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State of Minnesota

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HOUSE OF REPRESENTATIVES

Unofficial Engrossment

House Engrossment of a Senate File

NINETY-FOURTH SESSION

S. F. No. 1740

- 04/25/2025 Companion to House File No. 1306. (Authors:Jordan and Bennett)
Read First Time and Sent for Comparison
- 04/28/2025 Substituted for H. F. No. 1306
Read for the Second Time
- 05/05/2025 Calendar for the Day
Bill was laid on the Table
- 05/16/2025 Bill was taken from the Table
Read Third Time as Amended
Passed by the House as Amended and returned to the Senate to include Floor Amendments

1.1 A bill for an act

1.2 relating to education; making changes to kindergarten through grade 12 education;

1.3 modifying provisions for general education, education excellence, charter schools,

1.4 education innovation, special education, health and nutrition, and state agencies;

1.5 amending Minnesota Statutes 2024, sections 13.32, subdivision 5; 120B.021,

1.6 subdivision 3; 120B.35, subdivision 3; 121A.22, subdivision 2; 121A.2205;

1.7 121A.2207; 122A.092, subdivision 2; 122A.441; 122A.70, subdivision 6;

1.8 124D.085; 124D.09, subdivisions 5, 5a, 9; 124D.093, subdivisions 3, 4; 124D.094,

1.9 subdivision 1; 124D.119, subdivision 5; 124D.162, subdivision 4; 124D.42,

1.10 subdivision 9; 124D.52, subdivision 2; 127A.21, subdivisions 1, 1a, 4, 5, by adding

1.11 subdivisions; 127A.49, subdivision 3; 136A.1276, subdivision 4; 268.19,

1.12 subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 125A.

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

1.14 **ARTICLE 1**

1.15 **GENERAL EDUCATION**

1.16 Section 1. Minnesota Statutes 2024, section 124D.09, subdivision 5, is amended to read:

1.17 Subd. 5. **Authorization; notification.** (a) Notwithstanding any other law to the contrary,

1.18 an 11th or 12th grade pupil enrolled in a district, a charter school, or an American

1.19 Indian-controlled Tribal contract or grant school eligible for aid under section 124D.83,

1.20 except a foreign exchange pupil enrolled in a district under a cultural exchange program,

1.21 may apply to an eligible institution, as defined in subdivision 3, to enroll in nonsectarian

1.22 courses offered by that postsecondary institution.

1.23 (b) If an institution accepts a secondary pupil for enrollment under this section, the

1.24 institution shall send written notice to the pupil, the pupil's school or school district, and

1.25 the commissioner. The notice must indicate the course and hours of enrollment of that pupil.

1.26 The institution must notify the pupil's school as soon as practicable if the pupil withdraws

2.1 from the enrolled course. The institution must also notify the pupil's school as soon as
2.2 practicable if the pupil has been absent from a course for ten consecutive days on which
2.3 classes are held, based upon the postsecondary institution's academic calendar, and the pupil
2.4 is not receiving instruction in their home or hospital or other facility.

2.5 (c) If the pupil enrolls in a course for postsecondary credit, the institution must notify:

2.6 (1) the pupil about payment in the customary manner used by the institution; and

2.7 (2) the pupil's school as soon as practicable if the pupil withdraws from the course or
2.8 stops attending the course.

2.9 Sec. 2. Minnesota Statutes 2024, section 124D.09, subdivision 5a, is amended to read:

2.10 Subd. 5a. **Authorization; career or technical education.** A 10th, 11th, or 12th grade
2.11 pupil enrolled in a district, a charter school, or an American Indian-controlled tribal contract
2.12 or grant school eligible for aid under section 124D.83, except a foreign exchange pupil
2.13 enrolled in a district under a cultural exchange program, may enroll in a career or technical
2.14 education course offered by a Minnesota state college or university. A 10th grade pupil
2.15 applying for enrollment in a career or technical education course under this subdivision
2.16 must have received a passing score on the 8th grade Minnesota Comprehensive Assessment
2.17 in reading as a condition of enrollment. A current 10th grade pupil who did not take the 8th
2.18 grade Minnesota Comprehensive Assessment in reading may substitute another reading
2.19 assessment accepted by the enrolling postsecondary institution. A secondary pupil may
2.20 enroll in the pupil's first postsecondary options enrollment course under this subdivision.
2.21 A student who is refused enrollment by a Minnesota state college or university under this
2.22 subdivision may apply to an eligible institution offering a career or technical education
2.23 course. The postsecondary institution must give priority to its students according to
2.24 subdivision 9. If a secondary student receives a grade of "C" or better in the career or
2.25 technical education course taken under this subdivision, the postsecondary institution must
2.26 allow the student to take additional postsecondary courses for secondary credit at that
2.27 institution, not to exceed the limits in subdivision 8. A "career or technical course" is a
2.28 course that is part of a career and technical education program that provides individuals
2.29 with coherent, rigorous content aligned with academic standards and relevant technical
2.30 knowledge and skills needed to prepare for further education and careers in current and
2.31 emerging professions and provide technical skill proficiency, an industry recognized
2.32 credential, and a certificate, a diploma, or an associate degree.

3.1 Sec. 3. Minnesota Statutes 2024, section 124D.09, subdivision 9, is amended to read:

3.2 Subd. 9. **Enrollment priority.** (a) A postsecondary institution must give priority to its
3.3 postsecondary students when enrolling pupils in grades 10, 11, and 12 in its courses. A
3.4 postsecondary institution may provide information about its programs to a secondary school
3.5 or to a pupil or parent and it may advertise or otherwise recruit or solicit a secondary pupil
3.6 to enroll in its programs on educational and programmatic grounds only ~~except,~~
3.7 ~~notwithstanding other law to the contrary, and for the 2014-2015 through 2019-2020 school~~
3.8 ~~years only, an eligible postsecondary institution may advertise or otherwise recruit or solicit~~
3.9 ~~a secondary pupil residing in a school district with 700 students or more in grades 10, 11,~~
3.10 ~~and 12, to enroll in its programs on educational, programmatic, or financial grounds.~~

3.11 (b) An institution must not enroll secondary pupils, for postsecondary enrollment options
3.12 purposes, in remedial, developmental, or other courses that are not college level except
3.13 when a student eligible to participate and enrolled in the graduation incentives program
3.14 under section 124D.68 enrolls full time in a middle or early college program. A middle or
3.15 early college program must be specifically designed to allow the student to earn dual high
3.16 school and college credit with a well-defined pathway to allow the student to earn a
3.17 postsecondary degree or credential. In this case, the student must receive developmental
3.18 college credit and not college credit for completing remedial or developmental courses.

3.19 (c) Once a pupil has been enrolled in any postsecondary course under this section, the
3.20 pupil must not be displaced by another student.

3.21 (d) If a postsecondary institution enrolls a secondary school pupil in a course under this
3.22 section, the postsecondary institution also must enroll in the same course an otherwise
3.23 enrolled and qualified postsecondary student who qualifies as a veteran under section
3.24 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's
3.25 established enrollment timelines were not practicable for that student.

3.26 (e) A postsecondary institution must allow secondary pupils to enroll in online courses
3.27 under this section consistent with the institution's policy regarding postsecondary pupil
3.28 enrollment in online courses.

3.29 Sec. 4. Minnesota Statutes 2024, section 124D.094, subdivision 1, is amended to read:

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

4.1 (b) "Blended instruction" means a form of digital instruction that occurs when a student
4.2 learns part time in a supervised physical setting and part time through online instruction
4.3 under paragraph (f).

4.4 (c) "Digital instruction" means instruction facilitated by technology that offers students
4.5 an element of control over the time, place, path, or pace of learning and includes blended
4.6 and online instruction.

4.7 (d) "Enrolling district" means the school district or charter school in which a student is
4.8 enrolled under section ~~120A.22, subdivision 4~~ 120A.05, subdivision 8, or chapter 124E.

4.9 (e) "Online course syllabus" means a written document that identifies the state academic
4.10 standards taught and assessed in a supplemental online course under paragraph (j); course
4.11 content outline; required course assessments; instructional methods; communication
4.12 procedures with students, guardians, and the enrolling district under paragraph (d); and
4.13 supports available to the student.

4.14 (f) "Online instruction" means a form of digital instruction that occurs when a student
4.15 learns primarily through digital technology away from a supervised physical setting.

4.16 (g) "Online instructional site" means a site that offers courses using online instruction
4.17 under paragraph (f) and may enroll students receiving online instruction under paragraph
4.18 (f).

4.19 (h) "Online teacher" means an employee of the enrolling district under paragraph (d) or
4.20 the supplemental online course provider under paragraph (k) who holds the appropriate
4.21 licensure under Minnesota Rules, chapter 8710, and is trained to provide online instruction
4.22 under paragraph (f).

4.23 (i) "Student" means a Minnesota resident enrolled in a school defined under section
4.24 120A.22, subdivision 4, in kindergarten through grade 12 up to the age of 21.

4.25 (j) "Supplemental online course" means an online learning course taken in place of a
4.26 course provided by the student's enrolling district under paragraph (d).

4.27 (k) "Supplemental online course provider" means a school district, an intermediate school
4.28 district, a state-operated school, an organization of two or more school districts operating
4.29 under a joint powers agreement, or a charter school located in Minnesota that is authorized
4.30 by the Department of Education to provide supplemental online courses under paragraph
4.31 (j).

5.1 Sec. 5. Minnesota Statutes 2024, section 124D.52, subdivision 2, is amended to read:

5.2 Subd. 2. **Program approval.** (a) To receive aid under this section, a district, the
5.3 Department of Corrections, a private nonprofit organization, or a consortium including
5.4 districts, nonprofit organizations, or both must submit an application by June 1 describing
5.5 the program, on a form provided by the department. The program must be approved by the
5.6 commissioner according to the following criteria:

5.7 (1) how the needs of different levels of learning and English language proficiency will
5.8 be met;

5.9 (2) for continuing programs, an evaluation of results;

5.10 (3) anticipated number and education level of participants;

5.11 (4) coordination with other resources and services;

5.12 (5) participation in a consortium, if any, and money available from other participants;

5.13 (6) management and program design;

5.14 (7) volunteer training and use of volunteers;

5.15 (8) staff development services;

5.16 (9) program sites and schedules;

5.17 (10) program expenditures that qualify for aid;

5.18 (11) program ability to provide data related to learner outcomes as required by law; and

5.19 (12) a copy of the memorandum of understanding described in subdivision 1 submitted
5.20 to the commissioner.

5.21 (b) Adult basic education programs may be approved under this subdivision for up to
5.22 ~~five~~ six years. ~~Five-year~~ Six-year program approval must be granted to an applicant who
5.23 has demonstrated the capacity to:

5.24 (1) offer comprehensive learning opportunities and support service choices appropriate
5.25 for and accessible to adults at all basic skill and English language levels of need;

5.26 (2) provide a participatory and experiential learning approach based on the strengths,
5.27 interests, and needs of each adult, that enables adults with basic skill needs to:

5.28 (i) identify, plan for, and evaluate their own progress toward achieving their defined
5.29 educational and occupational goals;

6.1 (ii) master the basic academic reading, writing, and computational skills, as well as the
6.2 problem-solving, decision making, interpersonal effectiveness, and other life and learning
6.3 skills they need to function effectively in a changing society;

6.4 (iii) locate and be able to use the health, governmental, and social services and resources
6.5 they need to improve their own and their families' lives; and

6.6 (iv) continue their education, if they desire, to at least the level of secondary school
6.7 completion, with the ability to secure and benefit from continuing education that will enable
6.8 them to become more employable, productive, and responsible citizens;

6.9 (3) plan, coordinate, and develop cooperative agreements with community resources to
6.10 address the needs that the adults have for support services, such as transportation, English
6.11 language learning, flexible course scheduling, convenient class locations, and child care;

6.12 (4) collaborate with business, industry, labor unions, and employment-training agencies,
6.13 as well as with family and occupational education providers, to arrange for resources and
6.14 services through which adults can attain economic self-sufficiency;

6.15 (5) provide sensitive and well trained adult education personnel who participate in local,
6.16 regional, and statewide adult basic education staff development events to master effective
6.17 adult learning and teaching techniques;

6.18 (6) participate in regional adult basic education peer program reviews and evaluations;

6.19 (7) submit accurate and timely performance and fiscal reports;

6.20 (8) submit accurate and timely reports related to program outcomes and learner follow-up
6.21 information; and

6.22 (9) spend adult basic education aid on adult basic education purposes only, which are
6.23 specified in sections 124D.518 to 124D.531.

6.24 (c) The commissioner shall require each district to provide notification by February 1,
6.25 of its intent to apply for funds under this section as a single district or as part of a consortium.
6.26 A district receiving funds under this section must notify the commissioner by February 1
6.27 of its intent to change its application status for applications due the following June 1.

6.28 **Sec. 6. SCHOOL START DATE FOR THE 2026-2027 AND 2027-2028 SCHOOL**
6.29 **YEARS ONLY.**

6.30 Notwithstanding Minnesota Statutes, section 120A.40, paragraph (a), or other law to
6.31 the contrary, for the 2026-2027 and 2027-2028 school years only, a school board may vote
6.32 to begin the school year on September 1 or later. Nothing in this section limits a district's

7.1 authority to begin the school year on any day before Labor Day under section 120A.40,
7.2 paragraph (b).

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

7.4 **ARTICLE 2**

7.5 **EDUCATION EXCELLENCE**

7.6 Section 1. Minnesota Statutes 2024, section 120B.35, subdivision 3, is amended to read:

7.7 Subd. 3. **State growth measures; other state measures.** (a)(1) The state's educational
7.8 assessment system measuring individual students' educational growth is based on indicators
7.9 of current achievement that show growth relative to an individual student's prior achievement.
7.10 Indicators of achievement and prior achievement must be based on highly reliable statewide
7.11 or districtwide assessments.

7.12 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
7.13 report separate categories of information using the student categories identified under the
7.14 federal Elementary and Secondary Education Act, as most recently reauthorized, and, in
7.15 addition to "other" for each race and ethnicity, and the Karen community, seven of the most
7.16 populous Asian and Pacific Islander groups, three of the most populous Native groups,
7.17 seven of the most populous Hispanic/Latino groups, and five of the most populous Black
7.18 and African Heritage groups as determined by the total Minnesota population based on the
7.19 most recent American Community Survey; English learners under section 124D.59; home
7.20 language; free or reduced-price meals; and all students enrolled in a Minnesota public school
7.21 who are currently or were previously in foster care, except that such disaggregation and
7.22 cross tabulation is not required if the number of students in a category is insufficient to yield
7.23 statistically reliable information or the results would reveal personally identifiable information
7.24 about an individual student.

7.25 (b) The commissioner, in consultation with a stakeholder group that includes assessment
7.26 and evaluation directors, district staff, experts in culturally responsive teaching, and
7.27 researchers, must implement an appropriate growth model that compares the difference in
7.28 students' achievement scores over time, and includes criteria for identifying schools and
7.29 school districts that demonstrate academic progress or progress toward English language
7.30 proficiency. The model may be used to advance educators' professional development and
7.31 replicate programs that succeed in meeting students' diverse learning needs. Data on
7.32 individual teachers generated under the model are personnel data under section 13.43. The
7.33 model must allow users to:

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

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

8.7 The commissioner must report measures of student growth and, under section 120B.11,
8.8 subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph,
8.9 including the English language development, academic progress, and oral academic
8.10 development of English learners and their native language development if the native language
8.11 is used as a language of instruction, and include data on all pupils enrolled in a Minnesota
8.12 public school course or program who are currently or were previously counted as an English
8.13 learner under section 124D.59. In addition, the commissioner must report language
8.14 development outcomes of the target language of instruction other than English for all students
8.15 who are in a dual language immersion program or who are enrolled in a Minnesota public
8.16 school course or program in which the objective is improving or maintaining the students'
8.17 native language.

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

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

8.27 (2) a rigorous coursework measure indicating the number and percentage of high school
8.28 graduates in the most recent school year who successfully completed one or more
8.29 college-level advanced placement, international baccalaureate, postsecondary enrollment
8.30 options including concurrent enrollment, other rigorous courses of study under section
8.31 120B.021, subdivision 1a, or industry certification courses or programs.

8.32 When reporting the core measures under clauses (1) and (2), the commissioner must also
8.33 analyze and report separate categories of information using the student categories identified

9.1 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
9.2 and other student categories under paragraph (a), clause (2).

9.3 (d) When reporting student performance under section 120B.36, subdivision 1, the
9.4 commissioner annually, beginning July 1, 2014, must report summary data on school safety
9.5 and students' engagement and connection at school, consistent with the student categories
9.6 identified under paragraph (a), clause (2). The summary data under this paragraph are
9.7 separate from and must not be used for any purpose related to measuring or evaluating the
9.8 performance of classroom teachers. The commissioner, in consultation with qualified experts
9.9 on student engagement and connection and classroom teachers, must identify highly reliable
9.10 variables that generate summary data under this paragraph. The summary data may be used
9.11 at school, district, and state levels only. Any data on individuals received, collected, or
9.12 created that are used to generate the summary data under this paragraph are nonpublic data
9.13 under section 13.02, subdivision 9.

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

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

9.20 (2) the percent of students under this paragraph whose progress and performance levels
9.21 are meeting career and college readiness benchmarks under section 120B.307; and

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

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

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

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

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

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

9.30 (f) The commissioner, in consultation with recognized experts with knowledge and
9.31 experience in assessing the language proficiency and academic performance of all English
9.32 learners enrolled in a Minnesota public school course or program who are currently or were

10.1 previously counted as an English learner under section 124D.59, must identify and report
10.2 appropriate and effective measures to improve current categories of language difficulty and
10.3 assessments, and monitor and report data on students' English proficiency levels, program
10.4 placement, and academic language development, including oral academic language.

10.5 (g) When reporting four- and six-year graduation rates, the commissioner or school
10.6 district must disaggregate the data by student categories according to paragraph (a), clause
10.7 (2).

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

10.13 Sec. 2. Minnesota Statutes 2024, section 122A.441, is amended to read:

10.14 **122A.441 SHORT-CALL EMERGENCY SUBSTITUTE TEACHER ~~PILOT~~**
10.15 **PROGRAM.**

10.16 (a) A school district or charter school and applicant may jointly request the Professional
10.17 Educator Licensing and Standards Board approve an application for a short-call emergency
10.18 substitute teaching license. The application information must sufficiently demonstrate the
10.19 following:

10.20 (1) the applicant:

10.21 (i) holds a minimum of an associate's degree or equivalent and has or will receive
10.22 substitute training from the school district or charter school; or

10.23 (ii) holds a minimum of a high school diploma or equivalent and has been employed as
10.24 an education support personnel or paraprofessional within the district or charter school for
10.25 at least one academic year; and

10.26 (2) the school district or charter school has obtained the results of a background check
10.27 completed in accordance with section 123B.03.

10.28 (b) The Professional Educator Licensing and Standards Board may issue a temporary
10.29 teaching license under this section pending a background check under section 122A.18,
10.30 subdivision 8, and may immediately suspend or revoke the license upon receiving background
10.31 check information. An applicant submitting an application for a short-call substitute teaching
10.32 license in accordance with section 122A.18, subdivision 7a, paragraph (a), must not be

11.1 required to complete a joint application with a district and must not be issued a license
11.2 pending a background check under section 122A.18, subdivision 8.

11.3 (c) The board may prioritize short-call emergency substitute teaching license applications
11.4 to expedite the review process.

11.5 (d) A school district or charter school must provide a short-call emergency substitute
11.6 teacher who receives a short-call emergency substitute teaching license ~~through the pilot~~
11.7 ~~program~~ with substitute teacher training. The board may remove a school district or charter
11.8 school from the ~~pilot~~ short-call emergency substitute teaching program for failure to provide
11.9 the required training.

11.10 (e) A school district or charter school must not require an employee to apply for a
11.11 short-call emergency substitute teaching license, or retaliate against an employee that does
11.12 not apply for a short-call emergency substitute teaching license under ~~the pilot program~~ this
11.13 section.

11.14 (f) A school district or charter school must compensate an employee working as a
11.15 short-call emergency substitute teacher under ~~the pilot program~~ this section with the greater
11.16 of ~~\$200 per day~~ the short-call substitute teacher rate of pay in the district or the employee's
11.17 regular rate of pay.

11.18 ~~(g) This section expires on June 30, 2025.~~

11.19 (g) A district may employ a short-call emergency substitute teacher for no more than
11.20 ten consecutive school days in a single assignment. A district solicitation for short-call
11.21 emergency substitute teacher applicants must disclose the duration of the short-call
11.22 emergency substitute teacher position.

11.23 (h) For each teacher assignment, a district may use a short-call emergency substitute
11.24 teacher to fill the assignment for no more than ten consecutive school days at a time.

11.25 (i) A district may employ a short-call emergency substitute teacher to fill an assignment
11.26 that a short-call emergency substitute teacher previously filled as long as at least 30 calendar
11.27 days have passed between the last day of the previous assignment and the first day of a
11.28 subsequent assignment.

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

12.1 Sec. 3. Minnesota Statutes 2024, section 124D.162, subdivision 4, is amended to read:

12.2 Subd. 4. **Implementation.** The requirements under this section must be phased in over
12.3 ~~three~~ four school years with all school districts and charter schools complying beginning
12.4 with the ~~2025-2026~~ 2026-2027 school year.

12.5 Sec. 4. Minnesota Statutes 2024, section 124D.42, subdivision 9, is amended to read:

12.6 Subd. 9. **Minnesota math corps program.** (a) A Minnesota math corps program is
12.7 established to ~~give~~ provide ServeMinnesota AmeriCorps members with a data-based
12.8 problem-solving model of mathematics instruction ~~useful for~~ to use in providing elementary
12.9 and middle school students and their teachers with instructional support. Minnesota math
12.10 corps must use evidence-based instructional support to evaluate and accelerate student
12.11 learning on foundational mathematics skills that enable students to meet state academic
12.12 standards in mathematics and long-term proficiency expectations for the workforce.

12.13 (b) The commission must submit a biennial report to the committees of the legislature
12.14 with jurisdiction over kindergarten through grade 12 education that records and evaluates
12.15 program data to determine the efficacy of the programs under this subdivision.

12.16 (c) For purposes of this subdivision, "evidence-based" means the instruction or curriculum
12.17 is based on reliable, trustworthy, and valid evidence and has demonstrated a record of
12.18 success in increasing student competency and proficiency in mathematics and numeracy.

12.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

12.20 **ARTICLE 3**

12.21 **CHARTER SCHOOLS**

12.22 Section 1. **REVISOR INSTRUCTION.**

12.23 The revisor of statutes shall renumber the section of Minnesota Statutes listed in column
12.24 A with the number listed in column B. The revisor shall also make necessary cross-reference
12.25 changes consistent with the renumbering. The revisor shall also make any technical and
12.26 other changes necessitated by the renumbering and cross-reference changes in this act.

12.27	<u>Column A</u>	<u>Column B</u>
12.28	<u>124E.16, subdivision 3</u>	<u>124E.27</u>

13.1 **ARTICLE 4**

13.2 **EDUCATION INNOVATION**

13.3 Section 1. Minnesota Statutes 2024, section 124D.085, is amended to read:

13.4 **124D.085 EXPERIENTIAL AND APPLIED LEARNING OPPORTUNITIES FOR**
13.5 **STUDENTS.**

13.6 (a) To strengthen the alignment between career and college ready curriculum and state
13.7 and local academic standards and increase students' opportunities for participating in applied
13.8 and experiential learning in a nontraditional setting, school districts are encouraged to
13.9 provide programs such as:

13.10 (1) magnet schools;

13.11 (2) language immersion programs;

13.12 (3) project-based learning;

13.13 (4) accelerated learning;

13.14 (5) college prep schools;

13.15 (6) career and technical education;

13.16 (7) Montessori schools;

13.17 (8) military schools;

13.18 (9) work-based schools; and

13.19 (10) place-based learning.

13.20 (b) Districts may provide such programs independently or in cooperation with other
13.21 districts, at a school single site, for particular grades, or throughout the district. In addition
13.22 to meeting the other accountability measures under chapter 120B, districts may declare that
13.23 a student meets or exceeds specific academic standards required for graduation under the
13.24 rigorous course of study waiver in section 120B.021, subdivision 1a, where appropriate.

13.25 ~~(b)~~ (c) The board of a district that chooses to participate must publicly adopt and review
13.26 a plan for providing a program under this section. The plan must: define the program and
13.27 its structure; describe the enrollment process; identify measures and processes for regularly
13.28 assessing, evaluating, and publicly reporting on program efficacy and use summary data to
13.29 show student progress and outcomes; and establish a data-informed public process for
13.30 modifying and revising the plan as needed. A district must publish its plan contents and
13.31 evaluation outcomes on the district website.

14.1 ~~(e)~~ (d) For purposes of further integrating experiential and applied learning into career
14.2 and college ready curricula, the commissioner may request program information from
14.3 providing districts under this section, but is not authorized to approve or deny any school
14.4 board-adopted program provided under this section.

14.5 Sec. 2. Minnesota Statutes 2024, section 124D.093, subdivision 3, is amended to read:

14.6 Subd. 3. **Application Board approval process.** ~~The commissioner must determine the~~
14.7 ~~form and manner of application for a school to be designated a P-TECH school.~~ The
14.8 ~~application~~ school board plan for adopting a P-TECH program must contain at least the
14.9 following information:

14.10 (1) the written agreement between a public school, a higher education institution under
14.11 section 124D.09, subdivision 3, paragraph (a), and a business partner to jointly develop and
14.12 support a P-TECH school;

14.13 (2) a proposed school design consistent with subdivisions 1 and 2;

14.14 (3) a description of how the P-TECH school supports the needs of the economic
14.15 development region in which the P-TECH school is to be located;

14.16 (4) a description of the facilities to be used by the P-TECH school;

14.17 (5) a description of proposed budgets, curriculum, transportation plans, and other
14.18 operating procedures for the P-TECH school;

14.19 (6) the process by which students will be enrolled in the P-TECH school;

14.20 (7) the qualifications required for individuals employed in the P-TECH school; and

14.21 (8) any additional information that the ~~commissioner requires~~ board determines is
14.22 appropriate.

14.23 Sec. 3. Minnesota Statutes 2024, section 124D.093, subdivision 4, is amended to read:

14.24 Subd. 4. **Approval Grant process.** (a) When an appropriation is available, the
14.25 commissioner of education must appoint an advisory committee to review the grant
14.26 applications and to recommend approval for those applications that meet the requirements
14.27 of this section. The commissioner of education has final authority over grant application
14.28 approvals.

14.29 (b) To the extent practicable, the commissioner must ensure an equitable geographic
14.30 distribution of grants for approved P-TECH schools.

15.1 (c) Nothing in this subdivision may be construed to authorize the commissioner to
15.2 approve or deny a locally adopted P-TECH plan.

15.3 **Sec. 4. REVISOR INSTRUCTION.**

15.4 (a) The revisor of statutes shall renumber the provisions of Minnesota Statutes and laws
15.5 listed in column A to the references listed in column B. The revisor shall also make necessary
15.6 cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the
15.7 renumbering in this instruction.

	<u>Column A</u>	<u>Column B</u>
15.8		
15.9	<u>Laws 2017, First Special Session</u>	<u>124F.01</u>
15.10	<u>chapter 5, article 2, section 52</u>	
15.11	<u>124D.085</u>	<u>124F.02</u>
15.12	<u>124D.093</u>	<u>124F.03</u>
15.13	<u>124D.4535</u>	<u>124F.04</u>
15.14	<u>124D.46</u>	<u>124F.05</u>
15.15	<u>124D.47</u>	<u>124F.06</u>
15.16	<u>124D.48</u>	<u>124F.07</u>
15.17	<u>124D.49</u>	<u>124F.08</u>
15.18	<u>124D.50</u>	<u>124F.09</u>

15.19 (b) Paragraph (a) is intended to be a reorganization of statutes relating to Education
15.20 Innovation in Minnesota Statutes, chapter 124F, and not intended to change the meaning
15.21 or prior interpretation of those laws.

15.22 **ARTICLE 5**

15.23 **SPECIAL EDUCATION**

15.24 **Section 1. [125A.092] STATE COMPLAINT PROCESS.**

15.25 Subdivision 1. **Filing a state complaint.** (a) An organization or individual may file a
15.26 signed, written complaint with the Department of Education, Office of General Counsel,
15.27 Dispute Resolution.

15.28 (b) The complaint must include:

15.29 (1) a statement that a public agency, lead agency, or early intervention services provider
15.30 has violated a requirement of Part B or Part C of the federal Individuals with Disabilities
15.31 Education Act;

15.32 (2) the facts on which the statement is based;

- 16.1 (3) the signature and contact information for the complainant;
- 16.2 (4) if alleging violations with respect to a specific child:
- 16.3 (i) the name and address of the residence of the child;
- 16.4 (ii) the name of the school the child is attending, or the name of the early intervention
- 16.5 services provider serving the child; and
- 16.6 (iii) in the case of a homeless child or youth within the meaning of section 725(2) of the
- 16.7 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434(a)(2),
- 16.8 the available contact information for the child and the name of the school the child is
- 16.9 attending;
- 16.10 (5) a description of the nature of the problem of the child, including facts relating to the
- 16.11 problem; and
- 16.12 (6) a proposed resolution of the problem to the extent known and available to the party
- 16.13 at the time the complaint is filed.
- 16.14 (c) The complaint must allege a violation that occurred not more than one year prior to
- 16.15 the date that the complaint is received.
- 16.16 (d) The party filing the complaint must forward a copy of the complaint to the local
- 16.17 educational agency, public agency, or early intervention services provider serving the child
- 16.18 at the same time the party files the complaint with the Department of Education.
- 16.19 Subd. 2. Remedies. In resolving a complaint in which the Department of Education has
- 16.20 found a failure to provide appropriate services, the Department of Education, pursuant to
- 16.21 its general supervisory authority under Part B and Part C of the federal Individuals with
- 16.22 Disabilities Education Act, must address:
- 16.23 (1) the failure to provide appropriate services, including corrective action appropriate
- 16.24 to address the needs of the child, compensatory services, or monetary reimbursement; and
- 16.25 (2) appropriate future provision of services for all children with disabilities.
- 16.26 Subd. 3. Time limit and procedures. (a) Within 60 days after a complaint is filed, the
- 16.27 Department of Education must:
- 16.28 (1) carry out an independent on-site investigation if the Department of Education
- 16.29 determines that an investigation is necessary;
- 16.30 (2) give the complainant the opportunity to submit additional information, either orally
- 16.31 or in writing, about the allegations in the complaint;

17.1 (3) provide the public agency, lead agency, or early intervention services provider with
17.2 the opportunity to respond to the complaint, including at a minimum:

17.3 (i) at the discretion of the Department of Education, a proposal to resolve the complaint;
17.4 and

17.5 (ii) an opportunity for a parent who has filed a complaint and the public agency, lead
17.6 agency, or early intervention services provider to voluntarily engage in mediation consistent
17.7 with section 125A.091, subdivision 9;

17.8 (4) review all relevant information and make an independent determination as to whether
17.9 the public agency, lead agency, or early intervention services provider is violating a
17.10 requirement of Part B or Part C of the federal Individuals with Disabilities Education Act;
17.11 and

17.12 (5) issue a written decision to the complainant that addresses each allegation in the
17.13 complaint and contains:

17.14 (i) findings of fact and conclusions; and

17.15 (ii) the reasons for the Department of Education's final decision.

17.16 (b) An extension of the time limit is allowed only if:

17.17 (1) exceptional circumstances exist with respect to a particular complaint; or

17.18 (2) the parent, individual, or organization and the local educational agency, public agency,
17.19 or early intervention services provider involved agree to extend the time to engage in
17.20 mediation pursuant to section 125A.091, subdivision 9, or a facilitated team meeting pursuant
17.21 to section 125A.091, subdivision 11.

17.22 **Subd. 4. Complaints and due process hearings.** (a) If a written complaint is received
17.23 that is also the subject of a due process hearing under section 125A.091, subdivision 12, or
17.24 that contains multiple issues of which one or more are part of that hearing, the Department
17.25 of Education must set aside any part of the complaint that is being addressed in the due
17.26 process hearing until the conclusion of the hearing. Any issue in the complaint that is not
17.27 a part of the due process action must be resolved using the time limit and procedures
17.28 described in paragraphs (c) and (d).

17.29 (b) If an issue raised in a complaint filed under this section has previously been decided
17.30 in a due process hearing involving the same parties:

17.31 (1) the due process hearing decision is binding on that issue; and

17.32 (2) the Department of Education must inform the complainant to that effect.

18.1 (c) If the local educational agency, public agency, or early intervention services provider
18.2 fails to implement the due process hearing decision, an individual or organization may file
18.3 a state complaint with the Department of Education alleging the agency or provider's failure
18.4 to implement the due process hearing decision.

18.5 **ARTICLE 6**

18.6 **HEALTH AND NUTRITION**

18.7 Section 1. Minnesota Statutes 2024, section 121A.22, subdivision 2, is amended to read:

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

18.10 (1) purchased without a prescription;

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

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

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

18.17 (5) used off the school grounds;

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

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

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

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

18.28 (10) epinephrine ~~auto-injectors~~ delivery systems, consistent with section 121A.2205, if
18.29 the parent and prescribing medical professional annually inform the pupil's school in writing
18.30 that (i) the pupil may possess the epinephrine or (ii) the pupil is unable to possess the

19.1 epinephrine and requires immediate access to epinephrine ~~auto-injectors~~ delivery systems
19.2 that the parent provides properly labeled to the school for the pupil as needed.

19.3 Sec. 2. Minnesota Statutes 2024, section 121A.2205, is amended to read:

19.4 **121A.2205 POSSESSION AND USE OF EPINEPHRINE ~~AUTO-INJECTORS~~**
19.5 **DELIVERY SYSTEMS; MODEL POLICY.**

19.6 Subdivision 1. **Definitions.** As used in this section:

19.7 (1) "administer" means the direct application of an epinephrine ~~auto-injector~~ delivery
19.8 system to the body of an individual;

19.9 (2) "epinephrine ~~auto-injector~~ delivery system" means a ~~device that automatically injects~~
19.10 ~~a premeasured dose of epinephrine~~ medication product approved by the United States Food
19.11 and Drug Administration that automatically delivers a single, premeasured dose of
19.12 epinephrine to prevent or treat a life-threatening allergic reaction; and

19.13 (3) "school" means a public school under section 120A.22, subdivision 4, or a nonpublic
19.14 school, excluding a home school, under section 120A.22, subdivision 4, that is subject to
19.15 the federal Americans with Disabilities Act.

19.16 Subd. 2. **Plan for use of epinephrine ~~auto-injectors~~ delivery systems.** (a) At the start
19.17 of each school year or at the time a student enrolls in school, whichever is first, a student's
19.18 parent, school staff, including those responsible for student health care, and the prescribing
19.19 medical professional must develop and implement an individualized written health plan for
19.20 a student who is prescribed epinephrine ~~auto-injectors~~ delivery systems that enables the
19.21 student to:

19.22 (1) possess epinephrine ~~auto-injectors~~ delivery systems; or

19.23 (2) if the parent and prescribing medical professional determine the student is unable to
19.24 possess the epinephrine, have immediate access to epinephrine ~~auto-injectors~~ delivery
19.25 systems in close proximity to the student at all times during the instructional day.

19.26 The plan must designate the school staff responsible for implementing the student's
19.27 health plan, including recognizing anaphylaxis and administering epinephrine ~~auto-injectors~~
19.28 delivery systems when required, consistent with section 121A.22, subdivision 2, clause
19.29 (10). This health plan may be included in a student's 504 plan.

19.30 (b) Other nonpublic schools are encouraged to develop and implement an individualized
19.31 written health plan for students requiring epinephrine ~~auto-injectors~~ delivery systems,
19.32 consistent with this section and section 121A.22, subdivision 2, clause (10).

20.1 (c) A school district and its agents and employees are immune from liability for any act
20.2 or failure to act, made in good faith, in implementing this section and section 121A.2207.

20.3 (d) The ~~education~~ commissioner of education, in collaboration with the commissioner
20.4 of health, may develop and transmit to interested schools a model policy and individualized
20.5 health plan form consistent with this section and federal 504 plan requirements. The policy
20.6 and form may:

20.7 (1) assess a student's ability to safely possess epinephrine ~~auto-injectors~~ delivery systems;

20.8 (2) identify staff training needs related to recognizing anaphylaxis and administering
20.9 epinephrine when needed;

20.10 (3) accommodate a student's need to possess or have immediate access to epinephrine
20.11 ~~auto-injectors~~ delivery systems in close proximity to the student at all times during the
20.12 instructional day; and

20.13 (4) ensure that the student's parent provides properly labeled epinephrine ~~auto-injectors~~
20.14 delivery systems to the school for the student as needed.

20.15 (e) Additional epinephrine ~~auto-injectors~~ delivery systems may be available in school
20.16 first aid kits.

20.17 (f) The school board of the school district must define instructional day for the purposes
20.18 of this section.

20.19 Sec. 3. Minnesota Statutes 2024, section 121A.2207, is amended to read:

20.20 **121A.2207 LIFE-THREATENING ALLERGIES IN SCHOOLS; STOCK SUPPLY**
20.21 **OF EPINEPHRINE ~~AUTO-INJECTORS~~ DELIVERY SYSTEMS.**

20.22 Subdivision 1. **Districts and schools permitted to maintain supply.** (a) Notwithstanding
20.23 section 151.37, districts and schools may obtain and possess epinephrine ~~auto-injectors~~
20.24 delivery systems to be maintained and administered by school personnel, including a licensed
20.25 nurse, to a student or other individual if, in good faith, it is determined that person is
20.26 experiencing anaphylaxis regardless of whether the student or other individual has a
20.27 prescription for an epinephrine ~~auto-injector~~ delivery system. The administration of an
20.28 epinephrine ~~auto-injector~~ delivery system in accordance with this section is not the practice
20.29 of medicine.

20.30 (b) Registered nurses may administer epinephrine ~~auto-injectors~~ delivery systems in a
20.31 school setting according to a condition-specific protocol as authorized under section 148.235,
20.32 subdivision 8. Notwithstanding any limitation in sections 148.171 to 148.285, licensed

21.1 practical nurses may administer epinephrine ~~auto-injectors~~ delivery systems in a school
21.2 setting according to a condition-specific protocol that does not reference a specific patient
21.3 and that specifies the circumstances under which the epinephrine ~~auto-injector~~ delivery
21.4 system is to be administered, when caring for a patient whose condition falls within the
21.5 protocol.

21.6 Subd. 2. **Arrangements with manufacturers.** A district or school may enter into
21.7 arrangements with manufacturers of epinephrine ~~auto-injectors~~ delivery systems to obtain
21.8 epinephrine ~~auto-injectors~~ delivery systems at fair-market, free, or reduced prices. A third
21.9 party, other than a manufacturer or supplier, may pay for a school's supply of epinephrine
21.10 ~~auto-injectors~~ delivery systems.

21.11 Subd. 3. **Standing order for distribution and condition-specific protocol.** The
21.12 commissioner of health must provide a district or school with a standing order for distribution
21.13 of epinephrine delivery systems under sections 148.235, subdivision 8, and 151.37,
21.14 subdivision 2.

21.15 Sec. 4. Minnesota Statutes 2024, section 124D.119, subdivision 5, is amended to read:

21.16 Subd. 5. **Summer Food Service Program locations.** Consistent with Code of Federal
21.17 Regulations, title 7, ~~section 225.6(d)(1)(ii)~~ part 225, the Department of Education must not
21.18 approve a new Summer Food Service Program open site that is within a half-mile radius of
21.19 an existing Summer Food Service Program open site. The department may approve a new
21.20 Summer Food Service Program open site within a half-mile radius only if the new program
21.21 will not be serving the same group of children for the same meal type or if there are safety
21.22 issues that could present barriers to participation.

21.23 ARTICLE 7

21.24 STATE AGENCIES

21.25 Section 1. Minnesota Statutes 2024, section 13.32, subdivision 5, is amended to read:

21.26 Subd. 5. **Directory information.** (a) Educational data designated as directory information
21.27 is public data on individuals to the extent required under federal law. Directory information
21.28 must be designated pursuant to the provisions of:

21.29 (1) this subdivision; and

21.30 (2) United States Code, title 20, section 1232g, and Code of Federal Regulations, title
21.31 34, section 99.37, which were in effect on January 3, 2012.

22.1 (b) When conducting the directory information designation and notice process required
22.2 by federal law, an educational agency or institution shall give parents and students notice
22.3 of the right to refuse to let the agency or institution designate specified data about the student
22.4 as directory information. This notice may be given by any means reasonably likely to inform
22.5 the parents and students of the right.

22.6 (c) An educational agency or institution may not designate a student's home address,
22.7 telephone number, email address, or other personal contact information as directory
22.8 information under this subdivision. This paragraph does not apply to a postsecondary
22.9 institution.

22.10 (d) When requested, educational agencies or institutions must share personal student
22.11 contact information and directory information, whether public or private, with the Minnesota
22.12 Department of Education, as required for federal reporting purposes.

22.13 (e) When requested, and in accordance with requirements for parental consent in the
22.14 Code of Federal Regulations, title 34, section 300.622 (b)(2), and part 99, educational
22.15 agencies or institutions may share personal student contact information and directory
22.16 information for students served in special education with postsecondary transition planning
22.17 and services under section 125A.08, paragraph (b), clause (1), whether public or private,
22.18 with the Department of Employment and Economic Development, as required for
22.19 coordination of services to students with disabilities under sections 125A.08, paragraph (b),
22.20 clause (1); 125A.023; and 125A.027.

22.21 Sec. 2. Minnesota Statutes 2024, section 120B.021, subdivision 3, is amended to read:

22.22 Subd. 3. **Rulemaking.** (a) The commissioner, consistent with the requirements of this
22.23 section and section 120B.022, must adopt statewide rules under ~~section 14.389~~ chapter 14
22.24 for implementing statewide rigorous core academic standards in language arts, mathematics,
22.25 science, social studies, physical education, and the arts.

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

22.28 Sec. 3. Minnesota Statutes 2024, section 122A.092, subdivision 2, is amended to read:

22.29 Subd. 2. **Requirements for board approval.** Teacher preparation programs must
22.30 demonstrate the following to obtain board approval:

22.31 (1) the program has implemented a research-based, results-oriented curriculum that
22.32 focuses on the skills teachers need in order to be effective;

23.1 (2) the program provides a student teaching program;

23.2 (3) the program demonstrates effectiveness based on proficiency of graduates in
23.3 demonstrating attainment of program outcomes;

23.4 (4) the program includes a common core of teaching knowledge and skills. This common
23.5 core shall meet the standards developed by the Interstate New Teacher Assessment and
23.6 Support Consortium ~~in its 1992 model standards~~ for beginning teacher licensing and
23.7 development. Amendments to standards adopted under this clause are subject to chapter
23.8 ~~14. The Professional Educator Licensing and Standards Board shall report annually to the~~
23.9 ~~education committees of the legislature on the performance of teacher candidates on common~~
23.10 ~~core assessments of knowledge and skills under this clause during the most recent school~~
23.11 ~~year;~~

23.12 (5) the program includes instruction on the knowledge and skills needed to provide
23.13 appropriate instruction to English learners to support and accelerate their academic literacy,
23.14 including oral academic language and achievement in content areas in a regular classroom
23.15 setting; and

23.16 (6) the program includes culturally competent training in instructional strategies consistent
23.17 with section 120B.30, subdivision 8.

23.18 Sec. 4. Minnesota Statutes 2024, section 122A.70, subdivision 6, is amended to read:

23.19 Subd. 6. **Report.** By September 30 of each year after receiving a grant, recipients must
23.20 submit a report to the Professional Educator Licensing and Standards Board on program
23.21 efforts that describes mentoring and induction activities and assesses the impact of these
23.22 programs on teacher effectiveness and retention. The board must publish a summary report
23.23 for the public and submit the report to the committees of the legislature with jurisdiction
23.24 over kindergarten through grade 12 education policy and finance in accordance with section
23.25 3.302 by November 30 of each even-numbered year.

23.26 Sec. 5. Minnesota Statutes 2024, section 127A.21, subdivision 1, is amended to read:

23.27 Subdivision 1. **Establishment of Office of the Inspector General; powers; duties.** The
23.28 commissioner must establish within the department an Office of the Inspector General. The
23.29 inspector general shall report directly to the commissioner. The Office of the Inspector
23.30 General is charged with protecting the integrity of the department and the state by detecting
23.31 and preventing fraud, theft, waste, and abuse in department programs. The Office of the
23.32 Inspector General must conduct independent and objective investigations to promote the

24.1 integrity of the department's programs and operations. When fraud, theft, or other misuse
24.2 of public funds is detected, the Office of the Inspector General must report it to the
24.3 appropriate law enforcement entity and collaborate and cooperate with law enforcement to
24.4 assist in the investigation and any subsequent civil and criminal prosecution.

24.5 Sec. 6. Minnesota Statutes 2024, section 127A.21, subdivision 1a, is amended to read:

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

24.8 (b) "Abuse" means actions that may, directly or indirectly, result in unnecessary costs
24.9 to department programs. Abuse may involve paying for items or services when there is no
24.10 legal entitlement to that payment, or behavior that is deficient or improper when compared
24.11 with behavior that a prudent person would consider a reasonable and necessary business
24.12 practice given the facts and circumstances.

24.13 (c) "Department program" means a program funded by the Department of Education
24.14 that involves the transfer or disbursement of public funds or other resources to a program
24.15 participant. "Department program" includes state and federal aids or grants received by a
24.16 school district or charter school or other program participant.

24.17 (d) "Excluded" means removed by any means from a program administered by a
24.18 Minnesota state agency or federal agency.

24.19 ~~(d)~~ (e) "Fraud" means an intentional or deliberate act to deprive another of property or
24.20 money or to acquire property or money by deception or other unfair means. Fraud includes
24.21 intentionally submitting false information to the department for the purpose of either
24.22 obtaining a greater compensation or benefit than that to which the person program participant
24.23 is legally entitled or hiding the misuse of funds. ~~Fraud also includes failure to correct errors~~
24.24 ~~in the maintenance of records in a timely manner after a request by the department.~~ Fraud
24.25 also includes acts that constitute a crime against any program, or attempts or conspiracies
24.26 to commit those crimes, including but not limited to the following:

24.27 (1) theft in violation of section 609.52;

24.28 (2) perjury in violation of section 609.48; and

24.29 (3) aggravated forgery and forgery in violation of sections 609.625 and 609.63.

24.30 ~~(e)~~ (f) "Investigation" means an audit, investigation, proceeding, or inquiry by the Office
24.31 of the Inspector General related to a program participant in a department program.

25.1 ~~(f)~~ (g) "Program participant" means any entity or person, including associated entities
25.2 or persons, that receives, disburses, or has custody of funds or other resources transferred
25.3 or disbursed under a department program. Associated persons or entities include but are not
25.4 limited to vendors or other entities or persons that contract with recipients of department
25.5 program funds.

25.6 (h) "Theft" means the act defined in section 609.52, subdivision 2.

25.7 ~~(g)~~ (i) "Waste" means practices that, directly or indirectly, result in unnecessary costs
25.8 to department programs, such as misusing resources. Waste includes an attempt or act using
25.9 or expending resources carelessly, extravagantly, or to no purpose.

25.10 ~~(h)~~ (j) For purposes of this section, neither "fraud," "theft," "waste," nor "abuse" includes
25.11 decisions on instruction, curriculum, personnel, or other discretionary policy decisions made
25.12 by a school district, charter school, cooperative unit as defined by section 123A.24,
25.13 subdivision 2, or any library, library system, or library district defined in section 134.001.

25.14 Sec. 7. Minnesota Statutes 2024, section 127A.21, subdivision 4, is amended to read:

25.15 Subd. 4. **Access to records.** (a) For purposes of an investigation, and regardless of the
25.16 data's classification under chapter 13, the Office of the Inspector General shall have access
25.17 to all relevant books, accounts, documents, data, and property related to department programs
25.18 that are maintained by a program participant, charter school, or government entity as defined
25.19 by section 13.02.

25.20 (b) Notwithstanding paragraph (a), the Office of the Inspector General must issue a
25.21 subpoena under subdivision 3 in order to access routing and account numbers to which
25.22 Department of Education funds have been disbursed.

25.23 (c) Records requested by the Office of the Inspector General under this subdivision shall
25.24 be provided in a format, place, and time frame reasonably requested by the Office of the
25.25 Inspector General.

25.26 (d) The department may enter into specific agreements with other state agencies related
25.27 to records requests by the Office of the Inspector General.

25.28 (e) In an investigation, program participants must give the Office of the Inspector General
25.29 immediate access without prior notice to any locations of potential record storage and the
25.30 records themselves, whether physical or electronic, during regular business hours, and to
25.31 any records related to a department program. Denying the Office of the Inspector General
25.32 access to requested records is cause for immediate suspension of payment.

26.1 (f) The Office of the Inspector General, at its own expense, may photocopy or otherwise
26.2 duplicate any record related to a department program. Photocopying or electronic duplication
26.3 shall be done on the program participant's premises when immediate access is requested,
26.4 unless removal is specifically permitted by the program participant. If requested, a program
26.5 participant must help the Office of the Inspector General duplicate any department program
26.6 record or other records related to a department program's operation, including hard copies
26.7 or electronically stored data, on the day when access is requested.

26.8 Sec. 8. Minnesota Statutes 2024, section 127A.21, subdivision 5, is amended to read:

26.9 Subd. 5. **Sanctions; appeal.** (a) This subdivision does not authorize any sanction that
26.10 reduces, pauses, or otherwise interrupts state or federal aid to a school district, charter school,
26.11 cooperative unit as defined by section 123A.24, subdivision 2, or any library, library system,
26.12 or library district defined in section 134.001.

26.13 (b) The inspector general may recommend that the commissioner impose appropriate
26.14 temporary sanctions, including withholding of payments under the department program, on
26.15 a program participant pending an investigation by the Office of the Inspector General if:

26.16 (1) during the course of an investigation, the Office of the Inspector General finds credible
26.17 indicia of fraud, waste, or abuse by the program participant;

26.18 (2) there has been a criminal, civil, or administrative adjudication of fraud, theft, waste,
26.19 or abuse against the program participant in Minnesota or in another state or jurisdiction;

26.20 (3) the program participant was receiving funds under any contract or registered in any
26.21 program administered by another Minnesota state agency, a government agency in another
26.22 state, or a federal agency, and was excluded from that contract or program for reasons
26.23 credibly indicating fraud, waste, or abuse by the program participant; or

26.24 (4) the program participant has a pattern of noncompliance with an investigation.

26.25 (c) If an investigation finds, by a preponderance of the evidence, fraud, theft, waste, or
26.26 abuse by a program participant, the inspector general may, after reviewing all facts and
26.27 evidence and when acting judiciously on a case-by-case basis, recommend that the
26.28 commissioner impose appropriate sanctions on the program participant.

26.29 (d) Unless prohibited by law, the commissioner has the authority to implement
26.30 recommendations by the inspector general, including imposing appropriate sanctions,
26.31 temporarily or otherwise, on a program participant. Sanctions may include ending program
26.32 participation, stopping disbursement of funds or resources, monetary recovery, and
26.33 termination of department contracts with the participant for any current or future department

27.1 program or contract. A sanction may be imposed for up to the longest period permitted by
27.2 state or federal law. Sanctions authorized under this subdivision are in addition to other
27.3 remedies and penalties available under law.

27.4 (e) If the commissioner imposes sanctions on a program participant under this subdivision,
27.5 the commissioner must notify the participant in writing within seven business days of
27.6 imposing the sanction, unless requested in writing by a law enforcement agency to
27.7 temporarily delay issuing the notice to prevent disruption of an ongoing law enforcement
27.8 agency investigation. A notice of sanction must state:

27.9 (1) the sanction being imposed;

27.10 (2) the general allegations that form the basis for the sanction;

27.11 (3) the duration of the sanction;

27.12 (4) the department programs to which the sanction applies; and

27.13 (5) how the program participant may appeal the sanction pursuant to paragraph (e).

27.14 (f) A program participant sanctioned under this subdivision may, within 30 days after
27.15 the date the notice of sanction was mailed to the participant, appeal the determination by
27.16 requesting in writing that the commissioner initiate a contested case proceeding under
27.17 chapter 14. The scope of any contested case hearing is limited to the sanction imposed under
27.18 this subdivision. An appeal request must specify with particularity each disputed item, the
27.19 reason for the dispute, and must include the name and contact information of the person or
27.20 entity that may be contacted regarding the appeal.

27.21 (g) The commissioner shall lift sanctions imposed under this subdivision if the Office
27.22 of the Inspector General determines there is insufficient evidence of fraud, theft, waste, or
27.23 abuse by the program participant. The commissioner must notify the participant in writing
27.24 within seven business days of lifting the sanction.

27.25 Sec. 9. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision to
27.26 read:

27.27 Subd. 8. Immunity and confidentiality. (a) A person who makes a good faith report
27.28 is immune from any civil liability that might otherwise arise from reporting or participating
27.29 in the investigation. Nothing in this subdivision affects an individual's or entity's
27.30 responsibility for any monetary recovery under existing law or contractual obligation when
27.31 receiving public funds.

27.32 (b) For purposes of this subdivision, "person" means a natural person.

28.1 (c) After an investigation is complete, the reporter's name and any identifying information
28.2 must be kept confidential. The subject of the report may compel disclosure of the reporter's
28.3 name only with the consent of the reporter or upon a written finding by a district court that
28.4 the report was false and there is evidence that the report was made in bad faith. This
28.5 subdivision does not alter disclosure responsibilities or obligations under the Rules of
28.6 Criminal Procedure, except that when the identity of the reporter is relevant to a criminal
28.7 prosecution the district court shall conduct an in-camera review before determining whether
28.8 to order disclosure of the reporter's identity.

28.9 Sec. 10. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
28.10 to read:

28.11 Subd. 9. **Limits on receiving public funds; prohibition.** (a) This subdivision does not
28.12 authorize any action that reduces, pauses, or otherwise interrupts state or federal aid to a
28.13 school district, charter school, cooperative unit as defined in section 123A.24, subdivision
28.14 2, or any library, library system, or library district defined in section 134.001.

28.15 (b) For purposes of this subdivision, "program participant" includes individuals or persons
28.16 who have an ownership interest in, control of, or the ability to control a program participant
28.17 in a department program.

28.18 (c) If a program participant is excluded from a department program, the inspector general
28.19 shall notify the commissioner, who shall:

28.20 (1) prohibit the excluded program participant from enrolling in, receiving grant money
28.21 from, or registering in any other program administered by the commissioner; and

28.22 (2) disenroll or disqualify the excluded program participant from any other program
28.23 administered by the commissioner.

28.24 (d) If a program participant enrolled, licensed, or receiving funds under any contract or
28.25 program administered by a Minnesota state agency or federal agency is excluded from that
28.26 program, the inspector general shall notify the commissioner, who may:

28.27 (1) prohibit the excluded program participant from enrolling in, becoming licensed,
28.28 receiving grant money from, or registering in any other program administered by the
28.29 commissioner; and

28.30 (2) disenroll or disqualify the excluded program participant from any other program
28.31 administered by the commissioner.

29.1 (e) The duration of a prohibition, disenrollment, revocation, suspension, or
29.2 disqualification under paragraph (c) must last for the longest applicable sanction or
29.3 disqualifying period in effect for the program participant permitted by state or federal law.
29.4 The duration of a prohibition, disenrollment, revocation, suspension, or disqualification
29.5 under paragraph (d) may last up until the longest applicable sanction or disqualifying period
29.6 in effect for the program participant as permitted by state or federal law.

29.7 Sec. 11. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
29.8 to read:

29.9 Subd. 10. **Notice.** Within five days of taking an action against a program participant
29.10 under subdivision 9, paragraph (c) or (d), the commissioner must send notice of the action
29.11 to the program participant. The notice must state:

29.12 (1) the basis for the action;

29.13 (2) the effective date of the action;

29.14 (3) the right to appeal the action; and

29.15 (4) the requirements and procedures for reinstatement.

29.16 Sec. 12. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
29.17 to read:

29.18 Subd. 11. **Appeal.** (a) Upon receipt of a notice under subdivision 10, a program
29.19 participant may request a contested case hearing, as defined in section 14.02, subdivision
29.20 3, by filing with the commissioner a written request of appeal. The appeal request must be
29.21 received by the commissioner no later than 30 days after the date the notification was mailed
29.22 to the program participant.

29.23 (b) The appeal request must specify: (1) each disputed item and the reason for the dispute;
29.24 (2) the authority in statute or rule upon which the program participant relies for each disputed
29.25 item; (3) the name and address of the person or entity with whom contacts may be made
29.26 regarding the appeal; and (4) other information required by the commissioner.

29.27 (c) Unless timely and proper appeal is received by the commissioner, the action of the
29.28 commissioner shall be considered final and binding on the effective date of the action as
29.29 stated in the notice under subdivision 10, clause (2).

30.1 Sec. 13. Minnesota Statutes 2024, section 127A.21, is amended by adding a subdivision
30.2 to read:

30.3 Subd. 12. **Withholding of payments.** (a) This subdivision does not authorize withholding
30.4 of payments that reduces, pauses, or otherwise interrupts state or federal aid to a school
30.5 district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or
30.6 any library, library system, or library district defined in section 134.001.

30.7 (b) Except as otherwise provided by state or federal law, the inspector general shall
30.8 notify and recommend to the commissioner to withhold payments to a program participant
30.9 in any program administered by the commissioner, to the extent permitted under federal
30.10 law, if the commissioner determines there is a credible allegation of fraud or theft for which
30.11 an investigation is pending for a program administered by the department, a Minnesota state
30.12 agency, or a federal agency.

30.13 (c) Allegations are considered credible when they have indicia of reliability and the
30.14 inspector general has reviewed the evidence and acts on a case-by-case basis. A credible
30.15 allegation of fraud is an allegation that has been verified by the commissioner from any
30.16 source, including but not limited to:

30.17 (1) fraud hotline complaints;

30.18 (2) claims data mining; and

30.19 (3) patterns identified through provider audits, civil false claims cases, and investigations.

30.20 (d) The commissioner must send notice of the withholding of payments within five days
30.21 of taking such action. The notice must: (1) state that payments are being withheld according
30.22 to this paragraph; (2) set forth the general allegations as to the reasons for the withholding
30.23 action, but need not disclose any specific information concerning an ongoing investigation;
30.24 (3) state that the withholding is for a temporary period and cite the circumstances under
30.25 which withholding will be terminated; and (4) inform the program participant of the right
30.26 to submit written evidence for consideration by the commissioner.

30.27 (e) The withholding of payments shall not continue after the commissioner determines
30.28 there is insufficient evidence of fraud by the program participant or after legal proceedings
30.29 relating to the alleged fraud are completed, unless the commissioner has sent notice under
30.30 subdivision 5 of the intention to take an additional action related to the program participant's
30.31 participation in a program administered by the commissioner.

30.32 (f) The withholding of payments is a temporary action and shall not be subject to appeal
30.33 under this subdivision or chapter 14.

31.1 Sec. 14. Minnesota Statutes 2024, section 127A.49, subdivision 3, is amended to read:

31.2 Subd. 3. **Excess tax increment.** (a) The county auditor must, prior to February 1 of each
31.3 year, certify to the commissioner of education the amount of any excess tax increment that
31.4 accrued to the district during the preceding year. If a return of excess tax increment is made
31.5 to a district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon
31.6 decertification of a tax increment district, the school district's aid and levy limitations must
31.7 be adjusted for the fiscal year in which the excess tax increment is paid under the provisions
31.8 of this subdivision.

31.9 (b) An amount must be subtracted from the district's aid for the current fiscal year equal
31.10 to the product of:

31.11 (1) the amount of the payment of excess tax increment to the district in the preceding
31.12 year, times

31.13 (2) the ratio of:

31.14 (i) the sum of the amounts of the district's certified levy in the third preceding year
31.15 according to the following:

31.16 (A) section 123B.57, if the district received health and safety aid according to that section
31.17 for the second preceding year;

31.18 (B) section 124D.20, if the district received aid for community education programs
31.19 according to that section for the second preceding year;

31.20 (C) section 142D.11, subdivision 3, if the district received early childhood family
31.21 education aid according to section 142D.11 for the second preceding year;

31.22 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
31.23 according to that section for the second preceding year;

31.24 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
31.25 according to section 126C.10, subdivision 13b, in the second preceding year;

31.26 (F) section 126C.10, subdivision 29, if the district received equity aid according to
31.27 section 126C.10, subdivision 30, in the second preceding year;

31.28 (G) section 126C.10, subdivision 32, if the district received transition aid according to
31.29 section 126C.10, subdivision 33, in the second preceding year;

31.30 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
31.31 according to section 123B.53, subdivision 6, in the second preceding year;

32.1 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
32.2 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;

32.3 (J) section 124D.22, subdivision 3, if the district received school-age care aid according
32.4 to section 124D.22, subdivision 4, in the second preceding year; and

32.5 (K) section 122A.415, subdivision 5, if the district received alternative teacher
32.6 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
32.7 in the second preceding year; to

32.8 (ii) the total amount of the district's certified levy in the third preceding year, plus or
32.9 minus auditor's adjustments.

32.10 (c) An amount must be subtracted from the school district's levy limitation for the next
32.11 levy certified equal to the difference between:

32.12 (1) the amount of the distribution of excess increment; and

32.13 (2) the amount subtracted from aid pursuant to clause (a).

32.14 If the aid and levy reductions required by this subdivision cannot be made to the aid for
32.15 the fiscal year specified or to the levy specified, the reductions must be made from aid for
32.16 subsequent fiscal years, and from subsequent levies. The school district must use the payment
32.17 of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

32.18 (d) This subdivision applies only to the total amount of excess increments received by
32.19 a district for a calendar year that exceeds \$25,000.

32.20 Sec. 15. Minnesota Statutes 2024, section 136A.1276, subdivision 4, is amended to read:

32.21 Subd. 4. **Report.** An alternative teacher preparation program receiving a grant under
32.22 this section must submit a report to the commissioner and the Professional Educator Licensing
32.23 and Standards Board on the grantee's ability to fill teacher shortage areas and positively
32.24 impact student achievement where data are available and do not identify individual teachers.
32.25 A grant recipient must submit the report required under this subdivision by January 31,
32.26 2018, and each ~~even-numbered~~ subsequent year thereafter this particular grant receives
32.27 allocated funding. The report must include disaggregated data regarding:

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

32.30 (2) program participant placement.

33.1 Sec. 16. Minnesota Statutes 2024, section 268.19, subdivision 1, is amended to read:

33.2 Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from
33.3 any person under the administration of the Minnesota Unemployment Insurance Law are
33.4 private data on individuals or nonpublic data not on individuals as defined in section 13.02,
33.5 subdivisions 9 and 12, and may not be disclosed except according to a district court order
33.6 or section 13.05. A subpoena is not considered a district court order. These data may be
33.7 disseminated to and used by the following agencies without the consent of the subject of
33.8 the data:

33.9 (1) state and federal agencies specifically authorized access to the data by state or federal
33.10 law;

33.11 (2) any agency of any other state or any federal agency charged with the administration
33.12 of an unemployment insurance program;

33.13 (3) any agency responsible for the maintenance of a system of public employment offices
33.14 for the purpose of assisting individuals in obtaining employment;

33.15 (4) the public authority responsible for child support in Minnesota or any other state in
33.16 accordance with section 518A.83;

33.17 (5) human rights agencies within Minnesota that have enforcement powers;

33.18 (6) the Department of Revenue to the extent necessary for its duties under Minnesota
33.19 laws;

33.20 (7) public and private agencies responsible for administering publicly financed assistance
33.21 programs for the purpose of monitoring the eligibility of the program's recipients;

33.22 (8) the Department of Labor and Industry and the Commerce Fraud Bureau in the
33.23 Department of Commerce for uses consistent with the administration of their duties under
33.24 Minnesota law;

33.25 (9) the Department of Human Services and the Office of Inspector General and its agents
33.26 within the Department of Human Services, including county fraud investigators, for
33.27 investigations related to recipient or provider fraud and employees of providers when the
33.28 provider is suspected of committing public assistance fraud;

33.29 (10) the Department of Human Services for the purpose of evaluating medical assistance
33.30 services and supporting program improvement;

33.31 (11) local and state welfare agencies for monitoring the eligibility of the data subject
33.32 for assistance programs, or for any employment or training program administered by those

34.1 agencies, whether alone, in combination with another welfare agency, or in conjunction
34.2 with the department or to monitor and evaluate the statewide Minnesota family investment
34.3 program and other cash assistance programs, the Supplemental Nutrition Assistance Program,
34.4 and the Supplemental Nutrition Assistance Program Employment and Training program by
34.5 providing data on recipients and former recipients of Supplemental Nutrition Assistance
34.6 Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child
34.7 care assistance under chapter 142E, or medical programs under chapter 256B or 256L or
34.8 formerly codified under chapter 256D;

34.9 (12) local and state welfare agencies for the purpose of identifying employment, wages,
34.10 and other information to assist in the collection of an overpayment debt in an assistance
34.11 program;

34.12 (13) local, state, and federal law enforcement agencies for the purpose of ascertaining
34.13 the last known address and employment location of an individual who is the subject of a
34.14 criminal investigation;

34.15 (14) the United States Immigration and Customs Enforcement has access to data on
34.16 specific individuals and specific employers provided the specific individual or specific
34.17 employer is the subject of an investigation by that agency;

34.18 (15) the Department of Health for the purposes of epidemiologic investigations;

34.19 (16) the Department of Corrections for the purposes of case planning and internal research
34.20 for preprobation, probation, and postprobation employment tracking of offenders sentenced
34.21 to probation and preconfinement and postconfinement employment tracking of committed
34.22 offenders;

34.23 (17) the state auditor to the extent necessary to conduct audits of job opportunity building
34.24 zones as required under section 469.3201;

34.25 (18) the Office of Higher Education for purposes of supporting program improvement,
34.26 system evaluation, and research initiatives including the Statewide Longitudinal Education
34.27 Data System; ~~and~~

34.28 (19) the Family and Medical Benefits Division of the Department of Employment and
34.29 Economic Development to be used as necessary to administer chapter 268B; and

34.30 (20) the Department of Education Office of the Inspector General for investigations
34.31 related to fraud, theft, waste, and abuse or other misuse of public funds by a program
34.32 participant in a department program pursuant to chapter 127A.21.

35.1 (b) Data on individuals and employers that are collected, maintained, or used by the
35.2 department in an investigation under section 268.182 are confidential as to data on individuals
35.3 and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3
35.4 and 13, and must not be disclosed except under statute or district court order or to a party
35.5 named in a criminal proceeding, administrative or judicial, for preparation of a defense.

35.6 (c) Data gathered by the department in the administration of the Minnesota unemployment
35.7 insurance program must not be made the subject or the basis for any suit in any civil
35.8 proceedings, administrative or judicial, unless the action is initiated by the department.

APPENDIX
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