

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 963

(SENATE AUTHORS: HAYDEN and Dziejdzic)

DATE	D-PG	OFFICIAL STATUS
02/15/2017	601	Introduction and first reading
		Referred to E-12 Finance
02/20/2017	680	Author added Dziejdzic

- 1.1 A bill for an act
- 1.2 relating to education finance; providing additional support for homeless students;
- 1.3 creating professional development opportunities for staff who work with homeless
- 1.4 students; appropriating money; amending Minnesota Statutes 2016, sections
120A.20, subdivision 2; 120B.11, subdivision 2; 120B.115; 123B.92, subdivision
1; 125A.76, subdivision 1; Laws 2015, First Special Session chapter 3, article 12,
section 4, subdivision 2, as amended.
- 1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.9 Section 1. Minnesota Statutes 2016, section 120A.20, subdivision 2, is amended to read:
- 1.10 Subd. 2. **Education, residence, and transportation of homeless.** (a) Notwithstanding
- 1.11 subdivision 1, a district must not deny free admission to a homeless pupil solely because
- 1.12 the district cannot determine that the pupil is a resident of the district.
- 1.13 (b) The school district of residence for a homeless pupil shall be the school district in
- 1.14 which the parent or legal guardian resides, unless: (1) parental rights have been terminated
- 1.15 by court order; (2) the parent or guardian is not living within the state; or (3) the parent or
- 1.16 guardian having legal custody of the child is an inmate of a Minnesota correctional facility
- 1.17 or is a resident of a halfway house under the supervision of the commissioner of corrections.
- 1.18 If any of clauses (1) to (3) apply, the school district of residence shall be the school district
- 1.19 in which the pupil resided when the qualifying event occurred. If no other district of residence
- 1.20 can be established, the school district of residence shall be the school district in which the
- 1.21 pupil currently resides. If there is a dispute between school districts regarding residency,
- 1.22 the district of residence is the district designated by the commissioner of education.
- 1.23 (c) The serving district is responsible for transporting a homeless pupil to and from the
- 1.24 pupil's district of residence. The district may transport from a permanent home in another

2.1 district ~~but only~~ through the end of the academic school year, and, upon request from the
2.2 formerly homeless student, for the following academic year. When a pupil is enrolled in a
2.3 charter school, the district or school that provides transportation for other pupils enrolled
2.4 in the charter school is responsible for providing transportation. When a homeless student
2.5 with or without an individualized education program attends a public school other than an
2.6 independent or special school district or charter school, the district of residence is responsible
2.7 for transportation.

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

2.9 Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, shall adopt
2.10 a comprehensive, long-term strategic plan to support and improve teaching and learning
2.11 that is aligned with creating the world's best workforce and includes:

2.12 (1) clearly defined district and school site goals and benchmarks for instruction and
2.13 student achievement for all student subgroups identified in section 120B.35, subdivision 3,
2.14 paragraph (b), clause (2);

2.15 (2) a process to assess and evaluate each student's progress toward meeting state and
2.16 local academic standards, assess and identify students to participate in gifted and talented
2.17 programs and accelerate their instruction, and adopt early-admission procedures consistent
2.18 with section 120B.15, and identifying the strengths and weaknesses of instruction in pursuit
2.19 of student and school success and curriculum affecting students' progress and growth toward
2.20 career and college readiness and leading to the world's best workforce;

2.21 (3) a system to periodically review and evaluate the effectiveness of all instruction and
2.22 curriculum, taking into account strategies and best practices, student outcomes, school
2.23 principal evaluations under section 123B.147, subdivision 3, students' access to effective
2.24 teachers who are members of populations underrepresented among the licensed teachers in
2.25 the district or school and who reflect the diversity of enrolled students under section 120B.35,
2.26 subdivision 3, paragraph (b), clause (2), and teacher evaluations under section 122A.40,
2.27 subdivision 8, or 122A.41, subdivision 5;

2.28 (4) strategies for improving instruction, curriculum, and student achievement, including
2.29 the English and, where practicable, the native language development and the academic
2.30 achievement of English learners;

2.31 (5) strategies for improving instruction, curriculum, student achievement, and continuity
2.32 of services for homeless and formerly homeless students;

3.1 ~~(6)~~ a process to examine the equitable distribution of teachers and strategies to ensure
 3.2 low-income and minority children are not taught at higher rates than other children by
 3.3 inexperienced, ineffective, or out-of-field teachers;

3.4 ~~(6)~~ ~~(7)~~ education effectiveness practices that integrate high-quality instruction, rigorous
 3.5 curriculum, technology, and a collaborative professional culture that develops and supports
 3.6 teacher quality, performance, and effectiveness; and

3.7 ~~(7)~~ ~~(8)~~ an annual budget for continuing to implement the district plan.

3.8 Sec. 3. Minnesota Statutes 2016, section 120B.115, is amended to read:

3.9 **120B.115 REGIONAL CENTERS OF EXCELLENCE.**

3.10 (a) Regional centers of excellence are established to assist and support school boards,
 3.11 school districts, school sites, and charter schools in implementing research-based
 3.12 interventions and practices to increase the students' achievement within a region. The centers
 3.13 must develop partnerships with local and regional service cooperatives, postsecondary
 3.14 institutions, integrated school districts, the department, children's mental health providers,
 3.15 or other local or regional entities interested in providing a cohesive and consistent regional
 3.16 delivery system that serves all schools equitably. Centers must assist school districts, school
 3.17 sites, and charter schools in developing similar partnerships. Center support may include
 3.18 assisting school districts, school sites, and charter schools with common principles of
 3.19 effective practice, including:

3.20 (1) defining measurable education goals under sections 120B.022, subdivisions 1a and
 3.21 1b, and 120B.11, subdivision 2;

3.22 (2) implementing evidence-based practices, including applied and experiential learning,
 3.23 contextualized learning, competency-based curricula and assessments, and other
 3.24 nontraditional learning opportunities, among other practices;

3.25 (3) engaging in data-driven decision-making;

3.26 (4) providing multilayered levels of support;

3.27 (5) supporting culturally responsive teaching and learning aligning the development of
 3.28 academic English proficiency, state and local academic standards, and career and college
 3.29 readiness benchmarks;

3.30 (6) engaging parents, families, youth, and local community members in programs and
 3.31 activities at the school district, school site, or charter school that foster collaboration and
 3.32 shared accountability for the achievement of all students; ~~and~~

4.1 (7) providing staff development and training opportunities for school district and charter
4.2 school homeless liaisons and other staff supporting homeless students; and

4.3 (8) translating district forms and other information such as a multilingual glossary of
4.4 commonly used education terms and phrases.

4.5 Centers must work with school site leadership teams to build the expertise and experience
4.6 to implement programs that close the achievement gap, provide effective and differentiated
4.7 programs and instruction for different types of English learners, including English learners
4.8 with limited or interrupted formal schooling and long-term English learners under section
4.9 124D.59, subdivisions 2 and 2a, increase students' progress and growth toward career and
4.10 college readiness, and increase student graduation rates.

4.11 (b) The department must assist the regional centers of excellence to meet staff, facilities,
4.12 and technical needs, provide the centers with programmatic support, and work with the
4.13 centers to establish a coherent statewide system of regional support, including consulting,
4.14 training, and technical support, to help school boards, school districts, school sites, and
4.15 charter schools effectively and efficiently implement the world's best workforce goals under
4.16 section 120B.11 and other state and federal education initiatives, including secondary and
4.17 postsecondary career pathways and technical education.

4.18 Sec. 4. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

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

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

4.23 (1) the sum of:

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

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

4.30 (iii) an amount equal to one year's depreciation on the district's type III vehicles, as
4.31 defined in section 169.011, subdivision 71, which must be used a majority of the time for

5.1 pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per
5.2 year of the cost of the type three school buses by:

5.3 (2) the number of pupils eligible for transportation in the regular category, as defined
5.4 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause
5.5 (2).

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

5.8 (1) Regular transportation is:

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

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

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

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

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

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

5.32 (2) Excess transportation is:

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

6.6 (ii) transportation to and from school during the regular school year required under
6.7 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
6.8 border to the school is at least one mile but less than two miles from the public school they
6.9 attend, and for nonresident pupils when the distance from the attendance area border to the
6.10 school is less than one mile from the school and who are transported because of full-service
6.11 school zones, extraordinary traffic, drug, or crime hazards.

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

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

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

6.18 (ii) necessary transportation of pupils with disabilities from home or from school to
6.19 other buildings, including centers such as developmental achievement centers, hospitals,
6.20 and treatment centers where special instruction or services required by sections 125A.03 to
6.21 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
6.22 where services are provided;

6.23 (iii) necessary transportation for resident pupils with disabilities required by sections
6.24 125A.12, and 125A.26 to 125A.48;

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

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

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

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

7.6 (viii) services described in clauses (i) to (vii), when provided for pupils with disabilities
7.7 in conjunction with a summer instructional program that relates to the pupil's individualized
7.8 education program or in conjunction with a learning year program established under section
7.9 124D.128.

7.10 For purposes of computing special education initial aid under section 125A.76, the cost
7.11 of providing transportation for children with disabilities includes (A) the additional cost of
7.12 transporting a homeless student from a temporary nonshelter home in another district to the
7.13 school of origin, or a formerly homeless student from a permanent home in another district
7.14 to the school of origin ~~but only~~ through the end of the academic year, and, upon request
7.15 from the formerly homeless student, for the following academic year; and (B) depreciation
7.16 on district-owned school buses purchased after July 1, 2005, and used primarily for
7.17 transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii)
7.18 and (iii). Depreciation costs included in the disabled transportation category must be excluded
7.19 in calculating the actual expenditure per pupil transported in the regular and excess
7.20 transportation categories according to paragraph (a). For purposes of subitem (A), a school
7.21 district may transport a child who does not have a school of origin to the same school
7.22 attended by that child's sibling, if the siblings are homeless.

7.23 (5) "Nonpublic nonregular transportation" is:

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

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

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

7.32 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational
7.33 programs and services, including diagnostic testing, guidance and counseling services, and

8.1 health services. A mobile unit located off nonpublic school premises is a neutral site as
8.2 defined in section 123B.41, subdivision 13.

8.3 Sec. 5. Minnesota Statutes 2016, section 125A.76, subdivision 1, is amended to read:

8.4 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 125A.79,
8.5 the definitions in this subdivision apply.

8.6 (b) "Basic revenue" has the meaning given it in section 126C.10, subdivision 2. For the
8.7 purposes of computing basic revenue pursuant to this section, each child with a disability
8.8 shall be counted as prescribed in section 126C.05, subdivision 1.

8.9 (c) "Essential personnel" means teachers, cultural liaisons, related services, and support
8.10 services staff providing services to students. Essential personnel may also include special
8.11 education paraprofessionals or clericals providing support to teachers and students by
8.12 preparing paperwork and making arrangements related to special education compliance
8.13 requirements, including parent meetings and individualized education programs. Essential
8.14 personnel does not include administrators and supervisors.

8.15 (d) "Average daily membership" has the meaning given it in section 126C.05.

8.16 (e) "Program growth factor" means 1.046 for fiscal years 2012 through 2015, 1.0 for
8.17 fiscal year 2016, 1.046 for fiscal year 2017, and the product of 1.046 and the program growth
8.18 factor for the previous year for fiscal year 2018 and later.

8.19 (f) "Nonfederal special education expenditure" means all direct expenditures that are
8.20 necessary and essential to meet the district's obligation to provide special instruction and
8.21 services to children with a disability according to sections 124D.454, 125A.03 to 125A.24,
8.22 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by the
8.23 department under section 125A.75, subdivision 4, excluding expenditures:

8.24 (1) reimbursed with federal funds;

8.25 (2) reimbursed with other state aids under this chapter;

8.26 (3) for general education costs of serving students with a disability;

8.27 (4) for facilities;

8.28 (5) for pupil transportation; and

8.29 (6) for postemployment benefits.

8.30 (g) "Old formula special education expenditures" means expenditures eligible for revenue
8.31 under Minnesota Statutes 2012, section 125A.76, subdivision 2.

9.1 (h) For the Minnesota State Academy for the Deaf and the Minnesota State Academy
 9.2 for the Blind, expenditures under paragraphs (f) and (g) are limited to the salary and fringe
 9.3 benefits of one-to-one instructional and behavior management aides and one-to-one licensed,
 9.4 certified professionals assigned to a child attending the academy, if the aides or professionals
 9.5 are required by the child's individualized education program.

9.6 (i) "Cross subsidy reduction aid percentage" means 1.0 percent for fiscal year 2014 and
 9.7 2.27 percent for fiscal year 2015.

9.8 (j) "Cross subsidy reduction aid limit" means \$20 for fiscal year 2014 and \$48 for fiscal
 9.9 year 2015.

9.10 (k) "Special education aid increase limit" means \$80 for fiscal year 2016, \$100 for fiscal
 9.11 year 2017, and, for fiscal year 2018 and later, the sum of the special education aid increase
 9.12 limit for the previous fiscal year and \$40. A charter school or school district subject to the
 9.13 special education aid limit imposed by this paragraph may exceed the aid limit by the amount
 9.14 of any costs incurred providing transportation to homeless students under section 123B.92,
 9.15 subdivision 1.

9.16 (l) "District" means a school district, a charter school, or a cooperative unit as defined
 9.17 in section 123A.24, subdivision 2. Notwithstanding section 123A.26, cooperative units as
 9.18 defined in section 123A.24, subdivision 2, are eligible to receive special education aid under
 9.19 this section and section 125A.79.

9.20 Sec. 6. Laws 2015, First Special Session chapter 3, article 12, section 4, subdivision 2, as
 9.21 amended by Laws 2016, chapter 189, article 33, section 2, is amended to read:

9.22 Subd. 2. **Department.** (a) For the Department of Education:

9.23	\$	21,276,000	2016
9.24	\$	26,384,000	2017

9.25 Of these amounts:

9.26 (1) \$748,000 in fiscal year 2016 and zero in fiscal year 2017 is for the Board of Teaching.
 9.27 Any balance in the first year does not cancel, but is available in the second year;

9.28 (2) \$228,000 in fiscal year 2016 and \$231,000 in fiscal year 2017 are for the Board of
 9.29 School Administrators;

9.30 (3) ~~\$1,000,000 each~~ \$1,000,000 in fiscal year 2016 and \$..... in fiscal year 2017 are for Regional
 9.31 Centers of Excellence under Minnesota Statutes, section 120B.115;

10.1 (4) \$500,000 each year is for the School Safety Technical Assistance Center under
 10.2 Minnesota Statutes, section 127A.052;

10.3 (5) \$250,000 each year is for the School Finance Division to enhance financial data
 10.4 analysis;

10.5 (6) \$441,000 in fiscal year 2016 and \$720,000 in fiscal year 2017 ~~is~~ are for implementing
 10.6 Laws 2014, chapter 272, article 1, Minnesota's Learning for English Academic Proficiency
 10.7 and Success Act, as amended;

10.8 (7) \$2,750,000 in fiscal year 2017 only is for implementation of schoolwide Positive
 10.9 Behavioral Interventions and Supports (PBIS) in schools and districts throughout Minnesota
 10.10 to reduce the use of restrictive procedures and increase use of positive practices. This is a
 10.11 onetime appropriation; and

10.12 (8) \$1,000,000 in fiscal year 2017 only is for Department of Education information
 10.13 technology enhancements and security. This is a onetime appropriation.

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

10.15 (c) None of the amounts appropriated under this subdivision may be used for Minnesota's
 10.16 Washington, D.C. office.

10.17 (d) The expenditures of federal grants and aids as shown in the biennial budget document
 10.18 and its supplements are approved and appropriated and shall be spent as indicated.

10.19 (e) This appropriation includes funds for information technology project services and
 10.20 support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing
 10.21 information technology costs will be incorporated into the service level agreement and will
 10.22 be paid to the Office of MN.IT Services by the Department of Education under the rates
 10.23 and mechanism specified in that agreement.

10.24 (f) The agency's base budget in fiscal year 2018 is \$22,121,000. The agency's base budget
 10.25 in fiscal year 2019 is \$22,096,000.

10.26 Subd. 3. **Licensure by Portfolio.** For licensure by portfolio:

10.27 \$ 34,000 2017

10.28 This appropriation is from the educator licensure portfolio account of the special revenue
 10.29 fund.

- 11.1 Sec. 7. **APPROPRIATION; HOMELESS PUPIL TRANSPORTATION.**
- 11.2 \$..... in fiscal year 2018 is appropriated from the general fund to the commissioner of
- 11.3 education for the purpose of fully funding transportation services for homeless students.
- 11.4 This amount is added to the appropriation in Laws 2016, chapter 189, article 29, section
- 11.5 15, subdivision 2.