

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 3445

(SENATE AUTHORS: SIEBEN)

DATE	D-PG	OFFICIAL STATUS
04/04/2016	5519	Introduction and first reading Referred to Finance

A bill for an act

relating to early childhood; creating the voluntary prekindergarten MinneK program; expanding the age range for early learning scholarships; eliminating the Head Start waiting list; encouraging additional home visiting opportunities; creating education grants and loan forgiveness for certain prospective early education teachers; appropriating money for early childhood learning and child protection facilities; authorizing grants to be used to renovate facilities and for school-based prekindergarten programs; authorizing the sale and issuance of state bonds; appropriating money; requiring a report; amending Minnesota Statutes 2014, sections 122A.09, by adding a subdivision; 122A.26, subdivision 2; 123B.92, by adding a subdivision; 124D.1158, subdivisions 3, 4; 124D.13, subdivisions 4, 9, 12, by adding a subdivision; 124D.135, subdivisions 1, 6; 124D.15, subdivisions 1, 3, 3a, 15; 124D.165, as amended; 126C.10, subdivision 2d; 256E.37; Minnesota Statutes 2015 Supplement, sections 120A.41; 122A.415, subdivision 1; 124D.59, subdivision 2; 124E.11; 126C.05, subdivision 1; Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 122A; 123B; 124D; 136A; repealing Minnesota Statutes 2014, section 136A.128, subdivision 3.

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

ARTICLE 1

VOLUNTARY HALF-DAY PREKINDERGARTEN

Section 1. Minnesota Statutes 2015 Supplement, section 120A.41, is amended to read:

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

A school board's annual school calendar must include at least 425 hours of instruction for a kindergarten student without a disability, 935 hours of instruction for a student in grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not including summer school. The school calendar for all-day kindergarten must include at least 850 hours of instruction for the school year. The school calendar for prekindergarten, if offered by the district, must include at least 425 hours of instruction

for the school year. A school board's annual calendar must include at least 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule has been approved by the commissioner under section 124D.126.

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

Sec. 2. Minnesota Statutes 2014, section 122A.09, is amended by adding a subdivision to read:

Subd. 9a. **Prekindergarten early learning license; MinneK program.** The Board of Teaching must adopt rules establishing the licenses that qualify a teacher to teach in a prekindergarten MinneK program under section 124D.171. The training and preparation requirements for these qualifying licenses must emphasize play-based learning and must prepare licensees to effectively implement MinneK program requirements.

Sec. 3. Minnesota Statutes 2014, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** A person who teaches in a community education program which qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for community education aid pursuant to section 124D.20 or early childhood and family education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the Board of Teaching or be subject to section 171.35. ~~A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).~~

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

Sec. 4. Minnesota Statutes 2015 Supplement, section 122A.415, subdivision 1, is amended to read:

Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district, cooperative unit as defined in section 123A.24, subdivision 2, school site, or charter

school that meets the conditions of section 122A.414 and submits an application approved by the commissioner is eligible for alternative teacher compensation revenue.

(b) For school district and intermediate school district applications, the commissioner must consider only those applications to participate that are submitted jointly by a district and the exclusive representative of the teachers. The application must contain an alternative teacher professional pay system agreement that:

(1) implements an alternative teacher professional pay system consistent with section 122A.414; and

(2) is negotiated and adopted according to the Public Employment Labor Relations Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a district may enter into a contract for a term of two or four years.

Alternative teacher compensation revenue for a qualifying school district or site in which the school board and the exclusive representative of the teachers agree to place teachers in the district or at the site on the alternative teacher professional pay system equals ~~\$260~~ the alternative teacher compensation allowance times the number of pupils enrolled at the district or site on October 1 of the previous fiscal year. The alternative teacher compensation allowance equals \$260 for fiscal years 2015 to 2018, \$246 for fiscal year 2019, and \$244 for fiscal year 2020 and later. Alternative teacher compensation revenue for a qualifying intermediate school district or cooperative must be calculated under subdivision 4, paragraph (b).

(c) For a newly combined or consolidated district, the revenue shall be computed using the sum of pupils enrolled on October 1 of the previous year in the districts entering into the combination or consolidation. The commissioner may adjust the revenue computed for a site using prior year data to reflect changes attributable to school closings, school openings, or grade level reconfigurations between the prior year and the current year.

(d) The revenue is available only to school districts, intermediate school districts, cooperatives, school sites, and charter schools that fully implement an alternative teacher professional pay system by October 1 of the current school year.

Sec. 5. [123B.635] SCHOOL FACILITIES IMPROVEMENT REVENUE.

Subdivision 1. School facilities improvement revenue uses. (a) A school district may use its school facilities improvement revenue for:

(1) lease agreements for school facilities;

(2) facility modifications designed to enhance student and staff safety;

(3) facilities improvements;

(4) long-term facilities maintenance; and

4.1 (5) new construction of instructional space, not to exceed in size 20 percent of the
4.2 square footage of the previously existing building.

4.3 (b) A school district qualifies for revenue under this section only if the district is not
4.4 levying for building lease revenue under section 126C.40 for the same year.

4.5 Subd. 2. **School facilities improvement revenue.** (a) A school district's facilities
4.6 improvement revenue equals \$212 times the district's adjusted pupil units for that year.

4.7 (b) A school district that is a member of an intermediate school district may include
4.8 in its revenue under this section an additional amount not to exceed \$65 times the adjusted
4.9 pupil units of the member districts for school facilities improvement projects under
4.10 subdivision 1.

4.11 Subd. 3. **School facilities improvement levy.** A district's school facilities
4.12 improvement levy equals its school facilities improvement revenue times the lesser of one
4.13 or the ratio of its adjusted net tax capacity per adjusted pupil unit in the year preceding the
4.14 year the levy is certified to 125 percent of the state average adjusted net tax capacity per
4.15 adjusted pupil unit for the current school year.

4.16 Subd. 4. **School facilities improvement aid.** A district's school facilities
4.17 improvement aid equals the difference between its school facilities improvement revenue
4.18 and levy.

4.19 Subd. 5. **Choice of revenue.** A school district that receives revenue under this
4.20 section may not levy under section 126C.40 for the same school year.

4.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2017.

4.22 Sec. 6. Minnesota Statutes 2014, section 123B.92, is amended by adding a subdivision
4.23 to read:

4.24 Subd. 11. **Voluntary prekindergarten pupil transportation aid.** (a) A school
4.25 district or charter school is eligible for prekindergarten pupil transportation aid equal to
4.26 the lesser of:

4.27 (1) its actual costs of transporting prekindergarten pupils to and from school during
4.28 the previous school year, including summer session transportation; or

4.29 (2) \$200 times the number of prekindergarten pupils transported during the previous
4.30 year.

4.31 (b) For fiscal year 2018, the aid in paragraph (a) must be computed based on data
4.32 from the current school year.

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

5.1 Sec. 7. Minnesota Statutes 2014, section 124D.1158, subdivision 3, is amended to read:

5.2 Subd. 3. **Program reimbursement.** Each school year, the state must reimburse
5.3 each participating school 30 cents for each reduced-price breakfast, 55 cents for each fully
5.4 paid breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast
5.5 served to a prekindergarten or kindergarten student.

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

5.8 Sec. 8. Minnesota Statutes 2014, section 124D.1158, subdivision 4, is amended to read:

5.9 Subd. 4. **No fees.** A school that receives school breakfast aid under this section must
5.10 make breakfast available without charge to all participating students in grades 1 to 12 who
5.11 qualify for free or reduced-price meals and to all prekindergarten or kindergarten students.

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

5.14 Sec. 9. Minnesota Statutes 2014, section 124D.13, subdivision 4, is amended to read:

5.15 Subd. 4. **Home visiting program.** A district that levies receives revenue for home
5.16 visiting under section 124D.135, subdivision 6, shall use this revenue to include as part
5.17 of the early childhood family education programs a parent education component that is
5.18 designed to reach isolated or at-risk families.

5.19 The home visiting program must:

5.20 (1) incorporate evidence-informed parenting education practices designed to support
5.21 the healthy growth and development of children, with a priority focus on those children
5.22 who have high needs;

5.23 (2) establish clear objectives and protocols for home visits;

5.24 (3) encourage families to make a transition from home visits to site-based parenting
5.25 programs;

5.26 (4) provide program services that are community-based, accessible, and culturally
5.27 relevant;

5.28 (5) foster collaboration among existing agencies and community-based organizations
5.29 that serve young children and their families, such as public health evidence-based models
5.30 of home visiting and Head Start home visiting; and

5.31 (6) provide information about and assist in making arrangements for an early
5.32 childhood health and developmental screening when the child nears his or her third birthday.

6.1 The home visiting program should be provided by licensed parenting educators,
6.2 certified family life educators, ~~or~~ professionals with an equivalent license that reflect the
6.3 demographic composition of the community to the extent possible, or licensed classroom
6.4 teachers.

6.5 Sec. 10. Minnesota Statutes 2014, section 124D.13, is amended by adding a
6.6 subdivision to read:

6.7 Subd. 4a. **Digital home visiting.** On a voluntary basis, a district may establish its
6.8 own digital home visiting program or participate in the department's digital home visiting
6.9 project that uses text messages, e-mails, and social media to provide families of young
6.10 children with links to early childhood family education curricula.

6.11 Sec. 11. Minnesota Statutes 2014, section 124D.13, subdivision 9, is amended to read:

6.12 Subd. 9. **District advisory councils.** The board must appoint an advisory council
6.13 from the area in which the program is provided. A majority of the council must be parents
6.14 participating in the program, who represent the demographics of the community. The
6.15 district must ensure, to the extent possible, that the council includes representation of
6.16 families who are racially, culturally, linguistically, and economically diverse. The council
6.17 must assist the board in developing, planning, and monitoring the early childhood family
6.18 education program. The council must report to the board and the community education
6.19 advisory council. The council must review the district's home visiting plan at least every
6.20 other year in order for the district to receive funds under section 124D.135, subdivision 6.

6.21 Sec. 12. Minnesota Statutes 2014, section 124D.13, subdivision 12, is amended to read:

6.22 Subd. 12. **Assistance.** The department must provide assistance to districts with
6.23 programs described in this section. The department may coordinate a voluntary digital
6.24 contact list consisting of the cell phone numbers and e-mail addresses of parents with
6.25 young children in order to provide information on early childhood family education
6.26 curricula. Any voluntary digital list created under this section is educational data under
6.27 section 13.32. The department must establish guidelines that list barriers to learning and
6.28 development affecting children served by early childhood family education programs.

6.29 Sec. 13. Minnesota Statutes 2014, section 124D.135, subdivision 1, is amended to read:

6.30 Subdivision 1. **Revenue.** The revenue for early childhood family education
6.31 programs for a school district equals ~~\$120 for fiscal year 2014~~ and the formula allowance
6.32 for the year times 0.023 for fiscal year 2015 and later, times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the district on October 1 of the previous school year.

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

Sec. 14. Minnesota Statutes 2014, section 124D.135, subdivision 6, is amended to read:

Subd. 6. **Home visiting levy revenue.** ~~A~~ (a) In addition to the revenue authorized in subdivision 1, a school district that is eligible to levy for early childhood family education under subdivision 3 and that enters into a collaborative agreement to provide education services and social services to families with young children through a home visiting program is eligible for state aid equal to \$20 times the number of people under five years of age residing in the district on October 1 of the previous school year and may levy an amount equal not to exceed \$1.60 times the number of people under five years of age residing in the district on September 1 of the last school year. ~~Levy revenue under this subdivision must not be included as revenue under subdivision 1.~~ The revenue must be used for home visiting programs under section 124D.13, subdivision 4.

(b) A school district providing financial support for classroom teachers to provide home visiting services must not supplant revenue used for that program with revenue received under this subdivision.

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

Sec. 15. Minnesota Statutes 2014, section 124D.15, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** A district or a group of districts may establish a school readiness program for children age three to kindergarten entrance. The purpose of a school readiness program is to prepare children to enter kindergarten. A school district that participates in the prekindergarten MinneK program under section 124D.171 may modify its school readiness program to provide additional services to students participating in the prekindergarten MinneK program.

Sec. 16. Minnesota Statutes 2014, section 124D.15, subdivision 3, is amended to read:

Subd. 3. **Program requirements.** (a) A school readiness program provider must:

(1) assess each child's cognitive and language skills with a comprehensive child assessment instrument when the child enters and again before the child leaves the program

to improve program planning and implementation, communicate with parents, and promote kindergarten readiness;

(2) provide comprehensive program content and intentional instructional practice aligned with the state early childhood learning guidelines and kindergarten standards and based on early childhood research and professional practice that is focused on children's cognitive, social, emotional, and physical skills and development and prepares children for the transition to kindergarten, including early literacy and language skills;

(3) coordinate appropriate kindergarten transition with parents and kindergarten teachers;

(4) involve parents in program planning and decision making;

(5) coordinate with relevant community-based services;

(6) cooperate with adult basic education programs and other adult literacy programs;

(7) ensure staff-child ratios of one-to-ten and maximum group size of 20 children with the first staff required to be a teacher; and

(8) have teachers knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction.

(b) A school district offering a school readiness program in conjunction with a prekindergarten MinneK program under section 124D.171 may coordinate the activities required in paragraph (a) with its prekindergarten MinneK program.

Sec. 17. Minnesota Statutes 2014, section 124D.15, subdivision 3a, is amended to read:

Subd. 3a. **Application and reporting requirements.** (a) Before receiving aid under section 124D.16, a school readiness program provider must submit a biennial plan for approval by the commissioner before receiving aid under section 124D.16 in the form and manner and by the date established by the commissioner. The plan must describe how the program meets the program requirements under subdivision 3. ~~A school district by April 1 must submit the plan for approval by the commissioner in the form and manner prescribed by the commissioner. One-half the districts must first submit the plan by April 1, 2006, and one-half the districts must first submit the plan by April 1, 2007, as determined by the commissioner.~~

(b) Programs receiving school readiness funds annually must submit a report to the department.

Sec. 18. Minnesota Statutes 2014, section 124D.15, subdivision 15, is amended to read:

9.1 Subd. 15. **Eligibility.** ~~A~~ Any child enrolled in a prekindergarten MinneK program
9.2 may participate in a school readiness program and any other child is eligible to participate
9.3 in a school readiness program if the child:

9.4 (1) is at least three years old on September 1;

9.5 (2) has completed health and developmental screening within 90 days of program
9.6 enrollment under sections 121A.16 to 121A.19; and

9.7 (3) has one or more of the following risk factors:

9.8 (i) qualifies for free or reduced-price lunch;

9.9 (ii) is an English learner;

9.10 (iii) is homeless;

9.11 (iv) has an individualized education program (IEP) or an individual interagency
9.12 intervention plan (IIIP);

9.13 (v) is identified, through health and developmental screenings under sections
9.14 121A.16 to 121A.19, with a potential risk factor that may influence learning; or

9.15 (vi) is defined as at-risk by the school district.

9.16 Sec. 19. Minnesota Statutes 2014, section 124D.165, as amended by Laws 2015, First
9.17 Special Session chapter 3, article 9, section 6, is amended to read:

9.18 **124D.165 EARLY LEARNING SCHOLARSHIPS.**

9.19 Subdivision 1. **Establishment; purpose.** There is established an early learning
9.20 scholarships program in order to increase access to high-quality early childhood programs
9.21 for children ~~ages three to~~ under the age of five.

9.22 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
9.23 parents or guardians must meet the following eligibility requirements:

9.24 (1) have a child ~~three or four years of~~ under the age of five on September 1 of the
9.25 current school year, who has not yet started kindergarten; and

9.26 (2) have income equal to or less than 185 percent of federal poverty level income
9.27 in the current calendar year, or be able to document their child's current participation in
9.28 the free and reduced-price lunch program or child and adult care food program, National
9.29 School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food
9.30 Distribution Program on Indian Reservations, Food and Nutrition Act, United States
9.31 Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for
9.32 School Readiness Act of 2007; Minnesota family investment program under chapter 256J;
9.33 child care assistance programs under chapter 119B; the supplemental nutrition assistance
9.34 program; or placement in foster care under section 260C.212.

(b) Notwithstanding the other provisions of this section, a parent under age 21 who is pursuing a high school or general education equivalency diploma is eligible for an early learning scholarship if the parent has a child age zero to five years old and meets the income eligibility guidelines in this subdivision.

(c) Any siblings between the ages zero to five years old of a child who has been awarded a scholarship under this section must be awarded a scholarship upon request, provided the sibling attends the same program as long as funds are available.

(d) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(e) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(f) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Subd. 3. **Administration.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meets operational needs of eligible families and programs. The commissioner may prioritize applications on factors including family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

(b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year for each eligible child.~~ For fiscal year 2016 and later, the commissioner shall establish a target for the average scholarship amount per child based on the results of the rate survey conducted under section 119B.02.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or on a waiting list for a program beginning in July, August, or September may notify the commissioner, in the form and manner prescribed by the commissioner, each year of the program's desire to enhance program services or to serve more children than current funding provides. The commissioner may designate a predetermined number of scholarship slots for that program and notify the program of that number. Beginning July 1, 2016, a school district or Head Start program qualifying under this paragraph may

11.1 use its established registration process to enroll scholarship recipients and may verify a
11.2 scholarship recipient's family income in the same manner as for other program participants.

11.3 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has
11.4 not been accepted and subsequently enrolled in a rated program within ten months of the
11.5 awarding of the scholarship, the scholarship cancels and the recipient must reapply in
11.6 order to be eligible for another scholarship. A child may not be awarded more than one
11.7 scholarship in a 12-month period.

11.8 (e) A child who receives a scholarship who has not completed development
11.9 screening under sections 121A.16 to 121A.19 must complete that screening within 90
11.10 days of first attending an eligible program.

11.11 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
11.12 scholarship recipients under paragraph (c) may apply to the commissioner, in the form
11.13 and manner prescribed by the commissioner, for direct payment of state aid. Upon receipt
11.14 of the application, the commissioner must pay each program directly for each approved
11.15 scholarship recipient enrolled under paragraph (c) according to the metered payment
11.16 system or another schedule established by the commissioner.

11.17 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept
11.18 an early learning scholarship, a program must:

11.19 (1) participate in the quality rating and improvement system under section
11.20 124D.142; and

11.21 (2) beginning July 1, 2016, have a three- or four-star rating in the quality rating
11.22 and improvement system.

11.23 (b) Any program accepting scholarships must use the revenue to supplement and not
11.24 supplant federal funding.

11.25 (c) Notwithstanding paragraph (a), all Minnesota early learning foundation
11.26 scholarship program pilot sites are eligible to accept an early learning scholarship under
11.27 this section.

11.28 Subd. 5. **Report required.** The commissioner shall contract with an independent
11.29 contractor to evaluate the early learning scholarship program. The evaluation must
11.30 include recommendations regarding the appropriate scholarship amount, efficiency, and
11.31 effectiveness of the administration, and impact on kindergarten readiness. By January
11.32 15, 2016, the commissioner shall submit a written copy of the evaluation to the chairs
11.33 and ranking minority members of the legislative committees and divisions with primary
11.34 jurisdiction over kindergarten through grade 12 education.

11.35 **EFFECTIVE DATE.** This section is effective for early learning scholarships
11.36 awarded on or after July 1, 2017.

12.1 Sec. 20. **[124D.171] MINNEK PROGRAM.**

12.2 **Subdivision 1. Programs authorized.** A school district or charter school may offer
12.3 a voluntary prekindergarten MinneK program for all four-year-old children.

12.4 **Subd. 2. Program characteristics.** (a) These high-quality, state-funded voluntary
12.5 prekindergarten MinneK programs must prepare children for kindergarten and meet the
12.6 following state prekindergarten criteria:

12.7 (1) provide compensatory instruction through play-based learning to foster
12.8 children's social and emotional development, cognitive development, physical and motor
12.9 development, and language and literacy skills, including the native language and literacy
12.10 skills of English learners;

12.11 (2) offer developmentally appropriate instructional content and child-centered
12.12 activities of sufficient length and intensity to address children's learning needs;

12.13 (3) use a formative measure to determine each child's cognitive and social skills
12.14 when entering and before leaving a program, literacy screening, and other state-approved
12.15 kindergarten entrance measures;

12.16 (4) limit a class size to 20 or fewer children;

12.17 (5) have a maximum ratio of ten children to one staff person in each class, and have
12.18 at least one staff person in each class as the teacher of record;

12.19 (6) have as the teacher of record a teacher licensed by the Board of Teaching and
12.20 trained in child development, early language and literacy development, early education
12.21 instruction, or native and English language development;

12.22 (7) support collaboration and planning among community-based agencies,
12.23 including community health and social service agencies, to ensure children's access to
12.24 comprehensive services;

12.25 (8) coordinate all relevant school programs and services, including special education,
12.26 homeless, and English learner programs and services;

12.27 (9) engage parents in culturally and linguistically responsive activities in
12.28 prekindergarten through grade 3;

12.29 (10) develop and implement curriculum, assessment, and instructional strategies
12.30 aligned with the state's prekindergarten through grade 3 early learning guidelines and
12.31 academic standards;

12.32 (11) include children with disabilities in the prekindergarten program; and

12.33 (12) coordinate professional development and training for school and
12.34 community-based early learning providers that includes adult-child interactions.

12.35 (b) A district must include in its world's best workforce plan a strategy to implement
12.36 and measure the impact of its state-funded voluntary prekindergarten MinneK program.

13.1 Subd. 3. **Child eligibility.** A child may participate in a prekindergarten MinneK
 13.2 program if the child:

13.3 (1) is not yet in kindergarten and is four years old on September 1 of that school year;

13.4 (2) completes the early childhood health and development screening under sections
 13.5 121A.16 to 121A.19 within 45 days of enrolling; and

13.6 (3) complies with the requirements of section 121A.15.

13.7 Subd. 4. **Hours of instruction.** A school board's annual school calendar for
 13.8 prekindergarten must meet the minimum hours requirement in section 120A.41.

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

13.10 Sec. 21. Minnesota Statutes 2015 Supplement, section 124D.59, subdivision 2, is
 13.11 amended to read:

13.12 Subd. 2. **English learner.** (a) "English learner" means a pupil in ~~kindergarten~~
 13.13 prekindergarten through grade 12 who meets the requirements under subdivision 2a or the
 13.14 following requirements:

13.15 (1) the pupil, as declared by a parent or guardian first learned a language other than
 13.16 English, comes from a home where the language usually spoken is other than English, or
 13.17 usually speaks a language other than English; and

13.18 (2) the pupil is determined by a valid assessment measuring the pupil's English
 13.19 language proficiency and by developmentally appropriate measures, which might include
 13.20 observations, teacher judgment, parent recommendations, or developmentally appropriate
 13.21 assessment instruments, to lack the necessary English skills to participate fully in
 13.22 academic classes taught in English.

13.23 (b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in
 13.24 the previous school year took a commissioner-provided assessment measuring the pupil's
 13.25 emerging academic English, shall be counted as an English learner in calculating English
 13.26 learner pupil units under section 126C.05, subdivision 17, and shall generate state English
 13.27 learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff
 13.28 score or is otherwise counted as a nonproficient participant on the assessment measuring
 13.29 the pupil's emerging academic English, or, in the judgment of the pupil's classroom
 13.30 teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate
 13.31 academic language proficiency in English, including oral academic language, sufficient to
 13.32 successfully and fully participate in the general core curriculum in the regular classroom.

13.33 (c) Notwithstanding paragraphs (a) and (b), a pupil in ~~kindergarten~~ prekindergarten
 13.34 through grade 12 shall not be counted as an English learner in calculating English learner

14.1 pupil units under section 126C.05, subdivision 17, and shall not generate state English
14.2 learner aid under section 124D.65, subdivision 5, if:

14.3 (1) the pupil is not enrolled during the current fiscal year in an educational program
14.4 for English learners under sections 124D.58 to 124D.64; or

14.5 (2) the pupil has generated seven or more years of average daily membership in
14.6 kindergarten through grade 12 in Minnesota public schools since July 1, 1996.

14.7 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018.

14.8 Sec. 22. Minnesota Statutes 2015 Supplement, section 124E.11, is amended to read:

14.9 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

14.10 (a) A charter school may limit admission to:

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

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

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

14.16 (b) A charter school shall enroll an eligible pupil who submits a timely application,
14.17 unless the number of applications exceeds the capacity of a program, class, grade level, or
14.18 building. In this case, pupils must be accepted by lot. The charter school must develop
14.19 and publish, including on its Web site, a lottery policy and process that it must use when
14.20 accepting pupils by lot.

14.21 (c) A charter school shall give enrollment preference to a sibling of an enrolled
14.22 pupil and to a foster child of that pupil's parents and may give preference for enrolling
14.23 children of the school's staff before accepting other pupils by lot. A charter school that
14.24 is located in Duluth township in St. Louis County and admits students in kindergarten
14.25 through grade 6 must give enrollment preference to students residing within a five-mile
14.26 radius of the school and to the siblings of enrolled children. A If a charter school has a
14.27 preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph
14.28 (a), that is free to all participants, the charter school may give enrollment preference to
14.29 children currently enrolled in the school's free preschool or prekindergarten program under
14.30 section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten
14.31 in the next school year.

14.32 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil,
14.33 unless the pupil is at least five years of age on September 1 of the calendar year in which
14.34 the school year for which the pupil seeks admission commences; or (2) as a first grade

student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences or has completed kindergarten; except that a charter school may establish and publish on its Web site a policy for admission of selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b) and (c).

(e) Except as permitted in paragraph (d), a charter school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this section.

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

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

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

Sec. 23. Minnesota Statutes 2015 Supplement, section 126C.05, subdivision 1, is amended to read:

Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in average daily membership enrolled in the district of residence, in another district under sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled in a program approved by the commissioner and has an individualized education program is counted as the ratio of the number of hours of assessment and education service to 825 times 1.0 with a minimum average daily membership of 0.28, but not more than 1.0 pupil unit.

(b) A prekindergarten pupil who is assessed but determined not to be disabled is counted as the ratio of the number of hours of assessment service to 825 times 1.0.

(c) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individualized education program to 875, but not more than one.

(d) A prekindergarten pupil who is not included in paragraph (a) or (b) is counted as 0.6 pupil unit if the pupil is enrolled in a free prekindergarten program available to all prekindergarten pupils at the pupil's school that meets the minimum hours requirement in section 120A.41 and the requirements in section 124D.171.

(e) A kindergarten pupil who is not included in paragraph (c) is counted as 1.0 pupil unit if the pupil is enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school that meets the minimum hours requirement in section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school.

~~(e)~~ (f) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.

~~(f)~~ (g) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.

~~(g)~~ (h) A pupil who is in the postsecondary enrollment options program is counted as 1.2 pupil units.

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

Sec. 24. Minnesota Statutes 2014, section 126C.10, subdivision 2d, is amended to read:

Subd. 2d. **Declining enrollment revenue.** (a) A school district's declining enrollment revenue equals the greater of zero or the product of: (1) 28 percent of the formula allowance for that year and (2) the difference between the adjusted pupil units for the preceding year and the adjusted pupil units for the current year.

(b) Notwithstanding paragraph (a), for fiscal years 2015, 2016, and 2017 only, a pupil enrolled at the Crosswinds school shall not generate declining enrollment revenue for the district or charter school in which the pupil was last counted in average daily membership.

(c) Notwithstanding paragraph (a), for fiscal years 2018, 2019, and 2020 only, prekindergarten pupil units under section 126C.05, subdivision 1, paragraph (d), must be excluded from the calculation of declining enrollment revenue.

Sec. 25. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 4, is amended to read:

17.1 Subd. 4. **Head Start program.** For Head Start programs under Minnesota Statutes,
17.2 section 119A.52:

17.3 \$ 25,100,000 2016

17.4 \$ 25,100,000 2017

17.5 For fiscal year 2018 and later, the annual base budget for this program is \$78,266,000.

17.6 Sec. 26. **APPROPRIATIONS.**

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

17.10 Subd. 2. **Microgrants for digital home visiting.** (a) For microgrants for digital
17.11 home visiting distribution of early childhood family education curricula:

17.12 \$ 2017

17.13 (b) The Department of Education may establish the form and manner for applicants
17.14 to apply for a microgrant. The department must consult with the Minnesota Early
17.15 Learning Council and the Minnesota Association for Family and Early Education before
17.16 awarding microgrants.

17.17 (c) To the extent possible, microgrants must be awarded to applicants throughout
17.18 Minnesota.

17.19 (d) Each microgrant must not exceed \$.....

17.20 Subd. 3. **Management costs.** For management costs for the Department of
17.21 Education and local early childhood family education programs to develop and maintain
17.22 databases in order to provide digital curricula to parents of young children:

17.23 \$ 2017

17.24 Subd. 4. **Facilities aid.** For facilities aid under Minnesota Statutes, section
17.25 123B.635:

17.26 \$ 2017

18.1 **ARTICLE 2**

18.2 **HIGHER EDUCATION GRANTS AND LOAN FORGIVENESS**

18.3 Section 1. **[122A.187] GRANTS TO DISTRICT EMPLOYEES FOR**
18.4 **PREKINDERGARTEN EARLY LEARNING TEACHING LICENSURE OR**
18.5 **EXPANSION.**

18.6 Subdivision 1. **Program establishment; requirements.** (a) An annual grant
18.7 program is established to provide opportunities for district employees to attain:

18.8 (1) a prekindergarten early learning teaching license; or

18.9 (2) an additional subject area license in prekindergarten early learning.

18.10 (b) Grants under this section are available to district employees who are:

18.11 (1) education or teaching assistants or other nonlicensed district employees
18.12 interested in becoming licensed prekindergarten early learning teachers; or

18.13 (2) currently licensed classroom teachers interested in acquiring an additional
18.14 subject area license in prekindergarten early learning.

18.15 (c) All districts participating in this grant program must agree to support and monitor
18.16 the progress of each grant recipient and to provide the recipients with student teaching
18.17 opportunities, teacher mentoring, or other professional development opportunities, as
18.18 appropriate. District employees receiving grant funding must agree to work in the district
18.19 providing the funding for at least three school years after receiving a prekindergarten early
18.20 learning license; the agreement must establish consequences for grant recipients who fail
18.21 to complete the requisite three school years of work in the district but must not penalize a
18.22 grant recipient who is prevented by a district action from completing the requisite work.

18.23 Subd. 2. **Program funding.** (a) The commissioner shall make grants with
18.24 appropriations for this purpose to interested school districts on a first-come, first-served
18.25 basis until funds are expended. Districts receiving funding must use the funding to help
18.26 eligible individuals under subdivision 1 offset education costs, including tuition, textbooks,
18.27 and other instructional materials, or for compensation to allow these individuals to complete
18.28 student teaching requirements. The grant amount, excluding compensation, must not
18.29 exceed the grant recipient's actual program or course costs in a school term or year minus
18.30 any federal Pell grant or state grant the grant recipient is eligible to receive. Districts must
18.31 award grants annually on a first-come, first-served basis to the extent funding is available.

18.32 (b) To receive grant funding, eligible individuals must enroll and make satisfactory
18.33 progress in a teacher preparation or other academic program offered by a local or regional
18.34 postsecondary institution or program, and annually complete an application for federal
18.35 student aid.

(c) A district must recognize all credits earned under this program when placing a teacher on the district's salary schedule.

EFFECTIVE DATE. This section is effective beginning in fiscal year 2017.

Sec. 2. [136A.1792] EARLY CHILDHOOD EDUCATOR LOAN FORGIVENESS PROGRAM.

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

(b) "Qualifying educational institution" means an institution of higher education that had in effect at the time of an applicant's attendance a program participation agreement under United States Code, title 20, chapter 28, subchapter IV, part F, section 1094.

(c) "Qualifying position" means being employed as a licensed teacher teaching in a prekindergarten MinneK program under section 124D.171.

(d) "Qualifying student loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational and living expenses related to attending a qualifying educational institution.

(e) "Satisfactory academic progress" has the meaning given in section 136A.101, subdivision 10.

Subd. 2. **Program established.** (a) The commissioner must establish and administer a loan forgiveness program for early childhood educators.

(b) Appropriations made to the program do not cancel and are available until expended.

Subd. 3. **Eligibility.** (a) To be eligible to receive loan forgiveness under this section, an applicant must:

(1) be a Minnesota resident;

(2) have a qualifying student loan;

(3) have worked for a 12-month period in a qualifying position or positions; and

(4) have earned, or demonstrate satisfactory academic progress towards earning, a license issued by the Board of Teaching that qualifies the applicant to teach in a prekindergarten MinneK program under section 122A.09, subdivision 9a.

(b) An eligible applicant may receive one loan forgiveness award of the amount specified in this section for each 12-month period the applicant works in a qualifying position. An individual may receive no more than two loan forgiveness awards under this section.

Subd. 4. **Application.** (a) To be considered for a loan forgiveness award, an applicant must apply in a form and manner specified by the commissioner.

(b) A participant must apply to the commissioner each year the participant wishes to receive an award under this section. The application must include proof that the participant has worked for a 12-month period in a qualifying position or positions.

Subd. 5. **Amount of forgiveness.** (a) The commissioner must provide a loan forgiveness award to an eligible applicant on a funds-available basis, as provided in this section.

(b) For each year of work a participant completes, the participant is eligible for a loan forgiveness award equal to the lesser of:

(1) \$5,000; or

(2) the remaining balance of a participant's qualifying student loans.

Subd. 6. **Disbursement.** The commissioner must disburse an award under this section directly to the participant's student loan servicer or servicers.

Subd. 7. **Fund established.** An early childhood educator loan forgiveness fund is created for depositing money appropriated to or received by the commissioner for the program. Money deposited in the fund shall not revert to any state fund at the end of any fiscal year but remains in the fund and is continuously available for loan forgiveness under this section.

Sec. 3. INCREASED ACCESS TO TEACHER LICENSURE ACADEMIC PROGRAMS; MINNESOTA STATE COLLEGES AND UNIVERSITIES.

(a) No later than the 2017-2018 academic year, the Board of Trustees of the Minnesota State Colleges and Universities must design and implement a plan to increase the number of students, including nontraditional and underrepresented students, who are admitted to and complete an academic program leading to a license that qualifies an applicant to teach in a prekindergarten MinneK program, consistent with section 122A.09, subdivision 9a.

(b) The Board of Trustees must consult with the Board of Teaching, the commissioner of education, and other interested education stakeholders in developing the plan. At a minimum, the plan must enhance enrollment options for part-time and other nontraditional and underrepresented students and, if applicable, establish relevant academic programs on campuses that do not currently offer them. The plan must also include a process for waiver of any required tuition and fees for students enrolling in relevant programs who demonstrate an unmet financial need.

(c) No later than January 15, 2017, the Board of Trustees must submit a report to the legislative committees with jurisdiction over higher education finance and policy, kindergarten through grade 12 education finance and policy, and early childhood education

21.1 policy on its progress in designing and implementing the plan. The report may also
21.2 describe any anticipated needs that cannot be met using existing campus resources.

21.3 (d) The Board of Regents of the University of Minnesota is requested to develop a
21.4 plan consistent with the requirements of paragraphs (a) and (b). No later than January
21.5 15, 2017, the Board of Regents must submit a report to the legislative committees with
21.6 jurisdiction over higher education finance and policy, kindergarten through grade 12
21.7 education finance and policy, and early childhood education policy on its progress in
21.8 designing and implementing the plan. The report may also describe any anticipated needs
21.9 that cannot be met using existing campus resources. If the board does not implement a
21.10 plan consistent with the requirements of paragraphs (a) and (b), the board must include in
21.11 its report an explanation for its decision not to implement such a plan.

21.12 Sec. 4. **APPROPRIATION; PREKINDERGARTEN EARLY LEARNING**
21.13 **TEACHING LICENSE GRANTS.**

21.14 (a) \$..... in fiscal year 2017 is appropriated from the general fund to the
21.15 commissioner of education for individuals to attain a prekindergarten early learning
21.16 teaching license under Minnesota Statutes, section 122A.187.

21.17 (b) The base for this program in fiscal year 2018 and later is \$.....

21.18 Sec. 5. **REPEALER.**

21.19 Minnesota Statutes 2014, section 136A.128, subdivision 3, is repealed.

21.20 **ARTICLE 3**

21.21 **BONDING FOR EARLY CHILDHOOD FACILITIES**

21.22 Section 1. Minnesota Statutes 2014, section 256E.37, is amended to read:

21.23 **256E.37 EARLY CHILDHOOD LEARNING AND CHILD PROTECTION**
21.24 **FACILITIES.**

21.25 Subdivision 1. **Grant authority.** The commissioner may make grants to state
21.26 agencies and political subdivisions to construct, renovate, or rehabilitate facilities for
21.27 early childhood programs, crisis nurseries, or parenting time centers. The following
21.28 requirements apply:

21.29 (1) The facilities must be owned by the state or a political subdivision, but may
21.30 be leased under section 16A.695 to organizations that operate the programs. The
21.31 commissioner must prescribe the terms and conditions of the leases.

22.1 (2) A grant for an individual facility must not exceed \$500,000 for each program
22.2 that is housed in the facility, up to a maximum of \$2,000,000 for a facility that houses
22.3 three programs or more. Programs include school-based prekindergarten, Head Start,
22.4 School Readiness, Early Childhood Family Education, licensed child care, and other early
22.5 childhood intervention programs.

22.6 (3) State appropriations must be matched on a 50 percent basis with nonstate funds.
22.7 The matching requirement must apply program wide and not to individual grants.

22.8 (4) At least 80 percent of grant funds must be distributed to facilities located in
22.9 counties not included in the definition under section 473.121, subdivision 4.

22.10 Subd. 2. **Grant priority.** (a) The commissioner must give priority to:

22.11 (1) projects in counties or municipalities with the highest percentage of children
22.12 living in poverty;

22.13 (2) grants that involve collaboration among sponsors of programs under this section;
22.14 and

22.15 (3) where feasible, grants for programs that utilize Youthbuild under sections
22.16 116L.361 to 116L.366 for at least 25 percent of each grant awarded or \$50,000 of the labor
22.17 portion of the construction, whichever is less, if:

22.18 (i) the work is appropriate for Youthbuild, as mutually agreed upon by the grantee
22.19 and the local Youthbuild program, considering safety and skills needed;

22.20 (ii) it is demonstrated by Youthbuild that using Youthbuild will not increase the
22.21 overall cost of the project; and

22.22 (iii) eligible programs consult with appropriate labor organizations to deliver
22.23 education and training.

22.24 (b) The commissioner may give priority to:

22.25 (1) projects that collaborate with child care providers, including all-day and
22.26 school-age child care programs, special needs care, sick child care, nontraditional hour
22.27 care, and programs that include services to refugee and immigrant families;

22.28 (2) grants for programs that will increase their child care workers' wages as a result
22.29 of the grant; and

22.30 (3) projects that will improve access to and the quality of early childhood programs.

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

22.32 Sec. 2. **EARLY CHILDHOOD LEARNING AND CHILD PROTECTION**
22.33 **FACILITIES.**

23.1 Subdivision 1. **Appropriation.** \$15,000,000 is appropriated from the bond proceeds
23.2 fund and \$5,000,000 is appropriated from the general fund to the commissioner of human
23.3 services for grants under Minnesota Statutes, section 256E.37.

23.4 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the
23.5 bond proceeds fund, the commissioner of management and budget shall sell and issue
23.6 bonds of the state in an amount up to \$15,000,000 in the manner, upon the terms, and with
23.7 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
23.8 Minnesota Constitution, article XI, sections 4 to 7.

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

APPENDIX
Article locations in 16-6708

ARTICLE 1 VOLUNTARY HALF-DAY PREKINDERGARTEN Page.Ln 1.20

ARTICLE 2 HIGHER EDUCATION GRANTS AND LOAN FORGIVENESS Page.Ln 18.1

ARTICLE 3 BONDING FOR EARLY CHILDHOOD FACILITIES Page.Ln 21.20

APPENDIX
Repealed Minnesota Statutes: 16-6708

**136A.128 TEACHER EDUCATION AND COMPENSATION HELPS; EARLY
CHILDHOOD TEACHER EDUCATION INCENTIVES.**

Subd. 3. **Advisory committee.** The TEACH early childhood and Minnesota early childhood teacher education incentive programs may have an advisory board as prescribed by the national TEACH organization.