for fiscal year 1995 minus 3,150 to 10,000.
- Sec. 4. CORRECTION 4; LATE ACTIVITY LEVY. Laws 1993, chapter 224, article 2, section 14, if enacted, is amended to read:
 - Sec. 14. ADDITIONAL LATE ACTIVITY LEVY.

A school district that is eligible to certify a levy under section 12 and was not eligible to certify a levy in 1992 under Minnesota Statutes 1992, section 124.226, subdivision 9, may certify an additional amount in 1993 for taxes payable in 1994 equal to the amount it would have been authorized to certify in 1992 for taxes payable in 1993 had it been eligible. A levy authorized under this section must be recognized according to Minnesota Statutes, section 124.918, subdivision 6.

- Sec. 5. CORRECTION 5; TRANSPORTATION AID. Laws 1993, chapter 224, article 2, section 15, subdivision 2, if enacted, is amended to read:
- Subd. 2. TRANSPORTATION AID. For transportation aid according to Minnesota Statutes, section 124,225:

\$127,889,000 1994 \$141,658,000 1995

The 1994 appropriation includes \$18,327,000 for 1993 and \$108,706,000 \$109,562,000 for 1994.

The 1995 appropriation includes \$19,183,000 \$19,334,000 for 1994 and \$120,410,000 \$122,324,000 for 1995.

- Sec. 6. CORRECTION 6; SPECIAL EDUCATION REVENUE ALLOCATION. Laws 1993, chapter 224, article 3, section 18, is amended to read:
- Sec. 18. Minnesota Statutes 1992, section 124.321, subdivision 2, is amended to read:
- Subd. 2. REVENUE ALLOCATION FROM COOPERATIVES AND INTERMEDIATE DISTRICTS. (a) For purposes of this section, a special education cooperative or an intermediate district shall allocate to participating school districts the sum of the following amounts:
- (1) 68 percent of the salaries paid to essential personnel in that cooperative or intermediate district minus the amount of <u>state aid and</u> any federal aid, if applicable, paid to that cooperative or intermediate district for salaries of these essential personnel under section 124.32, subdivisions 1b and 10, for the year to which the levy is attributable, plus
- (2) 68 percent of the salaries paid to essential personnel in that district minus the amount of <u>state aid and</u> any federal aid, if applicable, paid to that district for salaries of those essential personnel under section 124.574, subdivision 2b, for the year to which the levy is attributable, plus
- (3) 68 percent of the salaries paid to limited English proficiency program teachers in that cooperative or intermediate district minus the amount of state aid and any federal aid, if applicable, paid to that cooperative or intermediate district for salaries of these teachers under section 124.273, subdivision 1b, for the year to which the levy is attributable.

- (b) A special education cooperative or an intermediate district that allocates amounts to participating school districts under this subdivision must report the amounts allocated to the department of education.
- (c) For purposes of this subdivision, the Minnesota state academy for the deaf or the Minnesota state academy for the blind each year shall allocate an amount equal to 68 percent of salaries paid to instructional aides in either academy minus the amount of state aid and any federal aid, if applicable, paid to either academy for salaries of these instructional aides under sections 124.32, subdivisions 1b and 10, for the year to each school district that assigns a child with an individual education plan requiring an instructional aide to attend either academy. The school districts that assign a child who requires an instructional aide may make a levy in the amount of the costs allocated to them by either academy.
- (d) When the Minnesota state academy for the deaf or the Minnesota state academy for the blind allocates unreimbursed portions of salaries of instructional aides among school districts that assign a child who requires an instructional aide, for purposes of the districts making a levy under this subdivision, the academy shall provide information to the department of education on the amount of unreimbursed costs of salaries it allocated to the school districts that assign a child who requires an instructional aide.
- Sec. 7. CORRECTION 7; SECONDARY VOCATIONAL AID. Laws 1993, chapter 224, article 3, section 24, subdivision 2b, if enacted, is amended to read:
- Sec. 24. Minnesota Statutes 1992, section 124.573, subdivision 2b, is amended to read:
- Subd. 2b. SECONDARY VOCATIONAL AID. A district's or cooperative center's "secondary vocational aid" for secondary vocational education programs for a fiscal year equals the sum of the following amounts for each program:
 - (a) the greater of zero, or 75 percent of the difference between:
- (1) the salaries paid to essential, licensed personnel in that school year for services rendered in that program, salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year for services rendered in the district's approved secondary vocational education programs; and
- (2) 50 percent of the general education revenue attributable to secondary pupils for the number of hours that the pupils are enrolled in that program; and
 - (b) 40 percent of approved expenditures for the following:
- (1) salaries paid to essential, licensed personnel providing direct instructional services to students in that fiscal year for services rendered in the district's approved secondary vocational education programs;

- (2) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under subdivision 3a;
- (3) (2) necessary travel between instructional sites by licensed secondary vocational education personnel;
- (4) (3) necessary travel by licensed secondary vocational education personnel for vocational student organization activities held within the state for instructional purposes;
- (5) (4) curriculum development activities that are part of a five-year plan for improvement based on program assessment;
- (6) (5) necessary travel by licensed secondary vocational education personnel for noncollegiate credit bearing professional development; and
 - (7) (6) specialized vocational instructional supplies.
- Sec. 8. CORRECTION 8; ALLOCATION OF SECONDARY VOCATIONAL AID. Laws 1993, chapter 224, article 3, section 25, if enacted, is amended to read:
- Sec. 25. Minnesota Statutes 1992, section 124.573, is amended by adding a subdivision to read:
- Subd. 2e. ALLOCATION FROM COOPERATIVE CENTERS AND INTERMEDIATE DISTRICTS. For purposes of subdivision 2b, paragraph (b), a cooperative center or an intermediate district shall allocate its approved expenditures for secondary vocational education programs among participating school districts. Secondary vocational aid for services provided by a cooperative center or an intermediate district shall be paid to the participating school district.
- Sec. 9. CORRECTION 9; SALARIES. Laws 1993, chapter 224, article 3, section 26, if enacted, is amended to read:
- Sec. 26. Minnesota Statutes 1992, section 124.574, subdivision 2b, is amended to read:
- Subd. 2b. **SALARIES.** (a) Each year the state shall pay to any district or cooperative center a portion of the salary of each essential licensed person who provides direct instructional services to students, employed during that fiscal year for services rendered in that district's or center's secondary vocational education programs for children with a disability.
- (b) For fiscal year 1993 and thereafter, the portion for a full-time person is an amount not to exceed the lesser of 55.2 percent of the salary or \$15,320. The portion for a part-time or limited-time person is the lesser of 55.2 percent of the salary or the product of \$15,320 times the ratio of the person's actual employment to full-time employment.

Sec. 10. **CORRECTION 10; REPEALER.** Laws 1993, chapter 224, article 3, section 40, if enacted, is amended to read:

Sec. 40. REPEALER.

Minnesota Statutes 1992, section 124.32, subdivision 5; and 124.573, subdivisions 2c and 4, is are repealed effective July 1, 1994. Minnesota Statutes 1992, sections 124.331; 124.332; 124.333; and 124.573, subdivisions 2e and subdivision 2d, are repealed effective July 1, 1993.

Sec. 11. CORRECTION 11; EFFECTIVE DATE. Laws 1993, chapter 224, article 3, section 41, if enacted, is amended to read:

Sec. 41. EFFECTIVE DATE.

Sections 10 and 29 are effective beginning with the 1992-1993 school year.

Sections 16, 25, and 28 are effective beginning with fiscal year 1995.

Section 33 is effective the day after final enactment and applies through the 1998-1999 school year if the St. Paul school district complies with the requirements in section 33, subdivision 2.

Section 36 is effective the day following final enactment and applies to participating school districts through the 1996-1997 school year.

Section 32, clause (b), is effective June 30, 1994, and section 32, clauses (c) and (d), are effective June 30, 1995.

Section 35 is effective the day after final enactment and shall remain in effect until February 15, 1994, except that subdivision 5 shall remain in effect until June 1, 1994.

- Sec. 12. **CORRECTION 12; SCREENING.** Laws 1993, chapter 224, article 4, section 14, if enacted, is amended to read:
- Sec. 14. Minnesota Statutes 1992, section 123.702, subdivision 1b, is amended to read:

Subd. 1b. (a) A screening program shall include at least the following components: developmental assessments, hearing and vision screening or referral, immunization review and referral, the child's height and weight, identification of risk factors that may influence learning, an interview with the parent about the child, and referral for assessment, diagnosis, and treatment when potential needs are identified. The school district and the person performing or supervising the screening shall provide a parent or guardian with clear written notice that the parent or guardian may decline to answer questions or provide information about family circumstances that might affect development and identification of risk factors that may influence learning. The notice shall clearly state that declining to answer questions or provide information does not prevent the child from

being enrolled in kindergarten or first grade if all other screening components are met. If a parent or guardian is not able to read and comprehend the written notice, the school district and the person performing or supervising the screening must convey the information in another manner. The notice shall also inform the parent or guardian that a child need not submit to the school district screening program if the child's health records indicate to the school that the child has received comparable developmental screening performed within the preceding 365 days by a public or private health care organization or individual health care provider. The notice shall be given to a parent or guardian at the time the district initially provides information to the parent or guardian about screening and shall be given again at the screening location.

- (b) All screening components shall be consistent with the standards of the state commissioner of health for early developmental screening programs. No developmental screening program shall provide laboratory tests or a physical examination to any child. The school district shall request from the public or private health care organization or the individual health care provider the results of any laboratory test or physical examination within the 12 months preceding a child's scheduled screening.
- (c) If a child is without health coverage, the school district shall refer the child to an appropriate health care provider.
- (d) A school board may offer additional components such as nutritional, physical and dental assessments, review of family circumstances that might affect development, blood pressure, laboratory tests, and health history. State aid shall not be paid for additional components.
- (e) If a statement signed by the child's parent or guardian is submitted to the administrator or other person having general control and supervision of the school that the child has not been screened because of conscientiously held beliefs of the parent or guardian, the screening is not required.
- Sec. 13. CORRECTION 13; REPORTS BY COLLABORATION. Laws 1993, chapter 224, article 4, section 43, subdivision 4, if enacted, is amended to read:
- Subd. 4. REPORTS BY COLLABORATIVES. Collaboratives receiving implementation grants must submit a report to the children's cabinet. The report shall describe the progress the collaborative made toward implementing the local plan, how funds received under subdivision 3 were used, the number and type of clients served, and the types of services provided. The report shall be submitted to the children's cabinet by December 31, 1994, by collaboratives whose local plan was approved no later than February 1, 1994, and by December 31, 1995, for those collaboratives whose local plan was approved no later than February 1, 1995. Within two years of the date on which a collaborative receives an implementation grant, a collaborative shall submit a report to the children's cabinet describing the extent to which the collaborative achieved the outcomes developed under Minnesota Statutes, section 121.8355, subdivision 4 2, paragraph (a), clause (1).

- Sec. 14. CORRECTION 14; ADDITIONAL LEVY AUTHORITY. Laws 1993, chapter 224, article 6, section 16, subdivision 8, if enacted, is amended to read:
- Subd. 8. ADDITIONAL LEVY AUTHORITY. A district other than a member of an intermediate school district No. 287 on July 1, 1993 under chapter 136D, may levy for taxes payable in 1995, \$5 times the number of actual pupil units, for taxes payable in 1996, \$9 times the number of actual pupil units, for taxes payable in 1997, \$13 times the number of actual pupil units and for taxes payable in 1998 and thereafter, \$17 times the number of actual pupil units in the district for the year for which the levy is attributable.
- (e) The levy revenue under this subdivision must be used according to subdivision 6d. Of the levy revenue under subdivision 8, paragraph (b), except that at least 55 percent must be spent on secondary vocational programs.
- Sec. 15. CORRECTION 15; REPEALERS. Laws 1993, chapter 224, article 6, section 32, if enacted, is amended to read:

Sec. 32. REPEALER.

Minnesota Statutes 1992, sections 124.2721; 124.2725, subdivision 8; and 124.575, subdivisions 2 and 4; and 124.912, subdivisions 4 and 5, are repealed for revenue for fiscal year 1995.

Sec. 16. CORRECTION 16; EFFECTIVE DATE. Laws 1993, chapter 224, article 6, section 33, is amended to read:

Sec. 33. EFFECTIVE DATE.

Sections 3 and 8 are effective July 1, 1994. Section 28, subdivisions 1 and 2, are effective for taxes payable in 1994 and thereafter.

Sections 7, 13, 19, $\underline{20}$, and 22 are effective the day following final enactment.

- Sec. 17. CORRECTION 17; SCHOOL BOARD MEMBER TRAINING. Laws 1993, chapter 224, article 7, section 6, if enacted, is amended to read:
- Sec. 6. Minnesota Statutes 1992, section 123.33, is amended by adding a subdivision to read:
- Subd. 2a. SCHOOL BOARD MEMBER TRAINING. A member must receive training in school finance and management developed in consultation with the Minnesota school boards association and consistent with section $9 \underline{5}$. The school boards association shall make available to each newly-elected school board member training in school finance and management consistent with section $9 \underline{5}$ within 180 days of that member taking office. The program shall be developed in consultation with the department of education and appropriate representatives of higher education.

Sec. 18. CORRECTION 18; REPEALER. Laws 1993, chapter 224, article 7, section 31, if enacted, is amended to read:

Sec. 31. REPEALER.

Minnesota Statutes 1992, sections 121.609; 124A.27, subdivisions 1 to 9; 125.05, subdivision 1b; and 125.185, subdivision 4a, are repealed July 1, 1993.

Sec. 19. CORRECTION 19; EMPLOYER-PAID HEALTH INSUR-ANCE. Laws 1993, chapter 224, article 8, section 18, subdivision 1, if enacted, is amended to read:

Sec. 18. EMPLOYER-PAID HEALTH INSURANCE.

Subdivision 1. **PUBLIC EMPLOYEES.** A school district, intermediate school district, or joint vocational technical district formed under Minnesota Statutes, sections 136C.60 to 136C.69, shall provide employer-paid hospital, medical, and dental benefits to a person teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2 or 354A.011, subdivision 27, who:

- (1) is eligible for employer-paid insurance under collective bargaining agreements or personnel plans in effect on the day before the effective date of this section;
- (2) has at least 25 years of combined service credit in any Minnesota public pension plans other than volunteer firefighter plans;
- (3) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement;
- (4) upon retirement is immediately eligible for a retirement annuity if the person is a member of a defined benefit plan;
 - (5) is at least 55 and not yet 65 years of age; and
- (6) in the case of a school district employee, retires on or after May 15 17, 1993, and before July 21 August 1, 1993; and in the case of an employee of another employer in this subdivision, retires on or after July 1, 1993, and before October 1, 1993.
- Sec. 20. CORRECTION 20; ARTS PROGRAM. Laws 1993, chapter 224, article 8, section 21, subdivision 1, if enacted, is amended to read:
- Sec. 21. MINNESOTA CENTER FOR ARTS EDUCATION APPROPRIATION.

Subdivision 1. ARTS CENTER. The sums indicated in this section are appropriated from the general fund to the Minnesota center for arts education in the fiscal year designated:

\$387,000 1994 \$421,000 1995

Of the fiscal year 1994 appropriation, \$225,000 is to fund artist and arts organization participation in the education residency project, \$75,000 is for school support for the residency project, and \$87,000 is for further development of the partners: arts and school for students (PASS) program, including pilots. Of the fiscal year 1995 appropriation, \$215,000 \(\frac{5}{225,000} \) is to fund artist and arts organizations participation in the education residency project, \$75,000 is for school support for the residency project, and \$121,000 is to fund the PASS program, including additional pilots. The guidelines for the education residency project and the pass program shall be developed and defined by the Minnesota arts board. The Minnesota arts board shall participate in the review and allocation process. The center for arts education shall cooperate with the Minnesota arts board to fund these projects.

Sec. 21. CORRECTION 21; EARLY RETIREMENT LEVY EFFECTIVE DATE. Laws 1993, chapter 224, article 8, section 23, if enacted, is amended to read:

Sec. 23. EFFECTIVE DATE.

Section 11 is effective July 1, 1993, and applies for the first time to levies for 1993 taxes payable in 1994.

Sections 16 and 19 are effective the day following final enactment.

Section 14 is effective the day after final enactment.

Section Sections 17 is and 18 are effective the day following final enactment.

Sec. 22. CORRECTION 22; REPEALER. Laws 1993, chapter 224, article 12, section 32, if enacted, is amended to read:

Sec. 32. REPEALER.

- (a) Minnesota Statutes 1992, sections 120.095; 120.101, subdivision 5a; 120.75, subdivision 2; 120.80, subdivision 2; 121.11, subdivisions 6 and 13; 121.165; 121.19; 121.49; 121.883; 121.90; 121.901; 121.902; 121.904, subdivisions 5, 6, 8, 9, 10, 11a, and 11c; 121.908, subdivision 4; 121.9121, subdivisions 3 and 5; 121.931, subdivisions 6, 6a, 7, and 8; 121.934; 121.936 subdivisions 1, 2, and 3; 121.937; 121.94; 121.941; 121.942; 121.943; 123.33, subdivisions 10, 14, 15, and 16; 123.35, subdivisions 14; 123.352; 123.36, subdivisions 2, 3, 4, 4a, 6, 8, 9, and 12; 123.40, subdivisions 4 and 6; 123.61; 123.67; 123.709; 123.744; 124.615; 124.62; 124.64; 124.645; 124.67; 124.68; 124.69; 124.79; 125.12, subdivisions 3a and 4a; 125.17, subdivisions 2a and 3a; 126.09; 126.111; 126.112; 126.20, subdivision 4; 126.24; and 126.268, are repealed.
 - . (b) Minnesota Statutes 1992, section 121.11, subdivision 15, is repealed.
- (c) Minnesota Statutes 1992, sections 120.101, subdivision 5b; 121.11, subdivision 16; 121.585, subdivision 3; 124.19, subdivisions 1, 1b, 6, and 7; 126.02; 126.025; 126.031; 126.06; 126.08; 126.12, subdivision 2; 126.661; 126.662;

126.663; 126.664; 126.665; 126.666; 126.67; 126.68; 126A.01; 126A.02; 126A.04; 126A.05; 126A.07; 126A.08; 126A.09; 126A.10; 126A.11; and 126A.12, are repealed.

- Sec. 23. CORRECTION 23; INDIAN SCHOLARSHIPS. Laws 1993, chapter 224, article 13, section 40, if enacted, is amended to read:
- Sec. 40. Minnesota Statutes 1992, section 124.48, subdivision 1, is amended to read:

Subdivision 1. AWARDS. The commissioner state board, with the advice and counsel of the Minnesota Indian scholarship committee, may award scholarships to any Minnesota resident student who is of one-fourth or more Indian ancestry, who has applied for other existing state and federal scholarship and grant programs, and who, in the opinion of the commissioner board, has the capabilities to benefit from further education. Scholarships shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray the total cost of education including tuition, incidental fees, books, supplies, transportation, other related school costs and the cost of board and room and shall be paid directly to the college or school concerned. The total cost of education includes all tuition and fees for each student enrolling in a public institution and the portion of tuition and fees for each student enrolling in a private institution that does not exceed the tuition and fees at a comparable public institution. Each student shall be awarded a scholarship based on the total cost of the student's education and a standardized need analysis. The amount and type of each scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year the student is eligible for additional scholarships, if additional training is necessary to reach the student's educational and vocational objective. Scholarships may not be given to any Indian student for more than five years of study without special approval of the Minnesota Indian scholarship committee.

- Sec. 24. CORRECTION 24; SCHOOL BOARD BUDGETS. Laws 1993, chapter 224, article 14, section 7, if enacted, is amended to read:
- Sec. 7. Minnesota Statutes 1992, section 123.71, subdivision 1, is amended to read:

Subdivision 1. Every school board shall, no later than October 1, publish revenue and expenditure budgets for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the state board of education after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These

budgets, reports of revenue, expenditures and fund balances shall be published in a qualified newspaper of general circulation in the district.

Sec. 25. CORRECTION 25; REPEALER. Laws 1993, chapter 224, article 14, section 17, if enacted, is amended to read:

Sec. 17. REPEALER.

Minnesota Statutes 1992, sections 121.93, subdivision 5; and 124.195, subdivision 13; and 128B.03, subdivision 2, are repealed.

Sec. 26. Minnesota Statutes 1992, section 124.155, subdivision 1, is amended to read:

Subdivision 1. AMOUNT OF ADJUSTMENT. Each year state aids and credits enumerated in subdivision 2 payable to any school district, education district, or secondary vocational cooperative for that fiscal year shall be adjusted, in the order listed, by an amount equal to (1) the amount the district, education district, or secondary vocational cooperative recognized as revenue for the prior fiscal year pursuant to section 121.904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e, minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 121,904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e. For the purposes of making the aid adjustment under this subdivision, the amount the district recognizes as revenue for either the prior fiscal year or the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), plus revenue recognized according to section 121.904, subdivision 4e, shall not include any amount levied pursuant to sections 124.226, subdivision 9, 124.912, subdivisions 2, 3, and 5 or a successor provision only for those districts affected, 124.916, subdivisions 1 and 2, 124.918, subdivision 6, and 124A.03, subdivision 2; and Laws 1992, chapter 499, articles 1, section 20, and 6, section 36. Payment from the permanent school fund shall not be adjusted pursuant to this section. The school district shall be notified of the amount of the adjustment made to each payment pursuant to this section.

- Sec. 27. Minnesota Statutes 1992, section 125.05, subdivision 1a, is amended to read:
- Subd. 1a. TEACHER AND SUPPORT PERSONNEL QUALIFICA-TIONS. (a) The board of teaching shall issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions.
- (b) The board shall require a person to successfully complete an examination of skills in reading, writing, and mathematics before being admitted to a post-secondary teacher preparation program approved by the board if that person seeks to qualify for an initial teaching license to provide direct instruction to pupils in kindergarten, elementary, secondary, or special education programs.

- (e) Before admission to a pilot internship program, the board shall require a person to successfully complete an examination of general pedagogical knowledge. Before granting a first continuing license to participants in the pilot projects, the board shall require a person to successfully complete a supervised and assessed internship in a professional development school and an examination of licensure-specific teaching skills. The board shall determine effective dates for the examination of general pedagogical knowledge, the internship, and examinations of licensure-specific skills.
- Sec. 28. Minnesota Statutes 1992, section 125.185, subdivision 4, is amended to read:
- Subd. 4. LICENSE AND RULES. (a) The board shall adopt rules to license public school teachers and interns subject to chapter 14.
- (b) The board shall adopt rules requiring successful completion of an examination of skills in reading, writing, and mathematics before being admitted to a teacher preparation program.
 - (c) The board shall adopt rules to approve teacher preparation programs.
- (d) The board shall provide the leadership and shall adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.
- (e) The board shall adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board, but not later than July 1, 1999.
- (f) Until July 1, 1998, the board may select schools to be pilot professional development schools according to initial criteria adopted by the board. Initial criteria are not subject to chapter 14. Upon specific legislative authorization to implement a statewide restructured licensure program, the board shall adopt rules to approve or disapprove professional development schools.
- (g) The board shall adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.
- (h) (g) The board shall grant licenses to interns and to candidates for initial licenses.
- (i) (h) The board shall design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

- (i) (i) The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses.
- (k) (i) The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. The board shall not establish any expiration date for application for life licenses.
- (1) (k) With regard to post-secondary vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board of technical colleges.
- Sec. 29. Minnesota Statutes 1992, section 128B.03, subdivision 2, is amended to read:
- Subd. 2. MAY GET FEDERAL AID. The council may receive federal aid to Indians according to section 124.64.

Sec. 30. RED WING LEVY.

Independent school district No. 256, Red Wing, may levy up to \$500,000 to purchase the Towerview campus of the Red Wing/Winona technical college. The district may levy this amount over a three-year period beginning with the levy payable in 1994.

Presented to the governor May 20, 1993

Signed by the governor May 24, 1993, 12:13 p.m.

CHAPTER 375—H.F.No. 427

An act relating to the financing and operation of state and local government; revising the operation of the local government trust fund; modifying the administration, computation, collection, and enforcement of taxes; changing tax rates, bases, credits, exemptions, withholding, and payments; modifying property tax provisions relating to procedures, valuation, levies, classifications, exemptions, notices, hearings, and assessors; adjusting formulas of state aids to local governments; providing for the establishment and operation of special service districts; authorizing establishment of an ambulance district; modifying definitions in the property tax refund law and providing a source of funding for the refunds; authorizing and changing requirements for special assessments; modifying provisions governing the establishment and operation of tax increment financing districts; establishing a process by which local governments may obtain waivers of state rules and laws establishing procedures; establishing a board of government innovation and cooperation and authorizing it to provide grants to encourage cooperation and innovation by local governments; authorizing imposition of local taxes; imposing a sports bookmaking tax; changing certain bonding and local government finance provisions; enacting provisions relating to certain cities, counties, and special taxing