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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2207

03/07/2019 Authored by Davnie and Youakim
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to education finance; providing funding for prekindergarten through grade
1.3 12 education including general education, education excellence, special education,
1.4 facilities and technology, nutrition, libraries, early childhood and family support,
1.5 community education, self-sufficiency and lifelong learning, and state agencies;
1.6 appropriating money; amending Minnesota Statutes 2018, sections 119A.03, by
1.7 adding a subdivision; 120B.30, subdivision 1; 120B.35, subdivision 3; 120B.36,
1.8 subdivision 1; 122A.14, subdivision 9; 122A.18, subdivision 8; 122A.21,
1.9 subdivision 1; 122A.63, subdivisions 1, 4, 5, 6, by adding a subdivision; 122A.70,
1.10 subdivision 1; 123B.61; 124D.151, subdivisions 4, 5, 6; 124D.165, by adding a
1.11 subdivision; 124D.231; 124D.531, subdivision 1; 124D.83, subdivision 2;
1.12 124D.862, subdivisions 1, 4, 5, by adding a subdivision; 124D.98, by adding a
1.13 subdivision; 124E.20, subdivision 1; 124E.21, subdivision 1; 125A.76, subdivisions
1.14 1, 2c, by adding a subdivision; 126C.05, subdivision 1; 126C.10, subdivisions 2,
1.15 2d, 2e, 13a, 24; 126C.17, subdivisions 1, 2, 5, 6, 7, 7a, 9, by adding subdivisions;
1.16 126C.44; 127A.47, subdivision 7; 134.355, subdivisions 8, 10; 245C.12; Laws
1.17 2017, First Special Session chapter 5, article 11, sections 8, as amended; 9,
1.18 subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 119A;
1.19 245C; repealing Minnesota Statutes 2018, sections 120B.299; 120B.30, subdivision
1.20 1a; 122A.175; 126C.17, subdivision 9a; Laws 2017, First Special Session chapter
1.21 5, article 11, section 4.

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

1.23 ARTICLE 1
1.24 GENERAL EDUCATION

1.25 Section 1. Minnesota Statutes 2018, section 124E.20, subdivision 1, is amended to read:

1.26 Subdivision 1. Revenue calculation. (a) General education revenue must be paid to a
1.27 charter school as though it were a district. The general education revenue for each adjusted
1.28 pupil unit is the state average general education revenue per pupil unit, plus the referendum
1.29 equalization aid allowance and first tier local optional aid allowance in the pupil's district
1.30 of residence, minus an amount equal to the product of the formula allowance according to

2.1 section 126C.10, subdivision 2, times .0466, calculated without declining enrollment revenue,
 2.2 local optional revenue, basic skills revenue, extended time revenue, pension adjustment
 2.3 revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment
 2.4 revenue, basic skills revenue, pension adjustment revenue, and transition revenue as though
 2.5 the school were a school district.

2.6 (b) For a charter school operating an extended day, extended week, or summer program,
 2.7 the general education revenue in paragraph (a) is increased by an amount equal to 25 percent
 2.8 of the statewide average extended time revenue per adjusted pupil unit.

2.9 (c) Notwithstanding paragraph (a), the general education revenue for an eligible special
 2.10 education charter school as defined in section 124E.21, subdivision 2, equals the sum of
 2.11 the amount determined under paragraph (a) and the school's unreimbursed cost as defined
 2.12 in section 124E.21, subdivision 2, for educating students not eligible for special education
 2.13 services.

2.14 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

2.15 Sec. 2. Minnesota Statutes 2018, section 126C.05, subdivision 1, is amended to read:

2.16 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age
 2.17 of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in
 2.18 average daily membership enrolled in the district of residence, in another district under
 2.19 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
 2.20 chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22,
 2.21 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03
 2.22 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

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

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

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

3.1 ~~(d)~~ (c) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled
 3.2 in an approved voluntary prekindergarten program under section 124D.151 is counted as
 3.3 the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil
 3.4 units.

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

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

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

3.12 ~~(h)~~ (g) A pupil who is in the postsecondary enrollment options program is counted as
 3.13 1.2 pupil units.

3.14 ~~(i) For fiscal years 2018 and 2019 only;~~ (h) A prekindergarten pupil who:

3.15 (1) is not included in paragraph (a), (b), or ~~(d)~~ (c);

3.16 (2) is enrolled in a school readiness plus program; and

3.17 (3) has one or more of the risk factors specified by the eligibility requirements for a
 3.18 school readiness plus program,

3.19 is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more
 3.20 than 0.6 pupil units. A pupil qualifying under this paragraph must be counted in the same
 3.21 manner as a voluntary prekindergarten student for all general education and other school
 3.22 funding formulas.

3.23 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

3.24 Sec. 3. Minnesota Statutes 2018, section 126C.10, subdivision 2, is amended to read:

3.25 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
 3.26 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
 3.27 ~~2017 is \$6,067. The formula allowance for fiscal year 2018 is \$6,188. The formula allowance~~
 3.28 ~~for fiscal year 2019 and later is \$6,312. The formula allowance for fiscal year 2020 is \$6,501.~~
 3.29 The formula allowance for fiscal year 2021 and later is \$6,631.

3.30 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

4.1 Sec. 4. Minnesota Statutes 2018, section 126C.10, subdivision 2d, is amended to read:

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

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

4.9 (c) Notwithstanding paragraph (a), for fiscal years 2017, 2018, and 2019 only,
4.10 prekindergarten pupil units under section 126C.05, subdivision 1, paragraph ~~(c)~~ (c), must
4.11 be excluded from the calculation of declining enrollment revenue.

4.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

4.13 Sec. 5. Minnesota Statutes 2018, section 126C.10, subdivision 2e, is amended to read:

4.14 Subd. 2e. **Local optional revenue.** (a) For fiscal year 2020, local optional revenue for
4.15 a school district equals \$424 times the adjusted pupil units of the district for that school
4.16 year. For fiscal year 2021 and later, local optional revenue for a school district equals the
4.17 sum of the district's first tier local optional revenue and second tier local optional revenue.
4.18 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
4.19 district for that school year. A district's second tier local optional revenue equals \$424 times
4.20 the adjusted pupil units of the district for that school year.

4.21 (b) For fiscal year 2020, a district's local optional levy equals its local optional revenue
4.22 times the lesser of one or the ratio of its referendum market value per resident pupil unit to
4.23 \$510,000. For fiscal year 2021 and later, a district's local optional levy equals the sum of
4.24 the first tier local optional levy and the second tier local optional levy. A district's first tier
4.25 local optional levy equals the district's first tier local optional revenue times the lesser of
4.26 one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.
4.27 A district's second tier local optional levy equals the district's second tier local optional
4.28 revenue times the lesser of one or the ratio of the district's referendum market value per
4.29 resident pupil unit to \$510,000. The local optional ~~revenue~~ levy must be spread on referendum
4.30 market value. A district may levy less than the permitted amount.

4.31 (c) A district's local optional aid equals its local optional revenue ~~less~~ minus its local
4.32 optional levy, ~~times the ratio of the actual amount levied to the permitted levy.~~ If a district's

5.1 actual levy for first or second tier local optional revenue is less than its maximum levy limit
 5.2 for that tier, its aid must be proportionately reduced.

5.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

5.4 Sec. 6. Minnesota Statutes 2018, section 126C.10, subdivision 13a, is amended to read:

5.5 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
 5.6 levy an amount not more than the product of its operating capital revenue for the fiscal year
 5.7 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
 5.8 the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740
 5.9 for fiscal year 2017, \$20,548 for fiscal year 2018, \$24,241 for fiscal year 2019, and \$22,912
 5.10 \$23,902 for fiscal year 2020, \$23,885 for fiscal year 2021, \$23,895 for fiscal year 2022,
 5.11 and \$23,974 for fiscal year 2023 and later.

5.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

5.13 Sec. 7. Minnesota Statutes 2018, section 126C.10, subdivision 24, is amended to read:

5.14 Subd. 24. **Equity revenue.** (a) A school district qualifies for equity revenue if:

5.15 (1) the school district's adjusted pupil unit amount of basic revenue, transition revenue,
 5.16 first tier local optional revenue, and referendum revenue is less than the value of the school
 5.17 district at or immediately above the 95th percentile of school districts in its equity region
 5.18 for those revenue categories; and

5.19 (2) the school district's administrative offices are not located in a city of the first class
 5.20 on July 1, 1999.

5.21 (b) ~~Equity revenue for a qualifying district that receives referendum revenue under~~
 5.22 ~~section 126C.17, subdivision 4,~~ equals the product of (1) the district's adjusted pupil units
 5.23 for that year; times (2) the sum of (i) \$14, plus (ii) \$80, times the school district's equity
 5.24 index computed under subdivision 27.

5.25 ~~(c) Equity revenue for a qualifying district that does not receive referendum revenue~~
 5.26 ~~under section 126C.17, subdivision 4, equals the product of the district's adjusted pupil units~~
 5.27 ~~for that year times \$14.~~

5.28 ~~(d)~~ (c) A school district's equity revenue is increased by the greater of zero or an amount
 5.29 equal to the district's adjusted pupil units times the difference between ten percent of the
 5.30 statewide average amount of referendum revenue and first tier local optional revenue per
 5.31 adjusted pupil unit for that year and the sum of the district's referendum revenue and first

6.1 tier local optional revenue per adjusted pupil unit. A school district's revenue under this
6.2 paragraph must not exceed \$100,000 for that year.

6.3 ~~(e)~~ (d) A school district's equity revenue for a school district located in the metro equity
6.4 region equals the amount computed in paragraphs (b); and (c); ~~and (d)~~ multiplied by 1.25.

6.5 ~~(f) For fiscal years 2017, 2018, and 2019 for a school district not included in paragraph~~
6.6 ~~(e), a district's equity revenue equals the amount computed in paragraphs (b), (c), and (d)~~
6.7 ~~multiplied by 1.16.~~ (e) For fiscal year 2020 and later for a school district not included in
6.8 paragraph ~~(e)~~ (d), a district's equity revenue equals the amount computed in paragraphs (b);
6.9 and (c); ~~and (d)~~ multiplied by 1.25.

6.10 ~~(g)~~ (f) A school district's additional equity revenue equals \$50 times its adjusted pupil
6.11 units.

6.12 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

6.13 Sec. 8. Minnesota Statutes 2018, section 126C.17, subdivision 1, is amended to read:

6.14 Subdivision 1. **Referendum allowance.** (a) A district's initial referendum allowance for
6.15 fiscal year 2021 and later equals the result of the following calculations:

6.16 ~~(1) multiply the referendum allowance the district would have received for fiscal year~~
6.17 ~~2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on elections~~
6.18 ~~held before July 1, 2013, by the resident marginal cost pupil units the district would have~~
6.19 ~~counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;~~

6.20 ~~(2) add to the result of clause (1) the adjustment the district would have received under~~
6.21 ~~Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based~~
6.22 ~~on elections held before July 1, 2013;~~

6.23 ~~(3) divide the result of clause (2) by the district's adjusted pupil units for fiscal year~~
6.24 ~~2015;~~

6.25 ~~(4) add to the result of clause (3) any additional referendum allowance per adjusted pupil~~
6.26 ~~unit authorized by elections held between July 1, 2013, and December 31, 2013;~~

6.27 ~~(5) add to the result in clause (4) any additional referendum allowance resulting from~~
6.28 ~~inflation adjustments approved by the voters prior to January 1, 2014;~~

6.29 ~~(6) subtract from the result of clause (5), the sum of a district's actual local optional levy~~
6.30 ~~and local optional aid under section 126C.10, subdivision 2e, divided by the adjusted pupil~~
6.31 ~~units of the district for that school year; and~~

7.1 (1) subtract \$424 from the district's allowance under Minnesota Statutes 2018, section
 7.2 126C.17, subdivision 1, paragraph (a), clause (5);

7.3 (2) if the result of clause (1) is less than zero, set the allowance to zero;

7.4 (3) add to the result in clause (2) any new referendum allowance authorized between
 7.5 July 1, 2013, and December 31, 2013, under Minnesota Statutes 2013, section 126C.17,
 7.6 subdivision 9a;

7.7 (4) add to the result in clause (3) any additional referendum allowance per adjusted pupil
 7.8 unit authorized between January 1, 2014, and June 30, 2019;

7.9 (5) subtract from the result in clause (4) any allowances expiring in fiscal year 2016,
 7.10 2017, 2018, 2019, or 2020;

7.11 (6) subtract \$300 from the result in clause (5); and

7.12 (7) if the result of clause (6) is less than zero, set the allowance to zero.

7.13 (b) A district's referendum allowance equals the sum of the district's initial referendum
 7.14 allowance, plus any new referendum allowance authorized ~~between July 1, 2013, and~~
 7.15 ~~December 31, 2013, under subdivision 9a, plus any additional referendum allowance per~~
 7.16 ~~adjusted pupil unit authorized after December 31, 2013~~ after July 1, 2019, minus any
 7.17 allowances expiring in fiscal year ~~2016~~ 2021 or later, plus any inflation adjustments for
 7.18 fiscal year 2021 and later approved by the voters prior to July 1, 2019, provided that the
 7.19 allowance may not be less than zero. ~~For a district with more than one referendum allowance~~
 7.20 ~~for fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, the allowance calculated~~
 7.21 ~~under paragraph (a), clause (3), must be divided into components such that the same~~
 7.22 ~~percentage of the district's allowance expires at the same time as the old allowances would~~
 7.23 ~~have expired under Minnesota Statutes 2012, section 126C.17. For a district with more than~~
 7.24 ~~one allowance for fiscal year 2015 that expires in the same year, the reduction under~~
 7.25 ~~paragraph (a), clause clauses (1) and (6), to offset local optional revenue shall be made first~~
 7.26 ~~from any allowances that do not have an inflation adjustment approved by the voters.~~

7.27 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

7.28 Sec. 9. Minnesota Statutes 2018, section 126C.17, subdivision 2, is amended to read:

7.29 Subd. 2. **Referendum allowance limit.** (a) Notwithstanding subdivision 1, for fiscal
 7.30 year ~~2015~~ 2021 and later, a district's referendum allowance must not exceed ~~the annual~~
 7.31 ~~inflationary increase as calculated under paragraph (b) times the greatest~~ greater of:

8.1 (1) ~~\$1,845~~ the product of the annual inflationary increase as calculated under paragraph
 8.2 (b), and \$2,079.50, minus \$300;

8.3 (2) the product of the annual inflationary increase as calculated under paragraph (b),
 8.4 and the sum of the referendum revenue the district would have received for fiscal year 2015
 8.5 under Minnesota Statutes 2012, section 126C.17, subdivision 4, based on elections held
 8.6 before July 1, 2013, and the adjustment the district would have received under Minnesota
 8.7 Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based on elections
 8.8 held before July 1, 2013, divided by the district's adjusted pupil units for fiscal year 2015,
 8.9 minus \$300;

8.10 (3) ~~the product of the referendum allowance limit the district would have received for~~
 8.11 ~~fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 2, and the~~
 8.12 ~~resident marginal cost pupil units the district would have received for fiscal year 2015 under~~
 8.13 ~~Minnesota Statutes 2012, section 126C.05, subdivision 6, plus the adjustment the district~~
 8.14 ~~would have received under Minnesota Statutes 2012, section 127A.47, subdivision 7,~~
 8.15 ~~paragraphs (a), (b), and (c), based on elections held before July 1, 2013, divided by the~~
 8.16 ~~district's adjusted pupil units for fiscal year 2015; minus \$424 for a newly reorganized~~
 8.17 ~~district created on July 1, 2020, the referendum revenue authority for each reorganizing~~
 8.18 ~~district in the year preceding reorganization divided by its adjusted pupil units for the year~~
 8.19 ~~preceding reorganization, minus \$300; or~~

8.20 (4) for a newly reorganized district created after July 1, ~~2013~~ 2021, the referendum
 8.21 revenue authority for each reorganizing district in the year preceding reorganization divided
 8.22 by its adjusted pupil units for the year preceding reorganization.

8.23 (b) For purposes of this subdivision, for fiscal year ~~2016~~ 2022 and later, "inflationary
 8.24 increase" means one plus the percentage change in the Consumer Price Index for urban
 8.25 consumers, as prepared by the United States Bureau of Labor ~~Standards~~ Statistics, for the
 8.26 current fiscal year to fiscal year 2015. ~~For fiscal year 2016 and later, for purposes of~~
 8.27 ~~paragraph (a), clause (3), the inflationary increase equals one-fourth of the percentage~~
 8.28 ~~increase in the formula allowance for that year compared with the formula allowance for~~
 8.29 ~~fiscal year 2015~~ 2021.

8.30 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

9.1 Sec. 10. Minnesota Statutes 2018, section 126C.17, subdivision 5, is amended to read:

9.2 Subd. 5. **Referendum equalization revenue.** (a) A district's referendum equalization
9.3 revenue equals the sum of the first tier referendum equalization revenue and the second tier
9.4 referendum equalization revenue, ~~and the third tier referendum equalization revenue.~~

9.5 (b) A district's first tier referendum equalization revenue equals the district's first tier
9.6 referendum equalization allowance times the district's adjusted pupil units for that year.

9.7 (c) A district's first tier referendum equalization allowance equals the lesser of the
9.8 district's referendum allowance under subdivision 1 or ~~\$300~~ \$460.

9.9 (d) A district's second tier referendum equalization revenue equals the district's second
9.10 tier referendum equalization allowance times the district's adjusted pupil units for that year.

9.11 (e) A district's second tier referendum equalization allowance equals the lesser of the
9.12 district's referendum allowance under subdivision 1 or ~~\$760, minus the district's first tier~~
9.13 ~~referendum equalization allowance.~~

9.14 ~~(f) A district's third tier referendum equalization revenue equals the district's third tier~~
9.15 ~~referendum equalization allowance times the district's adjusted pupil units for that year.~~

9.16 ~~(g) A district's third tier referendum equalization allowance equals the lesser of the~~
9.17 ~~district's referendum allowance under subdivision 1 or 25 percent of the formula allowance,~~
9.18 ~~minus the sum of \$300 and the district's first tier referendum equalization allowance and~~
9.19 ~~second tier referendum equalization allowance.~~

9.20 ~~(h)~~ (f) Notwithstanding paragraph ~~(g)~~ (e), the ~~third~~ second tier referendum allowance
9.21 for a district qualifying for secondary sparsity revenue under section 126C.10, subdivision
9.22 7, or elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
9.23 referendum allowance under subdivision 1 minus the ~~sum of the~~ district's first tier referendum
9.24 equalization allowance ~~and second tier referendum equalization allowance.~~

9.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

9.26 Sec. 11. Minnesota Statutes 2018, section 126C.17, subdivision 6, is amended to read:

9.27 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
9.28 equals the sum of the first tier referendum equalization levy; and the second tier referendum
9.29 equalization levy, ~~and the third tier referendum equalization levy.~~

9.30 (b) A district's first tier referendum equalization levy equals the district's first tier
9.31 referendum equalization revenue times the lesser of one or the ratio of the district's
9.32 referendum market value per resident pupil unit to ~~\$880,000~~ \$510,000.

10.1 (c) A district's second tier referendum equalization levy equals the district's second tier
 10.2 referendum equalization revenue times the lesser of one or the ratio of the district's
 10.3 referendum market value per resident pupil unit to ~~\$510,000~~ \$290,000.

10.4 ~~(d) A district's third tier referendum equalization levy equals the district's third tier~~
 10.5 ~~referendum equalization revenue times the lesser of one or the ratio of the district's~~
 10.6 ~~referendum market value per resident pupil unit to \$290,000.~~

10.7 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

10.8 Sec. 12. Minnesota Statutes 2018, section 126C.17, subdivision 7, is amended to read:

10.9 Subd. 7. **Referendum equalization aid.** (a) A district's referendum equalization aid
 10.10 equals the difference between its referendum equalization revenue and levy.

10.11 (b) If a district's actual levy for first, second, or third tier referendum equalization revenue
 10.12 is less than its maximum levy limit for that tier, aid shall be proportionately reduced.

10.13 (c) Notwithstanding paragraph (a), the referendum equalization aid for a district, ~~where~~
 10.14 ~~the referendum equalization aid under paragraph (a) exceeds 90 percent of the referendum~~
 10.15 ~~revenue,~~ must not exceed: (1) 25 percent of the formula allowance minus \$300; times (2)
 10.16 the district's adjusted pupil units. A district's referendum levy is increased by the amount
 10.17 of any reduction in referendum aid under this paragraph.

10.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

10.19 Sec. 13. Minnesota Statutes 2018, section 126C.17, subdivision 7a, is amended to read:

10.20 Subd. 7a. **Referendum tax base replacement aid.** For each school district that had a
 10.21 referendum allowance for fiscal year 2002 exceeding \$415, for each separately authorized
 10.22 referendum levy, the commissioner of revenue, in consultation with the commissioner of
 10.23 education, shall certify the amount of the referendum levy in taxes payable year 2001
 10.24 attributable to the portion of the referendum allowance exceeding \$415 levied against
 10.25 property classified as class 2, noncommercial 4c(1), or 4c(4), under section 273.13, excluding
 10.26 the portion of the tax paid by the portion of class 2a property consisting of the house, garage,
 10.27 and surrounding one acre of land. The resulting amount must be used to reduce the district's
 10.28 referendum levy or first tier local optional levy amount otherwise determined, and must be
 10.29 paid to the district each year that the referendum or first tier local optional authority remains
 10.30 in effect, is renewed, or new referendum authority is approved. The aid payable under this
 10.31 subdivision must be subtracted from the district's referendum equalization aid under

11.1 subdivision 7. The referendum equalization aid and the first tier local optional aid after the
 11.2 subtraction must not be less than zero.

11.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

11.4 Sec. 14. Minnesota Statutes 2018, section 126C.17, subdivision 9, is amended to read:

11.5 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,
 11.6 subdivision 1, may be increased in the amount approved by the voters of the district at a
 11.7 referendum called for the purpose. The referendum may be called by the board. The
 11.8 referendum must be conducted one or two calendar years before the increased levy authority,
 11.9 if approved, first becomes payable. Only one election to approve an increase may be held
 11.10 in a calendar year. Unless the referendum is conducted by mail under subdivision 11,
 11.11 paragraph (a), the referendum must be held on the first Tuesday after the first Monday in
 11.12 November. The ballot must state the maximum amount of the increased revenue per adjusted
 11.13 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue
 11.14 per adjusted pupil unit that differs from year to year over the number of years for which the
 11.15 increased revenue is authorized or may state that the amount shall increase annually by the
 11.16 rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase
 11.17 calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum
 11.18 levy authority is expiring. In this case, the ballot may also compare the proposed levy
 11.19 authority to the existing expiring levy authority, and express the proposed increase as the
 11.20 amount, if any, over the expiring referendum levy authority. The ballot must designate the
 11.21 specific number of years, not to exceed ten, for which the referendum authorization applies,
 11.22 and may state that the referendum may be renewed by school board resolution subject to a
 11.23 reverse referendum. The ballot, including a ballot on the question to revoke or reduce the
 11.24 increased revenue amount under paragraph (c), must abbreviate the term "per adjusted pupil
 11.25 unit" as "per pupil." The notice required under section 275.60 may be modified to read, in
 11.26 cases of renewing existing levies at the same amount per pupil as in the previous year:

11.27 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO
 11.28 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED
 11.29 TO EXPIRE."

11.30 The ballot may contain a textual portion with the information required in this subdivision
 11.31 and a question stating substantially the following:

11.32 "Shall the increase in the revenue proposed by (petition to) the board of, School
 11.33 District No. ..., be approved?"

12.1 If approved, an amount equal to the approved revenue per adjusted pupil unit times the
12.2 adjusted pupil units for the school year beginning in the year after the levy is certified shall
12.3 be authorized for certification for the number of years approved, if applicable, or until
12.4 revoked or reduced by the voters of the district at a subsequent referendum.

12.5 (b) The board must deliver by mail at least 15 days but no more than 30 days before the
12.6 day of the referendum to each taxpayer a notice of the referendum and the proposed revenue
12.7 increase. The board need not mail more than one notice to any taxpayer. For the purpose
12.8 of giving mailed notice under this subdivision, owners must be those shown to be owners
12.9 on the records of the county auditor or, in any county where tax statements are mailed by
12.10 the county treasurer, on the records of the county treasurer. Every property owner whose
12.11 name does not appear on the records of the county auditor or the county treasurer is deemed
12.12 to have waived this mailed notice unless the owner has requested in writing that the county
12.13 auditor or county treasurer, as the case may be, include the name on the records for this
12.14 purpose. The notice must project the anticipated amount of tax increase in annual dollars
12.15 for typical residential homesteads, agricultural homesteads, apartments, and
12.16 commercial-industrial property within the school district.

12.17 The notice for a referendum may state that an existing referendum levy is expiring and
12.18 project the anticipated amount of increase over the existing referendum levy in the first
12.19 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,
12.20 apartments, and commercial-industrial property within the district.

12.21 The notice must include the following statement: "Passage of this referendum will result
12.22 in an increase in your property taxes." However, in cases of renewing existing levies, the
12.23 notice may include the following statement: "Passage of this referendum extends an existing
12.24 operating referendum at the same amount per pupil as in the previous year."

12.25 (c) A referendum on the question of revoking or reducing the increased revenue amount
12.26 authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke
12.27 or reduce the revenue amount must state the amount per adjusted pupil unit by which the
12.28 authority is to be reduced. Revenue authority approved by the voters of the district pursuant
12.29 to paragraph (a) must be available to the school district at least once before it is subject to
12.30 a referendum on its revocation or reduction for subsequent years. Only one revocation or
12.31 reduction referendum may be held to revoke or reduce referendum revenue for any specific
12.32 year and for years thereafter.

12.33 (d) The approval of 50 percent plus one of those voting on the question is required to
12.34 pass a referendum authorized by this subdivision.

13.1 (e) At least 15 days before the day of the referendum, the district must submit a copy of
13.2 the notice required under paragraph (b) to the commissioner and to the county auditor of
13.3 each county in which the district is located. Within 15 days after the results of the referendum
13.4 have been certified by the board, or in the case of a recount, the certification of the results
13.5 of the recount by the canvassing board, the district must notify the commissioner of the
13.6 results of the referendum.

13.7 Sec. 15. Minnesota Statutes 2018, section 126C.17, is amended by adding a subdivision
13.8 to read:

13.9 Subd. 9b. **Renewal by school board.** (a) Notwithstanding the election requirements of
13.10 subdivision 9, a school board may renew an expiring referendum approved by the voters
13.11 after July 1, 2019, by board action if:

13.12 (1) the ballot for the expiring referendum included a statement that the referendum may
13.13 be renewed by school board resolution subject to a reverse referendum;

13.14 (2) the per-pupil amount of the referendum is the same as the amount expiring or, for
13.15 an expiring referendum that was adjusted annually by the rate of inflation, the same as the
13.16 per-pupil amount of the expiring referendum, adjusted annually for inflation in the same
13.17 manner as if the expiring referendum had continued;

13.18 (3) the term of the renewed referendum is no longer than the initial term approved by
13.19 the voters; and

13.20 (4) the school board has adopted a written resolution authorizing the renewal after holding
13.21 a meeting and allowing public testimony on the proposed renewal.

13.22 (b) The resolution must be adopted by the school board by June 15 and becomes effective
13.23 60 days after its adoption.

13.24 (c) A referendum expires at the end of the last fiscal year in which the referendum
13.25 generates revenue for the school district. A school board may renew an expiring referendum
13.26 under this subdivision not more than two fiscal years before the referendum expires.

13.27 (d) A district renewing an expiring referendum under this subdivision must submit a
13.28 copy of the adopted resolution to the commissioner and to the county auditor no later than
13.29 September 1 of the calendar year in which the levy is certified.

14.1 Sec. 16. Minnesota Statutes 2018, section 126C.17, is amended by adding a subdivision
14.2 to read:

14.3 Subd. 14. **Reverse referendum.** (a) For purposes of this subdivision, "board-renewed
14.4 referendum authority" means referendum authority renewed by the school board.

14.5 (b) A referendum on the question of revoking board-renewed referendum authority under
14.6 subdivision 9b shall be called by the board upon written petition of qualified voters of the
14.7 district. A referendum to revoke a district's board-renewed referendum authority must state
14.8 the authority to be revoked in total and per pupil unit. A revocation referendum may be held
14.9 to revoke board-renewed referendum authority for the subsequent fiscal year and for years
14.10 thereafter.

14.11 (c) A petition authorized by this subdivision is effective if:

14.12 (1) signed by more than 25 percent of the registered voters of the district on the day the
14.13 petition is filed with the board; and

14.14 (2) filed with the board by June 1 of that year.

14.15 A referendum invoked by petition must be held on the date required in subdivision 9.

14.16 (d) The approval of more than 50 percent of those voting on the question is required to
14.17 revoke board-renewed referendum authority.

14.18 Sec. 17. **APPROPRIATIONS.**

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

14.22 Subd. 2. **General education aid.** For general education aid under Minnesota Statutes,
14.23 section 126C.13, subdivision 4:

14.24 § 7,482,939,000 2020

14.25 § 7,670,132,000 2021

14.26 The 2020 appropriation includes \$701,293,000 for 2019 and \$6,781,646,000 for 2020.

14.27 The 2021 appropriation includes \$726,322,000 for 2020 and \$6,943,810,000 for 2021.

14.28 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending
14.29 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
14.30 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

15.1 \$ 24,000 2020

15.2 \$ 26,000 2021

15.3 Subd. 4. **Abatement aid.** For abatement aid under Minnesota Statutes, section 127A.49:

15.4 \$ 2,897,000 2020

15.5 \$ 2,971,000 2021

15.6 The 2020 appropriation includes \$274,000 for 2019 and \$2,623,000 for 2020.

15.7 The 2021 appropriation includes \$291,000 for 2020 and \$2,680,000 for 2021.

15.8 Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota

15.9 Statutes, section 123A.485:

15.10 \$ 270,000 2020

15.11 \$ 165,000 2021

15.12 The 2020 appropriation includes \$0 for 2019 and \$270,000 for 2020.

15.13 The 2021 appropriation includes \$30,000 for 2020 and \$135,000 for 2021.

15.14 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under

15.15 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

15.16 \$ 18,743,000 2020

15.17 \$ 19,609,000 2021

15.18 The 2020 appropriation includes \$1,791,000 for 2019 and \$16,952,000 for 2020.

15.19 The 2021 appropriation includes \$1,884,000 for 2020 and \$17,725,000 for 2021.

15.20 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under

15.21 Minnesota Statutes, section 123B.92, subdivision 9:

15.22 \$ 18,801,000 2020

15.23 \$ 19,052,000 2021

15.24 The 2020 appropriation includes \$1,844,000 for 2019 and \$16,957,000 for 2020.

15.25 The 2021 appropriation includes \$1,844,000 for 2020 and \$17,168,000 for 2021.

15.26 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,

15.27 Warroad, to operate the Angle Inlet School:

15.28 \$ 65,000 2020

15.29 \$ 65,000 2021

17.1 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
17.2 recognized armed services vocational aptitude test.

17.3 (3) For students under clause (1) or (2), a school district may substitute a score from an
17.4 alternative, equivalent assessment to satisfy the requirements of this paragraph.

17.5 (b) The state assessment system must be aligned to the most recent revision of academic
17.6 standards as described in section 120B.023 in the following manner:

17.7 (1) mathematics;

17.8 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

17.9 (ii) high school level beginning in the 2013-2014 school year;

17.10 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
17.11 school year; and

17.12 (3) language arts and reading; grades 3 through 8 and high school level beginning in the
17.13 2012-2013 school year.

17.14 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
17.15 state graduation requirements, based on a longitudinal, systematic approach to student
17.16 education and career planning, assessment, instructional support, and evaluation, include
17.17 the following:

17.18 (1) achievement and career and college readiness in mathematics, reading, and writing,
17.19 consistent with paragraph (k) and to the extent available, to monitor students' continuous
17.20 development of and growth in requisite knowledge and skills; analyze students' progress
17.21 and performance levels, identifying students' academic strengths and diagnosing areas where
17.22 students require curriculum or instructional adjustments, targeted interventions, or
17.23 remediation; and, based on analysis of students' progress and performance data, determine
17.24 students' learning and instructional needs and the instructional tools and best practices that
17.25 support academic rigor for the student; and

17.26 (2) consistent with this paragraph and section 120B.125, age-appropriate exploration
17.27 and planning activities and career assessments to encourage students to identify personally
17.28 relevant career interests and aptitudes and help students and their families develop a regularly
17.29 reexamined transition plan for postsecondary education or employment without need for
17.30 postsecondary remediation.

18.1 Based on appropriate state guidelines, students with an individualized education program
18.2 may satisfy state graduation requirements by achieving an individual score on the
18.3 state-identified alternative assessments.

18.4 (d) Expectations of schools, districts, and the state for career or college readiness under
18.5 this subdivision must be comparable in rigor, clarity of purpose, and rates of student
18.6 completion.

18.7 A student under paragraph (c), clause (1), must receive targeted, relevant, academically
18.8 rigorous, and resourced instruction, which may include a targeted instruction and intervention
18.9 plan focused on improving the student's knowledge and skills in core subjects so that the
18.10 student has a reasonable chance to succeed in a career or college without need for
18.11 postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49,
18.12 and related sections, an enrolling school or district must actively encourage a student in
18.13 grade 11 or 12 who is identified as academically ready for a career or college to participate
18.14 in courses and programs awarding college credit to high school students. Students are not
18.15 required to achieve a specified score or level of proficiency on an assessment under this
18.16 subdivision to graduate from high school.

18.17 (e) Though not a high school graduation requirement, students are encouraged to
18.18 participate in a nationally recognized college entrance exam. To the extent state funding
18.19 for college entrance exam fees is available, a district must pay the cost, one time, for an
18.20 interested student in grade 11 or 12 who is eligible for a free or reduced-price meal, to take
18.21 a nationally recognized college entrance exam before graduating. A student must be able
18.22 to take the exam under this paragraph at the student's high school during the school day and
18.23 at any one of the multiple exam administrations available to students in the district. A district
18.24 may administer the ACT or SAT or both the ACT and SAT to comply with this paragraph.
18.25 If the district administers only one of these two tests and a free or reduced-price meal eligible
18.26 student opts not to take that test and chooses instead to take the other of the two tests, the
18.27 student may take the other test at a different time or location and remains eligible for the
18.28 examination fee reimbursement. Notwithstanding sections 123B.34 to 123B.39, a school
18.29 district may require a student that is not eligible for a free or reduced-price meal to pay the
18.30 cost of taking a nationally recognized college entrance exam. The district must waive the
18.31 cost for a student unable to pay.

18.32 (f) The commissioner and the chancellor of the Minnesota State Colleges and Universities
18.33 must collaborate in aligning instruction and assessments for adult basic education students
18.34 and English learners to provide the students with diagnostic information about any targeted
18.35 interventions, accommodations, modifications, and supports they need so that assessments

19.1 and other performance measures are accessible to them and they may seek postsecondary
19.2 education or employment without need for postsecondary remediation. When administering
19.3 formative or summative assessments used to measure the academic progress, including the
19.4 oral academic development, of English learners and inform their instruction, schools must
19.5 ensure that the assessments are accessible to the students and students have the modifications
19.6 and supports they need to sufficiently understand the assessments.

19.7 (g) Districts and schools, on an annual basis, must use career exploration elements to
19.8 help students, beginning no later than grade 9, and their families explore and plan for
19.9 postsecondary education or careers based on the students' interests, aptitudes, and aspirations.
19.10 Districts and schools must use timely regional labor market information and partnerships,
19.11 among other resources, to help students and their families successfully develop, pursue,
19.12 review, and revise an individualized plan for postsecondary education or a career. This
19.13 process must help increase students' engagement in and connection to school, improve
19.14 students' knowledge and skills, and deepen students' understanding of career pathways as
19.15 a sequence of academic and career courses that lead to an industry-recognized credential,
19.16 an associate's degree, or a bachelor's degree and are available to all students, whatever their
19.17 interests and career goals.

19.18 (h) A student who demonstrates attainment of required state academic standards, which
19.19 include career and college readiness benchmarks, on high school assessments under
19.20 subdivision 1a is academically ready for a career or college and is encouraged to participate
19.21 in courses awarding college credit to high school students. Such courses and programs may
19.22 include sequential courses of study within broad career areas and technical skill assessments
19.23 that extend beyond course grades.

19.24 (i) As appropriate, students through grade 12 must continue to participate in targeted
19.25 instruction, intervention, or remediation and be encouraged to participate in courses awarding
19.26 college credit to high school students.

19.27 (j) In developing, supporting, and improving students' academic readiness for a career
19.28 or college, schools, districts, and the state must have a continuum of empirically derived,
19.29 clearly defined benchmarks focused on students' attainment of knowledge and skills so that
19.30 students, their parents, and teachers know how well students must perform to have a
19.31 reasonable chance to succeed in a career or college without need for postsecondary
19.32 remediation. The commissioner, in consultation with local school officials and educators,
19.33 and Minnesota's public postsecondary institutions must ensure that the foundational
19.34 knowledge and skills for students' successful performance in postsecondary employment

20.1 or education and an articulated series of possible targeted interventions are clearly identified
 20.2 and satisfy Minnesota's postsecondary admissions requirements.

20.3 (k) For students in grade 8 in the 2012-2013 school year and later, a school, district, or
 20.4 charter school must record on the high school transcript a student's progress toward career
 20.5 and college readiness, and for other students as soon as practicable.

20.6 (l) The school board granting students their diplomas may formally decide to include a
 20.7 notation of high achievement on the high school diplomas of those graduating seniors who,
 20.8 according to established school board criteria, demonstrate exemplary academic achievement
 20.9 during high school.

20.10 (m) The 3rd through 8th grade computer-adaptive assessment results and high school
 20.11 test results shall be available to districts for diagnostic purposes affecting student learning
 20.12 and district instruction and curriculum, and for establishing educational accountability. The
 20.13 ~~commissioner must establish empirically derived benchmarks on adaptive assessments in~~
 20.14 ~~grades 3 through 8.~~ The commissioner, in consultation with the chancellor of the Minnesota
 20.15 State Colleges and Universities, must establish empirically derived benchmarks on the high
 20.16 school tests that reveal a trajectory toward career and college readiness consistent with
 20.17 section 136F.302, subdivision 1a. The commissioner must disseminate to the public the
 20.18 ~~computer-adaptive assessments and high school test results upon receiving those results.~~

20.19 (n) The grades 3 through 8 computer-adaptive assessments and high school tests must
 20.20 be aligned with state academic standards. The commissioner shall determine the testing
 20.21 process and the order of administration. The statewide results shall be aggregated at the site
 20.22 and district level, consistent with subdivision 1a.

20.23 (o) The commissioner shall include the following components in the statewide public
 20.24 reporting system:

20.25 (1) uniform statewide computer-adaptive assessments of all students in grades 3 through
 20.26 8 and testing at the high school levels that provides appropriate, technically sound
 20.27 accommodations or alternate assessments;

20.28 (2) educational indicators that can be aggregated and compared across school districts
 20.29 and across time on a statewide basis, including average daily attendance, high school
 20.30 graduation rates, and high school drop-out rates by age and grade level;

20.31 (3) state results on the American College Test; and

20.32 (4) state results from participation in the National Assessment of Educational Progress
 20.33 so that the state can benchmark its performance against the nation and other states, and,

21.1 where possible, against other countries, and contribute to the national effort to monitor
21.2 achievement.

21.3 (p) For purposes of statewide accountability, "career and college ready" means a high
21.4 school graduate has the knowledge, skills, and competencies to successfully pursue a career
21.5 pathway, including postsecondary credit leading to a degree, diploma, certificate, or
21.6 industry-recognized credential and employment. Students who are career and college ready
21.7 are able to successfully complete credit-bearing coursework at a two- or four-year college
21.8 or university or other credit-bearing postsecondary program without need for remediation.

21.9 (q) For purposes of statewide accountability, "cultural competence," "cultural
21.10 competency," or "culturally competent" means the ability of families and educators to
21.11 interact effectively with people of different cultures, native languages, and socioeconomic
21.12 backgrounds.

21.13 Sec. 2. Minnesota Statutes 2018, section 120B.35, subdivision 3, is amended to read:

21.14 Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational
21.15 assessment system measuring individual students' educational growth is based on indicators
21.16 of achievement growth that show an individual student's prior achievement. Indicators of
21.17 achievement and prior achievement must be based on highly reliable statewide or districtwide
21.18 assessments.

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

21.32 (b) The commissioner, in consultation with a stakeholder group that includes assessment
21.33 and evaluation directors, district staff, experts in culturally responsive teaching, and
21.34 researchers, must implement a growth model ~~that uses a value-added growth indicator and~~

22.1 that compares the difference in students' achievement scores over time, and includes criteria
22.2 for identifying schools and school districts that demonstrate ~~medium and high growth under~~
22.3 ~~section 120B.299, subdivisions 8 and 9, and may recommend other value-added measures~~
22.4 ~~under section 120B.299, subdivision 3~~ academic progress. The model may be used to advance
22.5 educators' professional development and replicate programs that succeed in meeting students'
22.6 diverse learning needs. Data on individual teachers generated under the model are personnel
22.7 data under section 13.43. The model must allow users to:

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

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

22.14 The commissioner must report measures of student growth and, under section 120B.11,
22.15 subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph,
22.16 including the English language development, academic progress, and oral academic
22.17 development of English learners and their native language development if the native language
22.18 is used as a language of instruction, and include data on all pupils enrolled in a Minnesota
22.19 public school course or program who are currently or were previously counted as an English
22.20 learner under section 124D.59.

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

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

22.30 (2) a rigorous coursework measure indicating the number and percentage of high school
22.31 graduates in the most recent school year who successfully completed one or more
22.32 college-level advanced placement, international baccalaureate, postsecondary enrollment
22.33 options including concurrent enrollment, other rigorous courses of study under section
22.34 120B.021, subdivision 1a, or industry certification courses or programs.

23.1 When reporting the core measures under clauses (1) and (2), the commissioner must also
23.2 analyze and report separate categories of information using the student categories identified
23.3 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
23.4 and other student categories under paragraph (a), clause (2).

23.5 (d) When reporting student performance under section 120B.36, subdivision 1, the
23.6 commissioner annually, beginning July 1, 2014, must report summary data on school safety
23.7 and students' engagement and connection at school, consistent with the student categories
23.8 identified under paragraph (a), clause (2). The summary data under this paragraph are
23.9 separate from and must not be used for any purpose related to measuring or evaluating the
23.10 performance of classroom teachers. The commissioner, in consultation with qualified experts
23.11 on student engagement and connection and classroom teachers, must identify highly reliable
23.12 variables that generate summary data under this paragraph. The summary data may be used
23.13 at school, district, and state levels only. Any data on individuals received, collected, or
23.14 created that are used to generate the summary data under this paragraph are nonpublic data
23.15 under section 13.02, subdivision 9.

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

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

23.22 (2) the percent of students under this paragraph whose progress and performance levels
23.23 are meeting career and college readiness benchmarks under section 120B.30, subdivision
23.24 1; and

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

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

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

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

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

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

24.1 (f) The commissioner, in consultation with recognized experts with knowledge and
 24.2 experience in assessing the language proficiency and academic performance of all English
 24.3 learners enrolled in a Minnesota public school course or program who are currently or were
 24.4 previously counted as an English learner under section 124D.59, must identify and report
 24.5 appropriate and effective measures to improve current categories of language difficulty and
 24.6 assessments, and monitor and report data on students' English proficiency levels, program
 24.7 placement, and academic language development, including oral academic language.

24.8 (g) When reporting four- and six-year graduation rates, the commissioner or school
 24.9 district must disaggregate the data by student categories according to paragraph (a), clause
 24.10 (2).

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

24.16 Sec. 3. Minnesota Statutes 2018, section 120B.36, subdivision 1, is amended to read:

24.17 Subdivision 1. **School performance reports and public reporting.** (a) The commissioner
 24.18 shall report student academic performance data under section 120B.35, subdivisions 2 and
 24.19 3; ~~the percentages of students showing low, medium, and high growth under section 120B.35,~~
 24.20 ~~subdivision 3, paragraph (b) academic progress consistent with federal expectations;~~ school
 24.21 safety and student engagement and connection under section 120B.35, subdivision 3,
 24.22 paragraph (d); rigorous coursework under section 120B.35, subdivision 3, paragraph (c);
 24.23 the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2),
 24.24 whose progress and performance levels are meeting career and college readiness benchmarks
 24.25 under sections 120B.30, subdivision 1, and 120B.35, subdivision 3, paragraph (e);
 24.26 longitudinal data on the progress of eligible districts in reducing disparities in students'
 24.27 academic achievement and realizing racial and economic integration under section 124D.861;
 24.28 the acquisition of English, and where practicable, native language academic literacy,
 24.29 including oral academic language, and the academic progress of all English learners enrolled
 24.30 in a Minnesota public school course or program who are currently or were previously counted
 24.31 as English learners under section 124D.59; two separate student-to-teacher ratios that clearly
 24.32 indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes
 24.33 of determining these ratios; staff characteristics excluding salaries; student enrollment
 24.34 demographics; foster care status, including all students enrolled in a Minnesota public school

25.1 course or program who are currently or were previously in foster care, student homelessness,
25.2 and district mobility; and extracurricular activities.

25.3 (b) The school performance report for a school site and a school district must include
25.4 school performance reporting information and calculate proficiency rates as required by the
25.5 most recently reauthorized Elementary and Secondary Education Act.

25.6 (c) The commissioner shall develop, annually update, and post on the department website
25.7 school performance reports consistent with paragraph (a) and section 120B.11.

25.8 (d) The commissioner must make available performance reports by the beginning of
25.9 each school year.

25.10 (e) A school or district may appeal its results in a form and manner determined by the
25.11 commissioner and consistent with federal law. The commissioner's decision to uphold or
25.12 deny an appeal is final.

25.13 (f) School performance data are nonpublic data under section 13.02, subdivision 9, until
25.14 the commissioner publicly releases the data. The commissioner shall annually post school
25.15 performance reports to the department's public website no later than September 1, except
25.16 that in years when the reports reflect new performance standards, the commissioner shall
25.17 post the school performance reports no later than October 1.

25.18 Sec. 4. Minnesota Statutes 2018, section 122A.63, subdivision 1, is amended to read:

25.19 Subdivision 1. **Establishment.** (a) A grant program is established to assist American
25.20 Indian people to become teachers and to provide additional education for American Indian
25.21 teachers. The commissioner may award a joint grant to each of the following:

25.22 (1) the Duluth campus of the University of Minnesota and Independent School District
25.23 No. 709, Duluth;

25.24 (2) Bemidji State University and Independent School District No. 38, Red Lake;

25.25 (3) Moorhead State University and one of the school districts located within the White
25.26 Earth Reservation; and

25.27 (4) Augsburg College, Independent School District No. 625, St. Paul, and Special School
25.28 District No. 1, Minneapolis.

25.29 (b) If additional funds are available, the commissioner may award additional joint grants
25.30 to other postsecondary institutions and school districts.

26.1 (c) Grantees may enter into contracts with tribal, technical, and community colleges and
 26.2 four-year postsecondary institutions to identify and provide grants to students at those
 26.3 institutions interested in the field of education. Each grantee is eligible to and may contract
 26.4 with partner institutions to provide professional development and supplemental services to
 26.5 a tribal, technical, or community college or four-year postsecondary institution, including
 26.6 identification of prospective students, provision of instructional supplies and materials, and
 26.7 provision of grant money to students. A contract with a tribal, technical, or community
 26.8 college or four-year postsecondary institution includes coordination of student identification,
 26.9 professional development, and mentorship services.

26.10 Sec. 5. Minnesota Statutes 2018, section 122A.63, subdivision 4, is amended to read:

26.11 Subd. 4. **Grant amount.** The commissioner may award a joint grant in the amount it
 26.12 determines to be appropriate. The grant shall include money for the postsecondary institution,
 26.13 school district, and student scholarships, and student loans grants.

26.14 Sec. 6. Minnesota Statutes 2018, section 122A.63, subdivision 5, is amended to read:

26.15 Subd. 5. **Information to student applicants.** At the time a student applies for a
 26.16 ~~scholarship and loan grant~~, the student shall be provided information about the fields of
 26.17 licensure needed by school districts in the part of the state within which the district receiving
 26.18 the joint grant is located. The information shall be acquired and periodically updated by the
 26.19 recipients of the joint grant and their contracted partner institutions. Information provided
 26.20 to students shall clearly state that scholarship and loan decisions are not based upon the
 26.21 field of licensure selected by the student.

26.22 Sec. 7. Minnesota Statutes 2018, section 122A.63, subdivision 6, is amended to read:

26.23 Subd. 6. **Eligibility for ~~scholarships and loans~~ student grants.** The following Indian
 26.24 people are eligible for ~~scholarships~~ student grants:

26.25 (1) a student having origins in any of the original peoples of North America and
 26.26 maintaining cultural identification through tribal affiliation or community recognition;

26.27 ~~(2)~~ (2) a student, including a teacher aide employed by a district receiving a joint grant
 26.28 or their contracted partner school, who intends to become a teacher or who is interested in
 26.29 the field of education and who is enrolled in a postsecondary institution or their contracted
 26.30 partner institutions receiving a joint grant;

26.31 ~~(2)~~ (3) a licensed employee of a district receiving a joint grant or a contracted partner
 26.32 school, who is enrolled in a master of education program; and

27.1 ~~(3)~~ (4) a student who, after applying for federal and state financial aid and an Indian
 27.2 scholarship according to section 136A.126, has financial needs that remain unmet. Financial
 27.3 need shall be determined according to the congressional methodology for needs determination
 27.4 or as otherwise set in federal law.

27.5 ~~A person who has actual living expenses in addition to those addressed by the~~
 27.6 ~~congressional methodology for needs determination, or as otherwise set in federal law, may~~
 27.7 ~~receive a loan according to criteria established by the commissioner. A contract shall be~~
 27.8 ~~executed between the state and the student for the amount and terms of the loan. Priority~~
 27.9 ~~shall be given to a student who is tribally enrolled and then to first- and second-generation~~
 27.10 ~~descendants.~~

27.11 Sec. 8. Minnesota Statutes 2018, section 122A.63, is amended by adding a subdivision to
 27.12 read:

27.13 Subd. 9. **Eligible programming.** (a) The grantee institutions and the contracted partner
 27.14 institutions may provide grants to students progressing toward educational goals in any area
 27.15 of teacher licensure, including an associate of arts, bachelor's, master's, or doctoral degree
 27.16 in the following: (1) any educational certification necessary for employment; (2) early
 27.17 childhood family education or prekindergarten licensure; (3) elementary and secondary
 27.18 education; (4) school administration; or (5) any educational program that provides services
 27.19 to American Indian students in prekindergarten through grade 12.

27.20 (b) For purposes of recruitment, the grantees or their partner contracted institutions shall
 27.21 agree to work with their respective organizations to hire an American Indian work-study
 27.22 student or other American Indian staff to conduct initial information queries and to contact
 27.23 persons working in schools to provide programming regarding education professions to a
 27.24 high school student who may be interested in education as a profession.

27.25 (c) At least 80 percent of the grants awarded under this section must be used for student
 27.26 grants. No more than 20 percent of the grants awarded under this section may be used for
 27.27 recruitment or administration of the student grants.

27.28 Sec. 9. Minnesota Statutes 2018, section 122A.70, subdivision 1, is amended to read:

27.29 Subdivision 1. **Teacher mentoring, induction, and retention programs.** (a) School
 27.30 districts are encouraged to develop teacher mentoring programs for teachers new to the
 27.31 profession or district, including teaching residents, teachers of color, teachers who are
 27.32 American Indian, teachers in license shortage areas, teachers with special needs, or
 27.33 experienced teachers in need of peer coaching.

28.1 (b) Teacher mentoring programs must be included in or aligned with districts' teacher
 28.2 evaluation and peer review processes under sections 122A.40, subdivision 8, and 122A.41,
 28.3 subdivision 5. A district may use staff development revenue under section 122A.61, special
 28.4 grant programs established by the legislature, or another funding source to pay a stipend to
 28.5 a mentor who may be a current or former teacher who has taught at least three years and is
 28.6 not on an improvement plan. Other initiatives using these funds or funds available under
 28.7 sections 124D.861 and 124D.862 may include:

28.8 (1) additional stipends as incentives to mentors who are of color or who are American
 28.9 Indian;

28.10 (2) financial supports for professional learning community affinity groups across schools
 28.11 within and between districts for teachers from underrepresented racial and ethnic groups to
 28.12 meet throughout the school year;

28.13 (3) programs for induction aligned with the district or school mentorship program during
 28.14 the first three years of teaching, including those for teachers from underrepresented racial
 28.15 and ethnic groups; or

28.16 (4) grants supporting licensed and nonlicensed educator participation in professional
 28.17 development, such as through workshops and graduate courses related to increasing student
 28.18 achievement for students who are of color or American Indian in order to close opportunity
 28.19 and achievement gaps.

28.20 Sec. 10. Minnesota Statutes 2018, section 124D.231, is amended to read:

28.21 **124D.231 FULL-SERVICE COMMUNITY SCHOOLS.**

28.22 Subdivision 1. **Definitions.** For the purposes of this section, the following terms have
 28.23 the meanings given them.

28.24 (a) "Community organization" means a nonprofit organization that has been in existence
 28.25 for three years or more and serves persons within the community surrounding the covered
 28.26 school site on education and other issues.

28.27 (b) "Community school consortium" means a group of schools and community
 28.28 organizations that propose to work together to plan and implement community school
 28.29 programming.

28.30 (c) "Community school programming" means services, activities, and opportunities
 28.31 described under subdivision 2, paragraph ~~(g)~~ (f).

29.1 (d) "Community-wide full-service community school leadership team" means a
 29.2 district-level team that is responsible for guiding the vision, policy, resource alignment,
 29.3 implementation, oversight, and goal setting for community school programs within the
 29.4 district. This team shall include representatives from the district; teachers, school leaders,
 29.5 students, and family members from the eligible schools; community members; system-level
 29.6 partners that include representatives from government agencies, relevant unions, and
 29.7 nonprofit and other community-based partners; and, if applicable, the full-service community
 29.8 school initiative director.

29.9 (e) "Full-service community school initiative director" means a director responsible for
 29.10 coordinating districtwide administrative and leadership assistance to community school
 29.11 sites and site coordinators including chairing the district's community-wide full-service
 29.12 community school leadership team, site coordinator support, data gathering and evaluation,
 29.13 administration of partnership and data agreements, contracts and procurement, and grants.

29.14 ~~(d)~~ (f) "High-quality child care or early childhood education programming" means
 29.15 educational programming for preschool-aged children that is grounded in research, consistent
 29.16 with best practices in the field, and provided by licensed teachers.

29.17 ~~(e)~~ (g) "School site" means a school site at which an applicant has proposed or has been
 29.18 funded to provide community school programming.

29.19 ~~(f)~~ (h) "Site coordinator" is an individual means a full-time staff member serving one
 29.20 eligible school who is responsible for aligning the identification, implementation, and
 29.21 coordination of programming with to address the needs of the school community identified
 29.22 in the baseline analysis.

29.23 **Subd. 2. Full-service community school program.** (a) The commissioner shall provide
 29.24 funding to districts and charter schools with eligible school sites to plan, implement, and
 29.25 improve full-service community schools. Eligible school sites must meet one of the following
 29.26 criteria:

29.27 (1) the school is on a development plan for continuous improvement under section
 29.28 120B.35, subdivision 2; or

29.29 (2) the school is in a district that has an achievement and integration plan approved by
 29.30 the commissioner of education under sections 124D.861 and 124D.862.

29.31 (b) ~~An eligible school site may receive up to \$150,000 annually.~~ Districts and charter
 29.32 schools may receive up to:

30.1 (1) \$100,000 for each eligible school available for up to one year to fund planning
 30.2 activities including convening a full-service community school leadership team, facilitating
 30.3 family and community stakeholder engagement, conducting a baseline analysis, and creating
 30.4 a full-service community school plan. At the end of this period, the school must submit a
 30.5 full-service community school plan, pursuant to paragraphs (d) and (e); and

30.6 (2) \$150,000 annually for each eligible school for up to three years of implementation
 30.7 of a full-service community school plan, pursuant to paragraphs (f) and (g). School sites
 30.8 receiving funding under this section shall hire or contract with a partner agency to hire a
 30.9 site coordinator to coordinate services at each covered school site. Districts or charter schools
 30.10 receiving funding under this section for three or more schools shall provide or contract with
 30.11 a partner agency to provide a full-service community school initiative director.

30.12 ~~(e) Of grants awarded, implementation funding of up to \$20,000 must be available for~~
 30.13 ~~up to one year for planning for school sites. At the end of this period, the school must submit~~
 30.14 ~~a full-service community school plan, pursuant to paragraph (g). If the site decides not to~~
 30.15 ~~use planning funds, the plan must be submitted with the application.~~

30.16 ~~(d)~~ (c) The commissioner shall consider additional school factors when dispensing funds
 30.17 including: schools with significant populations of students receiving free or reduced-price
 30.18 lunches; significant homeless and highly mobile rates; and equity among urban, suburban,
 30.19 and greater Minnesota schools; and demonstrated success implementing full-service
 30.20 community school programming.

30.21 ~~(e)~~ (d) A school site must establish a full-service community school leadership team
 30.22 responsible for developing school-specific programming goals, assessing program needs,
 30.23 and overseeing the process of implementing expanded programming at each covered site.
 30.24 The school leadership team shall have ~~between~~ at least 12 to 15 members and shall meet
 30.25 the following requirements:

30.26 (1) at least 30 percent of the members are parents, guardians, or students and 30 percent
 30.27 of the members are teachers at the school site and must include the school principal and
 30.28 representatives from partner agencies; and

30.29 (2) the full-service community school leadership team must be responsible for overseeing
 30.30 the baseline analyses under paragraph ~~(f)~~ (e) and the creation of a full-service community
 30.31 school plan under paragraphs (f) and (g). A full-service community school leadership team
 30.32 must meet at least quarterly have ongoing responsibility for monitoring the development
 30.33 and implementation of full-service community school operations and programming at the
 30.34 school site and shall issue recommendations to schools on a regular basis and summarized

31.1 in an annual report. These reports shall also be made available to the public at the school
31.2 site and on school and district websites.

31.3 ~~(f)~~ (e) School sites must complete a baseline analysis prior to ~~beginning programming~~
31.4 ~~as a full-service community school~~ the creation of a full-service community school plan.

31.5 The analysis shall include:

31.6 (1) a baseline analysis of needs at the school site, led by the school leadership team,
31.7 ~~which shall include~~ including the following elements:

31.8 (i) identification of challenges facing the school;

31.9 (ii) analysis of the student body, including:

31.10 (A) number and percentage of students with disabilities and needs of these students;

31.11 (B) number and percentage of students who are English learners and the needs of these
31.12 students;

31.13 (C) number of students who are homeless or highly mobile; ~~and~~

31.14 (D) number and percentage of students receiving free or reduced-price lunch and the
31.15 needs of these students; and

31.16 (E) number and percentage of students by race and ethnicity;

31.17 (iii) analysis of enrollment and retention rates for students with disabilities, English
31.18 learners, homeless and highly mobile students, and students receiving free or reduced-price
31.19 lunch;

31.20 (iv) analysis of suspension and expulsion data, including the justification for such
31.21 disciplinary actions and the degree to which particular populations, including, but not limited
31.22 to, American Indian students and students of color, students with disabilities, students who
31.23 are English learners, and students receiving free or reduced-price lunch are represented
31.24 among students subject to such actions;

31.25 (v) analysis of school achievement data disaggregated by major demographic categories,
31.26 including, but not limited to, race, ethnicity, English learner status, disability status, and
31.27 free or reduced-price lunch status;

31.28 (vi) analysis of current parent engagement strategies and their success; and

31.29 (vii) evaluation of the need for and availability of ~~wraparound services~~ full-service
31.30 community school activities, including, but not limited to:

32.1 ~~(A) mechanisms for meeting students' social, emotional, and physical health needs,~~
 32.2 ~~which may include coordination of existing services as well as the development of new~~
 32.3 ~~services based on student needs; and~~ integrated student supports that address out-of-school
 32.4 barriers to learning through partnerships with social and health service agencies and
 32.5 providers, and may include medical, dental, vision care, and mental health services, or
 32.6 counselors to assist with housing, transportation, nutrition, immigration, or criminal justice
 32.7 issues;

32.8 ~~(B) strategies to create a safe and secure school environment and improve school climate~~
 32.9 ~~and discipline, such as implementing a system of positive behavioral supports, and taking~~
 32.10 ~~additional steps to eliminate bullying;~~ expanded and enriched learning time and opportunities,
 32.11 including before-school, after-school, weekend, and summer programs that provide additional
 32.12 academic instruction, individualized academic support, enrichment activities, and learning
 32.13 opportunities that emphasize real-world learning and community problem solving and may
 32.14 include art, music, drama, creative writing, hands-on experience with engineering or science,
 32.15 tutoring and homework help, or recreational programs that enhance and are consistent with
 32.16 the school's curriculum;

32.17 ~~(C) active family and community engagement that brings students' families and the~~
 32.18 ~~community into the school as partners in children's education and makes the school a~~
 32.19 ~~neighborhood hub, providing adults with educational opportunities that may include adult~~
 32.20 ~~English as a second language classes, computer skills, art, or other programs that bring~~
 32.21 ~~community members into the school for meetings or events; and~~

32.22 ~~(D) collaborative leadership and practices that build a culture of professional learning,~~
 32.23 ~~collective trust, and shared responsibility and include a school-based full-service community~~
 32.24 ~~school leadership team, a full-service community school site coordinator, a full-service~~
 32.25 ~~community school initiative director, a community-wide leadership team, other leadership~~
 32.26 ~~or governance teams, teacher learning communities, or other staff to manage the joint work~~
 32.27 ~~of school and community organizations;~~

32.28 ~~(2) a baseline analysis of community assets and a strategic plan for utilizing and aligning~~
 32.29 ~~identified assets. This analysis should include, but is not limited to, including a documentation~~
 32.30 ~~of individuals in the community, faith-based organizations, community and neighborhood~~
 32.31 ~~associations, colleges, hospitals, libraries, businesses, and social service agencies who that~~
 32.32 ~~may be able to provide support and resources; and~~

32.33 ~~(3) a baseline analysis of needs in the community surrounding the school, led by the~~
 32.34 ~~school leadership team, including, but not limited to:~~

- 33.1 (i) the need for high-quality, full-day child care and early childhood education programs;
- 33.2 (ii) the need for physical and mental health care services for children and adults; and
- 33.3 (iii) the need for job training and other adult education programming.
- 33.4 ~~(g)~~ (f) Each school site receiving funding under this section must ~~establish~~ develop a
- 33.5 full-service community school plan that utilizes and aligns district and community assets
- 33.6 and establishes services in at least two of the following types of programming:
- 33.7 (1) early childhood:
- 33.8 (i) early childhood education; and
- 33.9 (ii) child care services;
- 33.10 (2) academic:
- 33.11 (i) academic support and enrichment activities, including expanded learning time;
- 33.12 (ii) summer or after-school enrichment and learning experiences;
- 33.13 (iii) job training, internship opportunities, and career counseling services;
- 33.14 (iv) programs that provide assistance to students who have been truant, suspended, or
- 33.15 expelled; and
- 33.16 (v) specialized instructional support services;
- 33.17 (3) parental involvement:
- 33.18 (i) programs that promote parental involvement and family literacy;
- 33.19 (ii) parent leadership development activities that empower and strengthen families and
- 33.20 communities, provide volunteer opportunities, or promote inclusion in school-based
- 33.21 leadership teams; and
- 33.22 (iii) parenting education activities;
- 33.23 (4) mental and physical health:
- 33.24 (i) mentoring and other youth development programs, including peer mentoring and
- 33.25 conflict mediation;
- 33.26 (ii) juvenile crime prevention and rehabilitation programs;
- 33.27 (iii) home visitation services by teachers and other professionals;
- 33.28 (iv) developmentally appropriate physical education;
- 33.29 (v) nutrition services;

- 34.1 (vi) primary health and dental care; and
- 34.2 (vii) mental health counseling services;
- 34.3 (5) community involvement:
- 34.4 (i) service and service-learning opportunities;
- 34.5 (ii) adult education, including instruction in English as a second language; and
- 34.6 (iii) homeless prevention services;
- 34.7 (6) positive discipline practices; and
- 34.8 (7) other programming designed to meet school and community needs identified in the
- 34.9 baseline analysis and reflected in the full-service community school plan.
- 34.10 ~~(h)~~ (g) The full-service community school leadership team at each school site must
- 34.11 develop a full-service community school plan detailing the steps the school leadership team
- 34.12 will take, including:
- 34.13 (1) timely establishment and consistent operation of the school leadership team;
- 34.14 (2) maintenance of attendance records in all programming components;
- 34.15 (3) maintenance of measurable data showing annual participation and the impact of
- 34.16 programming on the participating children and adults;
- 34.17 (4) documentation of meaningful and sustained collaboration between the school and
- 34.18 community stakeholders, including local governmental units, civic engagement organizations,
- 34.19 businesses, and social service providers;
- 34.20 (5) establishment and maintenance of partnerships with institutions, such as universities,
- 34.21 hospitals, museums, or not-for-profit community organizations to further the development
- 34.22 and implementation of community school programming;
- 34.23 (6) ensuring compliance with the district nondiscrimination policy; and
- 34.24 (7) plan for school leadership team development.

34.25 Subd. 3. **Full-service community school review.** (a) ~~Every three years,~~ A full-service

34.26 community school site must submit to the commissioner, and make available at the school

34.27 site and online, a report describing efforts to integrate community school programming at

34.28 each covered school site and the effect of the transition to a full-service community school

34.29 on participating children and adults. This report shall include, but is not limited to, the

34.30 following:

- 35.1 (1) an assessment of the effectiveness of the school site in development or implementing
35.2 the community school plan;
- 35.3 (2) problems encountered in the design and execution of the community school plan,
35.4 including identification of any federal, state, or local statute or regulation impeding program
35.5 implementation;
- 35.6 (3) the operation of the school leadership team and its contribution to successful execution
35.7 of the community school plan;
- 35.8 (4) recommendations for improving delivery of community school programming to
35.9 students and families;
- 35.10 (5) the number and percentage of students receiving community school programming
35.11 who had not previously been served;
- 35.12 (6) the number and percentage of nonstudent community members receiving community
35.13 school programming who had not previously been served;
- 35.14 (7) improvement in retention among students who receive community school
35.15 programming;
- 35.16 (8) improvement in academic achievement among students who receive community
35.17 school programming;
- 35.18 (9) changes in student's readiness to enter school, active involvement in learning and in
35.19 their community, physical, social and emotional health, and student's relationship with the
35.20 school and community environment;
- 35.21 (10) an accounting of anticipated local budget savings, if any, resulting from the
35.22 implementation of the program;
- 35.23 (11) improvements to the frequency or depth of families' involvement with their children's
35.24 education;
- 35.25 (12) assessment of community stakeholder satisfaction;
- 35.26 (13) assessment of institutional partner satisfaction;
- 35.27 (14) the ability, or anticipated ability, of the school site and partners to continue to
35.28 provide services in the absence of future funding under this section;
- 35.29 (15) increases in access to services for students and their families; and
- 35.30 (16) the degree of increased collaboration among participating agencies and private
35.31 partners.

36.1 (b) Reports submitted under this section shall be evaluated by the commissioner with
36.2 respect to the following criteria:

36.3 (1) the effectiveness of the school or the community school consortium in implementing
36.4 the full-service community school plan, including the degree to which the school site
36.5 navigated difficulties encountered in the design and operation of the full-service community
36.6 school plan, including identification of any federal, state, or local statute or regulation
36.7 impeding program implementation;

36.8 (2) the extent to which the project has produced lessons about ways to improve delivery
36.9 of community school programming to students;

36.10 (3) the degree to which there has been an increase in the number or percentage of students
36.11 and nonstudents receiving community school programming;

36.12 (4) the degree to which there has been an improvement in retention of students and
36.13 improvement in academic achievement among students receiving community school
36.14 programming;

36.15 (5) local budget savings, if any, resulting from the implementation of the program;

36.16 (6) the degree of community stakeholder and institutional partner engagement;

36.17 (7) the ability, or anticipated ability, of the school site and partners to continue to provide
36.18 services in the absence of future funding under this section;

36.19 (8) increases in access to services for students and their families; and

36.20 (9) the degree of increased collaboration among participating agencies and private
36.21 partners.

36.22 Sec. 11. Minnesota Statutes 2018, section 124D.83, subdivision 2, is amended to read:

36.23 Subd. 2. **Revenue amount.** An American Indian-controlled tribal contract or grant school
36.24 that is located on a reservation within the state and that complies with the requirements in
36.25 subdivision 1 is eligible to receive tribal contract or grant school aid. The amount of aid is
36.26 derived by:

36.27 (1) multiplying the formula allowance under section 126C.10, subdivision 2, less \$170,
36.28 times the difference between (i) the resident pupil units as defined in section 126C.05,
36.29 subdivision 6, in average daily membership, excluding section 126C.05, subdivision 13,
36.30 and (ii) the number of pupils for the current school year, weighted according to section
36.31 126C.05, subdivision 1, receiving benefits under section 123B.42 or 123B.44 or for which
36.32 the school is receiving reimbursement under section 124D.69;

37.1 (2) adding to the result in clause (1) an amount equal to the product of the formula
 37.2 allowance under section 126C.10, subdivision 2, less \$300 times the tribal contract
 37.3 compensation revenue pupil units;

37.4 (3) subtracting from the result in clause (2) the amount of money allotted to the school
 37.5 by the federal government through Indian School Equalization Program of the Bureau of
 37.6 Indian Affairs, according to Code of Federal Regulations, title 25, part 39, subparts A to E,
 37.7 for the basic program as defined by section 39.11, paragraph (b), for the base rate as applied
 37.8 to kindergarten through twelfth grade, excluding small school adjustments and additional
 37.9 weighting, but not money allotted through subparts F to L for contingency funds, school
 37.10 board training, student training, interim maintenance and minor repair, interim administration
 37.11 cost, prekindergarten, and operation and maintenance, and the amount of money that is
 37.12 received according to section 124D.69;

37.13 (4) dividing the result in clause (3) by the sum of the resident pupil units in average daily
 37.14 membership, excluding section 126C.05, subdivision 13, plus the tribal contract compensation
 37.15 revenue pupil units; and

37.16 (5) multiplying the sum of the resident pupil units, including section 126C.05, subdivision
 37.17 13, in average daily membership plus the tribal contract compensation revenue pupil units
 37.18 by the lesser of \$3,230 for fiscal ~~years 2016 to~~ year 2019 and ~~\$1,500~~ 51.17 percent of the
 37.19 formula allowance for fiscal year 2020 and later or the result in clause (4).

37.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

37.21 Sec. 12. Minnesota Statutes 2018, section 124D.862, subdivision 1, is amended to read:

37.22 Subdivision 1. **Initial achievement and integration revenue.** (a) An eligible district's
 37.23 initial achievement and integration revenue equals the lesser of 100.3 percent of the district's
 37.24 expenditures under the budget approved by the commissioner under section 124D.861,
 37.25 subdivision 3, paragraph (c), excluding expenditures used to generate incentive revenue
 37.26 under subdivision 2, or the sum of (1) \$350 times the district's adjusted pupil units for that
 37.27 year times the ratio of the district's enrollment of protected students for the previous school
 37.28 year to total enrollment for the previous school year and (2) the greater of zero or 66 percent
 37.29 of the difference between the district's integration revenue for fiscal year 2013 and the
 37.30 district's integration revenue for fiscal year 2014 under clause (1).

37.31 (b) In each year, an amount equal to 0.3 percent of each district's initial achievement
 37.32 and integration revenue for the second prior fiscal year is transferred to the department for
 37.33 the oversight and accountability activities required under this section and section 124D.861.

38.1 Sec. 13. Minnesota Statutes 2018, section 124D.862, subdivision 4, is amended to read:

38.2 Subd. 4. **Achievement and integration aid.** For fiscal year 2015 and later, a district's
38.3 achievement and integration aid equals the sum of 70 percent of its achievement and
38.4 integration revenue and its achievement and integration equalization aid under subdivision
38.5 5a.

38.6 Sec. 14. Minnesota Statutes 2018, section 124D.862, subdivision 5, is amended to read:

38.7 Subd. 5. **Achievement and integration levy.** (a) A district's achievement and integration
38.8 levy revenue equals its achievement and integration revenue times 30 percent.

38.9 (b) A district's achievement and integration levy equals the product of (1) the achievement
38.10 and integration levy revenue, times (2) the lesser of one or the ratio of the district's adjusted
38.11 net tax capacity per adjusted pupil unit to 30 percent of the state average adjusted net tax
38.12 capacity per adjusted pupil unit.

38.13 (c) For Special School District No. 1, Minneapolis; Independent School District No.
38.14 625, St. Paul; and Independent School District No. 709, Duluth, 100 percent of the levy
38.15 certified under this subdivision is shifted into the prior calendar year for purposes of sections
38.16 123B.75, subdivision 5, and 127A.441.

38.17 Sec. 15. Minnesota Statutes 2018, section 124D.862, is amended by adding a subdivision
38.18 to read:

38.19 Subd. 5a. **Achievement and integration equalization aid.** A district's achievement and
38.20 integration equalization aid equals the district's achievement and integration levy revenue
38.21 minus the district's achievement and integration levy. If a district does not levy the entire
38.22 amount permitted, the achievement and integration equalization aid must be reduced in
38.23 proportion to the actual amount levied.

38.24 Sec. 16. Minnesota Statutes 2018, section 124D.98, is amended by adding a subdivision
38.25 to read:

38.26 Subd. 4. **Medium and high growth.** (a) The definitions in this subdivision apply to this
38.27 section.

38.28 (b) "Medium growth" is an assessment score within one-half standard deviation above
38.29 or below the average year-two assessment scores for students with similar year-one
38.30 assessment scores.

39.1 (c) "High growth" is an assessment score one-half standard deviation or more above the
39.2 average year-two assessment scores for students with similar year-one assessment scores.

39.3 **Sec. 17. AGRICULTURAL EDUCATOR GRANTS.**

39.4 Subdivision 1. **Grant program established.** A grant program is established to support
39.5 school districts in paying agricultural education teachers for work over the summer with
39.6 high school students in extended programs.

39.7 Subd. 2. **Application.** The commissioner of education shall develop the form and method
39.8 for applying for the grants. The commissioner shall develop criteria for determining the
39.9 allocation of the grants, including appropriate goals for the use of the grants.

39.10 Subd. 3. **Grant awards.** Grant funding under this section must be matched by funding
39.11 from the school district for the agricultural education teacher's summer employment. Grant
39.12 funding for each teacher is limited to the one-half share of 40 working days.

39.13 Subd. 4. **Reports.** School districts that receive grant funds shall report to the
39.14 commissioner of education no later than December 31 of each year regarding the number
39.15 of teachers funded by the grant program and the outcomes compared to the goals established
39.16 in the grant application. The commissioner of education shall develop the criteria necessary
39.17 for the reports.

39.18 **Sec. 18. INNOVATION RESEARCH ZONES PILOT PROGRAM.**

39.19 Subdivision 1. **Establishment; requirements for participation; research zone plans.** (a)
39.20 The innovation research zone pilot program is established to improve student and school
39.21 outcomes consistent with the world's best workforce requirements under Minnesota Statutes,
39.22 section 120B.11. Innovation zone partnerships allow school districts and charter schools to
39.23 research and implement innovative education programming models designed to better
39.24 prepare students for the world.

39.25 (b) One or more school districts or charter schools may join together to form an innovation
39.26 zone partnership. The partnership may include other nonschool partners, including
39.27 postsecondary institutions, other units of local government, nonprofit organizations, and
39.28 for-profit organizations. An innovation zone plan must be collaboratively developed with
39.29 a school's instructional staff.

39.30 (c) An innovation research zone partnership must research and implement innovative
39.31 education programs and models that are based on proposed hypotheses. An innovation zone

40.1 plan may include an emerging practice not yet supported by peer-reviewed research.

40.2 Examples of innovation zone research include:

40.3 (1) personalized learning allowing students to excel at their own pace and according to
40.4 their interests, aspirations, and unique needs;

40.5 (2) the use of competency outcomes rather than seat time and course completion to fulfill
40.6 standards, credits, and other graduation requirements;

40.7 (3) multidisciplinary, real-world, inquiry-based, and student-directed models designed
40.8 to make learning more engaging and relevant, including documenting and validating learning
40.9 that takes place beyond the school day and school walls;

40.10 (4) models of instruction designed to close the achievement gap, including new models
40.11 for age three to grade 3 models, English as a second language models, early identification
40.12 and prevention of mental health issues, and others;

40.13 (5) partnerships between secondary schools and postsecondary institutions, employers,
40.14 or career training institutions enabling students to complete industry certifications,
40.15 postsecondary education credits, and other credentials;

40.16 (6) new methods of collaborative leadership including the expansion of schools where
40.17 teachers have larger professional roles;

40.18 (7) new ways to enhance parental and community involvement in learning;

40.19 (8) new models of professional development for educators, including embedded
40.20 professional development; or

40.21 (9) new models in other areas such as whole child instruction, social-emotional skill
40.22 development, technology-based or blended learning, parent and community involvement,
40.23 professional development and mentoring, and models that increase return on investment.

40.24 (d) The governing board for each innovation zone partner must approve an innovation
40.25 zone plan. An innovation zone plan submitted to the commissioner for approval must
40.26 describe:

40.27 (1) how the plan will improve student and school outcomes consistent with the world's
40.28 best workforce requirements under Minnesota Statutes, section 120B.11;

40.29 (2) the role of each partner in the innovation zone;

40.30 (3) the research methodology used for each proposed action in the plan;

41.1 (4) the innovation zone partnership's proposed exemptions from statutes and rules under
 41.2 subdivision 2;

41.3 (5) how the proposed planning and implementation process includes teachers and other
 41.4 educational staff from the affected school sites;

41.5 (6) expected outcomes and graduation standards;

41.6 (7) a timeline for implementing the plan and assessing outcomes; and

41.7 (8) how results of the plan will be disseminated.

41.8 (e) Upon unanimous approval by the initial innovation zone partners and approval by
 41.9 the commissioner of education, the innovation zone partnership may extend membership
 41.10 to other partners. A new partner's membership is effective 30 days after the innovation zone
 41.11 partnership notifies the commissioner of the proposed change in membership, unless the
 41.12 commissioner disapproves the new partner's membership.

41.13 (f) Notwithstanding any other law to the contrary, a school district or charter school
 41.14 participating in an innovation zone partnership under this section continues to receive all
 41.15 revenue and maintains its taxation authority in the same manner as prior to participation in
 41.16 the innovation zone partnership. The innovation zone school district and charter school
 41.17 partners remain organized and governed by their respective school boards with general
 41.18 powers under Minnesota Statutes, chapter 123B or 124E, and remain subject to any
 41.19 employment agreements under Minnesota Statutes, chapters 122A and 179A. School district
 41.20 and charter school employees participating in an innovation zone partnership remain
 41.21 employees of their respective school district or charter school.

41.22 (g) An innovation zone partnership may submit its plan at any time to the commissioner
 41.23 in the form and manner specified by the commissioner. The commissioner must approve
 41.24 or reject the plan after reviewing the recommendation of the Innovation Research Zone
 41.25 Advisory Panel. An innovation zone partnership may resubmit a previously rejected plan
 41.26 after modifying the plan to meet each individually identified objection.

41.27 Subd. 2. Exemptions from laws and rules. (a) Notwithstanding any other law to the
 41.28 contrary, an innovation zone partner with an approved plan is exempt from each of the
 41.29 following state education laws and rules specifically identified in its plan:

41.30 (1) a law or rule from which a district-created, site-governed school under Minnesota
 41.31 Statutes, section 123B.045, is exempt;

42.1 (2) a statute or rule from which the commissioner has exempted another district or charter
 42.2 school, as identified in the list published on the Department of Education's website under
 42.3 subdivision 4, paragraph (b);

42.4 (3) online learning program approval under Minnesota Statutes, section 124D.095,
 42.5 subdivision 7, if the school district or charter school offers a course or program online
 42.6 combined with direct access to a teacher for a portion of that course or program;

42.7 (4) restrictions on extended time revenue under Minnesota Statutes, section 126C.10,
 42.8 subdivision 2a, for a student who meets the criteria of Minnesota Statutes, section 124D.68,
 42.9 subdivision 2; and

42.10 (5) required hours of instruction in a class or subject area for a student who is meeting
 42.11 all competencies consistent with the graduation standards described in the innovation zone
 42.12 plan.

42.13 (b) The exemptions under this subdivision must not be construed as exempting an
 42.14 innovation zone partner from the Minnesota Comprehensive Assessments.

42.15 Subd. 3. **Innovation Research Zone Advisory Panel.** (a) The commissioner must
 42.16 establish and convene an Innovation Research Zone Advisory Panel to review all innovation
 42.17 zone plans submitted for approval.

42.18 (b) The panel must be composed of nine members. The commissioner must appoint one
 42.19 member with expertise in evaluation and research. One member must be appointed by each
 42.20 of the following organizations: Educators for Excellence, Education Minnesota, Minnesota
 42.21 Association of Secondary School Principals, Minnesota Elementary School Principals'
 42.22 Association, Minnesota Association of School Administrators, Minnesota School Boards
 42.23 Association, Minnesota Association of Charter Schools, and the Office of Higher Education.

42.24 Subd. 4. **Commissioner approval.** (a) Upon recommendation of the Innovation Research
 42.25 Zone Advisory Panel, the commissioner may approve up to three innovation zone plans in
 42.26 the seven-county metropolitan area and up to three in greater Minnesota. If an innovation
 42.27 zone partnership fails to implement its innovation zone plan as described in its application
 42.28 and according to the stated timeline, upon recommendation of the Innovation Research
 42.29 Zone Advisory Panel, the commissioner must alert the partnership members and provide
 42.30 the opportunity to remediate. If implementation continues to fail, the commissioner must
 42.31 suspend or terminate the innovation zone plan.

43.1 (b) The commissioner must publish a list of the exemptions granted to a district or charter
 43.2 school on the Department of Education's website by July 1, 2020. The list must be updated
 43.3 annually.

43.4 Subd. 5. **Project evaluation; dissemination; report to legislature.** Each innovation
 43.5 zone partnership must submit project data to the commissioner in the form and manner
 43.6 provided for in the approved application. At least once every two years, the commissioner
 43.7 must analyze each innovation zone's progress in meeting the objectives of the innovation
 43.8 zone plan. The commissioner must summarize and categorize innovation zone plans and
 43.9 submit a report to the legislative committees having jurisdiction over education by February
 43.10 1 of each odd-numbered year in accordance with Minnesota Statutes, section 3.195.

43.11 Sec. 19. **RURAL CAREER AND TECHNICAL EDUCATION CONSORTIUM**
 43.12 **GRANTS.**

43.13 Subdivision 1. **Definition.** "Rural career and technical education (CTE) consortium"
 43.14 means a voluntary collaboration of a service cooperative and other regional public and
 43.15 private partners, including school districts and higher education institutions, that work
 43.16 together to provide career and technical education opportunities within the service
 43.17 cooperative's multicounty service area.

43.18 Subd. 2. **Establishment.** (a) A rural CTE consortium shall:

43.19 (1) focus on the development of courses and programs that encourage collaboration
 43.20 between two or more school districts;

43.21 (2) develop new career and technical programs that focus on industry sectors that fuel
 43.22 the rural regional economy;

43.23 (3) facilitate the development of highly trained and knowledgeable students who are
 43.24 equipped with technical and workplace skills needed by regional employers;

43.25 (4) improve access to career and technical education programs for students who attend
 43.26 sparsely populated rural school districts by developing public and private partnerships with
 43.27 business and industry leaders and by increasing coordination of high school and
 43.28 postsecondary program options;

43.29 (5) increase family and student awareness of the availability and benefit of career and
 43.30 technical education courses and training opportunities; and

43.31 (6) provide capital start-up costs for items including but not limited to a mobile welding
 43.32 lab, medical equipment and lab, and industrial kitchen equipment.

44.1 (b) In addition to the requirements in paragraph (a), a rural CTE consortium may:

44.2 (1) address the teacher shortage in career and technical education through incentive
44.3 funding and training programs; and

44.4 (2) provide transportation reimbursement grants to provide equitable opportunities
44.5 throughout the region for students to participate in career and technical education.

44.6 Subd. 3. **Rural career and technical education advisory committee.** In order to be
44.7 eligible for a grant under this section, a service cooperative must establish a rural career
44.8 and technical education advisory committee to advise the cooperative on administering the
44.9 rural CTE consortium.

44.10 Subd. 4. **Private funding.** A rural CTE consortium may receive other sources of funds
44.11 to supplement state funding. All funds received shall be administered by a service cooperative
44.12 that is a member of the consortium.

44.13 Subd. 5. **Reporting requirements.** A rural CTE consortium must submit an annual
44.14 report on the progress of its activities to the commissioner of education and the legislative
44.15 committees with jurisdiction over secondary and postsecondary education. The annual report
44.16 must contain a financial report for the preceding fiscal year. The first report is due no later
44.17 than January 15, 2021.

44.18 Subd. 6. **Grant recipients.** For fiscal years 2020 and 2021, the commissioner shall award
44.19 a two-year grant to the consortium that is a collaboration of the Southwest/West Central
44.20 Service Cooperative (SWWC), Southwest Minnesota State University, Minnesota West
44.21 Community and Technical College, Ridgewater College, and other regional public and
44.22 private partners. For fiscal years 2020 and 2021, the commissioner shall award a two-year
44.23 grant to an applicant consortium that includes the South Central Service Cooperative or
44.24 Southeast Service Cooperative and a two-year grant to an applicant consortium that includes
44.25 the Northwest Service Cooperative or Northeast Service Cooperative.

44.26 Sec. 20. **APPROPRIATIONS.**

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

44.30 Subd. 2. **Achievement and integration aid.** For achievement and integration aid under
44.31 Minnesota Statutes, section 124D.862:

45.1 \$ 80,802,000 2020

45.2 \$ 83,545,000 2021

45.3 The 2020 appropriation includes \$7,072,000 for 2019 and \$73,730,000 for 2020.

45.4 The 2021 appropriation includes \$8,192,000 for 2020 and \$75,353,000 for 2021.

45.5 Subd. 3. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes,
45.6 section 124D.98:

45.7 \$ 45,415,000 2020

45.8 \$ 45,271,000 2021

45.9 The 2020 appropriation includes \$4,595,000 for 2019 and \$40,820,000 for 2020.

45.10 The 2021 appropriation includes \$4,535,000 for 2020 and \$40,736,000 for 2021.

45.11 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
45.12 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
45.13 section 124D.87:

45.14 \$ 15,840,000 2020

45.15 \$ 16,654,000 2021

45.16 Subd. 5. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes,
45.17 section 124D.83:

45.18 \$ 3,504,000 2020

45.19 \$ 3,958,000 2021

45.20 The 2020 appropriation includes \$304,000 for 2019 and \$3,200,000 for 2020.

45.21 The 2021 appropriation includes \$356,000 for 2020 and \$3,602,000 for 2021.

45.22 Subd. 6. **American Indian education aid.** For American Indian education aid under
45.23 Minnesota Statutes, section 124D.81, subdivision 2a:

45.24 \$ 9,719,000 2020

45.25 \$ 9,901,000 2021

45.26 The 2020 appropriation includes \$959,000 for 2019 and \$8,760,000 for 2020.

45.27 The 2021 appropriation includes \$973,000 for 2020 and \$8,828,000 for 2021.

45.28 Subd. 7. **Early childhood literacy programs.** (a) For early childhood literacy programs
45.29 under Minnesota Statutes, section 119A.50, subdivision 3:

45.30 \$ 7,950,000 2020

45.31 \$ 7,950,000 2021

46.1 (b) Up to \$7,950,000 each year is for leveraging federal and private funding to support
 46.2 AmeriCorps members serving in the Minnesota reading corps program established by
 46.3 ServeMinnesota, including costs associated with training and teaching early literacy skills
 46.4 to children ages three through grade 3 and evaluating the impact of the program under
 46.5 Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

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

46.7 Subd. 8. **Concurrent enrollment program.** For concurrent enrollment programs under
 46.8 Minnesota Statutes, section 124D.091:

46.9 \$ 4,000,000 2020

46.10 \$ 4,000,000 2021

46.11 If the appropriation is insufficient, the commissioner must proportionately reduce the
 46.12 aid payment to each district.

46.13 Any balance in the first year does not cancel but is available in the second year.

46.14 Subd. 9. **Expanded concurrent enrollment grants.** For grants to institutions offering
 46.15 "Introduction to Teaching" or "Introduction to Education" college in the schools courses
 46.16 under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

46.17 \$ 558,000 2020

46.18 \$ 558,000 2021

46.19 The department may retain up to five percent of the appropriation amount to monitor
 46.20 and administer the grant program.

46.21 Subd. 10. **ServeMinnesota program.** For funding ServeMinnesota programs under
 46.22 Minnesota Statutes, sections 124D.37 to 124D.45:

46.23 \$ 900,000 2020

46.24 \$ 900,000 2021

46.25 A grantee organization may provide health and child care coverage to the dependents
 46.26 of each participant enrolled in a full-time ServeMinnesota program to the extent such
 46.27 coverage is not otherwise available.

46.28 Subd. 11. **Student organizations.** (a) For student organizations:

46.29 \$ 768,000 2020

46.30 \$ 768,000 2021

46.31 (b) \$46,000 each year is for student organizations serving health occupations (HOSA).

47.1 (c) \$100,000 each year is for student organizations serving trade and industry occupations
47.2 (Skills USA, secondary and postsecondary).

47.3 (d) \$95,000 each year is for student organizations serving business occupations (BPA,
47.4 secondary and postsecondary).

47.5 (e) \$193,000 each year is for student organizations serving agriculture occupations (FFA,
47.6 PAS).

47.7 (f) \$185,000 each year is for student organizations serving family and consumer science
47.8 occupations (FCCLA). Notwithstanding Minnesota Rules, part 3505.1000, subparts 28 and
47.9 31, the student organizations serving FCCLA shall continue to serve students younger than
47.10 grade 9.

47.11 (g) \$109,000 each year is for student organizations serving marketing occupations (DECA
47.12 and DECA collegiate).

47.13 (h) \$40,000 each year is for the Minnesota Foundation for Student Organizations.

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

47.15 Subd. 12. **Museums and education centers.** (a) For grants to museums and education
47.16 centers:

47.17 \$ 460,000 2020

47.18 \$ 460,000 2021

47.19 (b) \$319,000 each year is for the Minnesota Children's Museum. Of the amount in this
47.20 paragraph, \$50,000 each year is for the Minnesota Children's Museum, Rochester.

47.21 (c) \$50,000 each year is for the Duluth Children's Museum.

47.22 (d) \$41,000 each year is for the Minnesota Academy of Science.

47.23 (e) \$50,000 each year is for the Headwaters Science Center.

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

47.25 Subd. 13. **Starbase MN.** For a grant to Starbase MN for a rigorous science, technology,
47.26 engineering, and math (STEM) program providing students in grades 4 through 6 with a
47.27 multisensory learning experience and a hands-on curriculum in an aerospace environment
47.28 using state-of-the-art technology:

47.29 \$ 500,000 2020

47.30 \$ 500,000 2021

47.31 Any balance in the first year does not cancel but is available in the second year.

48.1 Subd. 14. Recovery program grants. For recovery program grants under Minnesota
48.2 Statutes, section 124D.695:

48.3 \$ 750,000 2020

48.4 \$ 750,000 2021

48.5 Any balance in the first year does not cancel but is available in the second year.

48.6 Subd. 15. Minnesota math corps program. For the Minnesota math corps program
48.7 under Minnesota Statutes, section 124D.42, subdivision 9:

48.8 \$ 500,000 2020

48.9 \$ 500,000 2021

48.10 Any balance in the first year does not cancel but is available in the second year.

48.11 Subd. 16. Minnesota Principals Academy. (a) For grants to the University of Minnesota
48.12 College of Education and Human Development for the operation of the Minnesota Principals
48.13 Academy:

48.14 \$ 200,000 2020

48.15 \$ 200,000 2021

48.16 (b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals
48.17 and school leaders from schools identified for intervention under the state's accountability
48.18 system as implemented to comply with the federal Every Student Succeeds Act. To the
48.19 extent funds are available, the Department of Education is encouraged to use up to \$200,000
48.20 of federal Title II funds to support additional participation in the Principals Academy by
48.21 principals and school leaders from schools identified for intervention under the state's
48.22 accountability system as implemented to comply with the federal Every Student Succeeds
48.23 Act.

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

48.25 Subd. 17. Charter school building lease aid. For building lease aid under Minnesota
48.26 Statutes, section 124E.22:

48.27 \$ 84,538,000 2020

48.28 \$ 90,071,000 2021

48.29 The 2020 appropriation includes \$7,886,000 for 2019 and \$76,652,000 for 2020.

48.30 The 2021 appropriation includes \$8,517,000 for 2020 and \$81,554,000 for 2021.

48.31 Subd. 18. Paraprofessional pathway to teacher licensure. (a) For grants to school
48.32 districts for Grow Your Own new teacher programs:

49.1 \$ 1,500,000 2020

49.2 \$ 1,500,000 2021

49.3 (b) Grants are for school districts and charter schools for a nonconventional teacher
 49.4 residency pilot program approved by the Professional Educator Licensing and Standards
 49.5 Board. The program must provide tuition scholarships or stipends to enable school district
 49.6 employees or community members affiliated with a school district who seek an education
 49.7 license to participate in a nonconventional teacher preparation program. School districts
 49.8 that receive funds under this subdivision must ensure a majority of candidates are of color
 49.9 or American Indian to participate in the Grow Your Own new teacher programs. School
 49.10 districts or charter schools providing financial support may require a commitment as
 49.11 determined by the district to teach in the district or school for a reasonable amount of time
 49.12 that does not exceed five years.

49.13 (c) School districts and charter schools may apply for grants to develop innovative,
 49.14 expanded Grow Your Own programs that encourage secondary school students to pursue
 49.15 teaching, including developing and offering dual-credit postsecondary course options in
 49.16 schools for "Introduction to Teaching" or "Introduction to Education" courses consistent
 49.17 with Minnesota Statutes, section 124D.09, subdivision 10.

49.18 (d) Programs must annually report to the commissioner by the date determined by the
 49.19 commissioner on their activities under this section, including the number of participants,
 49.20 the percentage of participants who are of color or American Indian, and an assessment of
 49.21 program effectiveness including participant feedback, areas for improvement, the percentage
 49.22 of participants continuing to pursue teacher licensure, and the number of participants hired
 49.23 in the school or district as teachers after completing preparation programs.

49.24 (e) The department may retain up to three percent of the appropriation amount to monitor
 49.25 and administer the grant program.

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

49.27 Subd. 19. **Statewide testing and reporting system.** For the statewide testing and
 49.28 reporting system under Minnesota Statutes, section 120B.30:

49.29 \$ 10,892,000 2020

49.30 \$ 10,877,000 2021

49.31 Any balance in the first year does not cancel but is available in the second year. The
 49.32 base for this appropriation in 2021 and later is \$10,892,000.

50.1 Subd. 20. College entrance examination reimbursement. To reimburse districts for
 50.2 students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph
 50.3 (e), for payment of their college entrance examination fee:

50.4 \$ 1,511,000 2020

50.5 \$ 1,511,000 2021

50.6 The commissioner must reimburse school districts for the costs for free or reduced-price
 50.7 meal eligible students who take the ACT or SAT test under Minnesota Statutes, section
 50.8 120B.30, subdivision 1.

50.9 Any balance in the first year does not cancel but is available in the second year.

50.10 Subd. 21. Alternative teacher compensation aid. For alternative teacher compensation
 50.11 aid under Minnesota Statutes, section 122A.415, subdivision 4:

50.12 \$ 89,558,000 2020

50.13 \$ 89,319,000 2021

50.14 The 2020 appropriation includes \$8,969,000 for 2019 and \$80,589,000 for 2020.

50.15 The 2021 appropriation includes \$8,954,000 for 2020 and \$80,365,000 for 2021.

50.16 Subd. 22. Collaborative urban and greater Minnesota educators of color program
 50.17 grants. (a) For collaborative urban and greater Minnesota educators of color program grants:

50.18 \$ 1,000,000 2020

50.19 \$ 1,000,000 2021

50.20 (b) By January 15 of each year, each institution shall prepare for the legislature a detailed
 50.21 report regarding the funds used to recruit, retain, and induct teacher candidates who are of
 50.22 color or who are American Indian. The report must include the total number of teacher
 50.23 candidates of color disaggregated by race or ethnic group, who are recruited to the institution,
 50.24 are newly admitted to the licensure program, are enrolled in the licensure program, have
 50.25 completed student teaching, have graduated, and are licensed and newly employed as
 50.26 Minnesota teachers in their licensure field. The total number of teacher candidates who are
 50.27 of color or American Indian at each stage from recruitment to licensed teaching must be
 50.28 reported as a percentage of total candidates seeking the same licensure at the institution.
 50.29 The report must include the graduation rate for each cohort of teacher candidates, the
 50.30 placement rate for each graduating cohort of teacher candidates, and the retention rate for
 50.31 each graduating cohort of teacher candidates, among other program outcomes.

50.32 (c) The commissioner must award all collaborative urban educator grants through a
 50.33 competitive grant process. The competitive process must award grants based on program

51.1 benchmarks, including licensure rates, participation rates, and on-time graduation rates.
 51.2 Grants must only be awarded to teacher preparation programs approved by the Professional
 51.3 Educator Licensing and Standards Board, including alternative teacher preparation programs.

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

51.5 Subd. 23. Examination fees; teacher training and support programs. (a) For students'
 51.6 advanced placement and international baccalaureate examination fees under Minnesota
 51.7 Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and
 51.8 other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

51.9	<u>\$</u>	<u>4,500,000</u>	<u>.....</u>	<u>2020</u>
51.10	<u>\$</u>	<u>4,500,000</u>	<u>.....</u>	<u>2021</u>

51.11 (b) The advanced placement program shall receive 75 percent of the appropriation each
 51.12 year and the international baccalaureate program shall receive 25 percent of the appropriation
 51.13 each year. The department, in consultation with representatives of the advanced placement
 51.14 and international baccalaureate programs selected by the Advanced Placement Advisory
 51.15 Council and International Baccalaureate Minnesota, respectively, shall determine the amounts
 51.16 of the expenditures each year for examination fees and training and support programs for
 51.17 each program.

51.18 (c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least \$500,000
 51.19 each year is for teachers to attend subject matter summer training programs and follow-up
 51.20 support workshops approved by the advanced placement or international baccalaureate
 51.21 programs. The amount of the subsidy for each teacher attending an advanced placement or
 51.22 international baccalaureate summer training program or workshop shall be the same. The
 51.23 commissioner shall determine the payment process and the amount of the subsidy.

51.24 (d) The commissioner shall pay all examination fees for all students of low-income
 51.25 families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent of
 51.26 available appropriations, shall also pay examination fees for students sitting for an advanced
 51.27 placement examination, international baccalaureate examination, or both.

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

51.29 Subd. 24. Grants to increase science, technology, engineering, and math course
 51.30 offerings. For grants to schools to encourage low-income and other underserved students
 51.31 to participate in advanced placement and international baccalaureate programs according
 51.32 to Minnesota Statutes, section 120B.132:

52.1 \$ 250,000 2020

52.2 \$ 250,000 2021

52.3 Any balance in the first year does not cancel but is available in the second year.

52.4 Subd. 25. **Agricultural educator grants.** For agricultural educator grants under Laws

52.5 2017, First Special Session chapter 5, article 2, section 51:

52.6 \$ 250,000 2020

52.7 \$ 250,000 2021

52.8 Any balance in the first year does not cancel but is available in the second year.

52.9 Subd. 26. **American Indian teacher preparation grants.** For joint grants to assist

52.10 people who are American Indian to become teachers under Minnesota Statutes, section

52.11 122A.63:

52.12 \$ 460,000 2020

52.13 \$ 460,000 2021

52.14 Subd. 27. **Rural career and technical education consortium.** (a) For rural career and

52.15 technical education consortium grants:

52.16 \$ 3,000,000 2020

52.17 \$ 3,000,000 2021

52.18 If the appropriation in the first year is insufficient, the 2021 appropriation is available.

52.19 Subd. 28. **Statewide concurrent enrollment teacher training program.** For the

52.20 statewide concurrent enrollment teacher training program under Laws 2016, chapter 189,

52.21 article 25, section 58, as amended:

52.22 \$ 375,000 2020

52.23 \$ 375,000 2021

52.24 Any balance in the first year does not cancel but is available in the second year.

52.25 Subd. 29. **Mentoring, induction, and retention incentive program grants for teachers**

52.26 **of color.** (a) For the development and expansion of mentoring, induction, and retention

52.27 programs for teachers of color or American Indian teachers under Minnesota Statutes,

52.28 section 122A.70:

52.29 \$ 2,000,000 2020

52.30 \$ 2,000,000 2021

53.1 (b) The department may retain up to five percent of the appropriation to monitor and
 53.2 administer the grant program. Any balance in the first year does not cancel but is available
 53.3 in the second year.

53.4 Subd. 30. Tribal Nations Education Committee. For a grant to the Tribal Nations
 53.5 Education Committee under Minnesota Statutes, section 124D.79:

53.6 \$ 150,000 2020

53.7 \$ 150,000 2021

53.8 Subd. 31. Grants to teacher candidates. (a) For transfer to the commissioner of the
 53.9 Office of Higher Education for grants to teacher candidates under Minnesota Statutes,
 53.10 section 136A.1275:

53.11 \$ 1,817,500 2020

53.12 \$ 1,817,500 2021

53.13 (b) The commissioner of the Office of Higher Education may use no more than three
 53.14 percent of the appropriation for administration of the program.

53.15 Subd. 32. Full-service community schools. (a) For full-service community schools
 53.16 under Minnesota Statutes, section 124D.231:

53.17 \$ 2,000,000 2020

53.18 \$ 2,000,000 2021

53.19 (b) Up to five percent of this appropriation is for administration of this program. Any
 53.20 balance in the first year does not cancel but is available in the second year.

53.21 Subd. 33. Grants to support students experiencing homelessness. (a) To provide
 53.22 grants to eligible school districts in order to address the needs of students experiencing
 53.23 homelessness:

53.24 \$ \$1,000,000 2020

53.25 \$ \$1,000,000 2021

53.26 (b) The department may retain up to five percent of the appropriation to monitor and
 53.27 administer the grant program. Any balance in the first year does not cancel but is available
 53.28 in the second year.

53.29 Sec. 21. REPEALER.

53.30 Minnesota Statutes 2018, sections 120B.299; and 120B.30, subdivision 1a, are repealed.

54.1 **ARTICLE 3**

54.2 **SPECIAL EDUCATION**

54.3 Section 1. Minnesota Statutes 2018, section 124E.21, subdivision 1, is amended to read:

54.4 Subdivision 1. **Special education aid.** (a) Except as provided in section 124E.23, special
54.5 education aid, excluding cross subsidy reduction aid under section 125A.76, subdivision
54.6 2e, must be paid to a charter school according to section 125A.76, as though it were a
54.7 school district.

54.8 (b) For fiscal year ~~2015~~ 2020 and later, the special education aid paid to the charter
54.9 school shall be adjusted as follows:

54.10 (1) if the charter school does not receive general education revenue on behalf of the
54.11 student according to section 124E.20, the aid shall be adjusted as provided in section
54.12 125A.11; ~~or~~

54.13 (2) if the charter school receives general education revenue on behalf of the student
54.14 according to section 124E.20, the aid shall be adjusted as provided in section 127A.47,
54.15 subdivision 7, paragraphs (b) to (e); or

54.16 (3) if the charter school receives general education revenue on behalf of the student
54.17 according to section 124E.20, it shall also receive an adjustment equal to five percent for
54.18 fiscal year 2020 or ten percent for fiscal year 2021 and later of the unreimbursed cost of
54.19 providing special education and services for the student.

54.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

54.21 Sec. 2. Minnesota Statutes 2018, section 125A.76, subdivision 1, is amended to read:

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

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

54.27 (c) "Essential personnel" means teachers, cultural liaisons, related services, and support
54.28 services staff providing services to students. Essential personnel may also include special
54.29 education paraprofessionals or clericals providing support to teachers and students by
54.30 preparing paperwork and making arrangements related to special education compliance
54.31 requirements, including parent meetings and individualized education programs. Essential
54.32 personnel does not include administrators and supervisors.

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

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

55.5 (f) "Nonfederal special education expenditure" means all direct expenditures that are
55.6 necessary and essential to meet the district's obligation to provide special instruction and
55.7 services to children with a disability according to sections 124D.454, 125A.03 to 125A.24,
55.8 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by the
55.9 department under section 125A.75, subdivision 4, excluding expenditures:

55.10 (1) reimbursed with federal funds;

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

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

55.13 (4) for facilities;

55.14 (5) for pupil transportation; and

55.15 (6) for postemployment benefits.

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

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

55.23 (i) "Special education aid increase limit" means \$80 for fiscal year 2016, \$100 for fiscal
55.24 year 2017, and, for fiscal year 2018 and later, the sum of the special education aid increase
55.25 limit for the previous fiscal year and \$40.

55.26 (j) "District" means a school district, a charter school, or a cooperative unit as defined
55.27 in section 123A.24, subdivision 2. Notwithstanding section 123A.26, cooperative units as
55.28 defined in section 123A.24, subdivision 2, are eligible to receive special education aid under
55.29 this section and section 125A.79.

55.30 (k) "Initial special education cross subsidy" means the greater of zero or:

55.31 (1) the nonfederal special education expenditure under paragraph (f); plus

56.1 (2) the cost of providing transportation services for pupils with disabilities under section
 56.2 123B.92, subdivision 1, paragraph (b), clause (4); minus

56.3 (3) the special education aid under subdivision 2c and sections 125A.11, subdivision 1,
 56.4 and 127A.47, subdivision 7; minus

56.5 (4) the amount of general education revenue, excluding local optional revenue, plus
 56.6 local optional aid and referendum equalization aid attributable to pupils receiving special
 56.7 instruction and services outside the regular classroom for more than 60 percent of the school
 56.8 day for the portion of time the pupils receive special instruction and services outside the
 56.9 regular classroom, excluding portions attributable to district and school administration,
 56.10 district support services, operations and maintenance, capital expenditures, and pupil
 56.11 transportation.

56.12 (l) The "minimum aid adjustment multiplier" for fiscal year 2020 equals 1.046. For fiscal
 56.13 year 2021 and later, the minimum aid adjustment multiplier equals the greater of 1.02 or
 56.14 the minimum aid adjustment multiplier for the previous year minus 0.02.

56.15 (m) The "minimum aid adjustment factor" for fiscal year 2020 equals the program growth
 56.16 factor for fiscal year 2020. For fiscal year 2021 and later, the minimum aid adjustment factor
 56.17 equals the product of the minimum aid adjustment factor for the previous fiscal year and
 56.18 the minimum aid adjustment multiplier.

56.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

56.20 Sec. 3. Minnesota Statutes 2018, section 125A.76, subdivision 2c, is amended to read:

56.21 Subd. 2c. **Special education aid.** (a) For fiscal year ~~2016~~ 2020 and later, a district's
 56.22 special education aid equals the sum of the district's special education initial aid under
 56.23 subdivision 2a, the district's cross subsidy reduction aid under subdivision 2e, and the
 56.24 district's excess cost aid under section 125A.79, subdivision 5.

56.25 ~~(b) Notwithstanding paragraph (a), for fiscal year 2016, the special education aid for a~~
 56.26 ~~school district must not exceed the sum of the special education aid the district would have~~
 56.27 ~~received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76 and 125A.79,~~
 56.28 ~~as adjusted according to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision~~
 56.29 ~~7, and the product of the district's average daily membership served and the special education~~
 56.30 ~~aid increase limit.~~

56.31 ~~(e)~~ (b) Notwithstanding paragraph (a), for fiscal year ~~2017~~ and later, the special education
 56.32 aid for a school district, excluding the cross subsidy reduction aid under subdivision 2e,
 56.33 must not exceed the greater of:

57.1 (i) the sum of 54.3 percent for fiscal years 2020 and 2021 or 56.3 percent for fiscal years
 57.2 2022 and later of the district's nonfederal special education expenditures plus 95 percent of
 57.3 the district's cost of providing transportation services for children with disabilities under
 57.4 section 123B.92, subdivision 1, paragraph (b), clause (4), plus the adjustment under sections
 57.5 125A.11 and 127A.47, subdivision 7; or

57.6 (ii) the sum of: (i) (A) the product of the district's average daily membership served and
 57.7 the special education aid increase limit and (ii) (B) the product of the sum of the special
 57.8 education aid the district would have received for fiscal year 2016 under Minnesota Statutes
 57.9 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012,
 57.10 sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's average daily
 57.11 membership served for the current fiscal year to the district's average daily membership
 57.12 served for fiscal year 2016, and the program growth factor.

57.13 ~~(d)~~ (c) Notwithstanding paragraph (a), for fiscal year 2016 2020 and later the special
 57.14 education aid, excluding the cross subsidy reduction aid under subdivision 2e, for a school
 57.15 district, not including a charter school or cooperative unit as defined in section 123A.24,
 57.16 must not be less than the lesser of (1) the sum of 80 percent for fiscal year 2020, 75 percent
 57.17 for fiscal year 2021, and 70 percent for fiscal year 2022 and later of the district's nonfederal
 57.18 special education expenditures plus 100 percent of the district's cost of providing
 57.19 transportation services for children with disabilities under section 123B.92, subdivision 1,
 57.20 paragraph (b), clause (4), plus the adjustment under sections 125A.11 and 127A.47,
 57.21 subdivision 7, for that fiscal year or (2) the product of the sum of the special education aid
 57.22 the district would have received for fiscal year 2016 under Minnesota Statutes 2012, sections
 57.23 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012, sections 125A.11
 57.24 and 127A.47, subdivision 7, the ratio of the district's adjusted daily membership for the
 57.25 current fiscal year to the district's average daily membership for fiscal year 2016, and the
 57.26 program growth minimum aid adjustment factor.

57.27 (e) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first year
 57.28 of operation shall generate special education aid based on current year data. A newly formed
 57.29 cooperative unit as defined in section 123A.24 may apply to the commissioner for approval
 57.30 to generate special education aid for its first year of operation based on current year data,
 57.31 with an offsetting adjustment to the prior year data used to calculate aid for programs at
 57.32 participating school districts or previous cooperatives that were replaced by the new
 57.33 cooperative. The department shall establish procedures to adjust the prior year data and
 57.34 fiscal year 2016 old formula aid used in calculating special education aid to exclude costs

58.1 that have been eliminated for districts where programs have closed or where a substantial
58.2 portion of the program has been transferred to a cooperative unit.

58.3 (f) The department shall establish procedures through the uniform financial accounting
58.4 and reporting system to identify and track all revenues generated from third-party billings
58.5 as special education revenue at the school district level; include revenue generated from
58.6 third-party billings as special education revenue in the annual cross-subsidy report; and
58.7 exclude third-party revenue from calculation of excess cost aid to the districts.

58.8 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

58.9 Sec. 4. Minnesota Statutes 2018, section 125A.76, is amended by adding a subdivision to
58.10 read:

58.11 **Subd. 2e. Cross subsidy reduction aid.** (a) A school district's annual cross subsidy
58.12 reduction aid equals the school district's initial special education cross subsidy for the
58.13 previous fiscal year times the cross subsidy aid factor for that fiscal year.

58.14 **(b) The cross subsidy aid factor equals 2.16 percent for fiscal year 2020, 5.42 percent**
58.15 **for fiscal year 2021, and 5.5 percent for fiscal year 2022 and later.**

58.16 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

58.17 Sec. 5. Minnesota Statutes 2018, section 127A.47, subdivision 7, is amended to read:

58.18 **Subd. 7. Alternative attendance programs.** (a) The general education aid and special
58.19 education aid for districts must be adjusted for each pupil attending a nonresident district
58.20 under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The adjustments
58.21 must be made according to this subdivision.

58.22 (b) For purposes of this subdivision, the "unreimbursed cost of providing special
58.23 education and services" means the difference between: (1) the actual cost of providing
58.24 special instruction and services, including special transportation and unreimbursed building
58.25 lease and debt service costs for facilities used primarily for special education, for a pupil
58.26 with a disability, as defined in section 125A.02, or a pupil, as defined in section 125A.51,
58.27 who is enrolled in a program listed in this subdivision, minus (2) if the pupil receives special
58.28 instruction and services outside the regular classroom for more than 60 percent of the school
58.29 day, the amount of general education revenue, excluding local optional revenue, plus local
58.30 optional aid and referendum equalization aid as defined in section 125A.11, subdivision 1,
58.31 paragraph (d), attributable to that pupil for the portion of time the pupil receives special
58.32 instruction and services outside of the regular classroom, excluding portions attributable to

59.1 district and school administration, district support services, operations and maintenance,
59.2 capital expenditures, and pupil transportation, minus (3) special education aid under section
59.3 125A.76 attributable to that pupil, that is received by the district providing special instruction
59.4 and services. For purposes of this paragraph, general education revenue and referendum
59.5 equalization aid attributable to a pupil must be calculated using the serving district's average
59.6 general education revenue and referendum equalization aid per adjusted pupil unit.

59.7 (c) For fiscal year ~~2015 and later~~ 2020, special education aid paid to a resident district
59.8 must be reduced by an amount equal to ~~90~~ 85 percent of the unreimbursed cost of providing
59.9 special education and services. For fiscal year 2021 and later, special education aid paid to
59.10 a resident district must be reduced by an amount equal to 80 percent of the unreimbursed
59.11 cost of providing special education and services.

59.12 (d) Notwithstanding paragraph (c), special education aid paid to a resident district must
59.13 be reduced by an amount equal to 100 percent of the unreimbursed cost of special education
59.14 and services provided to students at an intermediate district, cooperative, or charter school
59.15 where the percent of students eligible for special education services is at least 70 percent
59.16 of the charter school's total enrollment.

59.17 (e) Notwithstanding paragraph (c), special education aid paid to a resident district must
59.18 be reduced under paragraph (d) for students at a charter school receiving special education
59.19 aid under section 124E.21, subdivision 3, calculated as if the charter school received special
59.20 education aid under section 124E.21, subdivision 1.

59.21 (f) Special education aid paid to the district or cooperative providing special instruction
59.22 and services for the pupil, or to the fiscal agent district for a cooperative, must be increased
59.23 by the amount of the reduction in the aid paid to the resident district under paragraphs (c)
59.24 and (d). If the resident district's special education aid is insufficient to make the full
59.25 adjustment under paragraphs (c), (d), and (e), the remaining adjustment shall be made to
59.26 other state aids due to the district.

59.27 (g) Notwithstanding paragraph (a), general education aid paid to the resident district of
59.28 a nonspecial education student for whom an eligible special education charter school receives
59.29 general education aid under section 124E.20, subdivision 1, paragraph (c), must be reduced
59.30 by an amount equal to the difference between the general education aid attributable to the
59.31 student under section 124E.20, subdivision 1, paragraph (c), and the general education aid
59.32 that the student would have generated for the charter school under section 124E.20,
59.33 subdivision 1, paragraph (a). For purposes of this paragraph, "nonspecial education student"

60.1 means a student who does not meet the definition of pupil with a disability as defined in
60.2 section 125A.02 or the definition of a pupil in section 125A.51.

60.3 (h) An area learning center operated by a service cooperative, intermediate district,
60.4 education district, or a joint powers cooperative may elect through the action of the
60.5 constituent boards to charge the resident district tuition for pupils rather than to have the
60.6 general education revenue paid to a fiscal agent school district. Except as provided in
60.7 paragraph (f), the district of residence must pay tuition equal to at least 90 and no more than
60.8 100 percent of the district average general education revenue per pupil unit minus an amount
60.9 equal to the product of the formula allowance according to section 126C.10, subdivision 2,
60.10 times .0466, calculated without compensatory revenue, local optional revenue, and
60.11 transportation sparsity revenue, times the number of pupil units for pupils attending the area
60.12 learning center.

60.13 **Sec. 6. APPROPRIATIONS.**

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

60.17 **Subd. 2. Special education; regular.** For special education aid under Minnesota Statutes,
60.18 section 125A.75:

60.19 \$ 1,607,672,000 2020

60.20 \$ 1,752,527,000 2021

60.21 The 2020 appropriation includes \$183,528,000 for 2019 and \$1,424,144,000 for 2020.

60.22 The 2021 appropriation includes \$200,479,000 for 2020 and \$1,552,048,000 for 2021.

60.23 **Subd. 3. Aid for children with disabilities.** For aid under Minnesota Statutes, section
60.24 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
60.25 the district boundaries for whom no district of residence can be determined:

60.26 \$ 1,382,000 2020

60.27 \$ 1,564,000 2021

60.28 If the appropriation for either year is insufficient, the appropriation for the other year is
60.29 available.

60.30 **Subd. 4. Travel for home-based services.** For aid for teacher travel for home-based
60.31 services under Minnesota Statutes, section 125A.75, subdivision 1:

62.1 certificates or notes may be issued by resolution and without the requirement for an election.

62.2 The certificates or notes are general obligation bonds for purposes of section 126C.55.

62.3 (c) A tax levy must be made for the payment of the principal and interest on the
 62.4 certificates or notes, in accordance with section 475.61, as in the case of bonds. The sum
 62.5 of the tax levies under this section and section 123B.62 for each year must not exceed the
 62.6 lesser of the sum of the amount of the district's total operating capital revenue and safe
 62.7 schools revenue or the sum of the district's levy in the general and community service funds
 62.8 excluding the adjustments under this section for the year preceding the year the initial debt
 62.9 service levies are certified.

62.10 (d) The district's general fund levy for each year must be reduced by the sum of:

62.11 (1) the amount of the tax levies for debt service certified for each year for payment of
 62.12 the principal and interest on the certificates or notes issued under this section as required
 62.13 by section 475.61₂;

62.14 (2) the amount of the tax levies for debt service certified for each year for payment of
 62.15 the principal and interest on bonds issued under section 123B.62₂; and

62.16 (3) any excess amount in the debt redemption fund used to retire bonds, certificates, or
 62.17 notes issued under this section or section 123B.62 after April 1, 1997, other than amounts
 62.18 used to pay capitalized interest.

62.19 (e) If the district's general fund levy is less than the amount of the reduction, the balance
 62.20 shall be deducted first from the district's community service fund levy, and next from the
 62.21 district's general fund or community service fund levies for the following year.

62.22 (f) A district using an excess amount in the debt redemption fund to retire the certificates
 62.23 or notes shall report the amount used for this purpose to the commissioner by July 15 of the
 62.24 following fiscal year. A district having an outstanding capital loan under section 126C.69
 62.25 or an outstanding debt service loan under section 126C.68 must not use an excess amount
 62.26 in the debt redemption fund to retire the certificates or notes.

62.27 **EFFECTIVE DATE.** This section is effective July 1, 2019.

62.28 Sec. 2. Minnesota Statutes 2018, section 126C.44, is amended to read:

62.29 **126C.44 SAFE SCHOOLS LEVY REVENUE.**

62.30 **Subdivision 1. Safe schools revenue.** (a) Each district may make a levy on all taxable
 62.31 property located within the district for the purposes specified in this section. The maximum
 62.32 amount which may be levied for all costs under this section shall be equal to \$36 multiplied

63.1 by the district's adjusted pupil units for the school year. For fiscal year 2020 only, the initial
63.2 safe schools revenue for a school district equals the greater of \$45 times the district's adjusted
63.3 pupil units for the school year, or \$18,750.

63.4 (b) For fiscal year 2020 only, the cooperative safe schools revenue for a school district
63.5 that is a member of an intermediate school district equals \$18.75 times the district's adjusted
63.6 pupil units for the school year. For fiscal year 2020 only, the cooperative safe schools
63.7 revenue for a school district that is a member of a cooperative unit other than an intermediate
63.8 district that enrolls students equals \$3.75 times the district's adjusted pupil units for the
63.9 school year.

63.10 (c) For fiscal year 2021 and later, the initial safe schools revenue for a school district
63.11 equals the greater of \$54 times the district's adjusted pupil units for the school year, or
63.12 \$22,500.

63.13 (d) For fiscal year 2021 and later, the cooperative safe schools revenue for a school
63.14 district that is a member of an intermediate school district equals \$22.50 times the district's
63.15 adjusted pupil units for the school year. For fiscal year 2021 and later, the cooperative safe
63.16 schools revenue for a school district that is a member of a cooperative unit other than an
63.17 intermediate district that enrolls students equals \$7.50 times the district's adjusted pupil
63.18 units for the school year. Revenue raised under this paragraph and paragraph (b) must be
63.19 transferred to the intermediate school district or other cooperative unit of which the district
63.20 is a member and used only for costs associated with safe schools activities authorized under
63.21 subdivision 5, paragraph (a), clauses (1) to (10). If the district is a member of more than
63.22 one cooperative unit that enrolls students, the revenue must be allocated among the
63.23 cooperative units.

63.24 (e) For fiscal year 2020 and later, the safe schools revenue for a school district equals
63.25 the sum of the district's initial safe schools revenue and the district's cooperative safe schools
63.26 revenue.

63.27 Subd. 2. **Safe schools levy.** (a) For fiscal year 2020 only, a district's safe schools levy
63.28 equals \$36 times the district's adjusted pupil units for the school year.

63.29 (b) For fiscal year 2020 only, the safe schools levy for a school district that is a member
63.30 of an intermediate school district is increased by an amount equal to \$15 times the district's
63.31 adjusted pupil units for the school year.

63.32 (c) To obtain safe schools revenue for fiscal year 2021 and later, a district may levy an
63.33 amount not more than the product of its safe schools revenue for the fiscal year times the
63.34 lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to the safe

64.1 schools equalizing factor. The safe schools equalizing factor equals 123 percent of the state
 64.2 average adjusted net tax capacity per adjusted pupil unit for all school districts in the year
 64.3 preceding the year the levy is certified.

64.4 (d) For purposes of this subdivision, "adjusted net tax capacity" means the value described
 64.5 in section 126C.01, subdivision 2, paragraph (b).

64.6 Subd. 3. **Safe schools aid.** For fiscal year 2020, a district's safe schools aid equals its
 64.7 safe schools revenue minus its safe schools levy. For fiscal year 2021 and later, a district's
 64.8 safe schools aid equals its safe schools revenue minus its safe schools levy, times the ratio
 64.9 of the actual amount levied to the permitted levy.

64.10 Subd. 4. **Safe schools revenue for a charter school.** (a) For fiscal year 2020, safe
 64.11 schools revenue for a charter school equals \$9 times the adjusted pupil units for the school
 64.12 year. For fiscal year 2021 and later, safe schools revenue for a charter schools equals \$18
 64.13 times the adjusted pupil units for the school year.

64.14 (b) The revenue must be reserved and used only for costs associated with safe schools
 64.15 activities authorized under subdivision 5, paragraph (a), clauses (1) to (10), or for building
 64.16 lease expenses not funded by charter school building lease aid that are attributable to facility
 64.17 security enhancements made by the landlord after March 1, 2019.

64.18 Subd. 5. **Uses of safe schools revenue.** (a) ~~The proceeds of the levy~~ revenue must be
 64.19 reserved and used for directly funding the following purposes or for reimbursing the cities
 64.20 and counties who contract with the district for the following purposes:

64.21 (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace
 64.22 officers and sheriffs for liaison in services in the district's schools;

64.23 (2) to pay the costs for a drug abuse prevention program as defined in section 609.101,
 64.24 subdivision 3, paragraph (e), in the elementary schools;

64.25 (3) to pay the costs for a gang resistance education training curriculum in the district's
 64.26 schools;

64.27 (4) to pay the costs for security in the district's schools and on school property;

64.28 (5) to pay the costs for other crime prevention, drug abuse, student and staff safety,
 64.29 voluntary opt-in suicide prevention tools, and violence prevention measures taken by the
 64.30 school district;

65.1 (6) to pay costs for licensed school counselors, licensed school nurses, licensed school
 65.2 social workers, licensed school psychologists, and licensed alcohol and chemical dependency
 65.3 counselors to help provide early responses to problems;

65.4 (7) to pay for facility security enhancements including laminated glass, public
 65.5 announcement systems, emergency communications devices, and equipment and facility
 65.6 modifications related to violence prevention and facility security;

65.7 (8) to pay for costs associated with improving the school climate including professional
 65.8 development such as restorative practices, social-emotional learning, and other
 65.9 evidence-based practices; ~~or~~

65.10 (9) to pay costs for colocating and collaborating with mental health professionals who
 65.11 are not district employees or contractors; or

65.12 (10) by board resolution, to transfer money into the debt redemption fund to pay the
 65.13 amounts needed to meet, when due, principal and interest payments on obligations issued
 65.14 under sections 123B.61 and 123B.62 for purposes included in clause (7).

65.15 (b) For expenditures under paragraph (a), clause (1), the district must initially attempt
 65.16 to contract for services to be provided by peace officers or sheriffs with the police department
 65.17 of each city or the sheriff's department of the county within the district containing the school
 65.18 receiving the services. If a local police department or a county sheriff's department does
 65.19 not wish to provide the necessary services, the district may contract for these services with
 65.20 any other police or sheriff's department located entirely or partially within the school district's
 65.21 boundaries.

65.22 (c) A school district that is a member of an intermediate school district may include in
 65.23 its authority under this section the costs associated with safe schools activities authorized
 65.24 under paragraph (a) for intermediate school district programs. This authority must not exceed
 65.25 \$15 times the adjusted pupil units of the member districts. This authority is in addition to
 65.26 any other authority authorized under this section. Revenue raised under this paragraph must
 65.27 be transferred to the intermediate school district.

65.28 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

65.29 **Sec. 3. APPROPRIATIONS.**

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

66.1 Subd. 2. Debt service equalization aid. For debt service equalization aid under
 66.2 Minnesota Statutes, section 123B.53, subdivision 6:

66.3 \$ 20,684,000 2020

66.4 \$ 21,104,000 2021

66.5 The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

66.6 The 2021 appropriation includes \$2,043,000 for 2020 and \$19,061,000 for 2021.

66.7 Subd. 3. Long-term facilities maintenance equalized aid. For long-term facilities
 66.8 maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

66.9 \$ 105,352,000 2020

66.10 \$ 107,422,000 2021

66.11 The 2020 appropriation includes \$10,441,000 for 2019 and \$94,911,000 for 2020.

66.12 The 2021 appropriation includes \$10,546,000 for 2020 and \$96,876,000 for 2021.

66.13 Subd. 4. Equity in telecommunications access. (a) For equity in telecommunications
 66.14 access:

66.15 \$ 3,750,000 2020

66.16 \$ 3,750,000 2021

66.17 (b) If the appropriation amount is insufficient, the commissioner shall reduce the
 66.18 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
 66.19 revenue for fiscal years 2020 and 2021 shall be prorated.

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

66.21 Subd. 5. Early repayment aid incentive. (a) For incentive grants for a district that
 66.22 repays the full outstanding original principal on its capital loan by November 30, 2016,
 66.23 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by Laws
 66.24 2016, chapter 189, article 30, section 22:

66.25 \$ 2,350,000 2020

66.26 \$ 2,350,000 2021

66.27 (b) Of this amount, \$150,000 is for a grant to Independent School District No. 36,
 66.28 Kelliher; \$180,000 is for a grant to Independent School District No. 95, Cromwell; \$495,000
 66.29 is for a grant to Independent School District No. 299, Caledonia; \$220,000 is for a grant to
 66.30 Independent School District No. 306, Laporte; \$150,000 is for a grant to Independent School
 66.31 District No. 362, Littlefork; \$650,000 is for a grant to Independent School District No. 682,
 66.32 Roseau; and \$505,000 is for a grant to Independent School District No. 2580, East Central.

67.1 (c) The grant may be used for any school-related purpose.

67.2 (d) The base for fiscal year 2022 is \$0.

67.3 Subd. 6. **School safety aid.** Aid to school districts for building security improvements
 67.4 or to hire more counselors, school resource officers, or other student support staff under
 67.5 Minnesota Statutes, section 123B.61.

67.6 \$ 10,092,000 2020

67.7 \$ 16,168,000 2021

67.8 The 2020 appropriation includes \$0 for 2019 and \$10,092,000 for 2020.

67.9 The 2021 appropriation includes \$1,121,000 for 2020 and \$15,047,000 for 2021.

67.10 Subd. 7. **Maximum effort loan aid.** For aid payments to schools with outstanding capital
 67.11 loans under Minnesota Statutes, section 477A.09.

67.12 \$ 3,309,000 2020

67.13 \$ 3,309,000 2021

67.14 The base for fiscal year 2022 is \$3,309,000 and the base for fiscal year 2023 is \$0.

67.15 **ARTICLE 5**

67.16 **NUTRITION**

67.17 Section 1. **APPROPRIATIONS.**

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

67.21 Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
 67.22 and Code of Federal Regulations, title 7, section 210.17:

67.23 \$ 16,359,000 2020

67.24 \$ 16,629,000 2021

67.25 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes,
 67.26 section 124D.1158:

67.27 \$ 11,273,000 2020

67.28 \$ 11,733,000 2021

67.29 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
 67.30 section 124D.118:

69.1 funds available for this purpose. The commissioner shall make payments directly to the
69.2 regional public library system.

69.3 **Sec. 3. APPROPRIATIONS.**

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

69.7 **Subd. 2. Basic system support.** For basic system support aid under Minnesota Statutes,
69.8 section 134.355:

69.9 \$ 13,570,000 2020

69.10 \$ 13,570,000 2021

69.11 The 2020 appropriation includes \$1,357,000 for 2019 and \$12,213,000 for 2020.

69.12 The 2021 appropriation includes \$1,357,000 for 2020 and \$12,213,000 for 2021.

69.13 **Subd. 3. Multicounty, multitype library systems.** For aid under Minnesota Statutes,
69.14 sections 134.353 and 134.354, to multicounty, multitype library systems:

69.15 \$ 1,300,000 2020

69.16 \$ 1,300,000 2021

69.17 The 2020 appropriation includes \$130,000 for 2019 and \$1,170,000 for 2020.

69.18 The 2021 appropriation includes \$130,000 for 2020 and \$1,170,000 for 2021.

69.19 **Subd. 4. Electronic library for Minnesota.** For statewide licenses to online databases
69.20 selected in cooperation with the Minnesota Office of Higher Education for school media
69.21 centers, public libraries, state government agency libraries, and public or private college or
69.22 university libraries:

69.23 \$ 900,000 2020

69.24 \$ 900,000 2021

69.25 Any balance in the first year does not cancel but is available in the second year.

69.26 **Subd. 5. Regional library telecommunications aid.** For regional library
69.27 telecommunications aid under Minnesota Statutes, section 134.355:

69.28 \$ 2,300,000 2020

69.29 \$ 2,300,000 2021

69.30 The 2020 appropriation includes \$230,000 for 2019 and \$2,070,000 for 2020.

70.1 The 2021 appropriation includes \$230,000 for 2020 and \$2,070,000 for 2021.

70.2 **ARTICLE 7**

70.3 **EARLY CHILDHOOD AND FAMILY SUPPORT**

70.4 Section 1. Minnesota Statutes 2018, section 124D.151, subdivision 4, is amended to read:

70.5 Subd. 4. **Eligibility.** A child who is four years of age as of September 1 in the calendar
 70.6 year in which the school year commences is eligible to participate in a voluntary
 70.7 prekindergarten program free of charge. An eligible four-year-old child served in a
 70.8 mixed-delivery system by a child care center, family child care program licensed under
 70.9 section 245A.03, or community-based organization may be charged a fee as long as the
 70.10 mixed-delivery partner was not awarded a seat for that child. Each eligible child must
 70.11 complete a health and developmental screening within 90 days of program enrollment under
 70.12 sections 121A.16 to 121A.19, and provide documentation of required immunizations under
 70.13 section 121A.15.

70.14 Sec. 2. Minnesota Statutes 2018, section 124D.151, subdivision 5, is amended to read:

70.15 Subd. 5. **Application process; priority for high poverty schools.** (a) ~~To qualify for~~
 70.16 ~~program approval for fiscal year 2017, a district or charter school must submit an application~~
 70.17 ~~to the commissioner by July 1, 2016.~~ To qualify for program approval for fiscal year 2018
 70.18 ~~and later~~, a district or charter school must submit an application to the commissioner by
 70.19 January 30 of the fiscal year prior to the fiscal year in which the program will be
 70.20 implemented. The application must include:

70.21 (1) a description of the proposed program, including the number of hours per week the
 70.22 program will be offered at each school site or mixed-delivery location;

70.23 (2) an estimate of the number of eligible children to be served in the program at each
 70.24 school site or mixed-delivery location; and

70.25 (3) a statement of assurances signed by the superintendent or charter school director that
 70.26 the proposed program meets the requirements of subdivision 2.

70.27 (b) The commissioner must review all applications submitted ~~for fiscal year 2017 by~~
 70.28 ~~August 1, 2016, and must review all applications submitted for fiscal year 2018 and later~~
 70.29 by March 1 of the fiscal year in which the applications are received and determine whether
 70.30 each application meets the requirements of paragraph (a).

70.31 (c) The commissioner must divide all applications for new or expanded voluntary
 70.32 prekindergarten programs under this section meeting the requirements of paragraph (a) and

71.1 school readiness plus programs into ~~four~~ five groups as follows: the Minneapolis school
 71.2 district; ~~and the~~ St. Paul school ~~districts~~ district; other school districts located in the
 71.3 metropolitan equity region as defined in section 126C.10, subdivision 28; school districts
 71.4 located in the rural equity region as defined in section 126C.10, subdivision 28; and charter
 71.5 schools. Within each group, the applications must be ordered by rank using a sliding scale
 71.6 based on the following criteria:

71.7 (1) concentration of kindergarten students eligible for free or reduced-price lunches by
 71.8 school site on October 1 of the previous school year. A school site may contract to partner
 71.9 with a community-based provider or Head Start under subdivision 3 or establish an early
 71.10 childhood center and use the concentration of kindergarten students eligible for free or
 71.11 reduced-price meals from a specific school site as long as those eligible children are
 71.12 prioritized and guaranteed services at the mixed-delivery site or early education center. For
 71.13 school district programs to be operated at locations that do not have free and reduced-price
 71.14 lunch concentration data for kindergarten programs for October 1 of the previous school
 71.15 year, including mixed-delivery programs, the school district average concentration of
 71.16 kindergarten students eligible for free or reduced-price lunches must be used for the rank
 71.17 ordering;

71.18 (2) presence or absence of a three- or four-star Parent Aware rated program within the
 71.19 school district or close proximity of the district. School sites with the highest concentration
 71.20 of kindergarten students eligible for free or reduced-price lunches that do not have a three-
 71.21 or four-star Parent Aware program within the district or close proximity of the district shall
 71.22 receive the highest priority, and school sites with the lowest concentration of kindergarten
 71.23 students eligible for free or reduced-price lunches that have a three- or four-star Parent
 71.24 Aware rated program within the district or close proximity of the district shall receive the
 71.25 lowest priority; and

71.26 (3) whether the district has implemented a mixed delivery system.

71.27 (d) If the participation limit under subdivision 6 is higher than the participation limit for
 71.28 the previous year, the limit on participation for the programs as specified in subdivision 6
 71.29 must initially be allocated among the ~~four~~ five groups based on each group's percentage
 71.30 share of the statewide kindergarten enrollment on October 1 of the previous school year. If
 71.31 the participation limit is the same as the participation limit for the previous year, the
 71.32 participation limit must initially be allocated among the five groups based on each group's
 71.33 participation limit for the previous school year. Within each group, the participation limit
 71.34 ~~for fiscal years 2018 and 2019~~ must first be allocated to school sites approved for aid in the
 71.35 previous year to ensure that those sites are funded for the same number of participants as

72.1 approved for the previous year. The remainder of the participation limit for each group must
 72.2 be allocated among school sites in priority order until that region's share of the participation
 72.3 limit is reached. If the participation limit is not reached for all groups, the remaining amount
 72.4 must be allocated to the highest priority school sites, as designated under this section, not
 72.5 funded in the initial allocation on a statewide basis. ~~For fiscal year 2020 and later, the~~
 72.6 ~~participation limit must first be allocated to school sites approved for aid in fiscal year 2017,~~
 72.7 ~~and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings~~
 72.8 ~~under paragraph (e).~~

72.9 (e) Once a school site or a mixed delivery site under subdivision 3 is approved for aid
 72.10 under this subdivision, it shall remain eligible for aid if it continues to meet program
 72.11 requirements, regardless of changes in the concentration of students eligible for free or
 72.12 reduced-price lunches.

72.13 (f) If the total number of participants approved based on applications submitted under
 72.14 paragraph (a) is less than the participation limit under subdivision 6, the commissioner must
 72.15 notify all school districts and charter schools of the amount that remains available within
 72.16 30 days of the initial application deadline under paragraph (a), and complete a second round
 72.17 of allocations based on applications received within 60 days of the initial application deadline.

72.18 (g) Procedures for approving applications submitted under paragraph (f) shall be the
 72.19 same as specified in paragraphs (a) to (d), except that the allocations shall be made to the
 72.20 highest priority school sites not funded in the initial allocation on a statewide basis.

72.21 **EFFECTIVE DATE.** This section is effective for applications for fiscal year 2020 and
 72.22 later.

72.23 Sec. 3. Minnesota Statutes 2018, section 124D.151, subdivision 6, is amended to read:

72.24 Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1,
 72.25 paragraph (d), the pupil units for a voluntary prekindergarten program for an eligible school
 72.26 district or charter school must not exceed 60 percent of the kindergarten pupil units for that
 72.27 school district or charter school under section 126C.05, subdivision 1, paragraph (e).

72.28 (b) In reviewing applications under subdivision 5, ~~the commissioner must limit the~~
 72.29 ~~estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year~~
 72.30 ~~2017. If the actual state aid entitlement based on final data exceeds the limit in any year,~~
 72.31 ~~the aid of the participating districts must be prorated so as not to exceed the limit.~~

72.32 (e) ~~The commissioner must limit the total number of funded participants in the voluntary~~
 72.33 ~~prekindergarten program under this section to not more than 3,160.~~

73.1 ~~(d) Notwithstanding paragraph (e),~~ the commissioner must limit the total number of
 73.2 participants in the voluntary prekindergarten and school readiness plus programs to not
 73.3 more than ~~6,160 participants for fiscal year 2018 and~~ 7,160 participants for fiscal year 2019
 73.4 and later.

73.5 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2020 and later.

73.6 Sec. 4. Minnesota Statutes 2018, section 124D.165, is amended by adding a subdivision
 73.7 to read:

73.8 Subd. 6. **Early learning scholarship account.** (a) An account is established in the
 73.9 special revenue fund known as the "early learning scholarship account."

73.10 (b) Funds appropriated for early learning scholarships under this section shall be
 73.11 transferred to the early learning scholarship account in the special revenue fund.

73.12 (c) Money in this account is annually appropriated to the commissioner for early learning
 73.13 scholarships under this section. Money in the account is available until spent. Any returned
 73.14 funds are available to be regranted.

73.15 (d) Up to \$950,000 annually is appropriated to the commissioner for costs associated
 73.16 with administering and monitoring early learning scholarships.

73.17 Sec. 5. Minnesota Statutes 2018, section 245C.12, is amended to read:

73.18 **245C.12 BACKGROUND STUDY; TRIBAL ORGANIZATIONS.**

73.19 Subdivision 1. **Access to data.** (a) For the purposes of background studies completed
 73.20 by tribal organizations performing licensing activities otherwise required of the commissioner
 73.21 under this chapter, after obtaining consent from the background study subject, tribal licensing
 73.22 agencies shall have access to criminal history data in the same manner as county licensing
 73.23 agencies and private licensing agencies under this chapter.

73.24 Subd. 2. **Adoptions; child foster care.** (b) Tribal organizations may contract with the
 73.25 commissioner to obtain background study data on individuals under tribal jurisdiction related
 73.26 to adoptions according to section 245C.34. Tribal organizations may also contract with the
 73.27 commissioner to obtain background study data on individuals under tribal jurisdiction related
 73.28 to child foster care according to section 245C.34.

73.29 Subd. 3. **Nursing facility.** (c) For the purposes of background studies completed to
 73.30 comply with a tribal organization's licensing requirements for individuals affiliated with a

74.1 tribally licensed nursing facility, the commissioner shall obtain criminal history data from
74.2 the National Criminal Records Repository in accordance with section 245C.32.

74.3 Subd. 4. **Child care.** (a) Tribal organizations may contract with the commissioner to:

74.4 (1) conduct background studies on individuals affiliated with a child care program
74.5 sponsored, managed, or licensed by a tribal organization; and

74.6 (2) obtain background study data on individuals affiliated with a child care program
74.7 sponsored, managed, or licensed by a tribal organization.

74.8 (b) The commissioner must include a national criminal history record check in a
74.9 background study conducted under paragraph (a).

74.10 (c) A tribally affiliated child care program that does not contract with the commissioner
74.11 to conduct background studies is exempt from the relevant requirements in this chapter. For
74.12 a background study conducted under this subdivision to be transferable to other child care
74.13 entities, the study must include all components of studies for a certified license-exempt
74.14 child care center under this chapter.

74.15 **Sec. 6. [245C.125] BACKGROUND STUDY; HEAD START PROGRAMS.**

74.16 (a) Head Start programs that receive funds under section 119A.52 may contract with
74.17 the commissioner to:

74.18 (1) conduct background studies on individuals affiliated with a Head Start program; and

74.19 (2) obtain background study data on individuals affiliated with a Head Start program.

74.20 (b) The commissioner must include a national criminal history record check in a
74.21 background study conducted under paragraph (a).

74.22 (c) A Head Start program site that does not contract with the commissioner, is not
74.23 licensed, and is not registered to receive payments under chapter 119B is exempt from the
74.24 relevant requirements in this chapter. Nothing in this section supersedes requirements for
74.25 background studies in this chapter or chapter 119B or 245H that relate to licensed child care
74.26 programs or programs registered to receive payments under chapter 119B. For a background
74.27 study conducted under this section to be transferable to other child care entities, the study
74.28 must include all components of studies for a certified license-exempt child care center under
74.29 this chapter.

75.1 Sec. 7. APPROPRIATIONS.

75.2 Subdivision 1. Department of Education. The sums indicated in this section are
75.3 appropriated from the general fund to the Department of Education for the fiscal years
75.4 designated.

75.5 Subd. 2. School readiness. (a) For revenue for school readiness programs under
75.6 Minnesota Statutes, sections 124D.15 and 124D.16:

75.7 \$ 33,683,000 2020

75.8 \$ 33,683,000 2021

75.9 (b) The 2020 appropriation includes \$3,368,000 for 2019 and \$30,315,000 for 2020.

75.10 (c) The 2021 appropriation includes \$3,368,000 for 2020 and \$30,315,000 for 2021.

75.11 Subd. 3. Early learning scholarships. (a) For the early learning scholarship program
75.12 under Minnesota Statutes, section 124D.165:

75.13 \$ 70,709,000 2020

75.14 \$ 70,709,000 2021

75.15 (b) Up to \$950,000 each year is for administration of this program.

75.16 (c) Money appropriated for the early learning scholarship program under Minnesota
75.17 Statutes, section 124D.165, is transferred to the early learning scholarship account in the
75.18 special revenue fund.

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

75.20 Subd. 4. Head Start program. For Head Start programs under Minnesota Statutes,
75.21 section 119A.52:

75.22 \$ 25,100,000 2020

75.23 \$ 25,100,000 2021

75.24 Subd. 5. Early childhood family education aid. (a) For early childhood family education
75.25 aid under Minnesota Statutes, section 124D.135:

75.26 \$ 29,795,000 2020

75.27 \$ 37,689,000 2021

75.28 (b) The 2020 appropriation includes \$3,098,000 for 2019 and \$26,697,000 for 2020.

75.29 (c) The 2021 appropriation includes \$2,966,000 for 2020 and \$34,723,000 for 2021.

75.30 Subd. 6. Developmental screening aid. (a) For developmental screening aid under
75.31 Minnesota Statutes, sections 121A.17 and 121A.19:

76.1 \$ 3,644,000 2020

76.2 \$ 3,631,000 2021

76.3 (b) The 2020 appropriation includes \$363,000 for 2019 and \$3,281,000 for 2020.

76.4 (c) The 2021 appropriation includes \$364,000 for 2020 and \$3,267,000 for 2021.

76.5 Subd. 7. **Parent-child home program.** For a grant to the parent-child home program:

76.6 \$ 900,000 2020

76.7 \$ 900,000 2021

76.8 The grant must be used for an evidence-based and research-validated early childhood
 76.9 literacy and school readiness program for children ages 16 months to four years at its existing
 76.10 suburban program location. The program must include urban and rural program locations
 76.11 for fiscal years 2020 and 2021.

76.12 Subd. 8. **Kindergarten entrance assessment initiative and intervention program.** For
 76.13 the kindergarten entrance assessment initiative and intervention program under Minnesota
 76.14 Statutes, section 124D.162:

76.15 \$ 281,000 2020

76.16 \$ 281,000 2021

76.17 Subd. 9. **Quality rating and improvement system.** (a) For transfer to the commissioner
 76.18 of human services for the purposes of expanding the quality rating and improvement system
 76.19 under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports
 76.20 for providers participating in the quality rating and improvement system:

76.21 \$ 1,750,000 2020

76.22 \$ 1,750,000 2021

76.23 (b) The amounts in paragraph (a) must be in addition to any federal funding under the
 76.24 child care and development block grant authorized under Public Law 101-508 in that year
 76.25 for the system under Minnesota Statutes, section 124D.142.

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

76.27 Subd. 10. **Early childhood programs at tribal contract schools.** For early childhood
 76.28 family education programs at tribal contract schools under Minnesota Statutes, section
 76.29 124D.83, subdivision 4:

76.30 \$ 68,000 2020

76.31 \$ 68,000 2021

77.1 Subd. 11. **Educate parents partnership.** For the educate parents partnership under
 77.2 Minnesota Statutes, section 124D.129:

77.3 \$ 49,000 2020

77.4 \$ 49,000 2021

77.5 Subd. 12. **Home visiting aid.** (a) For home visiting aid under Minnesota Statutes, section
 77.6 124D.135:

77.7 \$ 530,000 2020

77.8 \$ 496,000 2021

77.9 (b) The 2020 appropriation includes \$54,000 for 2019 and \$476,000 for 2020.

77.10 (c) The 2021 appropriation includes \$52,000 for 2020 and \$444,000 for 2021.

77.11 **ARTICLE 8**

77.12 **COMMUNITY EDUCATION**

77.13 Section 1. **APPROPRIATIONS.**

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

77.17 Subd. 2. **Community education aid.** For community education aid under Minnesota
 77.18 Statutes, section 124D.20:

77.19 \$ 340,000 2020

77.20 \$ 260,000 2021

77.21 The 2020 appropriation includes \$40,000 for 2019 and \$300,000 for 2020.

77.22 The 2021 appropriation includes \$33,000 for 2020 and \$227,000 for 2021.

77.23 Subd. 3. **Adults with disabilities program aid.** For adults with disabilities programs
 77.24 under Minnesota Statutes, section 124D.56:

77.25 \$ 710,000 2020

77.26 \$ 710,000 2021

77.27 The 2020 appropriation includes \$639,000 for 2019 and \$71,000 for 2020.

77.28 The 2021 appropriation includes \$639,000 for 2020 and \$71,000 for 2021.

77.29 Subd. 4. **Hearing-impaired adults.** For programs for hearing-impaired adults under
 77.30 Minnesota Statutes, section 124D.57:

78.1 \$ 70,000 2020

78.2 \$ 70,000 2021

78.3 Subd. 5. **School-age care aid.** For school-age care aid under Minnesota Statutes, section
78.4 124D.22:

78.5 \$ 1,000 2020

78.6 \$ 1,000 2021

78.7 The 2020 appropriation includes \$0 for 2019 and \$1,000 for 2020.

78.8 The 2021 appropriation includes \$0 for 2020 and \$1,000 for 2021.

78.9 Subd. 6. **Tier 1 grants.** (a) For education partnership program Tier 1 sustaining grants
78.10 under Minnesota Statutes, section 124D.99:

78.11 \$ 2,600,000 2020

78.12 \$ 2,600,000 2021

78.13 (b) Of the amounts in paragraph (a), \$1,300,000 each year is for the Northside
78.14 Achievement Zone and \$1,300,000 each year is for the St. Paul Promise Neighborhood.

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

78.16 Subd. 7. **Tier 2 implementing grants.** (a) For Tier 2 implementing grants under
78.17 Minnesota Statutes, section 124D.99:

78.18 \$ 480,000 2020

78.19 \$ 480,000 2021

78.20 (b) The commissioner must competitively award all grants under this subdivision.

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

78.22 **ARTICLE 9**

78.23 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

78.24 Section 1. Minnesota Statutes 2018, section 124D.531, subdivision 1, is amended to read:

78.25 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic
78.26 education aid for fiscal year 2011 equals \$44,419,000, plus any amount that is not paid
78.27 during the previous fiscal year as a result of adjustments under subdivision 4, paragraph
78.28 (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later
78.29 fiscal years equals:

79.1 (1) the state total adult basic education aid for the preceding fiscal year plus any amount
 79.2 that is not paid for during the previous fiscal year, as a result of adjustments under subdivision
 79.3 4, paragraph (a), or section 124D.52, subdivision 3; times

79.4 (2) the greater of 1.00 or the lesser of:

79.5 (i) 1.03; or

79.6 (ii) the average growth in state total contact hours over the prior ten program years.

79.7 Three percent of the state total adult basic education aid must be set aside for adult basic
 79.8 education supplemental service grants under section 124D.522.

79.9 (b) The state total adult basic education aid, excluding basic population aid, equals the
 79.10 difference between the amount computed in paragraph (a), and the state total basic population
 79.11 aid under subdivision 2.

79.12 **Sec. 2. APPROPRIATIONS.**

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

79.16 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
 79.17 Statutes, section 124D.531:

79.18 \$ 50,106,000 2020

79.19 \$ 51,620,000 2021

79.20 The 2020 appropriation includes \$4,868,000 for 2019 and \$45,238,000 for 2020.

79.21 The 2021 appropriation includes \$5,026,000 for 2020 and \$46,594,000 for 2021.

79.22 Subd. 3. **High school equivalency tests.** For payment of 60 percent of the costs of the
 79.23 commissioner-selected high school equivalency tests under Minnesota Statutes, section
 79.24 124D.55:

79.25 \$ 125,000 2020

79.26 \$ 125,000 2021

80.1

ARTICLE 10

80.2

STATE AGENCIES

80.3 Section 1. Minnesota Statutes 2018, section 119A.03, is amended by adding a subdivision
80.4 to read:

80.5 Subd. 3. **Grant administration.** (a) The commissioner may retain up to five percent of
80.6 the amount appropriated to the department for a grant program or pass-through grant if the
80.7 appropriation does not specify an amount for administrative costs for grants appropriated
80.8 for the first time in fiscal year 2020 and after only.

80.9 (b) The amounts retained under paragraph (a) are deposited into an account in the special
80.10 revenue fund and are appropriated to the commissioner for costs incurred in administering
80.11 and monitoring grants.

80.12 Sec. 2. [119A.06] GRANT ADMINISTRATION ACCOUNT.

80.13 Subdivision 1. **Establishment.** An account is established in the state special revenue
80.14 fund known as the "grant administration account."

80.15 Subd. 2. **Sources of fund.** (a) Funds retained from appropriations under section 119A.03,
80.16 subdivision 3, must be transferred to the grant administration account.

80.17 (b) Appropriated funds retained for grant administration costs must be transferred to the
80.18 grant administration account.

80.19 Subd. 3. **Use of funds.** Funds in this account are annually appropriated to the
80.20 commissioner for costs associated with administering and monitoring grants and competitive
80.21 grant programs.

80.22 Sec. 3. Minnesota Statutes 2018, section 122A.14, subdivision 9, is amended to read:

80.23 Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay the
80.24 board a fee of ~~\$75~~ \$100, collected each fiscal year. When transmitting notice of the license
80.25 fee, the board also must notify the licensee of the penalty for failing to pay the fee within
80.26 the time specified by the board. The board may provide a lower fee for persons on retired
80.27 or inactive status. After receiving notice from the board, any licensed school administrator
80.28 who does not pay the fee in the given fiscal year shall have all administrative licenses held
80.29 by the person automatically suspended, without the right to a hearing, until the fee has been
80.30 paid to the board. If the board suspends a licensed school administrator for failing to pay
80.31 the fee, it must immediately notify the district currently employing the school administrator

81.1 of the school administrator's suspension. The executive secretary shall deposit the fees in
 81.2 ~~the educator licensure account in the special revenue fund in the state treasury~~ general fund.

81.3 Sec. 4. Minnesota Statutes 2018, section 122A.18, subdivision 8, is amended to read:

81.4 Subd. 8. **Background checks.** (a) The Professional Educator Licensing and Standards
 81.5 Board and the Board of School Administrators must request a criminal history background
 81.6 check from the superintendent of the Bureau of Criminal Apprehension on all first-time
 81.7 teaching applicants for licenses under their jurisdiction. Applicants must include with their
 81.8 licensure applications:

81.9 (1) an executed criminal history consent form, including fingerprints; and

81.10 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
 81.11 ~~for the fee for conducting~~ payment to conduct the criminal history background check. The
 81.12 Professional Educator Licensing and Standards Board must deposit payments received under
 81.13 this subdivision in the general fund.

81.14 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
 81.15 background check required under paragraph (a) by retrieving criminal history data as defined
 81.16 in section 13.87 and shall also conduct a search of the national criminal records repository.
 81.17 The superintendent is authorized to exchange fingerprints with the Federal Bureau of
 81.18 Investigation for purposes of the criminal history check. The superintendent shall recover
 81.19 the cost to the bureau of a background check through the fee charged to the applicant under
 81.20 paragraph (a).

81.21 (c) The Professional Educator Licensing and Standards Board or the Board of School
 81.22 Administrators may issue a license pending completion of a background check under this
 81.23 subdivision, but must notify the individual and the school district or charter school employing
 81.24 the individual that the individual's license may be revoked based on the result of the
 81.25 background check.

81.26 Sec. 5. Minnesota Statutes 2018, section 122A.21, subdivision 1, is amended to read:

81.27 Subdivision 1. **Licensure applications.** Each applicant submitting an application to the
 81.28 Professional Educator Licensing and Standards Board to issue, renew, or extend a teaching
 81.29 license, including applications for licensure via portfolio under subdivision 2, must include
 81.30 a processing fee of \$57. The processing fee for a teacher's license and for the licenses of
 81.31 supervisory personnel must be paid to the executive secretary of the appropriate board and
 81.32 deposited in the ~~educator licensure account in the special revenue fund~~ state treasury. The

82.1 fees as set by the board are nonrefundable for applicants not qualifying for a license.
 82.2 However, the commissioner of management and budget must refund a fee in any case in
 82.3 which the applicant already holds a valid unexpired license. The board may waive or reduce
 82.4 fees for applicants who apply at the same time for more than one license.

82.5 Sec. 6. Laws 2017, First Special Session chapter 5, article 11, section 8, as amended by
 82.6 Laws 2018, chapter 182, article 1, section 106, is amended to read:

82.7 **Sec. 8. TRANSFERS.**

82.8 ~~Subdivision 1. **Portfolio account.** On July 1, 2019, the commissioner of management~~
 82.9 ~~and budget shall transfer any balances in the education licensure portfolio account in the~~
 82.10 ~~special revenue fund to the educator licensure account in the special revenue fund.~~

82.11 ~~Subd. 2. **Background check.** Any balance in an account that holds fees collected under~~
 82.12 ~~Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator licensure~~
 82.13 ~~background check account in the special revenue fund under Minnesota Statutes, section~~
 82.14 ~~122A.175, subdivision 2. On July 2, 2019, \$80,000 is transferred from the educator licensure~~
 82.15 ~~background check account in the special revenue fund to the educator licensure account in~~
 82.16 ~~the special revenue fund. any unspent balance in an account that holds fees under Minnesota~~
 82.17 ~~Statutes, section 122A.18, subdivision 8, is transferred to the general fund.~~

82.18 Sec. 7. Laws 2017, First Special Session chapter 5, article 11, section 9, subdivision 2, is
 82.19 amended to read:

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

82.21 \$ 27,158,000 2018

82.22 \$ 24,874,000 2019

82.23 Of these amounts:

82.24 (1) \$231,000 each year is for the Board of School Administrators, and beginning in fiscal
 82.25 year 2020, the amount indicated is from the educator licensure account in the special revenue
 82.26 fund;

82.27 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
 82.28 section 120B.115;

82.29 (3) \$500,000 each year is for the school safety technical assistance center under Minnesota
 82.30 Statutes, section 127A.052;

83.1 (4) \$250,000 each year is for the School Finance Division to enhance financial data
83.2 analysis;

83.3 (5) \$720,000 each year is for implementing Minnesota's Learning for English Academic
83.4 Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

83.5 (6) \$2,750,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are for the Department
83.6 of Education's mainframe update;

83.7 (7) \$123,000 each year is for a dyslexia specialist; and

83.8 (8) \$2,000,000 ~~each year~~ in fiscal year 2018 is for legal fees and costs associated with
83.9 litigation.

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

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

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

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

83.20 (f) The agency's base is \$22,054,000 for fiscal year 2020 and \$21,965,000 for 2021.

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

83.22 **Sec. 8. APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

83.23 **Subdivision 1. Department of Education.** Unless otherwise indicated, the sums indicated
83.24 in this section are appropriated from the general fund to the Department of Education for
83.25 the fiscal years designated.

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

83.27 \$ 34,180,000 2020

83.28 \$ 31,729,000 2021

83.29 Of these amounts:

- 84.1 (1) \$403,000 in fiscal year 2020 and \$347,000 in fiscal year 2021 are for the Board of
84.2 School Administrators;
- 84.3 (2) \$4,000,000 in fiscal year 2020 and \$6,000,000 in fiscal year 2021 and later are for
84.4 regional centers of excellence under Minnesota Statutes, section 120B.115;
- 84.5 (3) \$250,000 each year is for the School Finance Division to enhance financial data
84.6 analysis;
- 84.7 (4) \$720,000 each year is for implementing Minnesota's Learning for English Academic
84.8 Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;
- 84.9 (5) \$123,000 each year is for a dyslexia specialist;
- 84.10 (6) \$4,700,000 in fiscal year 2020 is for legal fees and costs associated with litigation;
- 84.11 (7) \$400,000 in fiscal year 2020 and \$480,000 in fiscal year 2021 and later are for the
84.12 Department of Education's mainframe update;
- 84.13 (8) \$171,000 in fiscal year 2020 and \$174,000 in fiscal year 2021 and later are to fund
84.14 a Second Chance Agency director;
- 84.15 (9) \$406,000 in fiscal year 2020 and \$288,000 in fiscal year 2021 and later are for a
84.16 maltreatment investigations program;
- 84.17 (10) \$822,000 each year is for the IT program and data integration;
- 84.18 (11) \$140,000 each year is for the turnaround arts program;
- 84.19 (12) \$222,000 in fiscal year 2020 and \$226,000 in fiscal year 2021 and later are for data
84.20 analytics; and
- 84.21 (13) \$140,000 each year is to conduct stakeholder engagement and draft a plan to increase
84.22 the number of national board certified teachers in Minnesota.
- 84.23 (b) Any balance in the first year does not cancel but is available in the second year.
- 84.24 (c) None of the amounts appropriated under this subdivision may be used for Minnesota's
84.25 Washington, D.C. office.
- 84.26 (d) The expenditures of federal grants and aids as shown in the biennial budget document
84.27 and its supplements are approved and appropriated and shall be spent as indicated.
- 84.28 (e) This appropriation includes funds for information technology project services and
84.29 support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing
84.30 information technology costs will be incorporated into the service level agreement and will

85.1 be paid to the Office of MN.IT Services by the Department of Education under the rates
85.2 and mechanism specified in that agreement.

85.3 (f) To account for the base adjustments provided in Laws 2018, chapter 211, article 21,
85.4 section 1, paragraph (a), and section 3, paragraph (a), the base for fiscal year 2022 is
85.5 \$31,749,000. The base for fiscal year 2023 is \$31,769,000. The base for fiscal year 2024 is
85.6 \$31,787,000. The base for fiscal year 2025 is \$31,805,000.

85.7 **Sec. 9. APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND**
85.8 **STANDARDS BOARD.**

85.9 Subdivision 1. **Professional Educator Licensing and Standards Board.** (a) The sums
85.10 indicated in this section are appropriated from the general fund to the Professional Educator
85.11 Licensing and Standards Board for the fiscal years designated:

85.12	\$	<u>2,744,000</u>	<u>.....</u>	<u>2020</u>
85.13	\$	<u>2,719,000</u>	<u>.....</u>	<u>2021</u>

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

85.15 (c) The base for fiscal year 2022 and later is \$2,719,000.

85.16 Subd. 2. **Licensure by portfolio.** For licensure by portfolio:

85.17	\$	<u>34,000</u>	<u>.....</u>	<u>2020</u>
85.18	\$	<u>34,000</u>	<u>.....</u>	<u>2021</u>

85.19 **Sec. 10. APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

85.20 (a) The sums indicated in this section are appropriated from the general fund to the
85.21 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

85.22	\$	<u>14,966,000</u>	<u>.....</u>	<u>2020</u>
85.23	\$	<u>14,872,000</u>	<u>.....</u>	<u>2021</u>

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

85.25 (c) Of the amounts in paragraph (a), \$650,000 in fiscal year 2020 and \$505,000 in fiscal
85.26 year 2021 are for information technology improvements.

85.27 (d) To account for the base adjustments provided in Laws 2018, chapter 211, article 21,
85.28 section 1, paragraph (a), and section 3, paragraph (b), the base for fiscal year 2022 is
85.29 \$14,879,000. The base for fiscal year 2023 is \$14,886,000. The base for fiscal year 2024 is
85.30 \$14,892,000. The base for fiscal year 2025 is \$14,898,000.

86.1 Sec. 11. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

86.2 (a) The sums in this section are appropriated from the general fund to the Perpich Center
 86.3 for Arts Education for the fiscal years designated:

86.4 \$ 8,172,000 2020

86.5 \$ 7,663,000 2021

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

86.7 (c) Of the amounts in paragraph (a), \$960,000 in fiscal year 2020 and \$380,000 in fiscal
 86.8 year 2021 are for information technology improvements. \$340,000 is included in the base
 86.9 for fiscal year 2022, and \$285,000 is included in the base for fiscal year 2023 for this purpose.

86.10 (d) To account for the base adjustments provided in Laws 2018, chapter 211, article 21,
 86.11 section 1, paragraph (a), and section 3, paragraph (c), the base for fiscal year 2022 is
 86.12 \$7,628,000. The base for fiscal year 2023 is \$7,579,000. The base for fiscal year 2024 is
 86.13 \$7,584,000. The base for fiscal year 2025 is \$7,589,000.

86.14 Sec. 12. **REPEALER.**

86.15 (a) Minnesota Statutes 2018, section 122A.175, is repealed.

86.16 (b) Laws 2017, First Special Session chapter 5, article 11, section 4, is repealed.

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

120B.299 DEFINITIONS.

Subdivision 1. **Definitions.** The definitions in this section apply to this chapter.

Subd. 2. **Growth.** "Growth" compares the difference in a student's achievement score at two or more distinct points in time.

Subd. 3. **Value added.** "Value added" is the amount of achievement a student demonstrates above an established baseline. The difference between the student's score and the baseline defines value added.

Subd. 4. **Value-added growth.** "Value-added growth" is based on a student's growth score. In a value-added growth system, the student's first test is the baseline, and the difference between the student's first and next test scores within a defined period is the measure of value added. Value-added growth models use student-level data to measure what portion of a student's growth can be explained by inputs related to the educational environment.

Subd. 5. **Adequate yearly progress.** A school or district makes "adequate yearly progress" if, for every student subgroup under the federal 2001 No Child Left Behind Act in the school or district, its proficiency index or other approved adjustments for performance, based on statewide assessment scores, meets or exceeds federal expectations. To make adequate yearly progress, the school or district also must satisfy applicable federal requirements related to student attendance, graduation, and test participation rates.

Subd. 6. **State growth target.** (a) "State growth target" is the average year-two assessment scores for students with similar year-one assessment scores.

(b) The state growth targets for each grade and subject are benchmarked as follows until the assessment scale changes:

(1) beginning in the 2008-2009 school year, the state growth target for grades 3 through 8 is benchmarked to 2006-2007 and 2007-2008 school year data;

(2) beginning in the 2008-2009 school year the state growth target for grade 10 is benchmarked to 2005-2006 and 2006-2007 school year data;

(3) for the 2008-2009 school year, the state growth target for grade 11 is benchmarked to 2005-2006 school year data; and

(4) beginning in the 2009-2010 school year, the state growth target for grade 11 is benchmarked to 2005-2006 and 2006-2007 school year data.

(c) Each time before the assessment scale changes, a stakeholder group that includes assessment and evaluation directors and staff and researchers must recommend a new state growth target that the commissioner must consider when revising standards under section 120B.021, subdivision 4.

Subd. 7. **Low growth.** "Low growth" is an assessment score one-half standard deviation below the state growth target.

Subd. 8. **Medium growth.** "Medium growth" is an assessment score within one-half standard deviation above or below the state growth target.

Subd. 9. **High growth.** "High growth" is an assessment score one-half standard deviation or more above the state growth target.

Subd. 10. **Proficiency.** "Proficiency" for purposes of reporting growth on school performance report cards under section 120B.36, subdivision 1, means those students who, in the previous school year, scored at or above "meets standards" on the statewide assessments under section 120B.30. Each year, school performance report cards must separately display: (1) the numbers and percentages of students who achieved low growth, medium growth, and high growth and achieved proficiency in the previous school year; and (2) the numbers and percentages of students who achieved low growth, medium growth, and high growth and did not achieve proficiency in the previous school year.

Subd. 11. **Growth and progress toward proficiency.** The categories of low growth, medium growth, and high growth shall be used to indicate both (1) growth and (2) progress toward grade-level proficiency that is consistent with subdivision 10.

120B.30 STATEWIDE TESTING AND REPORTING SYSTEM.

Subd. 1a. **Statewide and local assessments; results.** (a) For purposes of this section, the following definitions have the meanings given them.

(1) "Computer-adaptive assessments" means fully adaptive assessments.

(2) "Fully adaptive assessments" include test items that are on-grade level and items that may be above or below a student's grade level.

(3) "On-grade level" test items contain subject area content that is aligned to state academic standards for the grade level of the student taking the assessment.

(4) "Above-grade level" test items contain subject area content that is above the grade level of the student taking the assessment and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards above the grade level of the student taking the assessment. Notwithstanding the student's grade level, administering above-grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.

(5) "Below-grade level" test items contain subject area content that is below the grade level of the student taking the test and is considered aligned with state academic standards to the extent it is aligned with content represented in state academic standards below the student's current grade level. Notwithstanding the student's grade level, administering below-grade level test items to a student does not violate the requirement that state assessments must be aligned with state standards.

(b) The commissioner must use fully adaptive mathematics and reading assessments for grades 3 through 8.

(c) For purposes of conforming with existing federal educational accountability requirements, the commissioner must develop and implement computer-adaptive reading and mathematics assessments for grades 3 through 8, state-developed high school reading and mathematics tests aligned with state academic standards, a high school writing test aligned with state standards when it becomes available, and science assessments under clause (2) that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual computer-adaptive reading and mathematics assessments in grades 3 through 8, and high school reading, writing, and mathematics tests; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades 9 through 12 span, and the commissioner must not require students to achieve a passing score on high school science assessments as a condition of receiving a high school diploma.

(d) The commissioner must ensure that for annual computer-adaptive assessments:

(1) individual student performance data and achievement reports are available within three school days of when students take an assessment except in a year when an assessment reflects new performance standards;

(2) growth information is available for each student from the student's first assessment to each proximate assessment using a constant measurement scale;

(3) parents, teachers, and school administrators are able to use elementary and middle school student performance data to project students' secondary and postsecondary achievement; and

(4) useful diagnostic information about areas of students' academic strengths and weaknesses is available to teachers and school administrators for improving student instruction and indicating the specific skills and concepts that should be introduced and developed for students at given performance levels, organized by strands within subject areas, and aligned to state academic standards.

(e) The commissioner must ensure that all state tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

(f) Reporting of state assessment results must:

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(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include a growth indicator of student achievement; and

(3) determine whether students have met the state's academic standards.

(g) Consistent with applicable federal law, the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for English learners.

(h) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student progress toward career and college readiness in the context of the state's academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

122A.175 SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR LICENSURE AND BACKGROUND CHECKS.

Subdivision 1. **Educator licensure account.** An educator licensure account is created in the special revenue fund. Applicant licensure fees received by the Department of Education, the Professional Educator Licensing and Standards Board, or the Board of School Administrators must be deposited in the educator licensure account. Any funds appropriated from this account that remain unexpended at the end of the biennium cancel to the educator licensure account in the special revenue fund.

Subd. 2. **Background check account.** An educator licensure background check account is created in the special revenue fund. The Department of Education, the Professional Educator Licensing and Standards Board, and the Board of School Administrators must deposit all payments submitted by license applicants for criminal background checks conducted by the Bureau of Criminal Apprehension in the educator licensure background check account. Amounts in the account are annually appropriated to the commissioner of education for payment to the superintendent of the Bureau of Criminal Apprehension for the costs of background checks on applicants for licensure.

126C.17 REFERENDUM REVENUE.

Subd. 9a. **Board-approved referendum allowance.** Notwithstanding subdivision 9, a school district may convert up to \$300 per adjusted pupil unit of referendum authority from voter approved to board approved by a board vote. A district with less than \$300 per adjusted pupil unit of referendum authority after the local optional revenue subtraction under subdivision 1 may authorize new referendum authority up to the difference between \$300 per adjusted pupil unit and the district's referendum authority. The board may authorize this levy for up to five years and may subsequently reauthorize that authority in increments of up to five years.

Laws 2017, First Special Session chapter 5, article 11, section 4

Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of education must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under their jurisdiction. Applicants must include with their licensure applications:

(1) an executed criminal history consent form, including fingerprints; and

(2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension for the fee for conducting~~ payment to conduct the criminal history background check. The Board of Teaching and the commissioner of education must deposit payments received under this subdivision in the educator licensure background check account in the special revenue fund.

(b) The superintendent of the Bureau of Criminal Apprehension shall perform the background check required under paragraph (a) by retrieving criminal history data as defined in section 13.87 and shall also conduct a search of the national criminal records repository. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

(c) The Board of Teaching or the commissioner of education may issue a license pending completion of a background check under this subdivision, but must notify the individual that the individual's license may be revoked based on the result of the background check.

EFFECTIVE DATE. This section is effective July 1, 2019.