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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1064

- 02/11/2021 Authored by Davnie, Feist, Lippert, Keeler, Bernardy and others
The bill was read for the first time and referred to the Committee on Education Finance
- 03/17/2021 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 03/18/2021 Adoption of Report: Placed on the General Register
Read for the Second Time
- 03/23/2021 Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate

1.1 A bill for an act

1.2 relating to education finance; providing for education impacted by COVID-19;

1.3 providing for educational uses of federal funds for COVID-19; appropriating

1.4 money for summer education programs; amending Minnesota Statutes 2020, section

1.5 126C.10, subdivision 2d.

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

ARTICLE 1

EDUCATION COVID ACTIONS

1.9 Section 1. Minnesota Statutes 2020, section 126C.10, subdivision 2d, is amended to read:

1.10 Subd. 2d. **Declining enrollment revenue.** (a) For fiscal year 2021 only, a school district's

1.11 declining enrollment revenue equals the greater of zero or the product of:

1.12 (1) 48.5 percent of the formula allowance for that year; and

1.13 (2) the difference between the adjusted pupil units for the preceding year and the adjusted

1.14 pupil units for the current year.

1.15 (b) For fiscal year 2022 and later, a school district's declining enrollment revenue equals

1.16 the greater of zero or the product of: (1) 28 percent of the formula allowance for that year

1.17 and (2) the difference between the adjusted pupil units for the preceding year and the adjusted

1.18 pupil units for the current year.

1.19 ~~(b)~~ (c) Notwithstanding paragraph (a), for fiscal year 2022 only, prekindergarten pupil

1.20 units under section 126C.05, subdivision 1, paragraph (d), must be excluded from the

1.21 calculation of declining enrollment revenue.

2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment for
2.2 fiscal year 2021 and later.

2.3 **Sec. 2. STUDENTS WITH DISABILITIES.**

2.4 Subdivision 1. **Home visits.** A school district may provide services required by an
2.5 individualized education program to a student at the student's home. If a district chooses to
2.6 provide services at a student's home under this subdivision, the services provided by district
2.7 staff under this subdivision are determined necessary and essential to meet the district's
2.8 obligation to provide special instruction and services to a student with a disability and qualify
2.9 for funding in accordance with Minnesota Statutes, chapter 125A. A district choosing to
2.10 provide the home visit services must meet and negotiate the terms and conditions of
2.11 employment with the exclusive representative, if any, of the staff providing the services in
2.12 accordance with Minnesota Statutes, chapter 179A.

2.13 Subd. 2. **Truancy.** A school district must consider how a student's disability may affect
2.14 the student's ability to engage in distance instruction when determining whether to refer a
2.15 student for truancy programs and services under Minnesota Statutes, section 260A.02,
2.16 subdivision 3, or reporting students for educational neglect under Laws 2020, First Special
2.17 Session chapter 2, article 7. School districts are encouraged to connect families with available
2.18 county-based services, not including services under Minnesota Statutes, chapter 260A, to
2.19 meet families' needs if a student is struggling with attendance.

2.20 Subd. 3. **Transition program.** A school district must allow a student participating in a
2.21 special education secondary transition program for students ages 18 to 21 with a disability,
2.22 who was expected to participate in employment, in-person job training, or independent life
2.23 skills training during the 2020-2021 school year in accordance with the student's
2.24 individualized education program, to participate during the 2021-2022 school year
2.25 notwithstanding the student's age if the student's individualized education program team
2.26 determines participation in the transition program would be appropriate.

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

2.28 **Sec. 3. APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

2.29 Subdivision 1. **Department of Education.** The sums in this section are appropriated
2.30 from the general fund to the commissioner of education for the fiscal years designated.

2.31 Subd. 2. **General education aid.** (a) For additional general education aid according to
2.32 section 1:

3.1 \$ 26,228,000 2021

3.2 (b) The 2021 appropriation includes \$26,228,000 for 2021 based on an aid entitlement
3.3 of \$29,142,000.

3.4 Subd. 3. **Community partnerships.** (a) For grants to school districts and charter schools
3.5 to partner with community businesses and organizations, such as local businesses, to develop,
3.6 implement, and deliver a summer mentor model or tutoring model for students:

3.7 \$ 5,000,000 2021

3.8 (b) Grant funds must be used to partner with community businesses and organizations
3.9 to deliver mentoring and tutoring programs. Fund uses may include but are not limited to:

3.10 (1) contracting with organizations to develop and implement a mentor or tutoring model;

3.11 (2) transportation to activities and events that align with the mentor model;

3.12 (3) meal reimbursements at events and off-site locations;

3.13 (4) neighborhood-based location rentals; and

3.14 (5) providing child care for students in credit recovery and other noncapital costs
3.15 associated with attending.

3.16 (c) Grants are limited to \$100,000 per grant recipient.

3.17 (d) The department must make all attempts to ensure there is equitable distribution of
3.18 grant services to entities serving the seven-county metropolitan area and greater Minnesota.

3.19 (e) The department must make all attempts to prioritize grant recipients by number of
3.20 historically underserved students, including students with disabilities.

3.21 (f) Eligible grantees include school districts, charter schools, intermediate school districts,
3.22 and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

3.23 (g) Up to two percent of this appropriation is available for grant administration.

3.24 (h) This is a onetime appropriation and is available until June 30, 2022.

3.25 Subd. 4. **Expand access to tutoring.** (a) For grants to expand access to tutoring services
3.26 including academic enrichment, mental health supports, and other wraparound services for
3.27 kindergarten through grade 12 children over the summer:

3.28 \$ 3,250,000 2021

3.29 (b) Eligible entities must have experience serving youth and include community-based
3.30 organizations, faith-based organizations, institutions of higher education, school districts,

4.1 charter schools, nonpublic schools, Tribal Nations and other American Indian organizations,
 4.2 nonprofit agencies, and for-profit corporations.

4.3 (c) Grant fund uses may include but are not limited to:

4.4 (1) mental health services and supports;

4.5 (2) social, emotional, and physical health supports;

4.6 (3) summer learning or enrichment programs; or

4.7 (4) other activities that are necessary to maintain the operation and continuity of services
 4.8 in youth development and education, prioritizing the needs of historically underserved
 4.9 groups.

4.10 (d) Grant recipients may develop a partnership between a local school district, charter
 4.11 school, nonpublic school, or any of the organizations listed in paragraph (b).

4.12 (e) Grants are limited to \$200,000 per grant recipient.

4.13 (f) The department must make all attempts to ensure there is equitable distribution of
 4.14 grant services to entities serving the seven-county metropolitan area and greater Minnesota.

4.15 (g) The department must make all attempts to prioritize grant recipients by number of
 4.16 historically underserved students, including students with disabilities.

4.17 (h) Eligible grantees include school districts, charter schools, intermediate school districts,
 4.18 and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

4.19 (i) Up to two percent of this appropriation is available for grant administration.

4.20 (j) This is a onetime appropriation and is available until June 30, 2022.

4.21 **Subd. 5. Expand mental health supports.** (a) For grants to school districts and charter
 4.22 schools to expand mental health and well-being supports to youth and adolescents attending
 4.23 summer learning programs:

4.24 § 1,000,000 2021

4.25 (b) Grant funds must be used to pay summer stipends and benefits for student support
 4.26 personnel to offer summer school students services and programming, which may include
 4.27 but are not limited to:

4.28 (1) one-on-one or group mental health supports;

4.29 (2) trauma-informed practices;

5.1 (3) evidence-based social and emotional learning district or schoolwide programming;
5.2 and

5.3 (4) other well-being activities such as physical activity, mindfulness, and stress-relieving
5.4 activities.

5.5 (c) Grant recipients may partner with community organizations that work with youth to
5.6 provide mental health and well-being supports under this subdivision.

5.7 (d) The department must prioritize grant recipients by their number of historically
5.8 underserved students, including students with disabilities.

5.9 (e) Up to two percent of this appropriation is available for grant administration.

5.10 (f) This is a onetime appropriation and is available until June 30, 2022.

5.11 Subd. 6. **Field trips and hands-on learning.** (a) For grants to school districts and charter
5.12 schools to fund summer field trips for hands-on learning opportunities:

5.13 § 10,000,000 2021

5.14 (b) Grant funds will be allocated to school districts and charter schools based on estimated
5.15 average daily membership and concentration of students who are eligible for free and
5.16 reduced-price lunches or have been historically underserved, including students with
5.17 disabilities.

5.18 (c) Grant funds must be used to pay for the costs of providing field trip opportunities
5.19 during the summer. These activities may include but are not limited to transportation,
5.20 educator costs and incentives, meal reimbursements, and entry or event fees.

5.21 (d) Up to two percent of this appropriation is available for grant administration.

5.22 (e) This is a onetime appropriation and is available until June 30, 2022.

5.23 Subd. 7. **Increase adult basic education program funding.** (a) For additional funding
5.24 to strengthen the adult basic education (ABE) programming statewide to ensure access to,
5.25 enhance quality of, and increase the ABE programming available:

5.26 § 10,000,000 2021

5.27 (b) Up to two percent of this appropriation is available for grant administration.

5.28 (c) This is a onetime appropriation and is available until June 30, 2022.

5.29 Subd. 8. **Neighborhood programs.** (a) For grants to schools to bring summer
5.30 programming into neighborhoods and apartment buildings and to collaborate and, if
5.31 appropriate, contract with community-based organizations, libraries, parks and recreation

6.1 departments, Tribes and Tribal organizations, faith-based organizations, and other similar
6.2 learning providers to bring summer learning into the community:

6.3 \$ 5,000,000 2021

6.4 (b) Grant funds may be for transportation, academic enrichment programming and
6.5 associated costs, mental health services, other wraparound services, location rentals, and
6.6 meal reimbursements.

6.7 (c) Grants may be made in amounts up to \$100,000.

6.8 (d) The department must make all attempts to prioritize grant recipients by number of
6.9 historically undeserved students, including students with disabilities.

6.10 (e) Eligible grantees include school districts, charter schools, intermediate school districts,
6.11 and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2.

6.12 (f) Up to two percent of this appropriation is available for grant administration.

6.13 (g) This is a onetime appropriation and is available until June 30, 2022.

6.14 Subd. 9. **Summer preschool for four- and five-year-old students.** (a) For grants to
6.15 provide high-quality early learning opportunities to four- and five-year-old students by
6.16 providing grant money to be used in a three- or four-star-rated private preschool, a public
6.17 preschool, or a public prekindergarten in-person learning program:

6.18 \$ 20,000,000 2021

6.19 (b) Grant money of up to \$4,800 per enrolled and attending student must be allocated
6.20 to children who need additional support, were four or five years of age on September 1,
6.21 2020, and have not yet attended kindergarten. Grant money must be used for applicable
6.22 program costs limited to tuition, transportation, food service, and interpreter or multilingual
6.23 student support costs.

6.24 (c) Prioritization for program participation must take into consideration children who
6.25 qualify for free and reduced-price lunch and meet at least one of the following eligibility
6.26 categories, with the highest priority to children qualifying under multiple categories:

6.27 (1) children in foster care, involved in the child protection system, experiencing
6.28 homelessness, Tribally enrolled, or children of teenage parents; or

6.29 (2) children who need or are currently receiving educational supports and services.

6.30 (d) In order to qualify for a grant, a summer preschool program must:

7.1 (1) offer a minimum of six instructional hours per day, for five days per week, for
7.2 between ten and 12 weeks;

7.3 (2) continue to meet school-year standards of school readiness, voluntary prekindergarten,
7.4 school readiness plus, Head Start, or three- or four-star Parent Aware rating; and

7.5 (3) allow families to participate in a sliding fee scale for services if space permits.

7.6 (e) Programs that qualify under paragraph (d) may apply for grant funding to the
7.7 commissioner in the form and manner prescribed by the commissioner. The application
7.8 must indicate the number of students that the program has the capacity to serve. The
7.9 commissioner must equitably distribute grant money across school-based, Head Start, and
7.10 community preschool and child care programs.

7.11 (f) A program that receives grant money must report student information following the
7.12 criteria required under the applicable program type and as determined by the commissioner.

7.13 (g) Up to 0.5 percent of this appropriation is available for grant administration.

7.14 (h) This is a onetime appropriation and is available until June 30, 2022.

7.15 Subd. 10. **Summer college for high school graduates.** (a) For grants to provide students
7.16 who graduated in the 2020-2021 school year with secular, college-level academic
7.17 programming at a postsecondary institution during the summer of 2021:

7.18 § 6,000,000 2021

7.19 (b) Grant funds must be used to pay for the actual tuition costs of postsecondary
7.20 credit-bearing or developmental courses completed by students.

7.21 (c) Grant funds must be used to reimburse actual tuition costs up to a maximum of \$512
7.22 per course. If participation exceeds the appropriation, the department shall prorate
7.23 reimbursements accordingly.

7.24 (d) Grant funds must be paid as reimbursements to public institutions of higher education
7.25 located in Minnesota in a form and manner determined by the department.

7.26 (e) Grant funds awarded under this subdivision may be used to reimburse tuition for
7.27 courses taken during the summer 2021 period ending August 15, 2021.

7.28 (f) Up to two percent of this appropriation is reserved for grant and program
7.29 administration.

7.30 (g) This is a onetime appropriation and is available until June 30, 2022.

8.1 Subd. 11. **Full-service community schools.** (a) For expedited grants for full-service
8.2 community schools:

8.3 § 2,000,000 2021

8.4 (b) The commissioner may award full-service community school grants to school sites
8.5 in the form and manner determined by the commissioner. The commissioner must consider
8.6 the effect of the COVID-19 pandemic on the community served by the school site, including
8.7 racial and ethnic disparities exacerbated by the pandemic, when awarding grants to school
8.8 sites. The commissioner may establish a minimum grant amount. To the extent practicable,
8.9 grants must be consistent with Minnesota Statutes, section 124D.231.

8.10 (c) A school site that receives a grant must plan to implement a full-service community
8.11 school model at that school site during the 2021-2022 school year with a focus on eliminating
8.12 existing disparities, including those potentially exacerbated by the impact of COVID-19.

8.13 (d) Up to \$50,000 is for administration of this program.

8.14 (e) This is a onetime appropriation and is available until June 30, 2022.

8.15 Subd. 12. **Math corps.** (a) For Minnesota math corps under Minnesota Statutes, section
8.16 124D.42, subdivision 9:

8.17 § 3,000,000 2021

8.18 (b) This grant must be used to provide services to students in any grade to reduce math
8.19 deficiencies related to the effects of the COVID-19 pandemic.

8.20 (c) This grant is in addition to any other revenue received for this purpose.

8.21 (d) This is a onetime appropriation and is available until June 30, 2022.

8.22 Subd. 13. **Reading corps.** (a) For Minnesota reading corps:

8.23 § 2,000,000 2021

8.24 (b) This grant must be used to provide childhood literacy services consistent with Laws
8.25 2019, First Special Session chapter 11, article 2, section 33, subdivision 8.

8.26 (c) This grant is to provide services to students to reduce reading deficiencies related to
8.27 the effects of the COVID-19 pandemic and is in addition to any other revenue received for
8.28 this purpose.

8.29 (d) This is a onetime appropriation and is available until June 30, 2022.

8.30 Subd. 14. **After-school community learning programs.** (a) For a grant to Ignite
8.31 Afterschool for community learning programs:

9.1 § 5,000,000 2021

9.2 (b) Grant funds must be used to provide academic and enrichment activities in the
9.3 2020-2021 school year and the summer of 2021 to elementary and secondary school students
9.4 who experienced learning loss during the 2020-2021 school year. Programs receiving funds
9.5 must provide student supports through social and emotional learning.

9.6 (c) To the extent practicable, Ignite Afterschool must use half of the grant funds to
9.7 expand existing after-school and summer programs, and half of the grant funds to develop
9.8 new partnerships with organizations that provide after-school programming. To the extent
9.9 practicable, Ignite Afterschool must ensure that half of the grant funds are used for programs
9.10 in the seven-county metropolitan area and half of the grant funds are used for programs
9.11 outside the seven-county metropolitan area.

9.12 (d) Ignite Afterschool must prioritize funding for programs that:

9.13 (1) provide programming to support students in receiving instruction in a distance or
9.14 hybrid learning model;

9.15 (2) include significant percentages of students with disabilities or students of color within
9.16 the groups of students served;

9.17 (3) provide culturally specific support to students; or

9.18 (4) have staff members who reflect the racial and ethnic diversity of the students served.

9.19 (e) Ignite Afterschool must report to the commissioner of education whether the programs
9.20 that received grant funds met the criteria in paragraph (d) and the amount that each program
9.21 received, and must require organizations receiving grant funds to report to the commissioner
9.22 of education on the number of students served, including the number of students with
9.23 disabilities or students of color served, and how the program addressed learning loss.

9.24 (f) Ignite Afterschool may retain up to seven percent of the appropriation to provide
9.25 technical assistance and professional development to grant recipients and three percent of
9.26 the appropriation to administer the grants.

9.27 (g) This is a onetime appropriation and is available until June 30, 2022.

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

9.29 Sec. 4. **APPROPRIATIONS; DEPARTMENT OF HUMAN SERVICES.**

9.30 Subdivision 1. **Department of Human Services.** The sum in this section is appropriated
9.31 from the general fund to the commissioner of human services for the fiscal year designated.

10.1 Subd. 2. School-linked mental health. (a) For expanding school-linked mental health
10.2 grants:

10.3 \$ 6,011,000 2021

10.4 (b) The funding must be used to increase access to federal grants for school-linked mental
10.5 health services to provide additional outside one-on-one mental health supports to students.
10.6 These funds may be awarded to existing school-linked mental health providers through
10.7 amending current contracts.

10.8 (c) Of the amount in paragraph (a), \$1,000,000 is to provide mental health supports to
10.9 teachers and other school staff, and \$35,000 is for costs associated with amending existing
10.10 contracts with grantees in fiscal year 2021.

10.11 (d) This is a onetime appropriation and is available until June 30, 2022.

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

10.13 **ARTICLE 2**

10.14 **FEDERAL FUNDS**

10.15 Section 1. **REPORT ON USE OF FEDERAL FUNDS.**

10.16 The commissioner of education must submit a report to the legislative committees having
10.17 jurisdiction over kindergarten through grade 12 education on how federal funds received
10.18 for COVID-19 for education purposes were used. The report must identify all school districts,
10.19 charter schools, intermediate school districts, cooperative units as defined in Minnesota
10.20 Statutes, section 123A.24, subdivision 2, nonpublic schools, child care programs, and other
10.21 entities that receive the funds, the amounts distributed to the entities, and the purpose for
10.22 which the funds were distributed. The report must also identify any application or reporting
10.23 requirements an entity receiving the funds was required to follow. The report must be
10.24 submitted by January 14, 2022, in accordance with Minnesota Statutes, section 3.195.

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

10.26 Sec. 2. **FEDERAL FUNDS REPLACEMENT; APPROPRIATION.**

10.27 Notwithstanding any law to the contrary, the commissioner of management and budget
10.28 must determine whether the expenditures authorized under this act are eligible uses of federal
10.29 funding received under the Coronavirus State Fiscal Recovery Fund or any other federal
10.30 funds received by the state under the American Rescue Plan Act, Public Law 117-2. If the
10.31 commissioner of management and budget determines an expenditure is eligible for funding

- 11.1 under Public Law 117-2, the amount of the eligible expenditure is appropriated from the
11.2 account where those amounts have been deposited and the corresponding general fund
11.3 amounts appropriated under this act are canceled to the general fund.
- 11.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.