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State of Minnesota

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Page No. **164**

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 890

- 02/06/2017 Authored by Loon
The bill was read for the first time and referred to the Committee on Education Finance
- 03/27/2017 Adoption of Report: Amended and re-referred to the Committee on Taxes
- 03/28/2017 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 03/29/2017 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 03/31/2017 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 04/18/2017 Returned to the House as Amended by the Senate
Refused to concur and a Conference Committee was appointed

A bill for an act

1.1
1.2 relating to education finance; providing funding in early childhood, kindergarten
1.3 through grade 12, and adult education, including general education, education
1.4 excellence, teachers, special education, facilities and technology, nutrition, libraries,
1.5 early childhood and family support, community education and prevention,
1.6 self-sufficiency and lifelong learning, and state agencies; making forecast
1.7 adjustments; requiring a report; appropriating money; amending Minnesota Statutes
1.8 2016, sections 13.321, by adding a subdivision; 13.461, by adding a subdivision;
1.9 43A.08, subdivisions 1, 1a; 120A.22, subdivision 9; 120A.41; 120B.021,
1.10 subdivisions 1, 3; 120B.022, subdivision 1b; 120B.12, subdivision 2; 120B.22,
1.11 subdivision 2; 120B.23, subdivision 3; 120B.232, subdivision 1; 120B.30,
1.12 subdivision 1; 120B.31, subdivision 4, by adding a subdivision; 120B.35,
1.13 subdivision 3; 120B.36, subdivision 1; 121A.22, subdivision 2; 121A.221; 122A.09,
1.14 subdivision 4a; 122A.14, subdivision 9; 122A.18, subdivisions 7c, 8; 122A.21,
1.15 subdivisions 1, 2, by adding a subdivision; 122A.245, subdivisions 1, 2, 3, 10;
1.16 122A.40, subdivision 10; 122A.41, by adding a subdivision; 122A.415, subdivision
1.17 4; 122A.416; 123A.30, subdivision 6; 123A.73, subdivision 2; 123B.41,
1.18 subdivisions 2, 5a; 123B.52, subdivision 1, by adding a subdivision; 123B.595,
1.19 subdivisions 1, 4; 123B.92, subdivision 1; 124D.03, subdivision 5a; 124D.05,
1.20 subdivision 3; 124D.09, subdivisions 3, 5, 9, 12, 13, by adding subdivisions;
1.21 124D.095, subdivision 3; 124D.1158, subdivisions 3, 4; 124D.135, subdivision
1.22 1; 124D.15, subdivision 1; 124D.16, subdivision 2; 124D.165, subdivisions 1, 2,
1.23 3, 4; 124D.531, subdivision 1; 124D.549; 124D.55; 124D.59, subdivision 2;
1.24 124D.68, subdivision 2; 124E.03, subdivision 2; 124E.11; 125A.08; 125A.0941;
1.25 125A.11, subdivision 1; 125A.21, subdivision 2; 125A.515; 125A.56, subdivision
1.26 1; 125A.74, subdivision 1; 126C.05, subdivisions 1, 8; 126C.10, subdivisions 2,
1.27 2a, 3, 13a; 127A.41, subdivision 3; 127A.45, subdivision 10; 134.31, subdivision
1.28 2; 136A.1791, subdivisions 1, 2, 9; 256B.0625, subdivision 26; 256J.08,
1.29 subdivisions 38, 39; 297A.70, subdivision 2; Laws 2015, First Special Session
1.30 chapter 3, article 1, section 27, subdivisions 2, as amended, 3, 4, as amended, 6,
1.31 as amended, 7, as amended, 9, as amended; article 2, section 70, subdivisions 2,
1.32 as amended, 3, as amended, 4, as amended, 5, as amended, 7, as amended, 11, as
1.33 amended; article 4, section 9, subdivision 2, as amended; article 5, section 30,
1.34 subdivisions 2, as amended, 3, as amended, 5, as amended, 6; article 6, section 13,
1.35 subdivisions 2, as amended, 3, as amended; article 7, section 7, subdivisions 2, as
1.36 amended, 3, as amended, 4, as amended; article 9, section 8, subdivisions 5, as
1.37 amended, 6, as amended; article 10, section 3, subdivision 2, as amended; article
1.38 11, section 3, subdivision 2, as amended; Laws 2016, chapter 189, article 25,
1.39 sections 58; 62, subdivisions 7, 11, 17; proposing coding for new law in Minnesota

2.1 Statutes, chapters 120A; 120B; 121A; 122A; 124D; 125A; 126C; 127A; 136A;
2.2 proposing coding for new law as Minnesota Statutes, chapter 119C; repealing
2.3 Minnesota Statutes 2016, sections 122A.40, subdivision 11; 122A.41, subdivision
2.4 14; 123A.73, subdivision 3; 124D.151; 124D.73, subdivision 2; 129C.10; 129C.105;
2.5 129C.15; 129C.20; 129C.25; 129C.26; 129C.30; Minnesota Rules, parts 3500.3100,
2.6 subpart 4; 3600.0010, subparts 1, 2, 2a, 2b, 3, 6; 3600.0020; 3600.0030, subparts
2.7 1, 2, 4, 6; 3600.0045; 3600.0055; 3600.0065; 3600.0075; 3600.0085.

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

2.9 **ARTICLE 1**

2.10 **GENERAL EDUCATION**

2.11 Section 1. Minnesota Statutes 2016, section 121A.22, subdivision 2, is amended to read:

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

2.14 (1) purchased without a prescription;

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

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

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

2.21 (5) used off the school grounds;

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

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

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

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

2.32 (10) epinephrine auto-injectors, consistent with section 121A.2205, if the parent and
2.33 prescribing medical professional annually inform the pupil's school in writing that (i) the

3.1 pupil may possess the epinephrine or (ii) the pupil is unable to possess the epinephrine and
3.2 requires immediate access to epinephrine auto-injectors that the parent provides properly
3.3 labeled to the school for the pupil as needed.

3.4 Sec. 2. Minnesota Statutes 2016, section 121A.221, is amended to read:

3.5 **121A.221 POSSESSION AND USE OF ASTHMA INHALERS BY ASTHMATIC**
3.6 **STUDENTS.**

3.7 (a) Consistent with section 121A.22, subdivision 2, clause (9), in a school district that
3.8 employs a school nurse or provides school nursing services under another arrangement, the
3.9 school nurse or other appropriate party must assess the student's knowledge and skills to
3.10 safely possess and use an asthma inhaler in a school setting and enter into the student's
3.11 school health record a plan to implement safe possession and use of asthma inhalers.

3.12 (b) Consistent with section 121A.22, subdivision 2, clause (9), in a school that does not
3.13 have a school nurse or school nursing services, the student's parent or guardian must submit
3.14 written verification from the prescribing professional that documents an assessment of the
3.15 student's knowledge and skills to safely possess and use an asthma inhaler in a school setting
3.16 has been completed.

3.17 Sec. 3. Minnesota Statutes 2016, section 123B.41, subdivision 2, is amended to read:

3.18 Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including
3.19 electronic books as well as other printed materials delivered electronically, which a pupil
3.20 uses as a text or text substitute in a particular class or program in the school regularly
3.21 attended and a copy of which is expected to be available for the individual use of each pupil
3.22 in this class or program. Textbook includes an online book with an annual subscription cost.

3.23 (b) For purposes of calculating the annual nonpublic pupil aid entitlement for textbooks,
3.24 the term shall be limited to books, workbooks, or manuals, whether bound or in loose-leaf
3.25 form, as well as electronic books and other printed materials delivered electronically,
3.26 intended for use as a principal source of study material for a given class or a group of
3.27 students.

3.28 (c) For purposes of sections 123B.40 to 123B.48, the terms "textbook" and "software
3.29 or other educational technology" include only such secular, neutral, and nonideological
3.30 materials as are available, used by, or of benefit to Minnesota public school pupils.

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

4.1 Sec. 4. Minnesota Statutes 2016, section 123B.41, subdivision 5a, is amended to read:

4.2 Subd. 5a. **Software or other educational technology.** For purposes of sections 123B.42
4.3 and 123B.43, "software or other educational technology" includes software, programs,
4.4 applications, hardware, and any other electronic educational technology. Software or other
4.5 educational technology includes course registration fees for advanced placement courses
4.6 delivered online.

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

4.8 Sec. 5. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

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

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

4.13 (1) the sum of:

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

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

4.20 (iii) an amount equal to one year's depreciation on the district's type III vehicles, as
4.21 defined in section 169.011, subdivision 71, which must be used a majority of the time for
4.22 pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per
4.23 year of the cost of the type three school buses by:

4.24 (2) the number of pupils eligible for transportation in the regular category, as defined
4.25 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause
4.26 (2).

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

4.29 (1) Regular transportation is:

4.30 (i) transportation to and from school during the regular school year for resident elementary
4.31 pupils residing one mile or more from the public or nonpublic school they attend, and

5.1 resident secondary pupils residing two miles or more from the public or nonpublic school
5.2 they attend, excluding desegregation transportation and noon kindergarten transportation;
5.3 but with respect to transportation of pupils to and from nonpublic schools, only to the extent
5.4 permitted by sections 123B.84 to 123B.87;

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

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

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

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

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

5.22 (2) Excess transportation is:

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

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

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

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

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

6.7 (ii) necessary transportation of pupils with disabilities from home or from school to
6.8 other buildings, including centers such as developmental achievement centers, hospitals,
6.9 and treatment centers where special instruction or services required by sections 125A.03 to
6.10 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
6.11 where services are provided;

6.12 (iii) necessary transportation for resident pupils with disabilities required by sections
6.13 125A.12, and 125A.26 to 125A.48;

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

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

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

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

6.27 (viii) services described in clauses (i) to (vii), when provided for pupils with disabilities
6.28 in conjunction with a summer instructional program that relates to the pupil's individualized
6.29 education program or in conjunction with a learning year program established under section
6.30 124D.128.

6.31 For purposes of computing special education initial aid under section 125A.76, the cost
6.32 of providing transportation for children with disabilities includes (A) the additional cost of
6.33 transporting a student in a shelter care facility as defined in section 260C.007, subdivision

7.1 30, a homeless student ~~from a temporary nonshelter home~~ in another district to the school
7.2 of origin, or a formerly homeless student from a permanent home in another district to the
7.3 school of origin but only through the end of the academic year; and (B) depreciation on
7.4 district-owned school buses purchased after July 1, 2005, and used primarily for
7.5 transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii)
7.6 and (iii). Depreciation costs included in the disabled transportation category must be excluded
7.7 in calculating the actual expenditure per pupil transported in the regular and excess
7.8 transportation categories according to paragraph (a). For purposes of subitem (A), a school
7.9 district may transport a child who does not have a school of origin to the same school
7.10 attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

7.11 (5) "Nonpublic nonregular transportation" is:

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

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

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

7.20 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational
7.21 programs and services, including diagnostic testing, guidance and counseling services, and
7.22 health services. A mobile unit located off nonpublic school premises is a neutral site as
7.23 defined in section 123B.41, subdivision 13.

7.24 **EFFECTIVE DATE.** This section is effective retroactively from December 10, 2016.

7.25 Sec. 6. Minnesota Statutes 2016, section 126C.05, subdivision 8, is amended to read:

7.26 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
7.27 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
7.28 on the current roll of the school, counted from the date of entry until withdrawal. The date
7.29 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
7.30 officially known that the pupil has left or has been legally excused. However, a pupil,
7.31 regardless of age, who has been absent from school for 15 consecutive school days during
7.32 the regular school year or for five consecutive school days during summer school or
7.33 intersession classes of flexible school year programs without receiving instruction in the

8.1 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this
8.2 section shall be construed as waiving the compulsory attendance provisions cited in section
8.3 120A.22. Average daily membership equals the sum for all pupils of the number of days
8.4 of the school year each pupil is enrolled in the district's schools divided by the number of
8.5 days the schools are in session. Days of summer school or intersession classes of flexible
8.6 school year programs are only included in the computation of membership for pupils with
8.7 a disability not appropriately served primarily in the regular classroom. A student must not
8.8 be counted as more than 1.2 pupils in average daily membership under this section and
8.9 section 126C.10, subdivision 2a, paragraph (b). When the initial total average daily
8.10 membership exceeds 1.2 for a pupil enrolled in more than one school district during the
8.11 fiscal year, each district's average daily membership must be reduced proportionately.

8.12 (b) A student must not be counted as more than one pupil in average daily membership
8.13 except for purposes of section 126C.10, subdivision 2a.

8.14 Sec. 7. Minnesota Statutes 2016, section 126C.10, subdivision 2, is amended to read:

8.15 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
8.16 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
8.17 ~~2015 is \$5,831. The formula allowance for fiscal year 2016 is \$5,948.~~ The formula allowance
8.18 for fiscal year 2017 ~~and later~~ is \$6,067. The formula allowance for fiscal year 2018 is \$6,143.
8.19 The formula allowance for fiscal year 2019 and later is \$6,220.

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

8.21 Sec. 8. Minnesota Statutes 2016, section 126C.10, subdivision 2a, is amended to read:

8.22 Subd. 2a. **Extended time revenue.** (a) A school district's extended time revenue is equal
8.23 to the product of \$5,117 and the sum of the adjusted pupil units of the district for each pupil
8.24 in average daily membership in excess of 1.0 and less than 1.2 according to section 126C.05,
8.25 subdivision 8.

8.26 (b) Extended time revenue for pupils placed in an on-site education program at the Prairie
8.27 Lakes Education Center or the Lake Park School, located within the borders of Independent
8.28 School District No. 347, Willmar, for instruction provided after the end of the preceding
8.29 regular school year and before the beginning of the following regular school year equals
8.30 membership hours divided by the minimum annual instructional hours in section 126C.05,
8.31 subdivision 15, not to exceed 0.20, times the pupil unit weighting in section 126C.05,
8.32 subdivision 1, times \$5,117.

9.1 (c) A school district's extended time revenue may be used for extended day programs,
9.2 extended week programs, summer school, vacation break academies such as spring break
9.3 academies and summer term academies, and other programming authorized under the
9.4 learning year program.

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

9.6 Sec. 9. Minnesota Statutes 2016, section 126C.10, subdivision 3, is amended to read:

9.7 Subd. 3. **Compensatory education revenue.** ~~(a) For fiscal year 2014, the compensatory~~
9.8 ~~education revenue for each building in the district equals the formula allowance minus \$415~~
9.9 ~~times the compensation revenue pupil units computed according to section 126C.05,~~
9.10 ~~subdivision 3. For fiscal year 2015 and later, The compensatory education revenue for each~~
9.11 building in the district equals the formula allowance for fiscal year 2017 minus \$839 times
9.12 the compensation revenue pupil units computed according to section 126C.05, subdivision
9.13 3. A district's compensatory revenue equals:

9.14 (1) the sum of its compensatory revenue for each building in the district;

9.15 (2) the amounts computed under paragraph (b); and

9.16 (3) the amounts computed under section 126C.131.

9.17 (b) A district's additional compensatory revenue equals the amount designated under
9.18 Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 8, for fiscal
9.19 year 2018. Revenue shall be paid to the district and must be allocated according to section
9.20 126C.15, subdivision 2.

9.21 ~~(b)~~ (c) When the district contracting with an alternative program under section 124D.69
9.22 changes prior to the start of a school year, the compensatory revenue generated by pupils
9.23 attending the program shall be paid to the district contracting with the alternative program
9.24 for the current school year, and shall not be paid to the district contracting with the alternative
9.25 program for the prior school year.

9.26 ~~(e)~~ (d) When the fiscal agent district for an area learning center changes prior to the start
9.27 of a school year, the compensatory revenue shall be paid to the fiscal agent district for the
9.28 current school year, and shall not be paid to the fiscal agent district for the prior school year.

9.29 (e) For fiscal years 2018 to 2022 only, the amount in paragraph (b) is increased by 75
9.30 percent of the difference between the amounts calculated under Laws 2015, First Special
9.31 Session chapter 3, article 2, section 70, subdivision 8, for fiscal years 2017 and 2018.

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

10.1 Sec. 10. Minnesota Statutes 2016, section 126C.10, subdivision 13a, is amended to read:

10.2 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
10.3 levy an amount not more than the product of its operating capital revenue for the fiscal year
10.4 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
10.5 the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740
10.6 for fiscal year 2017, ~~\$19,972~~ \$19,245 for fiscal year 2018, and ~~\$22,912~~ \$22,185 for fiscal
10.7 year 2019 and later.

10.8 Sec. 11. **[126C.131] TARGETED COMPENSATORY REVENUE.**

10.9 Subdivision 1. **Policy and purpose.** The policy and purpose of this section are to close
10.10 the opportunity gap by increasing student performance growth rates and proficiency rates
10.11 by targeting compensatory revenue to the most productive instructional activities.

10.12 Subd. 2. **Eligibility.** A school site qualifies for targeted compensatory revenue under
10.13 this section if the school site receives compensatory revenue under section 126C.10,
10.14 subdivision 3.

10.15 Subd. 3. **Statewide revenue amount.** For fiscal year 2018, the total amount available
10.16 for targeted compensatory revenue under this section is \$11,000,000. The total amount
10.17 available for targeted compensatory revenue for fiscal year 2019 and thereafter is
10.18 \$12,289,000.

10.19 Subd. 4. **Targeted compensatory revenue.** Each school site's initial targeted
10.20 compensatory revenue equals:

10.21 (1) the statewide revenue amount for that year under subdivision 3, divided by the
10.22 statewide sum of the number of pupils eligible to receive free lunch and 0.5 times the sum
10.23 of the pupils eligible to receive reduced-price lunch on October 1 of the previous year; and

10.24 (2) the sum of the number of pupils enrolled in the building eligible to receive free lunch
10.25 and 0.5 times the number of pupils eligible to receive reduced-price lunch on October 1 of
10.26 the previous year.

10.27 Subd. 5. **Participation on Minnesota Comprehensive Assessments.** For fiscal years
10.28 2018 and later, each school site's targeted compensatory revenue equals its initial revenue
10.29 under subdivision 4 multiplied by:

10.30 (1) the lesser of one; or

11.1 (2) the ratio of the school site's average student participation percentage rate on all of
11.2 the Minnesota Comprehensive Assessments administered at that site during the previous
11.3 fiscal year to 95 percent.

11.4 Subd. 6. **Revenue uses.** (a) Targeted compensatory revenue must be used for extended
11.5 time activities according to section 126C.10, subdivision 2a, paragraph (c).

11.6 (b) Targeted compensatory revenue generated at a school site under this section may be
11.7 used at any school site, provided the services are provided to the students enrolled at the
11.8 site generating the revenue.

11.9 Sec. 12. Minnesota Statutes 2016, section 127A.41, subdivision 3, is amended to read:

11.10 Subd. 3. **Audits.** The commissioner shall establish procedures for conducting and shall
11.11 conduct audits of district records and files for the purpose of verifying district pupil counts,
11.12 levy limitations, and aid entitlements. The commissioner shall establish procedures for
11.13 selecting and shall select districts to be audited. Disparities, if any, between pupil counts,
11.14 levy limitations, or aid entitlements determined by audit of district records and files and
11.15 data reported by districts in reports, claims and other documents shall be reviewed by the
11.16 commissioner who shall order increases or decreases accordingly. Whenever possible, the
11.17 commissioner shall audit at least 25 districts each year pursuant to this subdivision.
11.18 Procedures adopted under this subdivision are not subject to chapter 14, including section
11.19 14.386, and may differ from the procedures under section 127A.42.

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

11.21 Sec. 13. Minnesota Statutes 2016, section 127A.45, subdivision 10, is amended to read:

11.22 Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general fund
11.23 payments for a district nonoperating fund must be made at the current year aid payment
11.24 percentage of the estimated entitlement during the fiscal year of the entitlement. This amount
11.25 shall be paid in ~~12~~ six equal monthly installments from July through December. The amount
11.26 of the actual entitlement, after adjustment for actual data, minus the payments made during
11.27 the fiscal year of the entitlement must be paid prior to October 31 of the following school
11.28 year. The commissioner may make advance payments of debt service equalization aid and
11.29 state-paid tax credits for a district's debt service fund earlier than would occur under the
11.30 preceding schedule if the district submits evidence showing a serious cash flow problem in
11.31 the fund. The commissioner may make earlier payments during the year and, if necessary,
11.32 increase the percent of the entitlement paid to reduce the cash flow problem.

12.1 Sec. 14. LEGISLATIVE STUDY GROUP ON SCHOOL FINANCE.

12.2 (a) A 12-member legislative study group on school finance is created to review
12.3 Minnesota's school finance system and recommend changes to make it more equitable and
12.4 efficient. The study group must submit a written report by February 1, 2018, to the legislature
12.5 recommending how to restructure Minnesota's school finance system. The study group must
12.6 publicly adopt goals for Minnesota's school funding system and identify specific formula
12.7 changes to implement those goals. The study group must examine compensatory revenue
12.8 and funding for regular instruction, special education, and facilities. The study group may
12.9 also examine other areas of Minnesota's school finance system. In developing its
12.10 recommendations, the study group must identify and include in its report any statutory
12.11 changes needed to implement the study group's recommendations.

12.12 (b) The legislative study group on school finance includes:

12.13 (1) six duly elected and currently serving members of the house of representatives, three
12.14 appointed by the speaker of the house and three appointed by the house minority leader,
12.15 and one of whom must be the current chair of the house of representatives Education Finance
12.16 Committee or the chair's designee; and

12.17 (2) six duly elected and currently serving senators, three appointed by the senate majority
12.18 leader and three appointed by the senate minority leader, one of whom must be the current
12.19 chair of the senate Education Finance Committee or the chair's designee.

12.20 Only duly elected and currently serving members of the house of representatives or senate
12.21 may be study group members.

12.22 (c) The appointments must be made by June 1, 2017, and expire February 2, 2018. If a
12.23 vacancy occurs, the leader of the caucus in the house of representatives or senate to which
12.24 the vacating study group member belonged must fill the vacancy. The chair of the house of
12.25 representatives Education Finance Committee shall convene the first meeting of the study
12.26 group. The study group shall elect a chair or co-chairs from among the members at the first
12.27 meeting. The study group must meet periodically. The Legislative Coordinating Commission
12.28 shall provide technical and administrative assistance upon request.

12.29 (d) In performing its tasks, the study group must consult with interested and affected
12.30 stakeholders.

12.31 (e) The study group expires February 2, 2018, unless extended by law.

13.1 **Sec. 15. NEVIS SCHOOL DISTRICT; LEVY ADJUSTMENT.**

13.2 Notwithstanding Minnesota Statutes, section 126C.48, Independent School District No.
 13.3 308, Nevis, at the discretion of its school board, may spread any levy adjustment remaining
 13.4 from the conversion of its operating referendum revenue over three or fewer years beginning
 13.5 with school property taxes for taxes payable in 2018.

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

13.7 **Sec. 16. PUPIL TRANSPORTATION ADJUSTMENT.**

13.8 (a) For fiscal years 2018 and 2019 only, an independent, common, or special school
 13.9 district's transportation sparsity revenue under Minnesota Statutes, section 126C.10,
 13.10 subdivision 18, is increased by the greater of zero or 52 percent of the difference between:

13.11 (1) the lesser of the district's total cost for regular and excess pupil transportation under
 13.12 section 123B.92, subdivision 1, paragraph (b), including depreciation, for the previous fiscal
 13.13 year or 105 percent of the district's total cost for the second previous fiscal year; and

13.14 (2) the sum of:

13.15 (i) 4.66 percent of the district's basic revenue for the previous fiscal year;

13.16 (ii) transportation sparsity revenue under Minnesota Statutes, section 126C.10, subdivision
 13.17 18, for the previous fiscal year; and

13.18 (iii) the district's charter school transportation adjustment for the previous fiscal year.

13.19 (b) For fiscal years 2018 and 2019 only, a charter school's pupil transportation adjustment
 13.20 equals the school district per pupil adjustment under paragraph (a).

13.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal years 2018 and
 13.22 2019 only.

13.23 **Sec. 17. APPROPRIATIONS.**

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

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

13.29	\$	<u>6,971,360,000</u>	<u>.....</u>	<u>2018</u>
13.30	\$	<u>7,108,742,000</u>	<u>.....</u>	<u>2019</u>

14.1 The 2018 appropriation includes \$686,828,000 for 2017 and \$6,284,532,000 for 2018.

14.2 The 2019 appropriation includes \$698,281,000 for 2018 and \$6,410,461,000 for 2019.

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

14.6 \$ 29,000 2018

14.7 \$ 31,000 2019

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

14.9 \$ 2,374,000 2018

14.10 \$ 2,163,000 2019

14.11 The 2018 appropriation includes \$262,000 for 2017 and \$2,112,000 for 2018.

14.12 The 2019 appropriation includes \$234,000 for 2018 and \$1,929,000 for 2019.

14.13 Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota
 14.14 Statutes, section 123A.485:

14.15 \$ 185,000 2018

14.16 \$ 382,000 2019

14.17 The 2018 appropriation includes \$0 for 2017 and \$185,000 for 2018.

14.18 The 2019 appropriation includes \$20,000 for 2018 and \$362,000 for 2019.

14.19 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 14.20 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

14.21 \$ 18,342,000 2018

14.22 \$ 19,437,000 2019

14.23 The 2018 appropriation includes \$1,687,000 for 2017 and \$16,655,000 for 2018.

14.24 The 2019 appropriation includes \$1,850,000 for 2018 and \$17,587,000 for 2019.

14.25 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
 14.26 Minnesota Statutes, section 123B.92, subdivision 9:

14.27 \$ 18,252,000 2018

14.28 \$ 18,281,000 2019

14.29 The 2018 appropriation includes \$1,835,000 for 2017 and \$16,417,000 for 2018.

14.30 The 2019 appropriation includes \$1,824,000 for 2018 and \$16,457,000 for 2019.

15.1 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,
 15.2 Warroad, to operate the Angle Inlet School:

15.3 \$ 65,000 2018

15.4 \$ 65,000 2019

15.5 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 15.6 Statutes, section 124D.4531, subdivision 1b:

15.7 \$ 4,561,000 2018

15.8 \$ 4,125,000 2019

15.9 The 2018 appropriation includes \$476,000 for 2017 and \$4,085,000 for 2018.

15.10 The 2019 appropriation includes \$453,000 for 2018 and \$3,672,000 for 2019.

15.11 Subd. 10. **Onetime pupil aid.** (a) For onetime pupil aid:

15.12 \$ 6,821,000 2019

15.13 (b) Each district's onetime pupil aid for fiscal year 2019 equals \$7.18 times its adjusted
 15.14 pupil units for that year.

15.15 Sec. 18. **REPEALER.**

15.16 Minnesota Statutes 2016, section 124D.73, subdivision 2, is repealed.

15.17 **ARTICLE 2**

15.18 **EDUCATION EXCELLENCE**

15.19 Section 1. Minnesota Statutes 2016, section 120A.22, subdivision 9, is amended to read:

15.20 Subd. 9. **Curriculum Knowledge and skills.** Instruction must be provided in at least
 15.21 the following subject areas:

15.22 (1) basic communication skills including reading and writing, literature, and fine arts;

15.23 (2) mathematics and science;

15.24 (3) social studies including history, geography, ~~and~~ economics, government, and
 15.25 citizenship; and

15.26 (4) health and physical education.

15.27 Instruction, textbooks, and materials must be in the English language. Another language
 15.28 may be used pursuant to sections 124D.59 to 124D.61.

16.1 Sec. 2. Minnesota Statutes 2016, section 120A.41, is amended to read:

16.2 **120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.**

16.3 (a) A school board's annual school calendar must include at least 425 hours of instruction
16.4 for a kindergarten student without a disability, 935 hours of instruction for a student in
16.5 grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not
16.6 including summer school. The school calendar for all-day kindergarten must include at least
16.7 850 hours of instruction for the school year. The school calendar for a prekindergarten
16.8 student under section 124D.151, if offered by the district, must include at least 350 hours
16.9 of instruction for the school year. A school board's annual calendar must include at least
16.10 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule
16.11 has been approved by the commissioner under section 124D.126.

16.12 (b) A school board's annual school calendar may include plans for up to five days of
16.13 instruction provided through online instruction due to inclement weather. The inclement
16.14 weather plans must be developed according to section 120A.414.

16.15 Sec. 3. **[120A.414] E-LEARNING DAYS.**

16.16 Subdivision 1. **Days.** "E-learning day" means a school day where a school offers full
16.17 access to online instruction provided by students' individual teachers due to inclement
16.18 weather. A school district or charter school that chooses to have e-learning days may have
16.19 up to five e-learning days in one school year. An e-learning day is counted as a day of
16.20 instruction and included in the hours of instruction under section 120A.41.

16.21 Subd. 2. **Plan.** A school board may adopt an e-learning day plan after consulting with
16.22 the exclusive representative of the teachers. A charter school may adopt an e-learning day
16.23 plan after consulting with its teachers. The plan must include accommodations for students
16.24 without Internet access at home and for digital device access for families without the
16.25 technology or an insufficient amount of technology for the number of children in the
16.26 household. A school's e-learning day plan must provide accessible options for students with
16.27 disabilities under chapter 125A.

16.28 Subd. 3. **Annual notice.** A school district or charter school must notify parents and
16.29 students of the e-learning day plan at the beginning of the school year.

16.30 Subd. 4. **Daily notice.** On an e-learning day declared by the school, a school district or
16.31 charter school must notify parents and students at least two hours prior to the normal school
16.32 start time that students need to follow the e-learning day plan for that day.

17.1 Subd. 5. **Teacher access.** Each student's teacher must be accessible both online and by
17.2 telephone during normal school hours on an e-learning day to assist students and parents.

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

17.4 Sec. 4. Minnesota Statutes 2016, section 120B.021, subdivision 1, is amended to read:

17.5 Subdivision 1. **Required academic standards.** (a) The following subject areas are
17.6 required for statewide accountability:

17.7 (1) language arts;

17.8 (2) mathematics;

17.9 (3) science;

17.10 (4) social studies, including history, geography, economics, and government and
17.11 citizenship that includes civics consistent with section 120B.02, subdivision 3;

17.12 (5) physical education;

17.13 (6) health, for which locally developed academic standards apply; and

17.14 (7) the arts, for which statewide or locally developed academic standards apply, as
17.15 determined by the school district. Public elementary and middle schools must offer at least
17.16 three and require at least two of the following four arts areas: dance; music; theater; and
17.17 visual arts. Public high schools must offer at least three and require at least one of the
17.18 following five arts areas: media arts; dance; music; theater; and visual arts.

17.19 (b) For purposes of applicable federal law, the academic standards for language arts,
17.20 mathematics, and science apply to all public school students, except the very few students
17.21 with extreme cognitive or physical impairments for whom an individualized education
17.22 program team has determined that the required academic standards are inappropriate. An
17.23 individualized education program team that makes this determination must establish
17.24 alternative standards.

17.25 (c) ~~Beginning in the 2016-2017 school year,~~ The department must adopt the most recent
17.26 ~~National Association of Sport and Physical Education~~ SHAPE America (Society of Health
17.27 and Physical Educators) kindergarten through grade 12 standards and benchmarks for
17.28 physical education as the required physical education academic standards. The department
17.29 may modify and adapt the national standards to accommodate state interest. The modification
17.30 and adaptations must maintain the purpose and integrity of the national standards. The
17.31 department must make available sample assessments, which school districts may use as an

18.1 alternative to local assessments, to assess students' mastery of the physical education
18.2 standards beginning in the 2018-2019 school year.

18.3 (d) A school district may include child sexual abuse prevention instruction in a health
18.4 curriculum, consistent with paragraph (a), clause (6). Child sexual abuse prevention
18.5 instruction may include age-appropriate instruction on recognizing sexual abuse and assault,
18.6 boundary violations and unwanted forms of touching or contact, and ways offenders groom
18.7 or desensitize victims, as well as strategies to promote disclosure, reduce self-blame, and
18.8 mobilize bystanders. A school district may provide instruction under this paragraph in a
18.9 variety of ways, including at an annual assembly or classroom presentation. A school district
18.10 may also provide parents information on the warning signs of child sexual abuse and available
18.11 resources.

18.12 ~~(d)~~ (e) District efforts to develop, implement, or improve instruction or curriculum as a
18.13 result of the provisions of this section must be consistent with sections 120B.10, 120B.11,
18.14 and 120B.20.

18.15 Sec. 5. Minnesota Statutes 2016, section 120B.021, subdivision 3, is amended to read:

18.16 Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section
18.17 and section 120B.022, must adopt statewide rules under section 14.389 for implementing
18.18 statewide rigorous core academic standards in language arts, mathematics, science, social
18.19 studies, physical education, and the arts. After the rules authorized under this subdivision
18.20 are initially adopted, the commissioner may not amend or repeal these rules nor adopt new
18.21 rules on the same topic without specific legislative authorization. ~~The academic standards~~
18.22 ~~for language arts, mathematics, and the arts must be implemented for all students beginning~~
18.23 ~~in the 2003-2004 school year. The academic standards for science and social studies must~~
18.24 ~~be implemented for all students beginning in the 2005-2006 school year.~~

18.25 Sec. 6. Minnesota Statutes 2016, section 120B.022, subdivision 1b, is amended to read:

18.26 Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive
18.27 for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph
18.28 (i), and close the academic achievement and opportunity gap under sections 124D.861 and
18.29 124D.862, voluntary state bilingual and multilingual seals are established to recognize high
18.30 school students in any school district, charter school, or nonpublic school who demonstrate
18.31 an advanced-low level or an intermediate high level of functional proficiency in listening,
18.32 speaking, reading, and writing on either assessments aligned with American Council on the
18.33 Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid

19.1 and reliable assessments in one or more languages in addition to English. American Sign
19.2 Language is a language other than English for purposes of this subdivision and a world
19.3 language for purposes of subdivision 1a.

19.4 (b) In addition to paragraph (a), to be eligible to receive a seal:

19.5 (1) students must satisfactorily complete all required English language arts credits; and

19.6 (2) students must demonstrate mastery of Minnesota's English language proficiency
19.7 standards.

19.8 (c) Consistent with this subdivision, a high school student who demonstrates an
19.9 intermediate high ACTFL level of functional proficiency in one language in addition to
19.10 English is eligible to receive the state bilingual gold seal. A high school student who
19.11 demonstrates an intermediate high ACTFL level of functional native proficiency in more
19.12 than one language in addition to English is eligible to receive the state multilingual gold
19.13 seal. A high school student who demonstrates an advanced-low ACTFL level of functional
19.14 proficiency in one language in addition to English is eligible to receive the state bilingual
19.15 platinum seal. A high school student who demonstrates an advanced-low ACTFL level of
19.16 functional proficiency in more than one language in addition to English is eligible to receive
19.17 the state multilingual platinum seal.

19.18 (d) School districts and charter schools may give students periodic opportunities to
19.19 demonstrate their level of proficiency in listening, speaking, reading, and writing in a
19.20 language in addition to English. Where valid and reliable assessments are unavailable, a
19.21 school district or charter school may rely on evaluators trained in assessing under ACTFL
19.22 proficiency guidelines to assess a student's level of foreign, heritage, or indigenous language
19.23 proficiency under this section. School districts and charter schools must maintain appropriate
19.24 records to identify high school students eligible to receive the state bilingual or multilingual
19.25 gold and platinum seals. The school district or charter school must affix the appropriate seal
19.26 to the transcript of each high school student who meets the requirements of this subdivision
19.27 and may affix the seal to the student's diploma. A school district or charter school must not
19.28 charge the high school student a fee for this seal.

19.29 (e) A school district or charter school may award elective course credits in world
19.30 languages to a student who demonstrates the requisite proficiency in a language other than
19.31 English under this section.

19.32 (f) A school district or charter school may award community service credit to a student
19.33 who demonstrates an intermediate high or advanced-low ACTFL level of functional
19.34 proficiency in listening, speaking, reading, and writing in a language other than English

20.1 and who participates in community service activities that are integrated into the curriculum,
20.2 involve the participation of teachers, and support biliteracy in the school or local community.

20.3 (g) The commissioner must list on the Web page those assessments that are aligned to
20.4 ACTFL proficiency guidelines.

20.5 (h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges
20.6 and Universities system must establish criteria to translate the seals into college credits
20.7 based on the world language course equivalencies identified by the Minnesota State Colleges
20.8 and Universities faculty and staff and, upon request from an enrolled student, the Minnesota
20.9 State Colleges and Universities may award foreign language credits to a student who receives
20.10 a Minnesota World Language Proficiency Certificate under subdivision 1a. A student who
20.11 demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a
20.12 seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution
20.13 must request college credits for the student's seal or proficiency certificate within three
20.14 academic years after graduating from high school. The University of Minnesota is encouraged
20.15 to award students foreign language academic credits consistent with this paragraph.

20.16 Sec. 7. Minnesota Statutes 2016, section 120B.12, subdivision 2, is amended to read:

20.17 Subd. 2. **Identification; report.** (a) Each school district shall identify before the end of
20.18 kindergarten, grade 1, and grade 2 students who are not reading at grade level before the
20.19 end of the current school year and shall identify students in grade 3 or higher who
20.20 demonstrate a reading difficulty to a classroom teacher. Reading assessments in English,
20.21 and in the predominant languages of district students where practicable, must identify and
20.22 evaluate students' areas of academic need related to literacy. The district also must monitor
20.23 the progress and provide reading instruction appropriate to the specific needs of English
20.24 learners. The district must use a locally adopted, developmentally appropriate, and culturally
20.25 responsive assessment and annually report summary assessment results to the commissioner
20.26 by July 1. The district also must annually report to the commissioner by July 1 a summary
20.27 of the district's efforts to screen and identify students with:

20.28 (1) dyslexia, using screening tools such as those recommended by the department's
20.29 dyslexia and literacy specialist; or

20.30 (2) convergence insufficiency disorder ~~to the commissioner by July 1.~~

20.31 (b) A student identified under this subdivision must be provided with alternate instruction
20.32 under section 125A.56, subdivision 1.

21.1 Sec. 8. [120B.122] DYSLEXIA SPECIALIST.

21.2 Subdivision 1. Purpose. The department must employ a dyslexia specialist to provide
21.3 technical assistance for dyslexia and related disorders and to serve as the primary source of
21.4 information and support for schools in addressing the needs of students with dyslexia and
21.5 related disorders. The dyslexia specialist shall also act to increase professional awareness
21.6 and instructional competencies to meet the educational needs of students with dyslexia or
21.7 identified with risk characteristics associated with dyslexia and shall develop implementation
21.8 guidance and make recommendations to the commissioner consistent with section 122A.06,
21.9 subdivision 4, to be used to assist general education teachers and special education teachers
21.10 to recognize educational needs and to improve literacy outcomes for students with dyslexia
21.11 or identified with risk characteristics associated with dyslexia.

21.12 Subd. 2. Definition. For purposes of this section, a "dyslexia specialist" means a dyslexia
21.13 therapist, licensed psychologist, licensed speech-language pathologist, or certified dyslexia
21.14 training specialist who has a minimum of three years of field experience in screening,
21.15 identifying, and treating dyslexia and related disorders.

21.16 Subd. 3. Requirements. A dyslexia specialist shall be highly trained in dyslexia and
21.17 related disorders and in using interventions and treatments that are evidence-based,
21.18 multisensory, direct, explicit, structured, and sequential in the areas of phonics, phonemic
21.19 awareness, vocabulary, fluency, and comprehension.

21.20 Sec. 9. Minnesota Statutes 2016, section 120B.22, subdivision 2, is amended to read:

21.21 Subd. 2. **In-service training.** Each district is encouraged to provide training for district
21.22 staff and school board members ~~to help~~ on the following:

21.23 (1) helping students identify violence in the family and the community so that students
21.24 may learn to resolve conflicts in effective, nonviolent ways;

21.25 (2) responding to a disclosure of child sexual abuse in a supportive, appropriate manner;
21.26 and

21.27 (3) complying with mandatory reporting requirements under section 626.556.

21.28 The in-service training must be ongoing and involve experts familiar with sexual abuse,
21.29 domestic violence, and personal safety issues.

22.1 Sec. 10. Minnesota Statutes 2016, section 120B.23, subdivision 3, is amended to read:

22.2 Subd. 3. **Grant awards.** (a) The commissioner may award grants for a violence
22.3 prevention education program to eligible applicants as defined in subdivision 2. Grant
22.4 amounts may not exceed \$3 per resident pupil unit in the district or group of districts in the
22.5 prior school year. Grant recipients should be geographically distributed throughout the state.

22.6 (b) School districts and charter schools may accept funds from private and other public
22.7 sources for child sexual abuse prevention programs developed and implemented under
22.8 sections 120B.021, subdivision 1, paragraph (d), and 120B.234, including federal funding
22.9 under the Every Student Succeeds Act.

22.10 Sec. 11. Minnesota Statutes 2016, section 120B.232, subdivision 1, is amended to read:

22.11 Subdivision 1. **Character development education.** (a) Character education is the shared
22.12 responsibility of parents, teachers, and members of the community. The legislature
22.13 encourages districts to integrate or offer instruction on character education including, but
22.14 not limited to, character qualities such as attentiveness, truthfulness, respect for authority,
22.15 diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking,
22.16 and resourcefulness. Instruction should be integrated into a district's existing programs,
22.17 curriculum, or the general school environment. To the extent practicable, instruction should
22.18 be integrated into positive behavioral intervention strategies, under section 122A.627. The
22.19 commissioner shall provide assistance at the request of a district to develop character
22.20 education curriculum and programs.

22.21 (b) Character development education under paragraph (a) may include a voluntary
22.22 elementary, middle, and high school program that incorporates the history and values of
22.23 Congressional Medal of Honor recipients and may be offered as part of the social studies,
22.24 English language arts, or other curriculum, as a schoolwide character building and veteran
22.25 awareness initiative, or as an after-school program, among other possibilities.

22.26 Sec. 12. **[120B.234] CHILD SEXUAL ABUSE PREVENTION EDUCATION.**

22.27 Subdivision 1. **Purpose.** The purpose of this section, which may be cited as "Erin's
22.28 Law," is to encourage districts to integrate or offer instruction on child sexual abuse
22.29 prevention to students and training to all school personnel on recognizing and preventing
22.30 sexual abuse and sexual violence.

22.31 Subd. 2. **Curriculum.** School districts may consult with other federal, state, or local
22.32 agencies and community-based organizations, including the Child Information Gateway

23.1 Web site maintained by the United States Department of Health and Human Services, to
23.2 identify research-based tools, curricula, and programs to prevent child sexual abuse for use
23.3 under section 120B.021, subdivision 1, paragraph (d).

23.4 Subd. 3. **Other state programs.** The child sexual abuse prevention instruction provided
23.5 under this section is part of preventing sexual violence against children, which includes,
23.6 but is not limited to, the following activities:

23.7 (1) training on mandated reporting requirements provided on the Department of
23.8 Education's Web site;

23.9 (2) the Code of Ethics for Minnesota Teachers; and

23.10 (3) consultation by the commissioner of education with the commissioners of health,
23.11 human services, and public safety, and other state agencies to prevent violence against
23.12 children.

23.13 Subd. 4. **Report.** The commissioner of education must submit a report by November 1,
23.14 2019, to the chairs and ranking minority members of the legislative committees with
23.15 jurisdiction over kindergarten through grade 12 education, providing information regarding
23.16 child sexual abuse prevention programs developed and implemented by school districts and
23.17 charter schools. The report must include information regarding the students and personnel
23.18 served, program activities, and program revenue sources and expenditures.

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

23.20 Sec. 13. Minnesota Statutes 2016, section 120B.30, subdivision 1, is amended to read:

23.21 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with
23.22 appropriate technical qualifications and experience and stakeholders, consistent with
23.23 subdivision 1a, shall include in the comprehensive assessment system, for each grade level
23.24 to be tested, state-constructed tests developed as computer-adaptive reading and mathematics
23.25 assessments for students that are aligned with the state's required academic standards under
23.26 section 120B.021, include multiple choice questions, and are administered annually to all
23.27 students in grades 3 through 8. State-developed high school tests aligned with the state's
23.28 required academic standards under section 120B.021 and administered to all high school
23.29 students in a subject other than writing must include multiple choice questions. The
23.30 commissioner shall establish one or more months during which schools shall administer
23.31 the tests to students each school year.

23.32 (1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be
23.33 assessed under (i) the graduation-required assessment for diploma in reading, mathematics,

24.1 or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c),
24.2 clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass
24.3 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
24.4 recognized armed services vocational aptitude test.

24.5 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible
24.6 to be assessed under (i) the graduation-required assessment for diploma in reading,
24.7 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1,
24.8 paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the Compass
24.9 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
24.10 recognized armed services vocational aptitude test.

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

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

24.15 (1) mathematics;

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

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

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

24.20 (3) language arts and reading; grades 3 through 8 and high school level beginning in the
24.21 2012-2013 school year.

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

24.26 (1) ~~an opportunity to participate on a nationally normed college entrance exam, in grade~~
24.27 ~~11 or grade 12;~~

24.28 ~~(2)~~ achievement and career and college readiness in mathematics, reading, and writing,
24.29 consistent with paragraph (k) and to the extent available, to monitor students' continuous
24.30 development of and growth in requisite knowledge and skills; analyze students' progress
24.31 and performance levels, identifying students' academic strengths and diagnosing areas where
24.32 students require curriculum or instructional adjustments, targeted interventions, or

25.1 remediation; and, based on analysis of students' progress and performance data, determine
25.2 students' learning and instructional needs and the instructional tools and best practices that
25.3 support academic rigor for the student; and

25.4 ~~(3)~~(2) consistent with this paragraph and section 120B.125, age-appropriate exploration
25.5 and planning activities and career assessments to encourage students to identify personally
25.6 relevant career interests and aptitudes and help students and their families develop a regularly
25.7 reexamined transition plan for postsecondary education or employment without need for
25.8 postsecondary remediation.

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

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

25.15 A student under paragraph (c), clause ~~(2)~~(1), must receive targeted, relevant, academically
25.16 rigorous, and resourced instruction, which may include a targeted instruction and intervention
25.17 plan focused on improving the student's knowledge and skills in core subjects so that the
25.18 student has a reasonable chance to succeed in a career or college without need for
25.19 postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49,
25.20 and related sections, an enrolling school or district must actively encourage a student in
25.21 grade 11 or 12 who is identified as academically ready for a career or college to participate
25.22 in courses and programs awarding college credit to high school students. Students are not
25.23 required to achieve a specified score or level of proficiency on an assessment under this
25.24 subdivision to graduate from high school.

25.25 (e) Though not a high school graduation requirement, students are encouraged to
25.26 participate in a nationally recognized college entrance exam. To the extent state funding
25.27 for college entrance exam fees is available, a district must ~~pay the cost~~ reimburse a student
25.28 in grade 11 or 12 who is eligible for a free or reduced-price meal, one time, for an interested
25.29 student in grade 11 or 12 to take for the registration fees associated with a nationally
25.30 recognized college entrance exam before graduating. A student must be able to take the
25.31 exam under this paragraph at the student's high school during the school day and at any one
25.32 of the multiple exam administrations available to students in the district. In order to comply
25.33 with this subdivision, a district may administer the ACT or SAT or both the ACT and SAT
25.34 to comply with this paragraph at the student's high school or arrange for the student to take

26.1 the exam at another location. ~~If the district administers only one of these two tests and a~~
26.2 ~~student opts not to take that test and chooses instead to take the other of the two tests, the~~
26.3 A free or reduced-price meal eligible student may take the ~~other test~~ exam at a different
26.4 time or location and remains eligible for the examination fee reimbursement.

26.5 (f) The commissioner and the chancellor of the Minnesota State Colleges and Universities
26.6 must collaborate in aligning instruction and assessments for adult basic education students
26.7 and English learners to provide the students with diagnostic information about any targeted
26.8 interventions, accommodations, modifications, and supports they need so that assessments
26.9 and other performance measures are accessible to them and they may seek postsecondary
26.10 education or employment without need for postsecondary remediation. When administering
26.11 formative or summative assessments used to measure the academic progress, including the
26.12 oral academic development, of English learners and inform their instruction, schools must
26.13 ensure that the assessments are accessible to the students and students have the modifications
26.14 and supports they need to sufficiently understand the assessments.

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

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

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

27.1 (j) In developing, supporting, and improving students' academic readiness for a career
27.2 or college, schools, districts, and the state must have a continuum of empirically derived,
27.3 clearly defined benchmarks focused on students' attainment of knowledge and skills so that
27.4 students, their parents, and teachers know how well students must perform to have a
27.5 reasonable chance to succeed in a career or college without need for postsecondary
27.6 remediation. The commissioner, in consultation with local school officials and educators,
27.7 and Minnesota's public postsecondary institutions must ensure that the foundational
27.8 knowledge and skills for students' successful performance in postsecondary employment
27.9 or education and an articulated series of possible targeted interventions are clearly identified
27.10 and satisfy Minnesota's postsecondary admissions requirements.

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

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

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

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

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

28.1 (1) uniform statewide computer-adaptive assessments of all students in grades 3 through
28.2 8 and testing at the high school levels that provides appropriate, technically sound
28.3 accommodations or alternate assessments;

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

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

28.8 (4) state results from participation in the National Assessment of Educational Progress
28.9 so that the state can benchmark its performance against the nation and other states, and,
28.10 where possible, against other countries, and contribute to the national effort to monitor
28.11 achievement.

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

28.18 (q) For purposes of statewide accountability, "cultural competence," "cultural
28.19 competency," or "culturally competent" means the ability ~~and will~~ of families and educators
28.20 to interact effectively with people of different cultures, native languages, and socioeconomic
28.21 backgrounds.

28.22 Sec. 14. Minnesota Statutes 2016, section 120B.31, is amended by adding a subdivision
28.23 to read:

28.24 Subd. 3a. **Rollout sites; report.** The commissioner of education shall designate up to
28.25 six school districts or charter schools as rollout sites.

28.26 (a) The rollout sites should represent urban school districts, suburban school districts,
28.27 nonurban school districts, and charter schools. The commissioner shall designate rollout
28.28 sites and notify the schools by August 1, 2017, and the designated school districts or charter
28.29 schools shall have the right to opt-out or opt-in as rollout sites by September 1, 2017.

28.30 (b) The commissioner must consult stakeholders and review the American Community
28.31 Survey to develop recommendations for best practices for disaggregated data. Stakeholders
28.32 consulted under this paragraph include at least:

29.1 (1) the rollout sites;

29.2 (2) parent groups; and

29.3 (3) community representatives.

29.4 (c) The commissioner shall report to the legislative committees having jurisdiction over
29.5 kindergarten through grade 12 education policy and finance by February 1, 2018. The
29.6 commissioner may research best practices from other states that have disaggregated data
29.7 beyond the requirements of the most recent reauthorization of the Elementary and Secondary
29.8 Education Act. The recommendations may address:

29.9 (1) the most meaningful use of disaggregated data, including but not limited to which
29.10 reports should include further disaggregated data;

29.11 (2) collection of additional student characteristics, including but not limited to ensuring
29.12 enhanced enrollment forms:

29.13 (i) provide context and the objective of additional data;

29.14 (ii) are designed to convey respect and acknowledgment of the sensitive nature of the
29.15 additional data; and

29.16 (iii) are designed to collect data consistent with user feedback;

29.17 (3) efficient data-reporting approaches when reporting additional information to the
29.18 department;

29.19 (4) the frequency by which districts and schools must update enrollment forms to meet
29.20 the needs of the state's changing racial and ethnic demographics; and

29.21 (5) the criteria for determining additional data. This recommendation should include a
29.22 recommendation for frequency of reviews and updates of the additional data and should
29.23 also identify the approach of updating any additional census data and data on new enrollees.
29.24 This recommendation must consider additional student groups that may face education
29.25 disparities and must take into account maintaining student privacy and providing
29.26 nonidentifiable student level data.

29.27 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and later.

29.28 Sec. 15. Minnesota Statutes 2016, section 120B.31, subdivision 4, is amended to read:

29.29 Subd. 4. **Student performance data.** In developing policies and assessment processes
29.30 to hold schools and districts accountable for high levels of academic standards under section
29.31 120B.021, the commissioner shall aggregate and disaggregate student data over time to

30.1 report summary student performance and growth levels and, under section 120B.11,
 30.2 subdivision 2, clause (2), student learning and outcome data measured at the school, school
 30.3 district, and statewide level. The commissioner shall use the student categories identified
 30.4 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
 30.5 and student categories of:

30.6 (1) homelessness;

30.7 (2) ethnicity; under section 120B.35, subdivision 3, paragraph (a), clause (2);

30.8 (3) race; under section 120B.35, subdivision 3, paragraph (a), clause (2);

30.9 (4) home language; ~~immigrant, refugee status;~~

30.10 (5) English learners under section 124D.59;

30.11 (6) free or reduced-price lunch; and

30.12 (7) other categories designated by federal law to organize and report the data so that
 30.13 state and local policy makers can understand the educational implications of changes in
 30.14 districts' demographic profiles over time as data are available.

30.15 Any report the commissioner disseminates containing summary data on student performance
 30.16 must integrate student performance and the demographic factors that strongly correlate with
 30.17 that performance.

30.18 **EFFECTIVE DATE.** This section is effective for the 2019-2020 school year and later.

30.19 Sec. 16. Minnesota Statutes 2016, section 120B.35, subdivision 3, is amended to read:

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

30.25 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
 30.26 report separate categories of information using the student categories identified under the
 30.27 federal Elementary and Secondary Education Act, as most recently reauthorized, and, in
 30.28 addition to "other" for each race and ethnicity, and the Karen community, ~~other student~~
 30.29 ~~categories as determined by the total Minnesota population at or above the 1,000-person~~
 30.30 ~~threshold based on the most recent decennial census, including ethnicity; race; refugee status~~
 30.31 seven of the most populous Asian and Pacific Islander groups, three of the most populous
 30.32 Native groups, seven of the most populous Hispanic/Latino groups, and five of the most

31.1 populous Black and African Heritage groups as determined by the total Minnesota population
31.2 based on the most recent American Community Survey; English learners under section
31.3 124D.59; home language; free or reduced-price lunch; ~~immigrant~~; and all students enrolled
31.4 in a Minnesota public school who are currently or were previously in foster care, except
31.5 that such disaggregation and cross tabulation is not required if the number of students in a
31.6 category is insufficient to yield statistically reliable information or the results would reveal
31.7 personally identifiable information about an individual student.

31.8 (b) The commissioner, in consultation with a stakeholder group that includes assessment
31.9 and evaluation directors, district staff, experts in culturally responsive teaching, and
31.10 researchers, must implement a model that uses a value-added growth indicator and includes
31.11 criteria for identifying schools and school districts that demonstrate medium and high growth
31.12 under section 120B.299, subdivisions 8 and 9, and may recommend other value-added
31.13 measures under section 120B.299, subdivision 3. The model may be used to advance
31.14 educators' professional development and replicate programs that succeed in meeting students'
31.15 diverse learning needs. Data on individual teachers generated under the model are personnel
31.16 data under section 13.43. The model must allow users to:

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

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

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

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

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

32.6 (2) a rigorous coursework measure indicating the number and percentage of high school
32.7 graduates in the most recent school year who successfully completed one or more
32.8 college-level advanced placement, international baccalaureate, postsecondary enrollment
32.9 options including concurrent enrollment, other rigorous courses of study under section
32.10 120B.021, subdivision 1a, or industry certification courses or programs.

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

32.15 (d) When reporting student performance under section 120B.36, subdivision 1, the
32.16 commissioner annually, beginning July 1, 2014, must report summary data on school safety
32.17 and students' engagement and connection at school, consistent with the student categories
32.18 identified under paragraph (a), clause (2). The summary data under this paragraph are
32.19 separate from and must not be used for any purpose related to measuring or evaluating the
32.20 performance of classroom teachers. The commissioner, in consultation with qualified experts
32.21 on student engagement and connection and classroom teachers, must identify highly reliable
32.22 variables that generate summary data under this paragraph. The summary data may be used
32.23 at school, district, and state levels only. Any data on individuals received, collected, or
32.24 created that are used to generate the summary data under this paragraph are nonpublic data
32.25 under section 13.02, subdivision 9.

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

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

32.32 (2) the percent of students under this paragraph whose progress and performance levels
32.33 are meeting career and college readiness benchmarks under section 120B.30, subdivision
32.34 1; and

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

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

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

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

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

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

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

33.16 (g) When reporting four- and six-year graduation rates, the commissioner or school
33.17 district must disaggregate the data by student categories according to paragraph (a), clause
33.18 (2).

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

33.24 **EFFECTIVE DATE.** This section is effective for the 2018-2019 school year and later
33.25 for rollout sites under Minnesota Statutes, section 120B.31, subdivision 3a. This section is
33.26 effective for the 2019-2020 school year and later for all other schools.

33.27 Sec. 17. Minnesota Statutes 2016, section 120B.36, subdivision 1, is amended to read:

33.28 Subdivision 1. **School performance reports and public reporting.** (a) The commissioner
33.29 shall report student academic performance data under section 120B.35, subdivisions 2 and
33.30 3; the percentages of students showing low, medium, and high growth under section 120B.35,
33.31 subdivision 3, paragraph (b); school safety and student engagement and connection under
33.32 section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35,

34.1 subdivision 3, paragraph (c); the percentage of students under section 120B.35, subdivision
34.2 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and
34.3 college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35,
34.4 subdivision 3, paragraph (e); longitudinal data on the progress of eligible districts in reducing
34.5 disparities in students' academic achievement and realizing racial and economic integration
34.6 under section 124D.861; the acquisition of English, and where practicable, native language
34.7 academic literacy, including oral academic language, and the academic progress of all
34.8 English learners enrolled in a Minnesota public school course or program who are currently
34.9 or were previously counted as English learners under section 124D.59; two separate
34.10 student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections
34.11 122A.06 and 122A.15 for purposes of determining these ratios; staff characteristics excluding
34.12 salaries; student enrollment demographics; foster care status, including all students enrolled
34.13 in a Minnesota public school course or program who are currently or were previously in
34.14 foster care, student homelessness, and district mobility; and extracurricular activities. ~~The~~
34.15 ~~report also must indicate a school's status under applicable federal law.~~

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

34.19 (c) The commissioner shall develop, annually update, and post on the department Web
34.20 site school performance reports consistent with paragraph (a) and section 120B.11.

34.21 ~~(e)~~ (d) The commissioner must make available performance reports by the beginning of
34.22 each school year.

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

34.26 ~~(e)~~ (f) School performance data are nonpublic data under section 13.02, subdivision 9,
34.27 until the commissioner publicly releases the data. The commissioner shall annually post
34.28 school performance reports to the department's public Web site no later than September 1,
34.29 except that in years when the reports reflect new performance standards, the commissioner
34.30 shall post the school performance reports no later than October 1.

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

35.1 Sec. 18. Minnesota Statutes 2016, section 124D.03, subdivision 5a, is amended to read:

35.2 Subd. 5a. **Lotteries.** If a school district has more applications than available seats at a
35.3 specific grade level, it must hold an impartial lottery following the January 15 deadline to
35.4 determine which students will receive seats. The district must give priority to enrolling
35.5 siblings of currently enrolled students, students whose applications are related to an approved
35.6 integration and achievement plan, and children of the school district's staff must receive
35.7 priority in the lottery, and students residing in that part of a municipality, defined under
35.8 section 469.1812, subdivision 3, where:

35.9 (1) the student's resident district does not operate a school building;

35.10 (2) the nonresident district in which the student seeks to enroll operates one or more
35.11 school buildings within the municipality; and

35.12 (3) no other nonresident district operates a school building within the municipality.

35.13 The process for the school district lottery must be established in school district policy,
35.14 approved by the school board, and posted on the school district's Web site.

35.15 **EFFECTIVE DATE.** This section is effective for lotteries conducted beginning July
35.16 1, 2017.

35.17 Sec. 19. Minnesota Statutes 2016, section 124D.09, subdivision 3, is amended to read:

35.18 Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings
35.19 given to them.

35.20 (a) "Eligible institution" means a Minnesota public postsecondary institution, a private,
35.21 nonprofit two-year trade and technical school granting associate degrees, an opportunities
35.22 industrialization center accredited by the North Central Association of Colleges and Schools,
35.23 or a private, residential, two-year or four-year, liberal arts, degree-granting college or
35.24 university located in Minnesota.

35.25 (b) "Course" means a course or program.

35.26 (c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under
35.27 subdivision 5 or 5b enrolls to earn both secondary and postsecondary credits, are taught by
35.28 a secondary teacher or a postsecondary faculty member, and are offered at a high school
35.29 for which the district is eligible to receive concurrent enrollment program aid under section
35.30 124D.091.

36.1 Sec. 20. Minnesota Statutes 2016, section 124D.09, subdivision 5, is amended to read:

36.2 Subd. 5. **Authorization; notification.** Notwithstanding any other law to the contrary,
36.3 an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled tribal
36.4 contract or grant school eligible for aid under section 124D.83, except a foreign exchange
36.5 pupil enrolled in a district under a cultural exchange program, may apply to an eligible
36.6 institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that
36.7 postsecondary institution. ~~Notwithstanding any other law to the contrary, a 9th or 10th grade~~
36.8 ~~pupil enrolled in a district or an American Indian-controlled tribal contract or grant school~~
36.9 ~~eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district~~
36.10 ~~under a cultural exchange program, may apply to enroll in nonsectarian courses offered~~
36.11 ~~under subdivision 10, if (1) the school district and the eligible postsecondary institution~~
36.12 ~~providing the course agree to the student's enrollment or (2) the course is a world language~~
36.13 ~~course currently available to 11th and 12th grade students, and consistent with section~~
36.14 ~~120B.022 governing world language standards, certificates, and seals.~~ If an institution
36.15 accepts a secondary pupil for enrollment under this section, the institution shall send written
36.16 notice to the pupil, the pupil's school or school district, and the commissioner ~~within ten~~
36.17 ~~days of acceptance.~~ The notice must indicate the course and hours of enrollment of that
36.18 pupil. If the pupil enrolls in a course for postsecondary credit, the institution must notify
36.19 the pupil about payment in the customary manner used by the institution.

36.20 Sec. 21. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
36.21 to read:

36.22 Subd. 5b. **Authorization; 9th or 10th grade pupil.** Notwithstanding any other law to
36.23 the contrary, a 9th or 10th grade pupil enrolled in a district or an American Indian-controlled
36.24 tribal contract or grant school eligible for aid under section 124D.83, except a foreign
36.25 exchange pupil enrolled in a district under a cultural exchange program, may apply to enroll
36.26 in nonsectarian courses offered under subdivision 10, if:

36.27 (1) the school district and the eligible postsecondary institution providing the course
36.28 agree to the student's enrollment; or

36.29 (2) the course is a world language course currently available to 11th and 12th grade
36.30 students, and consistent with section 120B.022 governing world language standards,
36.31 certificates, and seals.

37.1 Sec. 22. Minnesota Statutes 2016, section 124D.09, subdivision 9, is amended to read:

37.2 Subd. 9. **Enrollment priority.** (a) A postsecondary institution shall give priority to its
37.3 postsecondary students when enrolling 10th, 11th, and 12th grade pupils in its courses. A
37.4 postsecondary institution may provide information about its programs to a secondary school
37.5 or to a pupil or parent ~~and it may advertise or otherwise recruit or solicit a secondary pupil~~
37.6 ~~to enroll in its programs on educational and programmatic grounds only except,~~
37.7 ~~notwithstanding other law to the contrary, and for the 2014-2015 through 2019-2020 school~~
37.8 ~~years only, an eligible postsecondary institution may advertise or otherwise recruit or solicit~~
37.9 ~~a secondary pupil residing in a school district with 700 students or more in grades 10, 11,~~
37.10 ~~and 12, to enroll in its programs on educational, programmatic, or financial grounds.~~

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

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

37.21 (d) If a postsecondary institution enrolls a secondary school pupil in a course under this
37.22 section, the postsecondary institution also must enroll in the same course an otherwise
37.23 enrolled and qualified postsecondary student who qualifies as a veteran under section
37.24 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's
37.25 established enrollment timelines were not practicable for that student.

37.26 Sec. 23. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
37.27 to read:

37.28 Subd. 11a. **Access to building and technology.** (a) A school district must allow a student
37.29 enrolled in a course under this section to remain at the school site during regular school
37.30 hours.

37.31 (b) A school district must adopt a policy that provides a student enrolled in a course
37.32 under this section with reasonable access during regular school hours to a computer and

38.1 other technology resources that the student needs to complete coursework for a postsecondary
38.2 enrollment course.

38.3 Sec. 24. Minnesota Statutes 2016, section 124D.09, subdivision 12, is amended to read:

38.4 Subd. 12. **Credits; grade point average weighting policy.** (a) A pupil must not audit
38.5 a course under this section.

38.6 (b) A district shall grant academic credit to a pupil enrolled in a course for secondary
38.7 credit if the pupil successfully completes the course. Seven quarter or four semester college
38.8 credits equal at least one full year of high school credit. Fewer college credits may be
38.9 prorated. A district must also grant academic credit to a pupil enrolled in a course for
38.10 postsecondary credit if secondary credit is requested by a pupil. If no comparable course is
38.11 offered by the district, the district must, as soon as possible, notify the commissioner, who
38.12 shall determine the number of credits that shall be granted to a pupil who successfully
38.13 completes a course. If a comparable course is offered by the district, the school board shall
38.14 grant a comparable number of credits to the pupil. If there is a dispute between the district
38.15 and the pupil regarding the number of credits granted for a particular course, the pupil may
38.16 appeal the board's decision to the commissioner. The commissioner's decision regarding
38.17 the number of credits shall be final.

38.18 (c) A school board must adopt a policy regarding weighted grade point averages for any
38.19 high school or dual enrollment course. The policy must state whether the district offers
38.20 weighted grades. A school board must annually publish on its Web site a list of courses for
38.21 which a student may earn a weighted grade.

38.22 (d) The secondary credits granted to a pupil must be counted toward the graduation
38.23 requirements and subject area requirements of the district. Evidence of successful completion
38.24 of each course and secondary credits granted must be included in the pupil's secondary
38.25 school record. A pupil shall provide the school with a copy of the pupil's grade in each
38.26 course taken for secondary credit under this section. Upon the request of a pupil, the pupil's
38.27 secondary school record must also include evidence of successful completion and credits
38.28 granted for a course taken for postsecondary credit. In either case, the record must indicate
38.29 that the credits were earned at a postsecondary institution.

38.30 (e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the
38.31 postsecondary institution must award postsecondary credit for any course successfully
38.32 completed for secondary credit at that institution. Other postsecondary institutions may
38.33 award, after a pupil leaves secondary school, postsecondary credit for any courses

39.1 successfully completed under this section. An institution may not charge a pupil for the
39.2 award of credit.

39.3 (f) The Board of Trustees of the Minnesota State Colleges and Universities and the
39.4 Board of Regents of the University of Minnesota must, and private nonprofit and proprietary
39.5 postsecondary institutions should, award postsecondary credit for any successfully completed
39.6 courses in a program certified by the National Alliance of Concurrent Enrollment Partnerships
39.7 offered according to an agreement under subdivision 10. Consistent with section 135A.101,
39.8 subdivision 3, all MnSCU institutions must give full credit to a secondary pupil who
39.9 completes for postsecondary credit a postsecondary course or program that is part or all of
39.10 a goal area or a transfer curriculum at a MnSCU institution when the pupil enrolls in a
39.11 MnSCU institution after leaving secondary school. Once one MnSCU institution certifies
39.12 as completed a secondary student's postsecondary course or program that is part or all of a
39.13 goal area or a transfer curriculum, every MnSCU institution must consider the student's
39.14 course or program for that goal area or the transfer curriculum as completed.

39.15 Sec. 25. Minnesota Statutes 2016, section 124D.09, subdivision 13, is amended to read:

39.16 Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section,
39.17 the department must make payments according to this subdivision for courses that were
39.18 taken for secondary credit.

39.19 The department must not make payments to a school district or postsecondary institution
39.20 for a course taken for postsecondary credit only. The department must not make payments
39.21 to a postsecondary institution for a course from which a student officially withdraws during
39.22 the first 14 days of the quarter or semester or who has been absent from the postsecondary
39.23 institution for the first 15 consecutive school days of the quarter or semester and is not
39.24 receiving instruction in the home or hospital.

39.25 A postsecondary institution shall receive the following:

39.26 (1) for an institution granting quarter credit, the reimbursement per credit hour shall be
39.27 an amount equal to 88 percent of the product of the formula allowance minus \$425, multiplied
39.28 by 1.2, and divided by 45; or

39.29 (2) for an institution granting semester credit, the reimbursement per credit hour shall
39.30 be an amount equal to 88 percent of the product of the general revenue formula allowance
39.31 minus \$425, multiplied by 1.2, and divided by 30.

39.32 The department must pay to each postsecondary institution 100 percent of the amount
39.33 in clause (1) or (2) within ~~30~~ 45 days of receiving initial enrollment information each quarter

40.1 or semester. If changes in enrollment occur during a quarter or semester, the change shall
40.2 be reported by the postsecondary institution at the time the enrollment information for the
40.3 succeeding quarter or semester is submitted. At any time the department notifies a
40.4 postsecondary institution that an overpayment has been made, the institution shall promptly
40.5 remit the amount due.

40.6 Sec. 26. Minnesota Statutes 2016, section 124D.095, subdivision 3, is amended to read:

40.7 Subd. 3. **Authorization; notice; limitations on enrollment.** (a) A student may apply
40.8 for full-time enrollment in an approved online learning program under section 124D.03 or
40.9 124D.08 or chapter 124E. Notwithstanding sections 124D.03 and 124D.08 and chapter
40.10 124E, procedures for enrolling in supplemental online learning are as provided in this
40.11 subdivision. A student age 17 or younger must have the written consent of a parent or
40.12 guardian to apply. No school district or charter school may prohibit a student from applying
40.13 to enroll in online learning. In order to enroll in online learning, the student and the student's
40.14 parents must submit an application to the online learning provider and identify the student's
40.15 reason for enrolling. An online learning provider that accepts a student under this section
40.16 must notify the student and the enrolling district in writing within ten days if the enrolling
40.17 district is not the online learning provider. The student and the student's parent must notify
40.18 the online learning provider of the student's intent to enroll in online learning within ten
40.19 days of being accepted, at which time the student and the student's parent must sign a
40.20 statement indicating that they have reviewed the online course or program and understand
40.21 the expectations of enrolling in online learning. The online learning provider must use a
40.22 form provided by the department to notify the enrolling district of the student's application
40.23 to enroll in online learning.

40.24 (b) The supplemental online learning notice to the enrolling district when a student
40.25 applies to the online learning provider will include the courses or program, credits to be
40.26 awarded, and the start date of the online course or program. An online learning provider
40.27 must make available the supplemental online course syllabus to the enrolling district. Within
40.28 15 days after the online learning provider makes information in this paragraph available to
40.29 the enrolling district, the enrolling district must notify the online provider whether the
40.30 student, the student's parent, and the enrolling district agree or disagree that the course meets
40.31 the enrolling district's graduation requirements. A student may enroll in a supplemental
40.32 online learning course up to the midpoint of the enrolling district's term. The enrolling
40.33 district may waive this requirement for special circumstances and with the agreement of
40.34 the online provider. An online learning course or program that meets or exceeds a graduation
40.35 standard or the grade progression requirement of the enrolling district as described in the

41.1 provider's online course syllabus meets the corresponding graduation requirements applicable
41.2 to the student in the enrolling district. If the enrolling district does not agree that the course
41.3 or program meets its graduation requirements, then:

41.4 (1) the enrolling district must make available an explanation of its decision to the student,
41.5 the student's parent, and the online provider; and

41.6 (2) the online provider may make available a response to the enrolling district, showing
41.7 how the course or program meets the graduation requirements of the enrolling district.

41.8 (c) An online learning provider must notify the commissioner that it is delivering online
41.9 learning and report the number of online learning students it accepts and the online learning
41.10 courses and programs it delivers.

41.11 (d) An online learning provider may limit enrollment if the provider's school board or
41.12 board of directors adopts by resolution specific standards for accepting and rejecting students'
41.13 applications. Limits to enrollment must not discriminate against any group under chapter
41.14 363A.

41.15 (e) An enrolling district may reduce an online learning student's regular classroom
41.16 instructional membership in proportion to the student's membership in online learning
41.17 courses.

41.18 (f) The online provider must report or make available information on an individual
41.19 student's progress and accumulated credit to the student, the student's parent, and the enrolling
41.20 district in a manner specified by the commissioner unless the enrolling district and the online
41.21 provider agree to a different form of notice and notify the commissioner. The enrolling
41.22 district must designate a contact person to help facilitate and monitor the student's academic
41.23 progress and accumulated credits towards graduation.

41.24 Sec. 27. **[124D.4535] INNOVATIVE DELIVERY OF CAREER AND TECHNICAL**
41.25 **EDUCATION PROGRAMS; SHARING OF DISTRICT RESOURCES.**

41.26 Subdivision 1. Establishment; requirements for participation. (a) A program is
41.27 established to improve student, career and college readiness, and school outcomes by
41.28 allowing groups of school districts to work together in partnership with local and regional
41.29 postsecondary institutions and programs, community institutions, and other private, public,
41.30 for-profit, and nonprofit workplace partners, to:

41.31 (1) provide innovative education programs and activities that integrate core academic
41.32 and career and technical subjects in students' programs of study through coordinated

42.1 secondary and postsecondary career and technical programs leading to an industry
42.2 certification or other credential;

42.3 (2) provide embedded professional development for program participants;

42.4 (3) use performance assessments in authentic settings to measure students' technical
42.5 skills and progress toward attaining an industry certification or other credential; and

42.6 (4) efficiently share district, institution, and workplace resources.

42.7 (b) To participate in this program to improve student, career and college readiness, and
42.8 school outcomes, a group of two or more school districts must collaborate with school staff
42.9 and project partners and receive formal school board approval to form a partnership. The
42.10 partnership must develop a plan to provide challenging programmatic options for students
42.11 under paragraph (a); create professional development opportunities for educators and other
42.12 program participants; increase student engagement and connection and challenging learning
42.13 opportunities for diverse populations of students that are focused on employability skills
42.14 and technical, job-specific skills related to a specific career pathway; or demonstrate
42.15 efficiencies in delivering financial and other services needed to realize plan goals and
42.16 objectives. The plan must include:

42.17 (1) collaborative education goals and objectives;

42.18 (2) strategies and processes to implement those goals and objectives, including a budget
42.19 process with periodic expenditure reviews;

42.20 (3) valid and reliable measures including performance assessments in authentic settings
42.21 and progress toward attaining an industry certification or other credential, among other
42.22 measures, to evaluate progress in realizing plan goals and objectives;

42.23 (4) an implementation timeline; and

42.24 (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
42.25 schedules, and legal considerations needed to fully implement the plan.

42.26 A partnership may invite additional districts or other participants under paragraph (a) to
42.27 join the partnership after notifying the commissioner.

42.28 (c) A partnership of interested districts must submit an application to the commissioner
42.29 of education in the form and manner the commissioner determines, consistent with the
42.30 requirements of this section. The application must contain the formal approval adopted by
42.31 the school board in each district to participate in the plan.

43.1 (d) Notwithstanding any other law to the contrary, a participating school district under
43.2 this section continues to: receive revenue and maintain its taxation authority; be organized
43.3 and governed by an elected school board with general powers under section 123B.02; and
43.4 be subject to employment agreements under chapter 122A, and section 179A.20; and district
43.5 employees continue to remain employees of the employing school district.

43.6 (e) Participating districts must submit a biennial report by February 1 in each
43.7 odd-numbered year to the education committees of the legislature and the commissioner of
43.8 education that includes performance assessment, high school graduation, and career and
43.9 technical certification data to show the success of the partnership in preparing diverse
43.10 populations of students for careers and jobs.

43.11 Subd. 2. **Commissioner's role.** The commissioner of education must convene an advisory
43.12 panel to advise the commissioner on applicants' qualifications to participate in this program.
43.13 The commissioner must ensure an equitable geographical distribution of program participants
43.14 to the extent practicable. The commissioner must select only those applicants that fully
43.15 complies with subdivision 1. The commissioner may terminate a program participant that
43.16 fails to effectively implement the goals and objectives contained in its application and
43.17 according to its stated timeline.

43.18 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment
43.19 and applies to those applications submitted after that date.

43.20 (b) Districts already approved for an innovation zone pilot project under Laws 2012,
43.21 chapter 263, section 1, as amended by Laws 2014, chapter 312, article 15, section 24, may
43.22 continue to operate.

43.23 Sec. 28. Minnesota Statutes 2016, section 124D.68, subdivision 2, is amended to read:

43.24 Subd. 2. **Eligible pupils.** (a) A pupil under the age of 21 or who meets the requirements
43.25 of section 120A.20, subdivision 1, paragraph (c), is eligible to participate in the graduation
43.26 incentives program, if the pupil:

43.27 (1) performs substantially below the performance level for pupils of the same age in a
43.28 locally determined achievement test;

43.29 (2) is behind in satisfactorily completing coursework or obtaining credits for graduation;

43.30 (3) is pregnant or is a parent;

43.31 (4) has been assessed as chemically dependent;

43.32 (5) has been excluded or expelled according to sections 121A.40 to 121A.56;

44.1 (6) has been referred by a school district for enrollment in an eligible program or a
44.2 program pursuant to section 124D.69;

44.3 (7) is a victim of physical or sexual abuse;

44.4 (8) has experienced mental health problems;

44.5 (9) has experienced homelessness sometime within six months before requesting a
44.6 transfer to an eligible program;

44.7 (10) speaks English as a second language or is an English learner; or

44.8 (11) has withdrawn from school or has been chronically truant; or

44.9 (12) is being treated in a hospital in the seven-county metropolitan area for cancer or
44.10 other life threatening illness or is the sibling of an eligible pupil who is being currently
44.11 treated, and resides with the pupil's family at least 60 miles beyond the outside boundary
44.12 of the seven-county metropolitan area.

44.13 (b) ~~For the 2016-2017 school year only,~~ For fiscal years 2017 and 2018 only, a pupil
44.14 otherwise qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years
44.15 of age, is an English learner with an interrupted formal education according to section
44.16 124D.59, subdivision 2a, and was in an early middle college program during the previous
44.17 school year is eligible to participate in the graduation incentives program under section
44.18 124D.68 and in concurrent enrollment courses offered under section 124D.09, subdivision
44.19 10, and is funded in the same manner as other pupils under this section.

44.20 Sec. 29. Minnesota Statutes 2016, section 124E.03, subdivision 2, is amended to read:

44.21 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall
44.22 meet all federal, state, and local health and safety requirements applicable to school districts.

44.23 (b) A school must comply with statewide accountability requirements governing standards
44.24 and assessments in chapter 120B.

44.25 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
44.26 123B.34 to 123B.39.

44.27 (d) A charter school is a district for the purposes of tort liability under chapter 466.

44.28 (e) A charter school must comply with the Pledge of Allegiance requirement under
44.29 section 121A.11, subdivision 3.

44.30 (f) A charter school and charter school board of directors must comply with chapter 181
44.31 governing requirements for employment.

45.1 (g) A charter school must comply with continuing truant notification under section
45.2 260A.03.

45.3 (h) A charter school must develop and implement a teacher evaluation and peer review
45.4 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place
45.5 students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d).
45.6 The teacher evaluation process in this paragraph does not create any additional employment
45.7 rights for teachers.

45.8 (i) A charter school must adopt a policy, plan, budget, and process, consistent with
45.9 section 120B.11, to review curriculum, instruction, and student achievement and strive for
45.10 the world's best workforce.

45.11 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,
45.12 sections 121A.40 to 121A.56.

45.13 Sec. 30. Minnesota Statutes 2016, section 124E.11, is amended to read:

45.14 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

45.15 (a) A charter school, including its free preschool or prekindergarten program established
45.16 under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

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

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

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

45.22 (b) A charter school, including its free preschool or prekindergarten program established
45.23 under section 124E.06, subdivision 3, paragraph (b), shall enroll an eligible pupil who
45.24 submits a timely application, unless the number of applications exceeds the capacity of a
45.25 program, class, grade level, or building. In this case, pupils must be accepted by lot. The
45.26 charter school must develop and publish, including on its Web site, a lottery policy and
45.27 process that it must use when accepting pupils by lot.

45.28 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
45.29 and to a foster child of that pupil's parents and may give preference for enrolling children
45.30 of the school's staff before accepting other pupils by lot. A charter school that is located in
45.31 Duluth township in St. Louis County and admits students in kindergarten through grade 6
45.32 must give enrollment preference to students residing within a five-mile radius of the school

46.1 and to the siblings of enrolled children. A charter school may give enrollment preference
46.2 to children currently enrolled in the school's free preschool or prekindergarten program
46.3 under section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten
46.4 in the next school year.

46.5 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless
46.6 the pupil is at least five years of age on September 1 of the calendar year in which the school
46.7 year for which the pupil seeks admission commences; or (2) as a first grade student, unless
46.8 the pupil is at least six years of age on September 1 of the calendar year in which the school
46.9 year for which the pupil seeks admission commences or has completed kindergarten; except
46.10 that a charter school may establish and publish on its Web site a policy for admission of
46.11 selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b)
46.12 and (c).

46.13 (e) Except as permitted in paragraph (d), a charter school, including its free preschool
46.14 or prekindergarten program established under section 124E.06, subdivision 3, paragraph
46.15 (b), may not limit admission to pupils on the basis of intellectual ability, measures of
46.16 achievement or aptitude, or athletic ability and may not establish any criteria or requirements
46.17 for admission that are inconsistent with this section.

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

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

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

46.31 Sec. 31. Minnesota Statutes 2016, section 125A.56, subdivision 1, is amended to read:

46.32 Subdivision 1. **Requirement.** (a) Before a pupil is referred for a special education
46.33 evaluation, the district must conduct and document at least two instructional strategies,

47.1 alternatives, or interventions using a system of scientific, research-based instruction and
47.2 intervention in academics or behavior, based on the pupil's needs, while the pupil is in the
47.3 regular classroom. The pupil's teacher must document the results. A special education
47.4 evaluation team may waive this requirement when it determines the pupil's need for the
47.5 evaluation is urgent. This section may not be used to deny a pupil's right to a special
47.6 education evaluation.

47.7 (b) A school district shall use alternative intervention services, including the assurance
47.8 of mastery program under section 124D.66, or an early intervening services program under
47.9 subdivision 2 to serve at-risk pupils who demonstrate a need for alternative instructional
47.10 strategies or interventions.

47.11 (c) A student identified as being unable to read at grade level under section 120B.12,
47.12 subdivision 2, paragraph (a), must be provided with alternate instruction under this
47.13 subdivision that is multisensory, systematic, sequential, cumulative, and explicit.

47.14 Sec. 32. Minnesota Statutes 2016, section 126C.05, subdivision 8, is amended to read:

47.15 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
47.16 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
47.17 on the current roll of the school, counted from the date of entry until withdrawal. The date
47.18 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
47.19 officially known that the pupil has left or has been legally excused. However, a pupil,
47.20 regardless of age, who has been absent from school for 15 consecutive school days during
47.21 the regular school year or for five consecutive school days during summer school or
47.22 intersession classes of flexible school year programs without receiving instruction in the
47.23 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this
47.24 section shall be construed as waiving the compulsory attendance provisions cited in section
47.25 120A.22. Average daily membership equals the sum for all pupils of the number of days
47.26 of the school year each pupil is enrolled in the district's schools divided by the number of
47.27 days the schools are in session or are providing e-learning days due to inclement weather.
47.28 Days of summer school or intersession classes of flexible school year programs are only
47.29 included in the computation of membership for pupils with a disability not appropriately
47.30 served primarily in the regular classroom. A student must not be counted as more than 1.2
47.31 pupils in average daily membership under this section. When the initial total average daily
47.32 membership exceeds 1.2 for a pupil enrolled in more than one school district during the
47.33 fiscal year, each district's average daily membership must be reduced proportionately.

48.1 (b) A student must not be counted as more than one pupil in average daily membership
 48.2 except for purposes of section 126C.10, subdivision 2a.

48.3 Sec. 33. Laws 2016, chapter 189, article 25, section 62, subdivision 7, is amended to read:

48.4 Subd. 7. **Education Innovation Partners Cooperative Center.** (a) For a matching
 48.5 grant to Education Innovation Partners Cooperative Center, No. 6091-50, to provide
 48.6 research-based professional development services, on-site training, and leadership coaching
 48.7 to teachers and other school staff:

48.8		500,000		
48.9	\$	<u>90,000</u>	.....	2017
48.10	\$	<u>310,000</u>	.....	<u>2018</u>

48.11 (b) \$410,000 of the \$500,000 appropriation in Laws 2016, chapter 189, article 25, section
 48.12 62, subdivision 7, is canceled to the state general fund on June 30, 2017.

48.13 (c) A grant under this subdivision must be matched with money or in-kind contributions
 48.14 from nonstate sources. This is a onetime appropriation. This appropriation is available until
 48.15 June 30, 2019.

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

48.17 Sec. 34. Laws 2016, chapter 189, article 25, section 62, subdivision 17, is amended to
 48.18 read:

48.19 Subd. 17. **Southwest Minnesota State University special education teacher education**
 48.20 **program.** (a) For the Southwest Minnesota State University special education teacher
 48.21 education program to support Minnesota ~~resident~~ residents working toward licensure in an
 48.22 online program, including persons currently employed as:

- 48.23 (1) special education paraprofessionals working toward licensure in an online program;
- 48.24 (2) teachers without a special education license working on a variance; or
- 48.25 (3) individuals teaching with a community expert license:

48.26		385,000		
48.27	\$	<u>132,000</u>	.....	2017
48.28	\$	<u>253,000</u>	.....	<u>2018</u>

48.29 (b) \$253,000 of the \$385,000 appropriation in Laws 2016, chapter 189, article 25, section
 48.30 62, subdivision 17, is canceled to the state general fund on June 30, 2017.

48.31 ~~The base for this program in fiscal year 2018 is \$0.~~ (c) The 2018 appropriation is available
 48.32 until June 30, 2019.

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

49.2 Sec. 35. **COMMISSIONER OF EDUCATION MUST SUBMIT ESSA PLAN TO**
49.3 **LEGISLATURE.**

49.4 (a) The commissioner of education must submit the state plan developed pursuant to the
49.5 Elementary and Secondary Education Act of 1965, as amended by the Every Student
49.6 Succeeds Act, United States Code, title 20, section 6311, to the education policy and finance
49.7 committees of the legislature before submitting the plan to the United States Department
49.8 of Education. The commissioner of education must not implement the state plan until the
49.9 legislature has approved it.

49.10 (b) The state plan must be consistent and aligned, to the extent practicable, with the
49.11 performance accountability measures required under Minnesota Statutes, section 120B.11,
49.12 subdivision 1a, to create a single accountability system for all public schools.

49.13 (c) The state plan must include indicators of school quality or student success based on
49.14 the following:

49.15 (1) for elementary and secondary schools:

49.16 (i) reading and math growth for students performing in the bottom quartile, as measured
49.17 on the state accountability assessments, and using growth to proficiency standards;

49.18 (ii) third grade reading proficiency as measured on the state accountability assessments;

49.19 (iii) eighth grade mathematics proficiency as measured on state accountability
49.20 assessments; and

49.21 (iv) science proficiency as measured on state accountability assessments.

49.22 (2) career and college readiness of high school students as measured by:

49.23 (i) the high school accountability assessments;

49.24 (ii) student success or attainment on advanced placement or international baccalaureate
49.25 examinations;

49.26 (iii) college-level examination program examinations;

49.27 (iv) credits under Minnesota Statutes, section 124D.09; and

49.28 (v) industry-recognized certifications.

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

50.1 Sec. 36. **AFTER-SCHOOL COMMUNITY LEARNING GRANTS.**

50.2 **Subdivision 1. Grant program established.** A competitive grant program is established
 50.3 to support community-based organizations, schools, political subdivisions, or child care
 50.4 centers that service young people in kindergarten through grade 12 after school or during
 50.5 nonschool hours. Grants must be used to offer enrichment activities that promote positive
 50.6 youth development, including mentoring, leadership, community engagement, agriculture,
 50.7 art, music, literacy, science, technology, engineering, mathematics, health, and recreation
 50.8 programs.

50.9 **Subd. 2. Application.** The commissioner of education shall develop the form and method
 50.10 for applying for the grants. The application must include information on the applicant's
 50.11 outreach to children and youth that qualify for free or reduced-price lunch and two-year
 50.12 measurable goals and activities linked to research or best practices. The commissioner may
 50.13 consider the following criteria to allocate the grants:

50.14 (1) increasing access to protective factors that build young people's capacity to become
 50.15 productive adults, such as connections to a caring adult;

50.16 (2) developing children's skills and behaviors necessary to succeed in postsecondary
 50.17 education and career opportunities; and

50.18 (3) encouraging attendance and improving performance in school.

50.19 **Subd. 3. Grant awards.** To the extent practicable, the selection of applicants shall result
 50.20 in an equitable distribution of grant awards among geographic areas within Minnesota,
 50.21 including rural, suburban, and urban communities. The commissioner shall also give priority
 50.22 to programs that collaborate with and leverage existing community resources that have
 50.23 demonstrated effectiveness. Applicants selected as grantees are eligible to receive a two-year
 50.24 renewable grant, contingent upon satisfactory progress toward goals and objectives and the
 50.25 availability of funds.

50.26 Sec. 37. **APPROPRIATIONS.**

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

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

50.32 § 71,114,000 2018

51.1 \$ 73,117,000 2019

51.2 The 2018 appropriation includes \$6,725,000 for 2017 and \$64,389,000 for 2018.

51.3 The 2019 appropriation includes \$7,154,000 for 2018 and \$65,963,000 for 2019.

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

51.6 \$ 47,264,000 2018

51.7 \$ 47,763,000 2019

51.8 The 2018 appropriation includes \$4,597,000 for 2017 and \$42,667,000 for 2018.

51.9 The 2019 appropriation includes \$4,740,000 for 2018 and \$43,023,000 for 2019.

51.10 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
 51.11 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 51.12 section 124D.87:

51.13 \$ 14,198,000 2018

51.14 \$ 14,936,000 2019

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

51.17 \$ 1,983,000 2018

51.18 \$ 1,930,000 2019

51.19 The 2018 appropriation includes \$323,000 for 2017 and \$1,660,000 for 2018.

51.20 The 2019 appropriation includes \$184,000 for 2018 and \$1,746,000 for 2019.

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

51.23 \$ 9,244,000 2018

51.24 \$ 9,464,000 2019

51.25 The 2018 appropriation includes \$886,000 for 2017 and \$8,358,000 for 2018.

51.26 The 2019 appropriation includes \$928,000 for 2018 and \$8,536,000 for 2019.

51.27 Subd. 7. **Concurrent enrollment program.** For concurrent enrollment programs under
 51.28 Minnesota Statutes, section 124D.091:

51.29 \$ 4,000,000 2018

51.30 \$ 4,000,000 2019

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

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

52.4 Subd. 8. **ServeMinnesota program.** For funding ServeMinnesota programs under
 52.5 Minnesota Statutes, sections 124D.37 to 124D.45:

52.6 \$ 900,000 2018

52.7 \$ 900,000 2019

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

52.11 Subd. 9. **Student organizations.** For student organizations:

52.12 \$ 725,000 2018

52.13 \$ 725,000 2019

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

52.15 (b) \$100,000 each year is for student organizations serving trade and industry occupations
 52.16 (Skills USA, secondary and postsecondary).

52.17 (c) \$95,000 each year is for student organizations serving business occupations (BPA,
 52.18 secondary and postsecondary).

52.19 (d) \$193,000 each year is for student organizations serving agriculture occupations (FFA,
 52.20 PAS).

52.21 (e) \$142,000 each year is for student organizations serving family and consumer science
 52.22 occupations (FCCLA).

52.23 (f) \$109,000 each year is for student organizations serving marketing occupations (DECA
 52.24 and DECA collegiate).

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

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

52.27 Subd. 10. **Museums and education centers.** For grants to museums and education
 52.28 centers:

52.29 \$ 451,000 2018

52.30 \$ 451,000 2019

52.31 (a) \$260,000 each year is for the Minnesota Children's Museum.

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

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

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

53.4 (e) \$50,000 for fiscal years 2018 and 2019 only is for the Children's Museum of Southern
 53.5 Minnesota. This is a onetime appropriation.

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

53.7 (g) The budget base for this program is \$401,000 per year.

53.8 Subd. 11. **Recovery program grants.** For recovery program grants under Minnesota
 53.9 Statutes, section 124D.695:

53.10 \$ 500,000 2018

53.11 \$ 500,000 2019

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

53.13 Subd. 12. **Civic education grants.** For grants to the Minnesota Civic Education Coalition,
 53.14 Minnesota Civic Youth, Learning Law and Democracy Foundation, and YMCA Youth in
 53.15 Government to provide civic education programs for Minnesota youth age 18 and younger.
 53.16 Civic education is the study of constitutional principles and the democratic foundation of
 53.17 our national, state, and local institutions, and the study of political processes and structures
 53.18 of government, grounded in the understanding of constitutional government under the rule
 53.19 of law.

53.20 \$ 125,000 2018

53.21 \$ 125,000 2019

53.22 Any balance in the first year does not cancel but is available in the second year. The
 53.23 budget base for this program is \$0.

53.24 Subd. 13. **Charter school building lease aid.** For building lease aid under Minnesota
 53.25 Statutes, section 124E.22:

53.26 \$ 73,036,000 2018

53.27 \$ 78,449,000 2019

53.28 The 2018 appropriation includes \$6,850,000 for 2017 and \$66,186,000 for 2018.

53.29 The 2019 appropriation includes \$7,353,000 for 2018 and \$71,096,000 for 2019.

53.30 Subd. 14. **Statewide testing and reporting system.** For the statewide testing and
 53.31 reporting system under Minnesota Statutes, section 120B.30:

54.1 \$ 10,892,000 2018

54.2 \$ 10,892,000 2019

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

54.4 Subd. 15. **College entrance examination reimbursement.** To reimburse districts for
 54.5 students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph
 54.6 (e), for payment of their college entrance examination fee:

54.7 \$ 1,511,000 2018

54.8 \$ 1,511,000 2019

54.9 The commissioner must reimburse school districts for their costs of one-time payments
 54.10 to free or reduced-price meal eligible students who take the ACT or SAT test under
 54.11 Minnesota Statutes, section 120B.30, subdivision 1.

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

54.13 Subd. 16. **Examination fees; teacher training and support programs.** (a) For students'
 54.14 advanced placement and international baccalaureate examination fees under Minnesota
 54.15 Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and
 54.16 other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

54.17 \$ 4,500,000 2018

54.18 \$ 4,500,000 2019

54.19 (b) The advanced placement program shall receive 75 percent of the appropriation each
 54.20 year and the international baccalaureate program shall receive 25 percent of the appropriation
 54.21 each year. The department, in consultation with representatives of the advanced placement
 54.22 and international baccalaureate programs selected by the Advanced Placement Advisory
 54.23 Council and IBMN, respectively, shall determine the amounts of the expenditures each year
 54.24 for examination fees and training and support programs for each program.

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

54.31 (d) The commissioner shall pay all examination fees for all students of low-income
 54.32 families under Minnesota Statutes, section 120B.13, subdivision 3, and, to the extent of

55.1 available appropriations, shall also pay examination fees for students sitting for an advanced
 55.2 placement examination, international baccalaureate examination, or both.

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

55.4 Subd. 17. **Alternative teacher compensation aid.** For alternative teacher compensation
 55.5 aid under Minnesota Statutes, section 122A.415, subdivision 4:

55.6 \$ 89,666,000 2018

55.7 \$ 89,405,000 2019

55.8 The 2018 appropriation includes \$8,917,000 for 2017 and \$80,749,000 for 2018.

55.9 The 2019 appropriation includes \$8,972,000 for 2018 and \$80,433,000 for 2019.

55.10 Subd. 18. **American Indian teacher preparation grants.** For joint grants to assist
 55.11 American Indian people to become teachers under Minnesota Statutes, section 122A.63:

55.12 \$ 460,000 2018

55.13 \$ 460,000 2019

55.14 Subd. 19. **Minnesota Center for the Book programming.** For grants to the entity
 55.15 designated by the Library of Congress as the Minnesota Center for the Book to provide
 55.16 statewide programming related to the Minnesota Book Awards and for additional
 55.17 programming throughout the state related to the Center for the Book designation:

55.18 \$ 50,000 2018

55.19 \$ 50,000 2019

55.20 The base for fiscal year 2020 is \$0.

55.21 Subd. 20. **Sanneh Foundation.** (a) For a grant to the Sanneh Foundation to provide
 55.22 all-day, in-school, and before- and after-school academic and behavioral interventions for
 55.23 low-performing and chronically absent students with a focus on low-income students and
 55.24 students of color throughout the school year and during the summer to decrease absenteeism,
 55.25 encourage school engagement, and improve grades and graduation rates.

55.26 \$ 1,000,000 2018

55.27 (b) Funds appropriated in this section must be used to establish and provide services in
 55.28 schools where the Sanneh Foundation does not currently operate, and must not be used for
 55.29 programs operating in schools as of June 30, 2017.

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

55.31 (d) The base for fiscal year 2020 is \$0.

56.1 Subd. 21. **Early childhood literacy programs.** For early childhood literacy programs
 56.2 under Minnesota Statutes, section 119A.50, subdivision 3:

56.3 \$ 6,125,000 2018

56.4 \$ 6,125,000 2019

56.5 Up to \$6,125,000 each year is for leveraging federal and private funding to support
 56.6 AmeriCorps members serving in the Minnesota reading corps program established by
 56.7 ServeMinnesota, including costs associated with training and teaching early literacy skills
 56.8 to children age three to grade 3 and evaluating the impact of the program under Minnesota
 56.9 Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

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

56.11 Subd. 22. **Minnesota math corps.** For the Minnesota math corps program under
 56.12 Minnesota Statutes, section 124D.42, subdivision 9:

56.13 \$ 500,000 2018

56.14 \$ 500,000 2019

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

56.16 Subd. 23. **Singing-based pilot program to improve student reading.** (a) For a grant
 56.17 to pilot a research-supported, computer-based educational program that uses singing to
 56.18 improve the reading ability of students in grades 2 through 5:

56.19 \$ 500,000 2018

56.20 \$ 0 2019

56.21 (b) The commissioner of education shall award a grant to the Rock 'n' Read Project to
 56.22 implement a research-supported, computer-based educational program that uses singing to
 56.23 improve the reading ability of students in grades 2 through 5. The grantee shall be responsible
 56.24 for selecting participating school sites; providing any required hardware and software,
 56.25 including software licenses, for the duration of the grant period; providing technical support,
 56.26 training, and staff to install required project hardware and software; providing on-site
 56.27 professional development and instructional monitoring and support for school staff and
 56.28 students; administering preintervention and postintervention reading assessments; evaluating
 56.29 the impact of the intervention; and other project management services as required. To the
 56.30 extent practicable, the grantee must select participating schools in urban, suburban, and
 56.31 greater Minnesota, and give priority to schools in which a high proportion of students do
 56.32 not read proficiently at grade level and are eligible for free or reduced-price lunch.

56.33 (c) By February 15, 2019, the grantee must submit a report detailing expenditures and
 56.34 outcomes of the grant to the commissioner of education and the chairs and ranking minority

57.1 members of the legislative committees with primary jurisdiction over kindergarten through
 57.2 grade 12 education policy and finance.

57.3 (d) This is a onetime appropriation.

57.4 Subd. 24. **Starbase MN.** For a grant to Starbase MN for the operations and infrastructure
 57.5 for expanded, innovative, and academically rigorous science, technology, engineering, and
 57.6 math (STEM) programs in a hands-on and immersive technology-rich environment for
 57.7 students in grades 4 to 6:

57.8 \$ 1,398,000 2018

57.9 \$ -0- 2019

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

57.11 The base for fiscal year 2020 is \$500,000.

57.12 \$898,000 from the Starbase MN appropriation under Laws 2015, First Special Session
 57.13 chapter 3, article 2, section 70, subdivision 17, is canceled the day following final enactment.

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

57.15 Sec. 38. **INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH INNOVATION**
 57.16 **GRANT PROGRAM; APPROPRIATION.**

57.17 (a) \$2,450,000 in fiscal year 2018 and \$2,450,000 in fiscal year 2019 are appropriated
 57.18 from the general fund to the commissioner of human services for a grant program to fund
 57.19 innovative projects to improve mental health outcomes for youth attending a qualifying
 57.20 school unit.

57.21 (b) A "qualifying school unit" means an intermediate district organized under Minnesota
 57.22 Statutes, section 136D.01, or a service cooperative organized under Minnesota Statutes,
 57.23 section 123A.21, subdivision 1, paragraph (a), clause (2), that provides instruction to students
 57.24 in a setting of federal instructional level four or higher. Grants under paragraph (a) must be
 57.25 awarded to eligible applicants such that the services are proportionately provided among
 57.26 qualifying school units. The commissioner shall calculate the share of the appropriation to
 57.27 be used in each qualifying school unit by dividing the qualifying school unit's average daily
 57.28 membership in a setting of federal instructional level 4 or higher for fiscal year 2016 by the
 57.29 total average daily membership in a setting of federal instructional level 4 or higher for the
 57.30 same year for all qualifying school units.

57.31 (c) An eligible applicant is an entity that has demonstrated capacity to serve the youth
 57.32 identified in paragraph (a) and that is:

- 58.1 (1) certified under Minnesota Rules, parts 9520.0750 to 9520.0870;
- 58.2 (2) a community mental health center under Minnesota Statutes, section 256B.0625,
58.3 subdivision 5;
- 58.4 (3) an Indian health service facility or facility owned and operated by a tribe or tribal
58.5 organization operating under United States Code, title 25, section 5321; or
- 58.6 (4) a provider of children's therapeutic services and supports as defined in Minnesota
58.7 Statutes, section 256B.0943.
- 58.8 (d) An eligible applicant must employ or contract with at least two licensed mental health
58.9 professionals as defined in Minnesota Statutes, section 245.4871, subdivision 27, clauses
58.10 (1) to (6), who have formal training in evidence-based practices.
- 58.11 (e) A qualifying school unit must submit an application to the commissioner in the form
58.12 and manner specified by the commissioner. The commissioner may approve an application
58.13 that describes models for innovative projects to serve the needs of the schools and students.
58.14 The commissioner may provide technical assistance to the qualifying school unit. The
58.15 commissioner shall then solicit grant project proposals and award grant funding to the
58.16 eligible applicants whose project proposals best meet the requirements of this section and
58.17 most closely adhere to the models created by the intermediate districts and service
58.18 cooperatives.
- 58.19 (f) To receive grant funding, an eligible applicant must obtain a letter of support for the
58.20 applicant's grant project proposal from each qualifying school unit the eligible applicant is
58.21 proposing to serve. An eligible applicant must also demonstrate the following:
- 58.22 (1) the ability to seek third-party reimbursement for services;
- 58.23 (2) the ability to report data and outcomes as required by the commissioner; and
- 58.24 (3) partnerships with counties, tribes, substance use disorder providers, and mental health
58.25 service providers, including providers of mobile crisis services.
- 58.26 (g) Grantees shall obtain all available third-party reimbursement sources as a condition
58.27 of receiving grant funds. For purposes of this grant program, a third-party reimbursement
58.28 source does not include a public school as defined in Minnesota Statutes, section 120A.20,
58.29 subdivision 1.
- 58.30 (h) The base budget for this program is \$0.

59.1

ARTICLE 3

59.2

TEACHERS

59.3 Section 1. Minnesota Statutes 2016, section 122A.09, subdivision 4a, is amended to read:

59.4 Subd. 4a. **Teacher and administrator preparation and performance data; report.**

59.5 (a) The Board of Teaching and the Board of School Administrators, in cooperation with the
59.6 Minnesota Association of Colleges of Teacher Education and Minnesota colleges and
59.7 universities offering board-adopted teacher or administrator preparation programs, annually
59.8 must collect and report summary data on teacher and administrator preparation and
59.9 performance outcomes, consistent with this subdivision. The Board of Teaching and the
59.10 Board of School Administrators annually by June 1 must update and post the reported
59.11 summary preparation and performance data on teachers and administrators from the preceding
59.12 school years on a Web site hosted jointly by the boards.

59.13 (b) Publicly reported summary data on teacher preparation programs must include:
59.14 student entrance requirements for each Board of Teaching-approved program, including
59.15 grade point average for enrolling students in the preceding year; the average board-adopted
59.16 skills examination or ACT or SAT scores of students entering the program in the preceding
59.17 year; summary data on faculty qualifications, including at least the content areas of faculty
59.18 undergraduate and graduate degrees and their years of experience either as kindergarten
59.19 through grade 12 classroom teachers or school administrators; the average time resident
59.20 and nonresident program graduates in the preceding year needed to complete the program;
59.21 the current number and percent of students by program who graduated, received a standard
59.22 Minnesota teaching license, and were hired to teach full time in their licensure field in a
59.23 Minnesota district or school in the preceding year, disaggregated by race, except when such
59.24 disaggregation would not yield statistically reliable results or would reveal personally
59.25 identifiable information about an individual; the number of content area credits and other
59.26 credits by undergraduate program that students in the preceding school year needed to
59.27 complete to graduate; students' pass rates on skills and subject matter exams required for
59.28 graduation in each program and licensure area in the preceding school year; survey results
59.29 measuring student and graduate satisfaction with the program in the preceding school year,
59.30 disaggregated by race, except when such disaggregation would not yield statistically reliable
59.31 results or would reveal personally identifiable information about an individual; a standard
59.32 measure of the satisfaction of school principals or supervising teachers with the student
59.33 teachers assigned to a school or supervising teacher; and information under paragraphs (d)
59.34 and (e). Program reporting must be consistent with subdivision 11.

60.1 (c) Publicly reported summary data on administrator preparation programs approved by
60.2 the Board of School Administrators must include: summary data on faculty qualifications,
60.3 including at least the content areas of faculty undergraduate and graduate degrees and their
60.4 years of experience either as kindergarten through grade 12 classroom teachers or school
60.5 administrators; the average time program graduates in the preceding year needed to complete
60.6 the program; the current number and percent of students who graduated, received a standard
60.7 Minnesota administrator license, and were employed as an administrator in a Minnesota
60.8 school district or school in the preceding year, disaggregated by race, except when such
60.9 disaggregation would not yield statistically reliable results or would reveal personally
60.10 identifiable information about an individual; the number of credits by graduate program
60.11 that students in the preceding school year needed to complete to graduate; survey results
60.12 measuring student, graduate, and employer satisfaction with the program in the preceding
60.13 school year, disaggregated by race, except when such disaggregation would not yield
60.14 statistically reliable results or would reveal personally identifiable information about an
60.15 individual; and information under paragraphs (f) and (g). Program reporting must be
60.16 consistent with section 122A.14, subdivision 10.

60.17 (d) School districts annually by October 1 must report to the Board of Teaching the
60.18 following information for all teachers who finished the probationary period and accepted
60.19 a continuing contract position with the district from September 1 of the previous year through
60.20 August 31 of the current year: the effectiveness category or rating of the teacher on the
60.21 summative evaluation under section 122A.40, subdivision 8, or 122A.41, subdivision 5;
60.22 the licensure area in which the teacher primarily taught during the three-year evaluation
60.23 cycle; and the teacher preparation program preparing the teacher in the teacher's primary
60.24 areas of instruction and licensure.

60.25 (e) School districts annually by October 1 must report to the Board of Teaching the
60.26 following information for all probationary teachers in the district who were released or
60.27 whose contracts were not renewed from September 1 of the previous year through August
60.28 31 of the current year: the licensure areas in which the probationary teacher taught; and the
60.29 teacher preparation program preparing the teacher in the teacher's primary areas of instruction
60.30 and licensure.

60.31 (f) School districts annually by October 1 must report to the Board of School
60.32 Administrators the following information for all school principals and assistant principals
60.33 who finished the probationary period and accepted a continuing contract position with the
60.34 district from September 1 of the previous year through August 31 of the current year: the
60.35 effectiveness category or rating of the principal or assistant principal on the summative

61.1 evaluation under section 123B.147, subdivision 3; and the principal preparation program
61.2 providing instruction to the principal or assistant principal.

61.3 (g) School districts annually by October 1 must report to the Board of School
61.4 Administrators all probationary school principals and assistant principals in the district who
61.5 were released or whose contracts were not renewed from September 1 of the previous year
61.6 through August 31 of the current year.

61.7 (h) Data that must be disaggregated by race under this section must be reported in the
61.8 following categories:

61.9 (1) American Indian or Alaskan Native;

61.10 (2) Asian;

61.11 (3) Black or African American;

61.12 (4) Hispanic or Latino;

61.13 (5) Native Hawaiian or Other Pacific Islander;

61.14 (6) White; and

61.15 (7) two or more races.

61.16 Sec. 2. Minnesota Statutes 2016, section 122A.245, subdivision 1, is amended to read:

61.17 Subdivision 1. **Requirements.** (a) To improve academic excellence, improve ethnic and
61.18 cultural diversity in the classroom, and close the academic achievement gap, the Board of
61.19 Teaching must approve qualified teacher preparation programs under this section that are
61.20 a means to acquire a two-year preliminary teacher license, which the board may renew one
61.21 time for an additional one-year term, and to prepare for acquiring a professional five-year
61.22 license. The following entities are eligible to participate and seek approval under this section:

61.23 (1) a school district₂;

61.24 (2) charter school₂; or

61.25 (3) nonprofit corporation organized under chapter 317A for an education-related purpose
61.26 that forms a partnership with a college or university that has a board-approved alternative
61.27 teacher preparation program; or.

61.28 ~~(2) a school district or charter school, after consulting with a college or university with~~
61.29 ~~a board-approved teacher preparation program, that forms a partnership with a nonprofit~~
61.30 ~~corporation organized under chapter 317A for an education-related purpose that has a~~
61.31 ~~board-approved teacher preparation program.~~

62.1 ~~(b) Before becoming a teacher of record, a candidate must:~~

62.2 ~~(1) have a bachelor's degree with a 3.0 or higher grade point average unless the board~~
62.3 ~~waives the grade point average requirement based on board-adopted criteria adopted by~~
62.4 ~~January 1, 2016;~~

62.5 ~~(2) demonstrate a passing score on a board-adopted reading, writing, and mathematics~~
62.6 ~~skills examination under section 122A.09, subdivision 4, paragraph (b); and~~

62.7 ~~(3) obtain qualifying scores on applicable board-approved rigorous content area and~~
62.8 ~~pedagogy examinations under section 122A.09, subdivision 4, paragraph (e).~~

62.9 ~~(e)~~ (b) The Board of Teaching must issue a two-year preliminary teacher license to a
62.10 person who enrolls in an alternative teacher preparation program.

62.11 Sec. 3. Minnesota Statutes 2016, section 122A.245, subdivision 2, is amended to read:

62.12 Subd. 2. ~~Characteristics~~ Approval criteria. ~~An~~ The Board of Teaching must approve
62.13 alternative teacher preparation program under this section must include programs that meet
62.14 the following criteria:

62.15 (1) a minimum 200-hour instructional phase that provides intensive preparation and
62.16 ~~student teaching~~ observed classroom experience before the teacher candidate assumes
62.17 classroom responsibilities;

62.18 (2) a research-based and results-oriented approach focused on best teaching practices
62.19 to increase student proficiency and growth measured against state academic standards;

62.20 (3) strategies to combine pedagogy and best teaching practices to better inform teacher
62.21 candidates' classroom instruction;

62.22 (4) assessment, supervision, and evaluation of teacher candidates to determine their
62.23 specific needs throughout the program and to support their efforts to successfully complete
62.24 the program;

62.25 (5) intensive, ongoing, and multiyear professional learning opportunities that accelerate
62.26 teacher candidates' professional growth, support student learning, and provide a workplace
62.27 orientation, professional staff development, and mentoring and peer review focused on
62.28 standards of professional practice and continuous professional growth; and

62.29 (6) a requirement that teacher candidates demonstrate to the local site team under
62.30 subdivision 5 satisfactory progress toward acquiring professional five-year teaching licenses
62.31 from the Board of Teaching.

63.1 Sec. 4. Minnesota Statutes 2016, section 122A.245, subdivision 3, is amended to read:

63.2 Subd. 3. **Program approval; disapproval.** ~~(a) The Board of Teaching must approve~~
63.3 ~~alternative teacher preparation programs under this section based on board-adopted criteria~~
63.4 ~~that reflect best practices for alternative teacher preparation programs, consistent with this~~
63.5 ~~section.~~

63.6 ~~(b)~~ (a) The Board of Teaching must permit teacher candidates to demonstrate mastery
63.7 of pedagogy and content standards in school-based settings and through other nontraditional
63.8 means. "Nontraditional means" must include a portfolio of previous experiences, teaching
63.9 experience, educator evaluations, certifications marking the completion of education training
63.10 programs, and essentially equivalent demonstrations.

63.11 ~~(e)~~ (b) The board must use nontraditional criteria to determine the qualifications of
63.12 program instructors.

63.13 ~~(d)~~ (c) The board may permit instructors to hold a baccalaureate degree only.

63.14 ~~(e)~~ (d) If the Board of Teaching determines that a teacher preparation program under
63.15 this section does not meet the requirements of this section, it may revoke its approval of the
63.16 program after it notifies the program provider of any deficiencies and gives the program
63.17 provider an opportunity to remedy the deficiencies.

63.18 Sec. 5. Minnesota Statutes 2016, section 122A.245, subdivision 10, is amended to read:

63.19 Subd. 10. **Reports.** The Board of Teaching must submit ~~an interim~~ a biennial report on
63.20 ~~the efficacy of~~ this program to the policy and finance committees of the legislature with
63.21 jurisdiction over kindergarten through grade 12 education by ~~February~~ January 15, 2013,
63.22 ~~and a final report by February 15, 2015~~ of each odd-numbered year.

63.23 Sec. 6. Minnesota Statutes 2016, section 122A.40, subdivision 10, is amended to read:

63.24 Subd. 10. **Negotiated unrequested leave of absence.** The school board and the exclusive
63.25 bargaining representative of the teachers ~~may~~ must negotiate a plan providing for unrequested
63.26 leave of absence without pay or fringe benefits for as many teachers as may be necessary
63.27 because of discontinuance of position, lack of pupils, financial limitations, or merger of
63.28 classes caused by consolidation of districts. ~~Failing to successfully negotiate such a plan,~~
63.29 ~~the provisions of subdivision 11 shall apply. The negotiated plan must not include provisions~~
63.30 ~~which would result in the exercise of seniority by a teacher holding a provisional license,~~
63.31 ~~other than a vocational education license, contrary to the provisions of subdivision 11,~~
63.32 ~~paragraph (c), or the reinstatement of a teacher holding a provisional license, other than a~~

64.1 ~~vocational education license, contrary to the provisions of subdivision 11, paragraph (e).~~

64.2 ~~The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

64.3 **EFFECTIVE DATE.** This section is effective July 1, 2018.

64.4 Sec. 7. Minnesota Statutes 2016, section 122A.41, is amended by adding a subdivision to
64.5 read:

64.6 Subd. 14a. **Negotiated unrequested leave of absence.** The school board and the exclusive
64.7 bargaining representative of the teachers must negotiate a plan providing for unrequested
64.8 leave of absence without pay or fringe benefits for as many teachers as may be necessary
64.9 because of discontinuance of position, lack of pupils, financial limitations, or merger of
64.10 classes caused by consolidation of districts.

64.11 **EFFECTIVE DATE.** This section is effective July 1, 2018.

64.12 Sec. 8. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

64.13 Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher
64.14 compensation aid for a school with a plan approved under section 122A.414, subdivision
64.15 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
64.16 The basic alternative teacher compensation aid for a charter school with a plan approved
64.17 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
64.18 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
64.19 for a charter school in the first year of operation, times the ratio of the sum of the alternative
64.20 teacher compensation aid and alternative teacher compensation levy for all participating
64.21 school districts to the maximum alternative teacher compensation revenue for those districts
64.22 under subdivision 1.

64.23 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
64.24 teacher compensation aid entitlement must not exceed \$75,840,000 for fiscal year 2016 and
64.25 \$88,118,000 for fiscal year 2017 and later. The commissioner must limit the amount of
64.26 alternative teacher compensation aid approved under this section so as not to exceed these
64.27 limits by not approving new participants or by prorating the aid among participating districts,
64.28 intermediate school districts, school sites, and charter schools. The commissioner may also
64.29 reallocate a portion of the allowable aid for the biennium from the second year to the first
64.30 year to meet the needs of approved participants.

65.1 (c) Basic alternative teacher compensation aid for an intermediate district or other
65.2 cooperative unit equals \$3,000 times the number of licensed teachers employed by the
65.3 intermediate district or cooperative unit on October 1 of the previous school year.

65.4 **Sec. 9. [122A.417] ALTERNATIVE TEACHER COMPENSATION REVENUE**
65.5 **FOR ST. CROIX RIVER EDUCATION DISTRICT.**

65.6 Notwithstanding section 122A.415, subdivision 4, paragraph (c), the St. Croix River
65.7 Education District, No. 6009-61, is eligible to receive alternative teacher compensation
65.8 revenue based on its staffing as of October 1 of the previous fiscal year as reported to the
65.9 department in a manner determined by the commissioner. To qualify for alternative teacher
65.10 compensation revenue, the St. Croix River Education District must meet all the requirements
65.11 of sections 122A.414 and 122A.415 that apply to cooperative units, must report its staffing
65.12 as of October 1 of each year to the department in a manner determined by the commissioner,
65.13 and must annually report to the department by November 30 its expenditures for the
65.14 alternative teacher professional pay system consistent with the uniform financial accounting
65.15 and reporting standards.

65.16 **Sec. 10. [122A.627] POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS.**

65.17 "Positive behavioral interventions and supports" or "PBIS" means an evidence-based
65.18 framework for preventing problem behavior, providing instruction and support for positive
65.19 and prosocial behaviors, and supporting social, emotional, and behavioral needs for all
65.20 students. Schoolwide implementation of PBIS requires training, coaching, and evaluation
65.21 for school staff to consistently implement the key components that make PBIS effective for
65.22 all students, including:

65.23 (1) establishing, defining, teaching, and practicing three to five positively stated
65.24 schoolwide behavioral expectations that are representative of the local community and
65.25 cultures;

65.26 (2) developing and implementing a consistent system used by all staff to provide positive
65.27 feedback and acknowledgment for students who display schoolwide behavioral expectations;

65.28 (3) developing and implementing a consistent and specialized support system for students
65.29 who do not display behaviors representative of schoolwide positive expectations;

65.30 (4) developing a system to support decisions based on data related to student progress,
65.31 effective implementation of behavioral practices, and screening for students requiring
65.32 additional behavior supports;

66.1 (5) using a continuum of evidence-based interventions that is integrated and aligned to
 66.2 support academic and behavioral success for all students; and

66.3 (6) using a team-based approach to support effective implementation, monitor progress,
 66.4 and evaluate outcomes.

66.5 Consistent with section 120B.232, subdivision 1, character education curriculum and
 66.6 programs may be used to support implementation of the key components of PBIS.

66.7 **Sec. 11. [136A.1276] ALTERNATIVE TEACHER PREPARATION GRANT**
 66.8 **PROGRAM.**

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

66.11 (b) "Alternative teacher preparation program" means an alternative teacher preparation
 66.12 program under section 122A.245, subdivision 2, or an experimental teacher preparation
 66.13 program under section 122A.09, subdivision 10.

66.14 (c) "Commissioner" means the commissioner of the Office of Higher Education.

66.15 (d) "Program" means a teacher preparation curriculum leading to specific licensure areas.

66.16 (e) "Shortage area" means:

66.17 (1) licensure fields and economic development regions reported by the commissioner
 66.18 of education as experiencing a teacher shortage; and

66.19 (2) economic development regions where there is a shortage of licensed teachers who
 66.20 reflect the racial or ethnic diversity of students in the region.

66.21 (f) "Unit" means an institution or defined subdivision of the institution that has primary
 66.22 responsibility for overseeing and delivering teacher preparation programs.

66.23 Subd. 2. **Establishment; eligibility.** (a) The commissioner, in consultation with the
 66.24 Board of Teaching, must establish and administer a program annually awarding grants to
 66.25 eligible alternative teacher preparation programs consistent with this section.

66.26 (b) To be eligible to receive a grant, an alternative teacher preparation program must
 66.27 certify that it:

66.28 (1) is working to fill Minnesota's teacher shortage areas; and

66.29 (2) is a school district, charter school, or nonprofit corporation organized under chapter
 66.30 317A or under section 501(c)(3) of the Internal Revenue Code of 1986 for an

67.1 education-related purpose that has been operating continuously for at least three years in
67.2 Minnesota or any other state.

67.3 (c) The commissioner must give priority to applicants based in Minnesota when awarding
67.4 grants under this section.

67.5 Subd. 3. Use of grants. (a) An alternative teacher preparation program receiving a grant
67.6 under this section must use the grant to:

67.7 (1) establish initial unit approval to become an alternative teacher preparation program;

67.8 (2) expand alternative teacher preparation programs by expanding program approval to
67.9 other licensure areas identified as shortage areas by the commissioner of education;

67.10 (3) recruit, select, and train teachers who reflect the racial or ethnic diversity of students
67.11 in Minnesota; or

67.12 (4) establish professional development programs for teachers who have obtained teaching
67.13 licenses through alternative teacher preparation programs.

67.14 An alternative teacher preparation program may expend grant funds on regional management
67.15 and operations, development, and central support services, including financial support and
67.16 support for technology and human services.

67.17 (b) An alternative teacher preparation program may use grant funds awarded under this
67.18 section as a match for nonstate funds, subject to paragraph (a).

67.19 (c) Appropriations made to this program do not cancel and are available until expended.

67.20 Subd. 4. Report. An alternative teacher preparation program receiving a grant under
67.21 this section must submit a report to the commissioner and the Board of Teaching on the
67.22 grantee's ability to fill teacher shortage areas and positively impact student achievement
67.23 where data are available and do not identify individual teachers. A grant recipient must
67.24 submit the report required under this subdivision by January 31, 2018, and each
67.25 even-numbered year thereafter. The report must include disaggregated data regarding:

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

67.28 (2) program participant placement.

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

68.1 Sec. 12. Minnesota Statutes 2016, section 136A.1791, subdivision 1, is amended to read:

68.2 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given
68.3 them in this subdivision.

68.4 (b) "Qualified educational loan" means a government, commercial, or foundation loan
68.5 for actual costs paid for tuition and reasonable educational and living expenses related to a
68.6 teacher's preparation or further education.

68.7 (c) "School district" means an independent school district, special school district,
68.8 intermediate district, education district, special education cooperative, service cooperative,
68.9 a cooperative center for vocational education, or a charter school located in Minnesota.

68.10 (d) "Teacher" means an individual holding a teaching license issued by the licensing
68.11 division in the Department of Education on behalf of the Board of Teaching who is employed
68.12 by a school district to provide classroom instruction ~~in a teacher shortage area.~~

68.13 (e) "Teacher shortage area" means:

68.14 (1) the licensure fields and economic development regions reported by the commissioner
68.15 of education as experiencing a teacher shortage; and

68.16 (2) economic development regions where there is a shortage of licensed teachers who
68.17 reflect the racial or ethnic diversity of students in the region as reported by the commissioner
68.18 of education.

68.19 (f) "Commissioner" means the commissioner of the Office of Higher Education unless
68.20 indicated otherwise.

68.21 **EFFECTIVE DATE.** This section is effective August 1, 2017.

68.22 Sec. 13. Minnesota Statutes 2016, section 136A.1791, subdivision 2, is amended to read:

68.23 Subd. 2. **Program established; administration.** The commissioner shall establish and
68.24 administer a teacher shortage loan forgiveness program. A teacher is eligible for the program
68.25 if the teacher is teaching in a ~~licensure field and in an economic development region with~~
68.26 ~~an identified teacher shortage area~~ area under subdivision 3 and complies with the requirements
68.27 of this section.

68.28 **EFFECTIVE DATE.** This section is effective August 1, 2017.

69.1 Sec. 14. Minnesota Statutes 2016, section 136A.1791, subdivision 9, is amended to read:

69.2 Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report
69.3 to the chairs of the ~~K-12~~ kindergarten through grade 12 and higher education committees
69.4 of the legislature on the number of individuals who received loan forgiveness under this
69.5 section, the race or ethnicity of the teachers participating in the program, the licensure areas
69.6 and economic development regions in which the teachers taught, the average amount paid
69.7 to a teacher participating in the program, and other summary data identified by the
69.8 commissioner as outcome indicators.

69.9 **EFFECTIVE DATE.** This section is effective August 1, 2017.

69.10 Sec. 15. Laws 2016, chapter 189, article 25, section 58, is amended to read:

69.11 Sec. 58. ~~NORTHWEST REGIONAL PARTNERSHIP STATEWIDE~~
69.12 **CONCURRENT ENROLLMENT TEACHER TRAINING PROGRAM.**

69.13 Subdivision 1. **Definition.** (a) For purposes of this section, the following terms have the
69.14 meanings given them.

69.15 (b) "Northwest Regional Partnership" means a voluntary association of the Lakes Country
69.16 Service Cooperative, the Northwest Service Cooperative, and Minnesota State
69.17 University-Moorhead that works together to provide coordinated higher learning opportunities
69.18 for teachers.

69.19 (c) "State Partnership" means a voluntary association of the Northwest Regional
69.20 Partnership and the Metropolitan Educational Cooperative Service Unit.

69.21 (d) "Eligible postsecondary institution" means a public or private postsecondary institution
69.22 that awards graduate credits.

69.23 (e) "Eligible teacher" means a licensed teacher of secondary school courses for
69.24 postsecondary credit.

69.25 Subd. 2. **Establishment.** (a) Lakes Country Service Cooperative, in consultation with
69.26 the Northwest Service Cooperative, may develop a continuing education program to allow
69.27 eligible teachers to attain the requisite graduate credits necessary to be qualified to teach
69.28 secondary school courses for postsecondary credit.

69.29 (b) If established, the State Partnership must contract with one or more eligible
69.30 postsecondary institutions to establish a continuing education credit program to allow eligible
69.31 teachers to attain sufficient graduate credits to qualify to teach secondary school courses
69.32 for postsecondary credit. Members of the State Partnership must work to eliminate duplication

70.1 of service and develop the continuing education credit program efficiently and
 70.2 cost-effectively.

70.3 Subd. 3. **Curriculum development.** ~~Minnesota State University-Moorhead may develop~~
 70.4 The continuing education program must use flexible delivery models, such as an online
 70.5 education curriculum ~~to~~, that allow eligible secondary school teachers to attain graduate
 70.6 credit at a reduced credit rate. Information about the curriculum, including course length
 70.7 and course requirements, must be posted on the Web site of the eligible institution offering
 70.8 the course at least two weeks before eligible teachers are required to register for courses in
 70.9 the continuing education program.

70.10 Subd. 4. **Funding for course development; scholarships; stipends.** (a) Lakes Country
 70.11 Service Cooperative, in consultation with the other members of the Northwest Regional
 70.12 Partnership, shall:

70.13 (1) provide funding for course development for up to 18 credits in applicable
 70.14 postsecondary subject areas;

70.15 (2) provide scholarships for eligible teachers to enroll in the continuing education
 70.16 program; and

70.17 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
 70.18 participation in the continuing education program.

70.19 (b) If established, the State Partnership must:

70.20 (1) provide funding for course development for up to 18 credits in applicable
 70.21 postsecondary subject areas;

70.22 (2) provide scholarships for eligible teachers to enroll in the continuing education
 70.23 program; and

70.24 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
 70.25 participation in the continuing education program.

70.26 Subd. 5. **Participant eligibility.** ~~Participation in the continuing education program is~~
 70.27 ~~reserved for teachers of secondary school courses for postsecondary credit. Priority must~~
 70.28 ~~be given to teachers employed by a school district that is a member of the Lakes Country~~
 70.29 ~~Service Cooperative or Northwest Service Cooperative. Teachers employed by a school~~
 70.30 ~~district that is not a member of the Lakes Country Service Cooperative or Northwest Service~~
 70.31 ~~Cooperative may participate in the continuing education program as space allows. A teacher~~
 70.32 ~~participating in this program is ineligible to participate in other concurrent enrollment teacher~~
 70.33 ~~training grant programs.~~

71.1 Subd. 6. **Private funding.** The ~~partnership~~ partnerships may receive private resources
 71.2 to supplement the available public money. All money received in fiscal year 2017 shall be
 71.3 administered by the Lakes Country Service Cooperative. All money received in fiscal year
 71.4 2018 and later shall be administered by the State Partnership.

71.5 Subd. 7. **Report required.** (a) The Northwest Regional Partnership must submit an
 71.6 annual a report by January 15 of each year, 2018, on the progress of its activities to the
 71.7 legislature, commissioner of education, and Board of Trustees of the Minnesota State
 71.8 Colleges and Universities. The ~~annual~~ report shall contain a financial report for the preceding
 71.9 year. ~~The first report is due no later than January 15, 2018.~~

71.10 (b) If established, the State Partnership must submit an annual joint report to the
 71.11 legislature and the Office of Higher Education by January 15 of each year on the progress
 71.12 of its activities. The report must include the number of teachers participating in the program,
 71.13 the geographic location of the teachers, the number of credits earned, and the subject areas
 71.14 of the courses in which participants earned credit. The report must include a financial report
 71.15 for the preceding year.

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

71.17 Sec. 16. Laws 2016, chapter 189, article 25, section 62, subdivision 11, is amended to
 71.18 read:

71.19 Subd. 11. **Student teachers in shortage areas.** For transfer to the commissioner of the
 71.20 Office of Higher Education for the purpose of providing grants to student teachers in shortage
 71.21 areas under Minnesota Statutes, section 136A.1275:

71.22 \$ 2,800,000 2017

71.23 Of this amount, up to two percent is for administration of the student teacher grant
 71.24 program in expectation that the Office of Higher Education will begin to disburse grants
 71.25 no later than September 1, 2017. This is a onetime appropriation. This appropriation is
 71.26 available until June 30, 2019.

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

71.28 Sec. 17. **AGRICULTURAL EDUCATOR GRANTS.**

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

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

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

72.7 Subd. 4. **Reports.** School districts that receive grant funds shall report to the
 72.8 commissioner of education no later than December 31 of each year regarding the number
 72.9 of teachers funded by the grant program and the outcomes compared to the goals established
 72.10 in the grant application. The Department of Education shall develop the criteria necessary
 72.11 for the reports.

72.12 **Sec. 18. APPROPRIATIONS.**

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

72.16 Subd. 2. **Paraprofessional pathway to teacher licensure.** (a) For grants to school
 72.17 districts for Grow Your Own teacher preparation programs:

72.18	\$	<u>1,500,000</u>	<u>.....</u>	<u>2018</u>
72.19	\$	<u>1,500,000</u>	<u>.....</u>	<u>2019</u>

72.20 (b) The grants are for school districts with more than 40 percent minority students for
 72.21 a Board of Teaching-approved nonconventional teacher residency pilot program. The
 72.22 program must provide tuition scholarships or stipends to enable school district employees
 72.23 or community members affiliated with a school district who seek an education license to
 72.24 participate in a nonconventional teacher preparation program.

72.25 (c) A school district that receives a grant under this subdivision is ineligible to receive
 72.26 a grant for a Grow Your Own program in fiscal year 2020 and fiscal year 2021.

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

72.28 Subd. 3. **Alternative teacher preparation grant program.** (a) For transfer to the
 72.29 commissioner of the Office of Higher Education for alternative teacher preparation program
 72.30 grants under Minnesota Statutes, section 136A.1276:

73.1 \$ 1,000,000 2018

73.2 \$ 0 2019

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

73.4 Subd. 4. **Agricultural educator grants.** For agricultural educator grants under section

73.5 16:

73.6 \$ 250,000 2018

73.7 \$ 0 2019

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

73.9 Subd. 5. **Collaborative urban educator.** (a) For the collaborative urban educator grant

73.10 program:

73.11 \$ 1,000,000 2018

73.12 \$ 1,000,000 2019

73.13 (b) Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast
 73.14 Asian Teacher program at Concordia University, St. Paul; \$195,000 each year is for the
 73.15 Collaborative Urban Educator program at the University of St. Thomas; \$195,000 each year
 73.16 is for the Center for Excellence in Urban Teaching at Hamline University; and \$195,000
 73.17 each year is for the East Africa Student to Teacher program at Augsburg College.

73.18 (c) The commissioner must establish a competitive grant process to award \$220,000
 73.19 each year to Board of Teaching-approved teacher preparation programs, including alternative
 73.20 teacher preparation programs. The competitive process must award grants based on program
 73.21 benchmarks, including licensure rates, participation rates, and on-time graduation rates.

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

73.23 (e) Each institution shall prepare for the legislature by January 15 of each year a detailed
 73.24 report regarding the funds used. The report must include the number of teachers prepared
 73.25 as well as the diversity for each cohort of teachers produced.

73.26 (f) For fiscal year 2020 and later, the commissioner must award all collaborative urban
 73.27 educator grants through the competitive grant program.

73.28 Subd. 6. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota
 73.29 College of Education and Human Development for the operation of the Minnesota Principals
 73.30 Academy:

73.31 \$ 200,000 2018

73.32 \$ 200,000 2019

74.1 (b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals
 74.2 from schools designated as priority schools by the commissioner of education. To the extent
 74.3 funds are available, the Department of Education must use up to \$200,000 of federal Title
 74.4 II funds to support additional participation in the Principals Academy by principals from
 74.5 priority schools.

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

74.7 Subd. 7. **Teacher shortage loan forgiveness.** (a) For transfer to the commissioner of
 74.8 the Office of Higher Education for the loan forgiveness program under Minnesota Statutes,
 74.9 section 136A.1791:

74.10 \$ 800,000 2018

74.11 \$ 3,200,000 2019

74.12 (b) The commissioner may use no more than three percent of this appropriation to
 74.13 administer the program under this subdivision.

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

74.15 (d) The base for fiscal year 2020 is \$0.

74.16 Sec. 19. **REPEALER.**

74.17 Minnesota Statutes 2016, sections 122A.40, subdivision 11; and 122A.41, subdivision
 74.18 14, are repealed effective July 1, 2018.

74.19 **ARTICLE 4**

74.20 **SPECIAL EDUCATION**

74.21 Section 1. Minnesota Statutes 2016, section 125A.08, is amended to read:

74.22 **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

74.23 (a) At the beginning of each school year, each school district shall have in effect, for
 74.24 each child with a disability, an individualized education program.

74.25 (b) As defined in this section, every district must ensure the following:

74.26 (1) all students with disabilities are provided the special instruction and services which
 74.27 are appropriate to their needs. Where the individualized education program team has
 74.28 determined appropriate goals and objectives based on the student's needs, including the
 74.29 extent to which the student can be included in the least restrictive environment, and where
 74.30 there are essentially equivalent and effective instruction, related services, or assistive

75.1 technology devices available to meet the student's needs, cost to the district may be among
75.2 the factors considered by the team in choosing how to provide the appropriate services,
75.3 instruction, or devices that are to be made part of the student's individualized education
75.4 program. The individualized education program team shall consider and may authorize
75.5 services covered by medical assistance according to section 256B.0625, subdivision 26.
75.6 Before a school district evaluation team makes a determination of other health disability
75.7 under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation
75.8 team must seek written documentation of the student's medically diagnosed chronic or acute
75.9 health condition signed by a licensed physician or a licensed health care provider acting
75.10 within the scope of the provider's practice. The student's needs and the special education
75.11 instruction and services to be provided must be agreed upon through the development of
75.12 an individualized education program. The program must address the student's need to develop
75.13 skills to live and work as independently as possible within the community. The individualized
75.14 education program team must consider positive behavioral interventions, strategies, and
75.15 supports that address behavior needs for children. During grade 9, the program must address
75.16 the student's needs for transition from secondary services to postsecondary education and
75.17 training, employment, community participation, recreation, and leisure and home living. In
75.18 developing the program, districts must inform parents of the full range of transitional goals
75.19 and related services that should be considered. The program must include a statement of
75.20 the needed transition services, including a statement of the interagency responsibilities or
75.21 linkages or both before secondary services are concluded. If the individualized education
75.22 program meets the plan components in section 120B.125, the individualized education
75.23 program satisfies the requirement and no additional transition plan is needed;

75.24 (2) children with a disability under age five and their families are provided special
75.25 instruction and services appropriate to the child's level of functioning and needs;

75.26 (3) children with a disability and their parents or guardians are guaranteed procedural
75.27 safeguards and the right to participate in decisions involving identification, assessment
75.28 including assistive technology assessment, and educational placement of children with a
75.29 disability;

75.30 (4) eligibility and needs of children with a disability are determined by an initial
75.31 evaluation or reevaluation, which may be completed using existing data under United States
75.32 Code, title 20, section 33, et seq.;

75.33 (5) to the maximum extent appropriate, children with a disability, including those in
75.34 public or private institutions or other care facilities, are educated with children who are not
75.35 disabled, and that special classes, separate schooling, or other removal of children with a

76.1 disability from the regular educational environment occurs only when and to the extent that
76.2 the nature or severity of the disability is such that education in regular classes with the use
76.3 of supplementary services cannot be achieved satisfactorily;

76.4 (6) in accordance with recognized professional standards, testing and evaluation materials,
76.5 and procedures used for the purposes of classification and placement of children with a
76.6 disability are selected and administered so as not to be racially or culturally discriminatory;
76.7 and

76.8 (7) the rights of the child are protected when the parents or guardians are not known or
76.9 not available, or the child is a ward of the state.

76.10 (c) For all paraprofessionals employed to work in programs whose role in part is to
76.11 provide direct support to students with disabilities, the school board in each district shall
76.12 ensure that:

76.13 (1) before or beginning at the time of employment, each paraprofessional must develop
76.14 sufficient knowledge and skills in emergency procedures, building orientation, roles and
76.15 responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin
76.16 meeting the needs, especially disability-specific and behavioral needs, of the students with
76.17 whom the paraprofessional works;

76.18 (2) annual training opportunities are required to enable the paraprofessional to continue
76.19 to further develop the knowledge ~~and~~, skills, and cultural competency, consistent with
76.20 section 120B.30, subdivision 1, paragraph (q), that are specific to the students with whom
76.21 the paraprofessional works, including understanding disabilities, the unique and individual
76.22 needs of each student according to the student's disability and how the disability affects the
76.23 student's education and behavior, following lesson plans, and implementing follow-up
76.24 instructional procedures and activities; and

76.25 (3) a districtwide process obligates each paraprofessional to work under the ongoing
76.26 direction of a licensed teacher and, where appropriate and possible, the supervision of a
76.27 school nurse.

76.28 (d) The school board must make available annual training opportunities to enable a
76.29 special education teacher serving on an individualized education program team to further
76.30 develop the knowledge, skills, and cultural competency necessary to appropriately serve
76.31 students. For purposes of this section, "cultural competency" means the ability to interact
76.32 effectively with people of different cultures, native languages, and socioeconomic
76.33 backgrounds.

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

77.2 Sec. 2. **[125A.087] DATA REVIEW.**

77.3 **Subdivision 1. School district to review data.** At least once each school year, a school
77.4 **district is encouraged to review data for each school site on the number of students that are**
77.5 **referred for emotional behavioral disorder evaluation, disaggregated by race, ethnicity, and**
77.6 **gender. Nothing in this section requires a school district or public school to report any**
77.7 **information to the commissioner of education that is not otherwise required by law.**

77.8 **Subd. 2. School site to review data.** Teachers and other educational staff at a school
77.9 **site must review at least once each school year the data under subdivision 1 for students at**
77.10 **the school site. The district is encouraged to consult with teachers and other educational**
77.11 **staff on strategies to reduce any disproportionate representation of students by race, gender,**
77.12 **or ethnicity in evaluation referrals.**

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

77.14 Sec. 3. Minnesota Statutes 2016, section 125A.0941, is amended to read:

77.15 **125A.0941 DEFINITIONS.**

77.16 (a) The following terms have the meanings given them.

77.17 (b) "Emergency" means a situation where immediate intervention is needed to protect
77.18 a child or other individual from physical injury. Emergency does not mean circumstances
77.19 such as: a child who does not respond to a task or request and instead places his or her head
77.20 on a desk or hides under a desk or table; a child who does not respond to a staff person's
77.21 request unless failing to respond would result in physical injury to the child or other
77.22 individual; or an emergency incident has already occurred and no threat of physical injury
77.23 currently exists.

77.24 (c) "Physical holding" means physical intervention intended to hold a child immobile
77.25 or limit a child's movement, where body contact is the only source of physical restraint, and
77.26 where immobilization is used to effectively gain control of a child in order to protect a child
77.27 or other individual from physical injury. The term physical holding does not mean physical
77.28 contact that:

77.29 (1) helps a child respond or complete a task;

77.30 (2) assists a child without restricting the child's movement;

77.31 (3) is needed to administer an authorized health-related service or procedure; or

78.1 (4) is needed to physically escort a child when the child does not resist or the child's
78.2 resistance is minimal.

78.3 (d) "Positive behavioral interventions and supports" means interventions and strategies
78.4 to improve the school environment and teach children the skills to behave appropriately,
78.5 including the key components under section 122A.627.

78.6 (e) "Prone restraint" means placing a child in a face down position.

78.7 (f) "Restrictive procedures" means the use of physical holding or seclusion in an
78.8 emergency. Restrictive procedures must not be used to punish or otherwise discipline a
78.9 child.

78.10 (g) "Seclusion" means confining a child alone in a room from which egress is barred.
78.11 Egress may be barred by an adult locking or closing the door in the room or preventing the
78.12 child from leaving the room. Removing a child from an activity to a location where the
78.13 child cannot participate in or observe the activity is not seclusion.

78.14 Sec. 4. Minnesota Statutes 2016, section 125A.11, subdivision 1, is amended to read:

78.15 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and later,
78.16 when a school district provides special instruction and services for a pupil with a disability
78.17 as defined in section 125A.02 outside the district of residence, excluding a pupil for whom
78.18 an adjustment to special education aid is calculated according to section 127A.47, subdivision
78.19 7, paragraphs (b) to (d), special education aid paid to the resident district must be reduced
78.20 by an amount equal to (1) the actual cost of providing special instruction and services to
78.21 the pupil, including a proportionate amount for special transportation, plus (2) the amount
78.22 of general education revenue, excluding local optional revenue, plus local optional aid and
78.23 referendum equalization aid attributable to that pupil, calculated using the resident district's
78.24 average general education revenue and referendum equalization aid per adjusted pupil unit
78.25 excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue,
78.26 minus (3) the amount of special education aid for children with a disability under section
78.27 125A.76 received on behalf of that child, minus (4) if the pupil receives special instruction
78.28 and services outside the regular classroom for more than 60 percent of the school day, the
78.29 amount of general education revenue and referendum equalization aid, excluding portions
78.30 attributable to district and school administration, district support services, operations and
78.31 maintenance, capital expenditures, and pupil transportation, attributable to that pupil for
78.32 the portion of time the pupil receives special instruction and services outside of the regular
78.33 classroom, calculated using the resident district's average general education revenue and
78.34 referendum equalization aid per adjusted pupil unit excluding basic skills revenue, elementary

79.1 sparsity revenue and secondary sparsity revenue and the serving district's basic skills revenue,
79.2 elementary sparsity revenue and secondary sparsity revenue per adjusted pupil unit.
79.3 Notwithstanding clauses (1) and (4), for pupils served by a cooperative unit without a fiscal
79.4 agent school district, the general education revenue and referendum equalization aid
79.5 attributable to a pupil must be calculated using the resident district's average general
79.6 education revenue and referendum equalization aid excluding compensatory revenue,
79.7 elementary sparsity revenue, and secondary sparsity revenue. Special education aid paid to
79.8 the district or cooperative providing special instruction and services for the pupil must be
79.9 increased by the amount of the reduction in the aid paid to the resident district. If the resident
79.10 district's special education aid is insufficient to make the full adjustment, the remaining
79.11 adjustment shall be made to other state aid due to the district.

79.12 (b) Notwithstanding paragraph (a), when a charter school receiving special education
79.13 aid under section 124E.21, subdivision 3, provides special instruction and services for a
79.14 pupil with a disability as defined in section 125A.02, excluding a pupil for whom an
79.15 adjustment to special education aid is calculated according to section 127A.47, subdivision
79.16 7, paragraphs (b) to (e), special education aid paid to the resident district must be reduced
79.17 by an amount equal to that calculated under paragraph (a) as if the charter school received
79.18 aid under section 124E.21, subdivision 1. Notwithstanding paragraph (a), special education
79.19 aid paid to the charter school providing special instruction and services for the pupil must
79.20 not be increased by the amount of the reduction in the aid paid to the resident district.

79.21 (c) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs (b)
79.22 to (d):

79.23 (1) an intermediate district or a special education cooperative may recover unreimbursed
79.24 costs of serving pupils with a disability, including building lease, debt service, and indirect
79.25 costs necessary for the general operation of the organization, by billing membership fees
79.26 and nonmember access fees to the resident district;

79.27 (2) a charter school where more than 30 percent of enrolled students receive special
79.28 education and related services, a site approved under section 125A.515, an intermediate
79.29 district, a site constructed according to Laws 1992, chapter 558, section 7, subdivision 7,
79.30 to meet the educational needs of court-placed adolescents, or a special education cooperative
79.31 may apply to the commissioner for authority to charge the resident district an additional
79.32 amount to recover any remaining unreimbursed costs of serving pupils with a disability;

79.33 (3) the billing under clause (1) or application under clause (2) must include a description
79.34 of the costs and the calculations used to determine the unreimbursed portion to be charged

80.1 to the resident district. Amounts approved by the commissioner under clause (2) must be
80.2 included in the aid adjustments under paragraph (a), or section 127A.47, subdivision 7,
80.3 paragraphs (b) to (d), as applicable.

80.4 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph (b),
80.5 "general education revenue and referendum equalization aid" means the sum of the general
80.6 education revenue according to section 126C.10, subdivision 1, excluding the local optional
80.7 levy according to section 126C.10, subdivision 2e, paragraph (c), plus the referendum
80.8 equalization aid according to section 126C.17, subdivision 7.

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

80.10 Sec. 5. Minnesota Statutes 2016, section 125A.21, subdivision 2, is amended to read:

80.11 Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts shall seek
80.12 reimbursement from insurers and similar third parties for the cost of services provided by
80.13 the district whenever the services provided by the district are otherwise covered by the
80.14 child's health coverage. Districts shall request, but may not require, the child's family to
80.15 provide information about the child's health coverage when a child with a disability begins
80.16 to receive services from the district of a type that may be reimbursable, and shall request,
80.17 but may not require, updated information after that as needed.

80.18 (b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare
80.19 under chapter 256L who have no other health coverage, a district shall provide an initial
80.20 and annual written notice to the enrolled child's parent or legal representative of its intent
80.21 to seek reimbursement from medical assistance or MinnesotaCare for:

80.22 (1) the evaluations required as part of the individualized education program process or
80.23 individualized family service plan process; and

80.24 (2) health-related services provided by the district according to the individualized
80.25 education program or individualized family service plan.

80.26 The initial notice must give the child's parent or legal representative the right to request a
80.27 copy of the child's education records on the health-related services that the district provided
80.28 to the child and disclosed to a third-party payer.

80.29 (c) The district shall give the parent or legal representative annual written notice of:

80.30 (1) the district's intent to seek reimbursement from medical assistance or MinnesotaCare
80.31 for evaluations required as part of the individualized education program process or
80.32 individualized family service plan process, and for health-related services provided by the

81.1 district according to the individualized education program or individualized family service
81.2 plan;

81.3 (2) the right of the parent or legal representative to request a copy of all records
81.4 concerning individualized education program or individualized family service plan
81.5 health-related services disclosed by the district to any third party; and

81.6 (3) the right of the parent or legal representative to withdraw consent for disclosure of
81.7 a child's records at any time without consequence.

81.8 The written notice shall be provided as part of the written notice required by Code of Federal
81.9 Regulations, title 34, section 300.504 or 303.520. The district must ensure that the parent
81.10 of a child with a disability is given notice, in understandable language, of federal and state
81.11 procedural safeguards available to the parent under this paragraph and paragraph (b).

81.12 (d) In order to access the private health care coverage of a child who is covered by private
81.13 health care coverage in whole or in part, a district must:

81.14 (1) obtain annual written informed consent from the parent or legal representative, in
81.15 compliance with subdivision 5; and

81.16 (2) inform the parent or legal representative that a refusal to permit the district or state
81.17 Medicaid agency to access their private health care coverage does not relieve the district of
81.18 its responsibility to provide all services necessary to provide free and appropriate public
81.19 education at no cost to the parent or legal representative.

81.20 (e) If the commissioner of human services obtains federal approval to exempt covered
81.21 individualized education program or individualized family service plan health-related
81.22 services from the requirement that private health care coverage refuse payment before
81.23 medical assistance may be billed, paragraphs (b), (c), and (d) shall also apply to students
81.24 with a combination of private health care coverage and health care coverage through medical
81.25 assistance or MinnesotaCare.

81.26 (f) In the event that Congress or any federal agency or the Minnesota legislature or any
81.27 state agency establishes lifetime limits, limits for any health care services, cost-sharing
81.28 provisions, or otherwise provides that individualized education program or individualized
81.29 family service plan health-related services impact benefits for persons enrolled in medical
81.30 assistance or MinnesotaCare, the amendments to this subdivision adopted in 2002 are
81.31 repealed on the effective date of any federal or state law or regulation that imposes the
81.32 limits. In that event, districts must obtain informed consent consistent with this subdivision
81.33 as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement

82.1 for children enrolled in medical assistance under chapter 256B or MinnesotaCare under
82.2 chapter 256L who have no other health care coverage.

82.3 **EFFECTIVE DATE.** This section is effective August 1, 2017.

82.4 Sec. 6. Minnesota Statutes 2016, section 125A.515, is amended to read:

82.5 **125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION**
82.6 **PROGRAM.**

82.7 Subdivision 1. **Approval of on-site education programs.** The commissioner shall
82.8 approve on-site education programs for placement of children and youth in residential
82.9 facilities including detention centers, before being licensed by the Department of Human
82.10 Services or the Department of Corrections. Education programs in these facilities shall
82.11 conform to state and federal education laws including the Individuals with Disabilities
82.12 Education Act (IDEA). This section applies only to placements in children's residential
82.13 facilities licensed by the Department of Human Services or the Department of Corrections.
82.14 For purposes of this section, "on-site education program" means the educational services
82.15 provided directly on the grounds of the ~~care and treatment~~ children's residential facility to
82.16 children and youth placed for care and treatment.

82.17 Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's
82.18 residential facility is located must provide education services, including special education
82.19 if eligible, to all students placed in a facility.

82.20 (b) For education programs operated by the Department of Corrections, the providing
82.21 district shall be the Department of Corrections. For students remanded to the commissioner
82.22 of corrections, the providing and resident district shall be the Department of Corrections.

82.23 Subd. 3a. **Students without a disability from other states.** A school district is not
82.24 required to provide education services under this section to a student who:

82.25 (1) is not a resident of Minnesota;

82.26 (2) does not have an individualized education program; and

82.27 (3) does not have a tuition arrangement or agreement to pay the cost of education from
82.28 the placing authority.

82.29 Subd. 4. **Education services required.** (a) Education services must be provided to a
82.30 student beginning within three business days after the student enters the ~~care and treatment~~
82.31 children's residential facility. The first four days of the student's placement may be used to
82.32 screen the student for educational and safety issues.

83.1 (b) If the student does not meet the eligibility criteria for special education, regular
83.2 education services must be provided to that student.

83.3 **Subd. 5. Education programs for students placed in children's residential facilities.**

83.4 (a) When a student is placed in a children's residential facility ~~approved~~ under this section
83.5 that has an on-site education program, the providing district, upon notice from the ~~care and~~
83.6 ~~treatment~~ children's residential facility, must contact the resident district within one business
83.7 day to determine if a student has been identified as having a disability, and to request at
83.8 least the student's transcript, and for students with disabilities, the most recent individualized
83.9 education program (IEP) and evaluation report, ~~and to determine if the student has been~~
83.10 ~~identified as a student with a disability~~. The resident district must send a facsimile copy to
83.11 the providing district within two business days of receiving the request.

83.12 (b) If a student placed under this section has been identified as having a disability and
83.13 has an individualized education program in the resident district:

83.14 (1) the providing agency must conduct an individualized education program meeting to
83.15 reach an agreement about continuing or modifying special education services in accordance
83.16 with the current individualized education program goals and objectives and to determine if
83.17 additional evaluations are necessary; and

83.18 (2) at least the following people shall receive written notice or documented phone call
83.19 to be followed with written notice to attend the individualized education program meeting:

83.20 (i) the person or agency placing the student;

83.21 (ii) the resident district;

83.22 (iii) the appropriate teachers and related services staff from the providing district;

83.23 (iv) appropriate staff from the children's residential facility;

83.24 (v) the parents or legal guardians of the student; and

83.25 (vi) when appropriate, the student.

83.26 (c) For a student who has not been identified as a student with a disability, a screening
83.27 must be conducted by the providing districts as soon as possible to determine the student's
83.28 educational and behavioral needs and must include a review of the student's educational
83.29 records.

83.30 **Subd. 6. Exit report summarizing educational progress.** If a student has been placed
83.31 in a facility under this section for 15 or more business days, the providing district must
83.32 prepare an exit report summarizing the regular education, special education, evaluation,

84.1 educational progress, and service information and must send the report to the resident district
84.2 and the next providing district if different, the parent or legal guardian, and any appropriate
84.3 social service agency. For students with disabilities, this report must include the student's
84.4 IEP.

84.5 Subd. 7. **Minimum educational services required.** When a student is placed in a
84.6 children's residential facility ~~approved~~ under this section, at a minimum, the providing
84.7 district is responsible for:

84.8 (1) the education necessary, including summer school services, for a student who is not
84.9 performing at grade level as indicated in the education record or IEP; and

84.10 (2) a school day, of the same length as the school day of the providing district, unless
84.11 the unique needs of the student, as documented through the IEP or education record in
84.12 consultation with treatment providers, requires an alteration in the length of the school day.

84.13 Subd. 8. **Placement, services, and due process.** When a student's treatment and
84.14 educational needs allow, education shall be provided in a regular educational setting. The
84.15 determination of the amount and site of integrated services must be a joint decision between
84.16 the student's parents or legal guardians and the treatment and education staff. When
84.17 applicable, educational placement decisions must be made by the IEP team of the providing
84.18 district. Educational services shall be provided in conformance with the least restrictive
84.19 environment principle of the Individuals with Disabilities Education Act. The providing
84.20 district and ~~care and treatment~~ children's residential facility shall cooperatively develop
84.21 discipline and behavior management procedures to be used in emergency situations that
84.22 comply with the Minnesota Pupil Fair Dismissal Act and other relevant state and federal
84.23 laws and regulations.

84.24 Subd. 9. **Reimbursement for education services.** (a) Education services provided to
84.25 students who have been placed under this section are reimbursable in accordance with
84.26 special education and general education statutes.

84.27 (b) Indirect or consultative services provided in conjunction with regular education
84.28 prereferral interventions and assessment provided to regular education students suspected
84.29 of being disabled and who have demonstrated learning or behavioral problems in a screening
84.30 are reimbursable with special education categorical aids.

84.31 (c) Regular education, including screening, provided to students with or without
84.32 disabilities is not reimbursable with special education categorical aids.

85.1 Subd. 10. **Students unable to attend school but not covered under this section.**

85.2 Students who are absent from, or predicted to be absent from, school for 15 consecutive or
85.3 intermittent days, and placed at home or in facilities not licensed by the Departments of
85.4 Corrections or Human Services are entitled to regular and special education services
85.5 consistent with this section or Minnesota Rules, part 3525.2325. These students include
85.6 students with and without disabilities who are home due to accident or illness, in a hospital
85.7 or other medical facility, or in a day treatment center.

85.8 Sec. 7. Minnesota Statutes 2016, section 125A.74, subdivision 1, is amended to read:

85.9 Subdivision 1. **Eligibility.** A district may enroll as a provider in the medical assistance
85.10 program and receive medical assistance payments for covered evaluations and special
85.11 education services provided to persons eligible for medical assistance under chapter 256B.
85.12 To receive medical assistance payments, the district must pay the nonfederal share of medical
85.13 assistance services provided according to section 256B.0625, subdivision 26, and comply
85.14 with relevant provisions of state and federal statutes and regulations governing the medical
85.15 assistance program.

85.16 **EFFECTIVE DATE.** This section is effective August 1, 2017.

85.17 Sec. 8. Minnesota Statutes 2016, section 256B.0625, subdivision 26, is amended to read:

85.18 Subd. 26. **Special education services.** (a) Medical assistance covers evaluations necessary
85.19 in making a determination for eligibility for individualized education program and
85.20 individualized family service plan services and for medical services identified in a recipient's
85.21 individualized education program and individualized family service plan and covered under
85.22 the medical assistance state plan. Covered services include occupational therapy, physical
85.23 therapy, speech-language therapy, clinical psychological services, nursing services, school
85.24 psychological services, school social work services, personal care assistants serving as
85.25 management aides, assistive technology devices, transportation services, health assessments,
85.26 and other services covered under the medical assistance state plan. Mental health services
85.27 eligible for medical assistance reimbursement must be provided or coordinated through a
85.28 children's mental health collaborative where a collaborative exists if the child is included
85.29 in the collaborative operational target population. The provision or coordination of services
85.30 does not require that the individualized education program be developed by the collaborative.

85.31 The services may be provided by a Minnesota school district that is enrolled as a medical
85.32 assistance provider or its subcontractor, and only if the services meet all the requirements
85.33 otherwise applicable if the service had been provided by a provider other than a school

86.1 district, in the following areas: medical necessity, physician's orders, documentation,
86.2 personnel qualifications, and prior authorization requirements. The nonfederal share of costs
86.3 for services provided under this subdivision is the responsibility of the local school district
86.4 as provided in section 125A.74. Services listed in a child's individualized education program
86.5 are eligible for medical assistance reimbursement only if those services meet criteria for
86.6 federal financial participation under the Medicaid program.

86.7 (b) Approval of health-related services for inclusion in the individualized education
86.8 program does not require prior authorization for purposes of reimbursement under this
86.9 chapter. The commissioner may require physician review and approval of the plan not more
86.10 than once annually or upon any modification of the individualized education program that
86.11 reflects a change in health-related services.

86.12 (c) Services of a speech-language pathologist provided under this section are covered
86.13 notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

86.14 (1) holds a masters degree in speech-language pathology;

86.15 (2) is licensed by the Minnesota Board of Teaching as an educational speech-language
86.16 pathologist; and

86.17 (3) either has a certificate of clinical competence from the American Speech and Hearing
86.18 Association, has completed the equivalent educational requirements and work experience
86.19 necessary for the certificate or has completed the academic program and is acquiring
86.20 supervised work experience to qualify for the certificate.

86.21 (d) Medical assistance coverage for medically necessary services provided under other
86.22 subdivisions in this section may not be denied solely on the basis that the same or similar
86.23 services are covered under this subdivision.

86.24 (e) The commissioner shall develop and implement package rates, bundled rates, or per
86.25 diem rates for special education services under which separately covered services are grouped
86.26 together and billed as a unit in order to reduce administrative complexity.

86.27 (f) The commissioner shall develop a cost-based payment structure for payment of these
86.28 services. Only costs reported through the designated Minnesota Department of Education
86.29 data systems in distinct service categories qualify for inclusion in the cost-based payment
86.30 structure. The commissioner shall reimburse claims submitted based on an interim rate, and
86.31 shall settle at a final rate once the department has determined it. The commissioner shall
86.32 notify the school district of the final rate. The school district has 60 days to appeal the final
86.33 rate. To appeal the final rate, the school district shall file a written appeal request to the

87.1 commissioner within 60 days of the date the final rate determination was mailed. The appeal
87.2 request shall specify (1) the disputed items and (2) the name and address of the person to
87.3 contact regarding the appeal.

87.4 (g) Effective July 1, 2000, medical assistance services provided under an individualized
87.5 education program or an individual family service plan by local school districts shall not
87.6 count against medical assistance authorization thresholds for that child.

87.7 (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an
87.8 individualized education program health-related service, are eligible for medical assistance
87.9 payment if they are otherwise a covered service under the medical assistance program.
87.10 Medical assistance covers the administration of prescription medications by a licensed nurse
87.11 who is employed by or under contract with a school district when the administration of
87.12 medications is identified in the child's individualized education program. The simple
87.13 administration of medications alone is not covered under medical assistance when
87.14 administered by a provider other than a school district or when it is not identified in the
87.15 child's individualized education program.

87.16 **EFFECTIVE DATE.** This section is effective August 1, 2017.

87.17 Sec. 9. **SPECIAL EDUCATION ASSISTIVE TECHNOLOGY STUDY.**

87.18 **Subdivision 1. Study.** The commissioner of education must examine the use of assistive
87.19 technology in Minnesota school districts. The commissioner may examine financial data,
87.20 survey school officials, and use other methods to collect data on the use of assistive
87.21 technology by Minnesota's students. The commissioner must consult with the Minnesota
87.22 Assistive Technology Advisory Council and other interested organizations to determine the
87.23 scope and focus of the study.

87.24 **Subd. 2. Data reporting.** The commissioner must examine the federally required uniform
87.25 financial accounting and reporting standards object codes and, if necessary, recommend
87.26 changes to better capture school district spending on assistive technology. The commissioner
87.27 must examine approaches to collecting additional student-level assistive technology data
87.28 through the electronic data reporting system.

87.29 **Subd. 3. Assistive technology manual.** The commissioner must examine the department's
87.30 assistive technology manual, and determine whether to prepare a revised manual.

87.31 **Subd. 4. Report.** The commissioner of education must report to the chairs and ranking
87.32 minority members of the legislative committees with jurisdiction over kindergarten through
87.33 grade 12 education by February 15, 2018, on the use of assistive technology by Minnesota's

88.1 students and recommend statutory changes to encourage individualized education programs
 88.2 and individualized family services plans to incorporate a child-centered assistive technology
 88.3 plan.

88.4 Sec. 10. **APPROPRIATIONS.**

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

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

88.10 \$ 1,339,212,000 2018

88.11 \$ 1,426,317,000 2019

88.12 The 2018 appropriation includes \$156,403,000 for 2017 and \$1,182,809,000 for 2018.

88.13 The 2019 appropriation includes \$166,505,000 for 2018 and \$1,259,812,000 for 2019.

88.14 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 88.15 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 88.16 the district boundaries for whom no district of residence can be determined:

88.17 \$ 1,597,000 2018

88.18 \$ 1,830,000 2019

88.19 If the appropriation for either year is insufficient, the appropriation for the other year is
 88.20 available.

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

88.23 \$ 508,000 2018

88.24 \$ 532,000 2019

88.25 The 2018 appropriation includes \$48,000 for 2017 and \$460,000 for 2018.

88.26 The 2019 appropriation includes \$51,000 for 2018 and \$481,000 for 2019.

88.27 Subd. 5. **Court-placed special education revenue.** For reimbursing serving school
 88.28 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 88.29 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

88.30 \$ 46,000 2018

88.31 \$ 47,000 2019

90.1 professional or managerial employee performing duties in connection with the business
90.2 administration of these institutions;

90.3 (10) officers and enlisted persons in the National Guard;

90.4 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney
90.5 general or employed with the attorney general's authorization;

90.6 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and
90.7 notaries public, except referees and adjusters employed by the Department of Labor and
90.8 Industry;

90.9 (13) members of the State Patrol; provided that selection and appointment of State Patrol
90.10 troopers must be made in accordance with applicable laws governing the classified service;

90.11 (14) examination monitors and intermittent training instructors employed by the
90.12 Departments of Management and Budget and Commerce and by professional examining
90.13 boards and intermittent staff employed by the technical colleges for the administration of
90.14 practical skills tests and for the staging of instructional demonstrations;

90.15 (15) student workers;

90.16 (16) executive directors or executive secretaries appointed by and reporting to any
90.17 policy-making board or commission established by statute;

90.18 (17) employees unclassified pursuant to other statutory authority;

90.19 (18) intermittent help employed by the commissioner of agriculture to perform duties
90.20 relating to pesticides, fertilizer, and seed regulation;

90.21 (19) the administrators and the deputy administrators at the State Academies for the
90.22 Deaf and the Blind; and

90.23 (20) chief executive officers in the Department of Human Services.

90.24 **EFFECTIVE DATE.** This section is effective June 30, 2018.

90.25 Sec. 2. Minnesota Statutes 2016, section 43A.08, subdivision 1a, is amended to read:

90.26 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
90.27 agencies may designate additional unclassified positions according to this subdivision: the
90.28 Departments of Administration; Agriculture; Commerce; Corrections; Education;
90.29 Employment and Economic Development; Explore Minnesota Tourism; Management and
90.30 Budget; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety;
90.31 Human Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and

91.1 Pollution Control Agencies; the State Lottery; the State Board of Investment; the Office of
 91.2 Administrative Hearings; the Office of MN.IT Services; the Offices of the Attorney General,
 91.3 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the
 91.4 Minnesota Office of Higher Education; ~~the Perpich Center for Arts Education~~; and the
 91.5 Minnesota Zoological Board.

91.6 A position designated by an appointing authority according to this subdivision must
 91.7 meet the following standards and criteria:

91.8 (1) the designation of the position would not be contrary to other law relating specifically
 91.9 to that agency;

91.10 (2) the person occupying the position would report directly to the agency head or deputy
 91.11 agency head and would be designated as part of the agency head's management team;

91.12 (3) the duties of the position would involve significant discretion and substantial
 91.13 involvement in the development, interpretation, and implementation of agency policy;

91.14 (4) the duties of the position would not require primarily personnel, accounting, or other
 91.15 technical expertise where continuity in the position would be important;

91.16 (5) there would be a need for the person occupying the position to be accountable to,
 91.17 loyal to, and compatible with, the governor and the agency head, the employing statutory
 91.18 board or commission, or the employing constitutional officer;

91.19 (6) the position would be at the level of division or bureau director or assistant to the
 91.20 agency head; and

91.21 (7) the commissioner has approved the designation as being consistent with the standards
 91.22 and criteria in this subdivision.

91.23 **EFFECTIVE DATE.** This section is effective June 30, 2018.

91.24 Sec. 3. **[121A.335] LEAD IN SCHOOL DRINKING WATER.**

91.25 Subdivision 1. **Model plan.** The commissioners of health and education shall jointly
 91.26 develop a model plan to require school districts to accurately and efficiently test for the
 91.27 presence of lead in water in public school buildings serving students in kindergarten through
 91.28 grade 12. To the extent possible, the commissioners shall base the plan on the standards
 91.29 established by the United States Environmental Protection Agency. The plan may be based
 91.30 on the technical guidance in the Department of Health's document, "Reducing Lead in
 91.31 Drinking Water: A Technical Guidance for Minnesota's School and Child Care Facilities."

92.1 Subd. 2. **School plans.** By July 1, 2018, the board of each school district or charter
 92.2 school must adopt the commissioners' model plan or develop and adopt an alternative plan
 92.3 to accurately and efficiently test for the presence of lead in water in school buildings serving
 92.4 prekindergarten students and students in kindergarten through grade 12.

92.5 Subd. 3. **Frequency of testing.** The plan must include a testing schedule that requires
 92.6 testing for the presence of lead in water in all buildings serving school districts and charter
 92.7 school students where there is a source of water that may be consumed by students. The
 92.8 testing must be conducted annually in calendar years 2018 and 2019. The testing must be
 92.9 conducted at least once every five years thereafter.

92.10 Subd. 4. **Ten-year facilities plan.** A school district may include lead testing and
 92.11 remediation as a part of its ten-year facilities plan under section 123B.595.

92.12 Subd. 5. **Report placed on its Web site.** Each school district and charter school must
 92.13 post its most recent test results showing the presence of lead in its drinking water on its
 92.14 Web site.

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

92.16 Sec. 4. Minnesota Statutes 2016, section 122A.416, is amended to read:

92.17 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE FOR**
 92.18 **~~PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT~~**
 92.19 **INTEGRATION COLLABORATIVES.**

92.20 Notwithstanding sections 122A.414, 122A.415, and 126C.10, multidistrict integration
 92.21 collaboratives ~~and the Perpich Center for Arts Education~~ are eligible to receive alternative
 92.22 teacher compensation revenue as if they were intermediate school districts. To qualify for
 92.23 alternative teacher compensation revenue, a multidistrict integration collaborative ~~or the~~
 92.24 ~~Perpich Center for Arts Education~~ must meet all of the requirements of sections 122A.414
 92.25 and 122A.415 that apply to intermediate school districts, must report its enrollment as of
 92.26 October 1 of each year to the department, and must annually report its expenditures for the
 92.27 alternative teacher professional pay system consistent with the uniform financial accounting
 92.28 and reporting standards to the department by November 30 of each year.

92.29 **EFFECTIVE DATE.** This section is effective June 30, 2018.

93.1 Sec. 5. Minnesota Statutes 2016, section 123A.30, subdivision 6, is amended to read:

93.2 Subd. 6. **Severance pay.** A district must pay severance pay to a teacher who is placed
93.3 on unrequested leave of absence by the district as a result of the agreement. A teacher is
93.4 eligible under this subdivision if the teacher:

93.5 (1) is a teacher, but not a superintendent;

93.6 (2) has a continuing contract with the district according to section 122A.40, subdivision
93.7 7.

93.8 The amount of severance pay must be equal to the teacher's salary for the school year
93.9 during which the teacher was placed on unrequested leave of absence minus the gross
93.10 amount the teacher was paid during the 12 months following the teacher's termination of
93.11 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
93.12 license, and minus the amount a teacher receives as severance or other similar pay according
93.13 to a contract with the district or district policy. These entities requiring a valid Minnesota
93.14 teaching license include, but are not limited to, the district that placed the teacher on
93.15 unrequested leave of absence, another district in Minnesota, an education district, an
93.16 intermediate school district, a service cooperative, a board formed under section 471.59, a
93.17 state residential academy, ~~the Perpich Center for Arts Education~~, a vocational center, or a
93.18 special education cooperative. These entities do not include a district in another state, a
93.19 Minnesota public postsecondary institution, or a state agency. Only amounts earned by the
93.20 teacher as a substitute teacher or in a position requiring a valid Minnesota teaching license
93.21 shall be subtracted. A teacher may decline any offer of employment as a teacher without
93.22 loss of rights to severance pay.

93.23 To determine the amount of severance pay that is due for the first six months following
93.24 termination of the teacher's salary, the district may require the teacher to provide documented
93.25 evidence of the teacher's employers and gross earnings during that period. The district must
93.26 pay the teacher the amount of severance pay it determines to be due from the proceeds of
93.27 the levy for this purpose. To determine the amount of severance pay that is due for the
93.28 second six months of the 12 months following the termination of the teacher's salary, the
93.29 district may require the teacher to provide documented evidence of the teacher's employers
93.30 and gross earnings during that period. The district must pay the teacher the amount of
93.31 severance pay it determines to be due from the proceeds of the levy for this purpose.

93.32 A teacher who receives severance pay under this subdivision waives all further
93.33 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
93.34 severance pay, the teacher shall not receive credit for any years of service in the district

94.1 paying severance pay prior to the year in which the teacher becomes eligible to receive
94.2 severance pay.

94.3 The severance pay is subject to section 465.72. The district may levy annually according
94.4 to section 126C.43, for the severance pay.

94.5 **EFFECTIVE DATE.** This section is effective June 30, 2018.

94.6 Sec. 6. Minnesota Statutes 2016, section 123A.73, subdivision 2, is amended to read:

94.7 Subd. 2. **Involuntary Dissolution; referendum revenue.** As of the effective date of
94.8 the voluntary or involuntary dissolution of a district and its attachment to one or more
94.9 existing districts pursuant to sections 123A.60 or 123A.64 to 123A.72, the authorization
94.10 for any referendum revenue previously approved by the voters of the dissolved district in
94.11 that district pursuant to section 126C.17, subdivision 9, or its predecessor or successor
94.12 provision, is canceled. The authorization for any referendum revenue previously approved
94.13 by the voters of a district to which all or part of the dissolved district is attached shall not
94.14 be affected by the attachment and shall apply to the entire area of the district as enlarged
94.15 by the attachment.

94.16 **EFFECTIVE DATE.** This section is effective retroactively to January 1, 2017.

94.17 Sec. 7. Minnesota Statutes 2016, section 123B.595, subdivision 4, is amended to read:

94.18 Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school district
94.19 or intermediate district, not including a charter school, must have a ten-year facility plan
94.20 adopted by the school board and approved by the commissioner. The plan must include
94.21 provisions for implementing a health and safety program that complies with health, safety,
94.22 and environmental regulations and best practices, including indoor air quality management
94.23 and remediation of lead hazards.

94.24 (b) The district must annually update the plan, submit the plan to the commissioner for
94.25 approval by July 31, and indicate whether the district will issue bonds to finance the plan
94.26 or levy for the costs.

94.27 (c) For school districts issuing bonds to finance the plan, the plan must include a debt
94.28 service schedule demonstrating that the debt service revenue required to pay the principal
94.29 and interest on the bonds each year will not exceed the projected long-term facilities revenue
94.30 for that year.

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

95.1 Sec. 8. Minnesota Statutes 2016, section 124D.05, subdivision 3, is amended to read:

95.2 Subd. 3. **Severance pay.** A district must pay severance pay to a teacher who is placed
95.3 on unrequested leave of absence by the district as a result of an agreement under this section.
95.4 A teacher is eligible under this subdivision if the teacher:

95.5 (1) is a teacher, as defined in section 122A.40, subdivision 1, but not a superintendent;

95.6 (2) has a continuing contract with the district according to section 122A.40, subdivision
95.7 7.

95.8 The amount of severance pay must be equal to the teacher's salary for the school year
95.9 during which the teacher was placed on unrequested leave of absence minus the gross
95.10 amount the teacher was paid during the 12 months following the teacher's termination of
95.11 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
95.12 license, and minus the amount a teacher receives as severance or other similar pay according
95.13 to a contract with the district or district policy. These entities include, but are not limited
95.14 to, the district that placed the teacher on unrequested leave of absence, another district in
95.15 Minnesota, an education district, an intermediate school district, a service cooperative, a
95.16 board formed under section 471.59, a state residential academy, ~~the Perpich Center for Arts~~
95.17 ~~Education~~, a vocational center, or a special education cooperative. These entities do not
95.18 include a district in another state, a Minnesota public postsecondary institution, or a state
95.19 agency. Only amounts earned by the teacher as a substitute teacher or in a position requiring
95.20 a valid Minnesota teaching license shall be subtracted. A teacher may decline any offer of
95.21 employment as a teacher without loss of rights to severance pay.

95.22 To determine the amount of severance pay that is due for the first six months following
95.23 termination of the teacher's salary, the district may require the teacher to provide documented
95.24 evidence of the teacher's employers and gross earnings during that period. The district must
95.25 pay the teacher the amount of severance pay it determines to be due from the proceeds of
95.26 the levy for this purpose. To determine the amount of severance pay that is due for the
95.27 second six months of the 12 months following the termination of the teacher's salary, the
95.28 district may require the teacher to provide documented evidence of the teacher's employers
95.29 and gross earnings during that period. The district must pay the teacher the amount of
95.30 severance pay it determines to be due from the proceeds of the levy for this purpose.

95.31 A teacher who receives severance pay under this subdivision waives all further
95.32 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
95.33 severance pay, the teacher must not receive credit for any years of service in the district

96.1 paying severance pay prior to the year in which the teacher becomes eligible to receive
96.2 severance pay.

96.3 The severance pay is subject to section 465.72. The district may levy annually according
96.4 to section 126C.43 for the severance pay.

96.5 **EFFECTIVE DATE.** This section is effective June 30, 2018.

96.6 Sec. 9. **[127A.155] LOLA AND RUDY PERPICH ARTS EDUCATION DIVISION.**

96.7 **Subdivision 1. Establishment of arts education division.** The department must provide
96.8 arts support services to school districts throughout Minnesota through the establishment of
96.9 the Lola and Rudy Perpich arts education and outreach division.

96.10 **Subd. 2. Division responsibilities.** (a) The Perpich division must offer resources and
96.11 outreach services statewide to enhance arts education opportunities for pupils in elementary
96.12 and secondary school. The Perpich division must work with school districts across Minnesota
96.13 to:

96.14 **(1) gather and conduct research in arts education;**

96.15 **(2) develop exemplary curriculum, instructional practices, and assessments;**

96.16 **(3) disseminate information regarding arts education opportunities; and**

96.17 **(4) provide materials, training, and assistance to the arts education committees in school**
96.18 **districts.**

96.19 **(b) The Perpich division must collaborate with the commissioner of education to develop**
96.20 **arts standards and strengthen state policies related to arts education.**

96.21 **(c) The Perpich division must serve as liaison for the Department of Education to national**
96.22 **organizations for arts education.**

96.23 **(d) The commissioner may, on behalf of the Perpich division, apply for funds from**
96.24 **public and private sources.**

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

96.26 Sec. 10. Minnesota Statutes 2016, section 297A.70, subdivision 2, is amended to read:

96.27 **Subd. 2. Sales to government.** (a) All sales, except those listed in paragraph (b), to the
96.28 following governments and political subdivisions, or to the listed agencies or instrumentalities
96.29 of governments and political subdivisions, are exempt:

96.30 (1) the United States and its agencies and instrumentalities;

97.1 (2) school districts, local governments, the University of Minnesota, state universities,
97.2 community colleges, technical colleges, state academies, ~~the Perpich Minnesota Center for~~
97.3 ~~Arts Education~~, and an instrumentality of a political subdivision that is accredited as an
97.4 optional/special function school by the North Central Association of Colleges and Schools;

97.5 (3) hospitals and nursing homes owned and operated by political subdivisions of the
97.6 state of tangible personal property and taxable services used at or by hospitals and nursing
97.7 homes;

97.8 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council
97.9 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt
97.10 through December 31, 2016;

97.11 (5) other states or political subdivisions of other states, if the sale would be exempt from
97.12 taxation if it occurred in that state; and

97.13 (6) public libraries, public library systems, multicounty, multitype library systems as
97.14 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
97.15 the state library under section 480.09, and the Legislative Reference Library.

97.16 (b) This exemption does not apply to the sales of the following products and services:

97.17 (1) building, construction, or reconstruction materials purchased by a contractor or a
97.18 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
97.19 maximum price covering both labor and materials for use in the construction, alteration, or
97.20 repair of a building or facility;

97.21 (2) construction materials purchased by tax exempt entities or their contractors to be
97.22 used in constructing buildings or facilities which will not be used principally by the tax
97.23 exempt entities;

97.24 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except
97.25 for leases entered into by the United States or its agencies or instrumentalities;

97.26 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
97.27 and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
97.28 subdivision 2, except for lodging, prepared food, candy, soft drinks, and alcoholic beverages
97.29 purchased directly by the United States or its agencies or instrumentalities; or

97.30 (5) goods or services purchased by a local government as inputs to a liquor store, gas
97.31 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
97.32 course, marina, campground, cafe, or laundromat.

98.1 (c) As used in this subdivision, "school districts" means public school entities and districts
98.2 of every kind and nature organized under the laws of the state of Minnesota, and any
98.3 instrumentality of a school district, as defined in section 471.59.

98.4 (d) For purposes of the exemption granted under this subdivision, "local governments"
98.5 has the following meaning:

98.6 (1) for the period prior to January 1, 2017, local governments means statutory or home
98.7 rule charter cities, counties, and townships; and

98.8 (2) beginning January 1, 2017, local governments means statutory or home rule charter
98.9 cities, counties, and townships; special districts as defined under section 6.465; any
98.10 instrumentality of a statutory or home rule charter city, county, or township as defined in
98.11 section 471.59; and any joint powers board or organization created under section 471.59.

98.12 **EFFECTIVE DATE.** This section is effective June 30, 2018.

98.13 **Sec. 11. CROSSWINDS SCHOOL CONVEYANCE.**

98.14 Notwithstanding the appropriation of state general obligation bond proceeds in Laws
98.15 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3;
98.16 Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session
98.17 chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5,
98.18 subdivision 3, to acquire and better the Crosswinds school facilities by the Joint Powers
98.19 District No. 6067, East Metro Integration District, in Woodbury, the Crosswinds school
98.20 conveyed to the Perpich Center for Arts Education under Laws 2014, chapter 294, article
98.21 2, section 20, subdivision 2, may be conveyed for continued use as an east metropolitan
98.22 area integration magnet school.

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

98.24 **Sec. 12. CROSSWINDS CONTINGENCY FUNDS.**

98.25 (a) If the Crosswinds facility has not been sold by June 30, 2018, the appropriations for
98.26 fiscal year 2019 under article 1, section 17, subdivision 10, and article 3, section 18,
98.27 subdivision 7, are canceled.

98.28 (b) If prior to July 1, 2018, the Crosswinds facility has been sold and less than
98.29 \$10,000,000 has been deposited in the state general fund in connection with the sale, the
98.30 appropriations listed in paragraph (a) must be reduced. The first \$3,200,000 reduced under
98.31 this paragraph must apply to the appropriation under article 3, section 18, subdivision 7.

99.1 **Sec. 13. PERPICH CENTER FOR ARTS EDUCATION CLOSURE.**

99.2 **Subdivision 1. Perpich Center for Arts Education abolished.** (a) The Perpich Center
 99.3 for Arts Education (Perpich Center) is abolished effective June 30, 2018. Abolishment under
 99.4 this section does not reduce or otherwise limit the powers and authority of the Perpich Center
 99.5 during the concluding duration of its existence.

99.6 (b) Notwithstanding any other law, any unexpended and unencumbered appropriations
 99.7 to the Perpich Center lapse to the fund or account from which they were appropriated on
 99.8 June 30, 2018. All money in a dedicated fund or account of the Perpich Center on June 30,
 99.9 2018, must be transferred to the general fund.

99.10 **Subd. 2. Library.** All property in the Perpich Arts Library is transferred to the State
 99.11 Library Services Division of the Department of Education, in accordance with Minnesota
 99.12 Statutes, section 15.039, subdivisions 5 and 8, effective June 1, 2018.

99.13 **Subd. 3. Student enrollment.** Students enrolled in the Perpich Arts High School or
 99.14 Crosswinds Arts and Science School (Crosswinds school) during the 2016-2017 school
 99.15 year may continue to enroll in those schools for the 2017-2018 school year. No student may
 99.16 enroll in the Perpich Arts High School or Crosswinds school after the 2017-2018 school
 99.17 year.

99.18 **Subd. 4. Education records.** The Perpich Center must transfer the education records
 99.19 of each student of the Perpich Arts High School and Crosswinds school according to
 99.20 Minnesota Statutes, section 120A.22, subdivision 7.

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

99.22 **Sec. 14. APPROPRIATIONS.**

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

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

99.28 \$ 24,908,000 2018

99.29 \$ 22,360,000 2019

99.30 The 2018 appropriation includes \$2,324,000 for 2017 and \$22,584,000 for 2018.

99.31 The 2019 appropriation includes \$2,509,000 for 2018 and \$19,851,000 for 2019.

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

100.3 \$ 80,121,000 2018

100.4 \$ 103,397,000 2019

100.5 The 2018 appropriation includes \$5,815,000 for 2017 and \$74,306,000 for 2018.

100.6 The 2019 appropriation includes \$8,256,000 for 2018 and \$95,141,000 for 2019.

100.7 Subd. 4. Equity in telecommunications access. For equity in telecommunications
 100.8 access:

100.9 \$ 3,750,000 2018

100.10 \$ 3,750,000 2019

100.11 If the appropriation amount is insufficient, the commissioner shall reduce the
 100.12 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
 100.13 revenue for fiscal years 2018 and 2019 shall be prorated.

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

100.15 Subd. 5. Early repayment aid incentive. (a) For incentive grants for a district that
 100.16 repays the full outstanding original principal on its capital loan by November 30, 2016,
 100.17 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by Laws
 100.18 2016, chapter 189, article 30, section 22:

100.19 \$ 2,200,000 2018

100.20 \$ 2,200,000 2019

100.21 (b) Of this amount, \$140,000 is for a grant to Independent School District No. 36,
 100.22 Kelliher; \$169,000 is for a grant to Independent School District No. 95, Cromwell; \$463,000
 100.23 is for a grant to Independent School District No. 299, Caledonia; \$206,000 is for a grant to
 100.24 Independent School District No. 306, Laporte; \$140,000 is for a grant to Independent School
 100.25 District No. 362, Littlefork; \$609,000 is for a grant to Independent School District No. 682,
 100.26 Roseau; and \$473,000 is for a grant to Independent School District No. 2580, East Central.

100.27 (c) The grants may be used for any school-related purpose.

100.28 (d) The base for 2022 is \$0.

100.29 **Sec. 15. REPEALER.**

100.30 (a) Minnesota Statutes 2016, sections 129C.10; 129C.105; 129C.15; 129C.20; 129C.25;
 100.31 129C.26; and 129C.30, and Minnesota Rules, parts 3600.0010, subparts 1, 2, 2a, 2b, 3, and

101.1 6; 3600.0020; 3600.0030, subparts 1, 2, 4, and 6; 3600.0045; 3600.0055; 3600.0065;
101.2 3600.0075; and 3600.0085, are repealed effective June 30, 2018.

101.3 (b) Minnesota Statutes 2016, section 123A.73, subdivision 3, is repealed retroactively
101.4 to January 1, 2017.

101.5 ARTICLE 6

101.6 NUTRITION

101.7 Section 1. Minnesota Statutes 2016, section 123B.52, subdivision 1, is amended to read:

101.8 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture,
101.9 fixtures, or other property, except books registered under the copyright laws and information
101.10 systems software, or for the construction or repair of school houses, the estimated cost or
101.11 value of which shall exceed that specified in section 471.345, subdivision 3, must not be
101.12 made by the school board without first advertising for bids or proposals by two weeks'
101.13 published notice in the official newspaper. This notice must state the time and place of
101.14 receiving bids and contain a brief description of the subject matter.

101.15 Additional publication in the official newspaper or elsewhere may be made as the board
101.16 shall deem necessary.

101.17 After taking into consideration conformity with the specifications, terms of delivery,
101.18 and other conditions imposed in the call for bids, every such contract for which a call for
101.19 bids has been issued must be awarded to the lowest responsible bidder, be duly executed
101.20 in writing, and be otherwise conditioned as required by law. The person to whom the contract
101.21 is awarded shall give a sufficient bond to the board for its faithful performance.

101.22 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to
101.23 the purchase of a finished tangible product, a board may require, at its discretion, a
101.24 performance bond of a contractor in the amount the board considers necessary. A record
101.25 must be kept of all bids, with names of bidders and amount of bids, and with the successful
101.26 bid indicated thereon. A bid containing an alteration or erasure of any price contained in
101.27 the bid which is used in determining the lowest responsible bid must be rejected unless the
101.28 alteration or erasure is corrected as provided in this section. An alteration or erasure may
101.29 be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and
101.30 initialed in ink by the person signing the bid. In the case of identical low bids from two or
101.31 more bidders, the board may, at its discretion, utilize negotiated procurement methods with
101.32 the tied low bidders for that particular transaction, so long as the price paid does not exceed
101.33 the low tied bid price. In the case where only a single bid is received, the board may, at its

102.1 discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid
102.2 does not exceed the original bid. If no satisfactory bid is received, the board may readvertise.
102.3 Standard requirement price contracts established for supplies or services to be purchased
102.4 by the district must be established by competitive bids. Such standard requirement price
102.5 contracts may contain escalation clauses and may provide for a negotiated price increase
102.6 or decrease based upon a demonstrable industrywide or regional increase or decrease in the
102.7 vendor's costs. Either party to the contract may request that the other party demonstrate
102.8 such increase or decrease. The term of such contracts must not exceed two years with an
102.9 option on the part of the district to renew for an additional two years, except as provided in
102.10 subdivision 7. Contracts for the purchase of perishable food items, except milk for school
102.11 lunches and vocational training programs, in any amount may be made by direct negotiation
102.12 by obtaining two or more written quotations for the purchase or sale, when possible, without
102.13 advertising for bids or otherwise complying with the requirements of this section or section
102.14 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least
102.15 one year after receipt.

102.16 Every contract made without compliance with the provisions of this section shall be
102.17 void. Except in the case of the destruction of buildings or injury thereto, where the public
102.18 interest would suffer by delay, contracts for repairs may be made without advertising for
102.19 bids.

102.20 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
102.21 1, 2017.

102.22 Sec. 2. Minnesota Statutes 2016, section 123B.52, is amended by adding a subdivision to
102.23 read:

102.24 **Subd. 7. Food service contracts.** A contract between a school board and a food service
102.25 management company that complies with Code of Federal Regulations, title 7, section
102.26 210.16, may be renewed annually after its initial term for not more than four additional
102.27 years.

102.28 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
102.29 1, 2017.

102.30 Sec. 3. **APPROPRIATIONS.**

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

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

103.3 \$ 16,670,000 2018

103.4 \$ 17,172,000 2019

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

103.7 \$ 10,511,000 2018

103.8 \$ 11,269,000 2019

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

103.11 \$ 758,000 2018

103.12 \$ 758,000 2019

103.13 Subd. 5. **Summer school food service replacement aid.** For summer school food service
 103.14 replacement aid under Minnesota Statutes, section 124D.119:

103.15 \$ 150,000 2018

103.16 \$ 150,000 2019

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

103.18 **ARTICLE 7**

103.19 **LIBRARIES**

103.20 Section 1. Minnesota Statutes 2016, section 134.31, subdivision 2, is amended to read:

103.21 Subd. 2. **Advice and instruction.** The Department of Education shall give advice and
 103.22 instruction to the managers of any public library or to any governing body maintaining a
 103.23 library or empowered to do so by law upon any matter pertaining to the organization,
 103.24 maintenance, or administration of libraries. The department may also give advice and
 103.25 instruction, as requested, to postsecondary educational institutions, school districts or charter
 103.26 schools, state agencies, governmental units, nonprofit organizations, or private entities. It
 103.27 shall assist, to the extent possible, in the establishment and organization of library service
 103.28 in those areas where adequate services do not exist, and may aid in improving previously
 103.29 established library services. The department shall also provide assistance to school districts,
 103.30 regional library systems, and member libraries interested in offering joint library services
 103.31 at a single location.

104.1 Sec. 2. **APPROPRIATIONS.**

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

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

104.7 \$ 13,570,000 2018

104.8 \$ 13,570,000 2019

104.9 The 2018 appropriation includes \$1,357,000 for 2017 and \$12,213,000 for 2018.

104.10 The 2019 appropriation includes \$1,357,000 for 2018 and \$12,213,000 for 2019.

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

104.13 \$ 1,300,000 2018

104.14 \$ 1,300,000 2019

104.15 The 2018 appropriation includes \$130,000 for 2017 and \$1,170,000 for 2018.

104.16 The 2019 appropriation includes \$130,000 for 2018 and \$1,170,000 for 2019.

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

104.21 \$ 900,000 2018

104.22 \$ 900,000 2019

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

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

104.26 \$ 2,300,000 2018

104.27 \$ 2,300,000 2019

104.28 The 2018 appropriation includes \$230,000 for 2017 and \$2,070,000 for 2018.

104.29 The 2019 appropriation includes \$230,000 for 2018 and \$2,070,000 for 2019.

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

105.1

ARTICLE 8

105.2

EARLY CHILDHOOD AND FAMILY SUPPORT

105.3

Section 1. Minnesota Statutes 2016, section 13.321, is amended by adding a subdivision

105.4

to read:

105.5

Subd. 11. **Director of early education and development.** Access by the director of

105.6

early education and development to private data on individuals is provided under section

105.7

119C.03, subdivision 6.

105.8

Sec. 2. Minnesota Statutes 2016, section 13.461, is amended by adding a subdivision to

105.9

read:

105.10

Subd. 33. **Director of early education and development.** Access by the director of

105.11

early education and development to private data on individuals is provided under section

105.12

119C.03, subdivision 6.

105.13

Sec. 3. **[119C.01] DEFINITIONS.**

105.14

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

105.15

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of administration.

105.16

Subd. 3. **Department.** "Department" means the Department of Administration.

105.17

Subd. 4. **Director.** "Director" means the director of early education and development.

105.18

Subd. 5. **Early education programs.** "Early education programs" include:

105.19

(1) the school readiness program under sections 124D.15 and 124D.16;

105.20

(2) the early learning scholarship program under section 124D.165; and

105.21

(3) the Head Start program under sections 119A.50 to 119A.545.

105.22

Sec. 4. **[119C.02] POLICY AND PURPOSE.**

105.23

(a) The purpose of this chapter is to establish an Office of Early Education and

105.24

Development to coordinate Minnesota's early education and development programs and

105.25

funding in accordance with state law.

105.26

(b) It is in the best interests of Minnesota families that early education and development

105.27

programs be coordinated to maximize quality, access, accountability, and cost-effectiveness.

106.1 Sec. 5. [119C.03] DIRECTOR OF EARLY EDUCATION AND DEVELOPMENT.

106.2 Subdivision 1. **Appointment.** The governor must appoint the director of early education
106.3 and development, subject to the advice and consent of the senate. The director must report
106.4 to the commissioner, who must provide necessary administrative support to the director.

106.5 Subd. 2. **Qualifications.** The governor must select the director on the basis of professional
106.6 qualifications and knowledge of early childhood development, early childhood education,
106.7 and related public policies. The director serves in the unclassified service for a term of four
106.8 years. The first term must end on December 31, 2020. The governor may remove the director
106.9 for cause. If a director resigns or is removed for cause, the governor must appoint a director
106.10 for the remainder of the term.

106.11 Subd. 3. **Compensation.** Compensation of the director shall be established under chapter
106.12 15A.

106.13 Subd. 4. **Duties; powers.** (a) The director must:

106.14 (1) develop early education program policies;

106.15 (2) coordinate outreach to eligible families to provide uniform notification about available
106.16 program options;

106.17 (3) streamline the administration of each early education program;

106.18 (4) manage data collection to support and evaluate a coordinated system of early child
106.19 care and education;

106.20 (5) coordinate internal and external evaluation of early child care and educational
106.21 programs to measure and report on their effectiveness and efficiency;

106.22 (6) calculate the total aid to each child for the programs listed in section 119C.01,
106.23 subdivision 5;

106.24 (7) establish the aid limit under section 119C.05;

106.25 (8) develop data-sharing agreements and memoranda of understanding, as necessary,
106.26 with the commissioners of administration, education, health, and human services; and

106.27 (9) serve as executive director of the Children's Cabinet established in section 4.045.

106.28 (b) In carrying out the duties under paragraph (a), the director has the authority to:

106.29 (1) direct the commissioner of education to administer early education programs according
106.30 to the director's plans developed under paragraph (a);

107.1 (2) direct the commissioner of human services to administer the quality rating and
107.2 improvement system according to the director's plans developed under paragraph (a);

107.3 (3) direct and control money appropriated to the director; and

107.4 (4) enter into agreements with other state agencies to provide appropriate funding to
107.5 early child care and education programs.

107.6 Subd. 5. **Coordination with other agencies.** (a) The commissioner of human services
107.7 and the commissioner of education must provide the director data on early education and
107.8 child care assistance program participants under subdivision 6.

107.9 (b) The director must coordinate early education program activities, including the quality
107.10 rating and improvement system, with advice from the commissioner of education and the
107.11 commissioner of human services.

107.12 (c) The director must coordinate with the commissioner of education and the
107.13 commissioner of human services to develop a form by which the parent or guardian of a
107.14 child participating in an applicable early child care and education program may consent to
107.15 share private data with the director. The consent form must specify what data is being shared,
107.16 what government entities will have access to the shared data, and the purpose for the data
107.17 sharing. The consenting parent or guardian may withdraw consent, in writing, at any time.
107.18 The ability of a parent or child to receive services is not affected by a refusal to give consent
107.19 under this paragraph.

107.20 Subd. 6. **Data practices.** (a) Subject to the limitations in paragraphs (b) and (c), the
107.21 director is authorized to access the following private data on individuals:

107.22 (1) educational data as defined in section 13.32, subdivision 1, paragraph (a); and

107.23 (2) data collected, maintained, used, or disseminated by the welfare system as defined
107.24 in section 13.46, subdivision 1, paragraph (c).

107.25 (b) The director may only access private data relating to an individual's participation in
107.26 the following programs:

107.27 (1) the school readiness program under sections 124D.15 and 124D.16;

107.28 (2) the early learning scholarship program under section 124D.165;

107.29 (3) the Head Start program under sections 119A.50 to 119A.545;

107.30 (4) a child care assistance program under chapter 119B; and

107.31 (5) the kindergarten readiness assessment under section 124D.162.

108.1 (c) The director may only access private data on an individual whose parent or guardian
108.2 has consented to share data with the director under subdivision 5, paragraph (c).

108.3 (d) If the Office of Early Education and Development has three or more employees
108.4 whose job responsibilities require accessing private data in accordance with section 119C.03,
108.5 subdivision 6, the director must establish written procedures to ensure that the director's
108.6 employees or independent contractors have access to private data only if authorized and
108.7 must implement a data audit trail under this paragraph. The director may authorize an
108.8 employee or independent contractor to access private data only if access is necessary to
108.9 fulfill official duties. All actions in which private data are entered, updated, accessed, shared,
108.10 or disseminated must be recorded in the data audit trail. Data contained in the audit trail are
108.11 public to the extent that the data are not otherwise classified by law.

108.12 Subd. 7. **Annual report.** The director must submit an annual report to the chairs and
108.13 ranking minority members of the legislative committees having jurisdiction over education
108.14 in the senate and house of representatives, in accordance with section 3.195. The report
108.15 must include data relating to the number of children participating in each program, the
108.16 participating families' income levels, aid received per child per program, total aid received
108.17 per child per family, the number of waivers to the aid limit granted, and the number of
108.18 children whose parent or guardian did not consent to sharing private data with the director.
108.19 The director must submit the report by January 15, 2020, and annually thereafter.

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

108.21 Sec. 6. **[119C.04] PROGRAM ADMINISTRATION.**

108.22 Subdivision 1. **Other funds.** The director may direct the commissioner of education
108.23 and commissioner of human services to:

108.24 (1) apply for and receive federal funds made available to the state by federal law or rule
108.25 for any purpose related to the administration of early education funds; and

108.26 (2) apply for and receive donations or grants from a public or private entity.

108.27 Subd. 2. **Sliding fee.** The director may charge a fee on a sliding scale for a program
108.28 under this chapter with consideration for program quality, program schedule, or family
108.29 income.

108.30 Subd. 3. **Accountability.** Each child enrolled in a program under this chapter must
108.31 receive a kindergarten readiness assessment consistent with section 124D.162.

109.1 Subd. 4. **Program aid guarantee.** The director must administer program and child
109.2 eligibility and program aid amounts for each early education program under this chapter
109.3 consistent with statutory provisions for each early education program under this chapter.
109.4 An early education program under this chapter must receive aid in fiscal year 2018 and later
109.5 that is equal to or greater than the aid the program received in fiscal year 2017.

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

109.7 Sec. 7. **[119C.05] AID LIMITS.**

109.8 Subdivision 1. **Director to establish limits.** (a) Notwithstanding any law to the contrary,
109.9 the director must establish the maximum annual aid a child three or four years of age may
109.10 generate from any combination of programs under this chapter based on family income
109.11 level. The director must establish the aid limits by January 15, 2019, and implement the aid
109.12 limits by July 1, 2019.

109.13 (b) The aid limit under this section must be based on the director's review of the market
109.14 rate survey under section 119B.02 and information provided by the commissioner of
109.15 education and commissioner of human services regarding aid generated to a child through
109.16 multiple programs.

109.17 Subd. 2. **Aid limit effect.** If the total aid to a child enrolled in a combination of programs
109.18 would exceed the aid limit, the director must reduce the aid to the child participating in the
109.19 programs.

109.20 Subd. 3. **Programs included in limit.** For the purposes of the limit under this subdivision,
109.21 the director must include any federal Head Start aids attributable to a child.

109.22 Subd. 4. **Limit waiver.** Notwithstanding subdivision 1, the director may waive the aid
109.23 limit for children facing extreme hardship or urgent need. The director must waive the aid
109.24 limit for families: experiencing homelessness, with children in foster care or awaiting foster
109.25 care placement, or involved with the child protection system. For purposes of this section,
109.26 the director must find that a family is experiencing homelessness if the family includes
109.27 "homeless children or youths" as defined in the McKinney-Vento Homeless Assistance Act,
109.28 United States Code, title 42, section 11434a.

109.29 **EFFECTIVE DATE.** This section is effective January 1, 2019.

109.30 Sec. 8. **[119C.06] EARLY EDUCATION RESOURCE HUBS.**

109.31 (a) The director may establish early education resource hubs throughout the state. The
109.32 director shall contract with appropriate organizations to serve as resource hubs.

110.1 (b) Early education resource hubs must, in consultation with a regionally representative
110.2 group of program participant parents, develop strategies to support outreach to families,
110.3 connection to resources, and program choice.

110.4 **EFFECTIVE DATE.** This section is effective July 1, 2018.

110.5 Sec. 9. Minnesota Statutes 2016, section 123B.595, subdivision 1, is amended to read:

110.6 Subdivision 1. **Long-term facilities maintenance revenue.** (a) For fiscal year 2017
110.7 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$193
110.8 times the district's adjusted pupil units times the lesser of one or the ratio of the district's
110.9 average building age to 35 years, plus the cost approved by the commissioner for indoor
110.10 air quality, fire alarm and suppression, and asbestos abatement projects under section
110.11 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (ii) for a
110.12 school district with an approved voluntary prekindergarten program under section 124D.151,
110.13 the cost approved by the commissioner for remodeling existing instructional space to
110.14 accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would
110.15 have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes
110.16 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school
110.17 district with an approved voluntary prekindergarten program under section 124D.151, the
110.18 cost approved by the commissioner for remodeling existing instructional space to
110.19 accommodate prekindergarten instruction.

110.20 (b) For fiscal year 2018 only, long-term facilities maintenance revenue equals the greater
110.21 of (1) the sum of (i) \$292 times the district's adjusted pupil units times the lesser of one or
110.22 the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the
110.23 commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement
110.24 projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more
110.25 per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten program~~
110.26 ~~under section 124D.151, the cost approved by the commissioner for remodeling existing~~
110.27 ~~instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the~~
110.28 ~~amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57,~~
110.29 ~~Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591,~~
110.30 ~~and (ii) for a school district with an approved voluntary prekindergarten program under~~
110.31 ~~section 124D.151, the cost approved by the commissioner for remodeling existing~~
110.32 ~~instructional space to accommodate prekindergarten instruction.~~

110.33 (c) For fiscal year 2019 and later, long-term facilities maintenance revenue equals the
110.34 greater of (1) the sum of (i) \$380 times the district's adjusted pupil units times the lesser of

111.1 one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved
 111.2 by the commissioner for indoor air quality, fire alarm and suppression, and asbestos
 111.3 abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000
 111.4 or more per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten~~
 111.5 ~~program under section 124D.151, the cost approved by the commissioner for remodeling~~
 111.6 ~~existing instructional space to accommodate prekindergarten instruction, or (2) the sum of~~
 111.7 ~~(i) the amount the district would have qualified for under Minnesota Statutes 2014, section~~
 111.8 ~~123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section~~
 111.9 ~~123B.591, and (ii) for a school district with an approved voluntary prekindergarten program~~
 111.10 ~~under section 124D.151, the cost approved by the commissioner for remodeling existing~~
 111.11 ~~instructional space to accommodate prekindergarten instruction.~~

111.12 (d) Notwithstanding paragraphs (a), (b), and (c), a school district that qualified for
 111.13 eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a),
 111.14 for fiscal year 2010 remains eligible for funding under this section as a district that would
 111.15 have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision
 111.16 1, paragraph (a), for fiscal year 2017 and later.

111.17 Sec. 10. Minnesota Statutes 2016, section 124D.1158, subdivision 3, is amended to read:

111.18 Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each
 111.19 participating school 30 cents for each reduced-price breakfast, 55 cents for each fully paid
 111.20 breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast served
 111.21 to a ~~prekindergarten student enrolled in an approved voluntary prekindergarten program~~
 111.22 ~~under section 124D.151 or a kindergarten student.~~

111.23 Sec. 11. Minnesota Statutes 2016, section 124D.1158, subdivision 4, is amended to read:

111.24 Subd. 4. **No fees.** A school that receives school breakfast aid under this section must
 111.25 make breakfast available without charge to all participating students in grades 1 to 12 who
 111.26 qualify for free or reduced-price meals and to all ~~prekindergarten students enrolled in an~~
 111.27 ~~approved voluntary prekindergarten program under section 124D.151 and all kindergarten~~
 111.28 ~~students.~~

111.29 Sec. 12. Minnesota Statutes 2016, section 124D.135, subdivision 1, is amended to read:

111.30 Subdivision 1. **Revenue.** The revenue for early childhood family education programs
 111.31 for a school district equals ~~\$120 for fiscal year 2014 and~~ the formula allowance for the year

112.1 times 0.023 for fiscal year 2017, \$140.77 for fiscal year 2015 2018, and \$141.20 for fiscal
112.2 year 2019 and later, times the greater of:

112.3 (1) 150; or

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

112.6 Sec. 13. Minnesota Statutes 2016, section 124D.15, subdivision 1, is amended to read:

112.7 Subdivision 1. **Establishment; purpose.** A district, charter school, or a group of districts
112.8 or charter schools may establish a school readiness program for children age three to
112.9 kindergarten entrance. The purpose of a school readiness program is to prepare children to
112.10 enter kindergarten.

112.11 Sec. 14. Minnesota Statutes 2016, section 124D.16, subdivision 2, is amended to read:

112.12 Subd. 2. **Amount of aid.** (a) A district or charter school is eligible to receive school
112.13 readiness aid for eligible prekindergarten pupils enrolled in a school readiness program
112.14 under section 124D.15 if the biennial plan required by section 124D.15, subdivision 3a, has
112.15 been approved by the commissioner.

112.16 (b) A school district or charter school must receive school readiness aid equal to:

112.17 (1) the number of four-year-old children in the school district on October 1 for the
112.18 previous school year and, for a charter school, the number of kindergarten pupils enrolled
112.19 in the charter school on October 1 for the previous school year, times the ratio of 50 percent
112.20 of the total school readiness aid for that year to the sum of the total number of four-year-old
112.21 children for school districts and the total number of kindergarten pupils for charter schools
112.22 reported to the commissioner for the previous school year; plus

112.23 (2) the number of pupils enrolled in the school district or charter school from families
112.24 eligible for the free or ~~reduced~~ reduced-price school lunch program for the previous school
112.25 year times the ratio of 50 percent of the total school readiness aid for that year to the total
112.26 number of pupils in the state from families eligible for the free or ~~reduced~~ reduced-price
112.27 school lunch program for the previous school year.

112.28 (c) The total school readiness aid entitlement equals ~~\$23,558,000 for fiscal year 2016~~
112.29 ~~and~~ \$33,683,000 for fiscal year 2017, \$37,683,000 for fiscal year 2018, and \$38,683,000
112.30 for fiscal year 2019 and later.

113.1 Sec. 15. Minnesota Statutes 2016, section 124D.165, subdivision 1, is amended to read:

113.2 Subdivision 1. **Establishment; purpose.** There is established an early learning
113.3 scholarships program in order to ~~increase~~ close the opportunity gap by increasing access to
113.4 high-quality early childhood programs ~~for children ages three to five.~~

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

113.6 Sec. 16. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

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

113.9 (1) have a an eligible child ~~three or four years of age on September 1 of the current~~
113.10 ~~school year, who has not yet started kindergarten;~~ and

113.11 (2) have income equal to or less than 185 percent of federal poverty level income in the
113.12 current calendar year, or be able to document their child's current participation in the free
113.13 and reduced-price lunch program or child and adult care food program, National School
113.14 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution
113.15 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections
113.16 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
113.17 of 2007; Minnesota family investment program under chapter 256J; child care assistance
113.18 programs under chapter 119B; the supplemental nutrition assistance program; or placement
113.19 in foster care under section 260C.212.

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

113.24 ~~(c) Any siblings between the ages zero to~~ (b) An "eligible child" means a child who has
113.25 not yet enrolled in kindergarten and is:

113.26 (1) between the ages of three and five;

113.27 (2) a sibling from birth to age five years old of a child who has been awarded a
113.28 scholarship under this section ~~must be awarded a scholarship upon request,~~ provided the
113.29 sibling attends the same program as long as funds are available;

113.30 (3) the child of a parent under age 21 who is pursuing a high school degree or a course
113.31 of study for a high school equivalency test; or

113.32 (4) homeless, in foster care, or in need of child protective services.

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

114.4 ~~(e)~~ (d) Early learning scholarships may not be counted as earned income for the purposes
114.5 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
114.6 family investment program under chapter 256J, child care assistance programs under chapter
114.7 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
114.8 2007.

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

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

114.15 Sec. 17. Minnesota Statutes 2016, section 124D.165, subdivision 3, is amended to read:

114.16 Subd. 3. **Administration.** (a) The commissioner shall establish application timelines
114.17 and determine the schedule for awarding scholarships that meets operational needs of eligible
114.18 families and programs. The commissioner shall not designate scholarships for use in
114.19 predetermined qualifying programs. The commissioner must give highest priority to
114.20 applications from children who:

114.21 (1) have a parent under age 21 who is pursuing a high school diploma or a course of
114.22 study for a high school equivalency test;

114.23 (2) are in foster care or otherwise in need of protection or services; or

114.24 (3) have experienced homelessness in the last 24 months, as defined under the federal
114.25 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

114.26 The commissioner may prioritize applications on additional factors including family
114.27 income, geographic location, and whether the child's family is on a waiting list for a publicly
114.28 funded program providing early education or child care services.

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

115.1 (c) ~~A four-star rated program that has children eligible for a scholarship enrolled in or~~
115.2 ~~on a waiting list for a program beginning in July, August, or September may notify the~~
115.3 ~~commissioner, in the form and manner prescribed by the commissioner, each year of the~~
115.4 ~~program's desire to enhance program services or to serve more children than current funding~~
115.5 ~~provides. The commissioner may designate a predetermined number of scholarship slots~~
115.6 ~~for that program and notify the program of that number.~~ Beginning July 1, 2016, a school
115.7 district or Head Start program qualifying under ~~this paragraph~~ subdivision 4 may use its
115.8 established registration process to enroll scholarship recipients and may verify a scholarship
115.9 recipient's family income in the same manner as for other program participants.

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

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

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

115.24 Sec. 18. Minnesota Statutes 2016, section 124D.165, subdivision 4, is amended to read:

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

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

115.29 (2) beginning July 1, ~~2016~~ 2022, have a three- or four-star rating in the quality rating
115.30 and improvement system.

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

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

116.3 Sec. 19. Minnesota Statutes 2016, section 124D.59, subdivision 2, is amended to read:

116.4 Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through
116.5 grade 12 ~~or a prekindergarten student enrolled in an approved voluntary prekindergarten~~
116.6 ~~program under section 124D.151~~ who meets the requirements under subdivision 2a or the
116.7 following requirements:

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

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

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

116.26 ~~(c) Notwithstanding paragraphs (a) and (b), a pupil in prekindergarten under section~~
116.27 ~~124D.151, through grade 12 shall not be counted as an English learner in calculating English~~
116.28 ~~learner pupil units under section 126C.05, subdivision 17, and shall not generate state English~~
116.29 ~~learner aid under section 124D.65, subdivision 5, if:~~

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

116.32 ~~(2) the pupil has generated seven or more years of average daily membership in Minnesota~~
116.33 ~~public schools since July 1, 1996.~~

117.1 Sec. 20. [124D.99] EDUCATION PARTNERSHIPS COALITION FUND.

117.2 Subdivision 1. Program establishment. The commissioner of education shall establish
117.3 a program supporting a coalition of coordinated, aligned education partnerships as specified
117.4 in this section, for a comprehensive network of evidence-based support services designed
117.5 to close opportunity gaps by improving educational and developmental outcomes of children
117.6 and their families within communities experiencing poverty and impediments to economic
117.7 viability.

117.8 Subd. 2. Definitions. (a) For purposes of this section the terms defined in this subdivision
117.9 have the meanings given them.

117.10 (b) "Tier 1 grant" means a sustaining grant for the ongoing operation, stability, and
117.11 expansion of existing education partnership program locations.

117.12 (c) "Tier 2 grant" means an implementation grant for expanding activity in education
117.13 partnership program locations.

117.14 Subd. 3. Administration; design. (a) The commissioner shall establish program
117.15 requirements, an application process and timeline for each tier of grants specified in
117.16 subdivision 4, criteria for evaluation of applications, and a grant awards process. The
117.17 commissioner's process must minimize administrative costs, minimize burdens for applicants
117.18 and grant recipients, and provide a framework that permits flexibility in program design
117.19 and implementation among grant recipients.

117.20 (b) To the extent practicable, the commissioner shall design the program to align with
117.21 programs implemented or proposed by organizations in Minnesota that:

117.22 (1) identify and increase the capacity of organizations that are focused on achieving
117.23 data-driven, locally controlled positive outcomes for children and youth throughout an entire
117.24 neighborhood or geographic area through programs such as Strive Together, Promise
117.25 Neighborhood, and the Education Partnerships Coalition members;

117.26 (2) build a continuum of educational family and community supports with academically
117.27 rigorous schools at the center;

117.28 (3) maximize program efficiencies by integrating programmatic activities and eliminating
117.29 administrative barriers;

117.30 (4) develop local infrastructure needed to sustain and scale up proven and effective
117.31 solutions beyond the initial neighborhood or geographic area; and

118.1 (5) utilize appropriate outcome measures based on unique community needs and interests
118.2 and apply rigorous evaluation on a periodic basis to be used to both monitor outcomes and
118.3 allow for continuous improvements to systems.

118.4 (c) The commissioner, in consultation with grant recipients, must:

118.5 (1) develop and revise core indicators of progress toward outcomes specifying impacts
118.6 for each tier identified under subdivision 4;

118.7 (2) establish a reporting system for grant recipients to measure program outcomes using
118.8 data sources and program goals; and

118.9 (3) evaluate effectiveness based on the core indicators established by each partnership
118.10 for each tier.

118.11 Subd. 4. **Requirements.** (a) A grant recipient's program in the planning, development,
118.12 or implementation phase must include:

118.13 (1) integrated supportive services programming, as specified in paragraph (b), within a
118.14 specific community or geographic area for all ages of children and youth and their families
118.15 within that area, provided that services may be phased in to all ages over time; and

118.16 (2) a system for evaluating goals and outcomes as provided under subdivision 3,
118.17 paragraph (c).

118.18 (b) A grant recipient's supportive services programming must address:

118.19 (1) kindergarten readiness and youth development;

118.20 (2) grade 3 reading proficiency;

118.21 (3) high school graduation;

118.22 (4) postsecondary educational attainment;

118.23 (5) physical and mental health;

118.24 (6) development of career skills and readiness;

118.25 (7) parental engagement and development;

118.26 (8) community engagement and programmatic alignment; and

118.27 (9) reduction of remedial education.

118.28 Subd. 5. **Grants.** The commissioner shall award Tier 1 and Tier 2 grants to qualifying
118.29 recipients that can demonstrate a nonstate source of funds, including in-kind contributions.

119.1 Subd. 6. **Legislative report.** By December 15 of each odd-numbered year, the
119.2 commissioner shall submit a report on the education partnership program to the chairs and
119.3 ranking minority members of the legislative committees having jurisdiction over kindergarten
119.4 through grade 12 education, early childhood education, economic development, and human
119.5 services. At a minimum, the report must summarize grantee activities, identify grant
119.6 recipients and awards, analyze program performance measures and outcomes, and make
119.7 any recommendations for legislative changes.

119.8 **EFFECTIVE DATE.** This section is effective July 1, 2017, and subdivision 6 applies
119.9 to reports due starting in calendar year 2019.

119.10 Sec. 21. Minnesota Statutes 2016, section 126C.05, subdivision 1, is amended to read:

119.11 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age
119.12 of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in
119.13 average daily membership enrolled in the district of residence, in another district under
119.14 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
119.15 chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22,
119.16 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03
119.17 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

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

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

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

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

119.32 ~~(e)~~ (d) A kindergarten pupil who is not included in paragraph (c) is counted as 1.0 pupil
119.33 unit if the pupil is enrolled in a free all-day, every day kindergarten program available to

120.1 all kindergarten pupils at the pupil's school that meets the minimum hours requirement in
 120.2 section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day,
 120.3 every day kindergarten program available to all kindergarten pupils at the pupil's school.

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

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

120.6 ~~(h)~~ (g) A pupil who is in the postsecondary enrollment options program is counted as
 120.7 1.2 pupil units.

120.8 Sec. 22. **REPORT REQUIRED.**

120.9 No later than January 15, 2018, the commissioner of human services and the
 120.10 commissioner of education must deliver a report to the chairs and ranking minority members
 120.11 of the legislative committees having jurisdiction over early childhood education and human
 120.12 services. At a minimum, the report must:

120.13 (1) make recommendations relating to:

120.14 (i) coordinating state resources for child care assistance provided through the basic
 120.15 sliding fee program under Minnesota Statutes, section 119B.03, and the Minnesota family
 120.16 investment program under Minnesota Statutes, chapter 256J;

120.17 (ii) aligning family income eligibility requirements for programs under Minnesota
 120.18 Statutes, chapters 119B, 119C, and 256J;

120.19 (iii) reducing duplicative paperwork and administrative burden and increasing the stability
 120.20 of funding for families of children eligible for both an early learning scholarship and support
 120.21 from the child care assistance program;

120.22 (iv) maximizing child care assistance program integrity and payment mechanisms to
 120.23 increase accountability and efficiency;

120.24 (v) integrating the data collection systems of the child care assistance program and other
 120.25 early education and development programs currently administered by the Department of
 120.26 Education, the Department of Human Services, and the Department of Health;

120.27 (vi) selecting appropriate organizations to serve as early education resource hubs under
 120.28 Minnesota Statutes, section 119C.06, and supporting outreach to families through the
 120.29 resource hubs;

121.1 (vii) transferring powers and duties related to other early education and development
121.2 programs currently administered by the Department of Education, the Department of Human
121.3 Services, or the Department of Health; and

121.4 (viii) developing a universal application form for child care assistance under Minnesota
121.5 Statutes, chapter 119B, and early education programs under Minnesota Statutes, chapter
121.6 119C;

121.7 (2) provide data, to the extent practicable, on the number of children participating in
121.8 more than one child care or early education program administered by the Department of
121.9 Human Services or the Department of Education, including the aid received by the
121.10 participants under each program; and

121.11 (3) identify any barriers to tracking the total amount of aid each child receives from a
121.12 combination of programs. The report must be submitted in accordance with Minnesota
121.13 Statutes, section 3.195.

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

121.15 Sec. 23. **SCHOOL READINESS ADJUSTMENT.**

121.16 (a) The amounts in paragraphs (b) and (c) must be added to a district's school readiness
121.17 aid under Minnesota Statutes, section 124D.16.

121.18 (b) For fiscal year 2018, a district's school readiness adjustment equals:

121.19 (1) the district's total voluntary prekindergarten revenue for fiscal year 2017; less

121.20 (2) the difference between the district's school readiness aid for fiscal year 2018 and its
121.21 school readiness aid for 2017.

121.22 (c) For fiscal year 2019, a district's school readiness adjustment equals:

121.23 (1) 90 percent of the district's total voluntary prekindergarten revenue for fiscal year
121.24 2017; less

121.25 (2) the difference between the district's school readiness aid for fiscal year 2019 and its
121.26 school readiness aid for fiscal year 2017.

121.27 **EFFECTIVE DATE.** This section is effective for revenue for fiscal years 2018 and
121.28 2019 only.

122.1 Sec. 24. APPROPRIATIONS.

122.2 Subdivision 1. Department of Education. The sums indicated in this section are
 122.3 appropriated from the general fund to the Department of Education for the fiscal years
 122.4 designated.

122.5 Subd. 2. School readiness. For revenue for school readiness programs under Minnesota
 122.6 Statutes, sections 124D.15 and 124D.16:

122.7	\$	<u>58,051,000</u>	.....	<u>2018</u>
122.8	\$	<u>58,368,000</u>	.....	<u>2019</u>

122.9 The 2018 appropriation includes \$3,368,000 for 2017 and \$54,683,000 for 2018.

122.10 The 2019 appropriation includes \$6,075,000 for 2018 and \$52,293,000 for 2019.

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

122.13	\$	<u>72,184,000</u>	.....	<u>2018</u>
122.14	\$	<u>72,184,000</u>	.....	<u>2019</u>

122.15 (b) Notwithstanding any law to the contrary, the appropriation in paragraph (a) is
 122.16 increased by the amount by which the sale of the Crosswinds school under article 5, section
 122.17 11, exceeds \$10,000,000. This amount is appropriated for early learning scholarships.

122.18 (c) Up to \$750,000 each year is for administration of this program.

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

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

122.22	\$	<u>25,100,000</u>	.....	<u>2018</u>
122.23	\$	<u>25,100,000</u>	.....	<u>2019</u>

122.24 Subd. 5. Early childhood family education aid. For early childhood family education
 122.25 aid under Minnesota Statutes, section 124D.135:

122.26	\$	<u>29,892,000</u>	.....	<u>2018</u>
122.27	\$	<u>30,571,000</u>	.....	<u>2019</u>

122.28 The 2018 appropriation includes \$2,904,000 for 2017 and \$26,988,000 for 2018.

122.29 The 2019 appropriation includes \$2,998,000 for 2018 and \$27,573,000 for 2019.

122.30 Subd. 6. Developmental screening aid. For developmental screening aid under
 122.31 Minnesota Statutes, sections 121A.17 and 121A.19:

123.1 \$ 3,606,000 2018

123.2 \$ 3,629,000 2019

123.3 The 2018 appropriation includes \$358,000 for 2017 and \$3,248,000 for 2018.

123.4 The 2019 appropriation includes \$360,000 for 2018 and \$3,269,000 for 2019.

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

123.6 \$ 850,000 2018

123.7 \$ 850,000 2019

123.8 The grant must be used for an evidence-based and research-validated early childhood
 123.9 literacy and school readiness program for children ages 16 months to four years at its existing
 123.10 suburban program location. The program must include urban and rural program locations
 123.11 for fiscal years 2018 and 2019.

123.12 The base for this program for fiscal year 2020 and later is \$850,000.

123.13 Subd. 8. **Kindergarten entrance assessment initiative and intervention program.**

123.14 For the kindergarten entrance assessment initiative and intervention program under Minnesota
 123.15 Statutes, section 124D.162:

123.16 \$ 281,000 2018

123.17 \$ 281,000 2019

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

123.22 \$ 1,750,000 2018

123.23 \$ 1,750,000 2019

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

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

123.28 (d) The base for this program in fiscal year 2020 and later is \$1,750,000.

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

123.32 \$ 68,000 2018

124.1 \$ 68,000 2019

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

124.4 \$ 49,000 2018

124.5 \$ 49,000 2019

124.6 Subd. 12. **Home visiting aid.** For home visiting aid under Minnesota Statutes, section
 124.7 124D.135:

124.8 \$ 527,000 2018

124.9 \$ 571,000 2019

124.10 The 2018 appropriation includes \$0 for 2017 and \$527,000 for 2018.

124.11 The 2019 appropriation includes \$58,000 for 2018 and \$513,000 for 2019.

124.12 Subd. 13. **Tier 1 grants.** (a) For education partnership program Tier 1 sustaining grants
 124.13 under Minnesota Statutes, section 124D.99:

124.14 \$ 2,600,000 2018

124.15 \$ 2,600,000 2019

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

124.18 (c) The base funding for Tier 1 sustaining grants is \$2,600,000.

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

124.20 Subd. 14. **Tier 2 implementing grants.** (a) For Tier 2 implementing grants under
 124.21 Minnesota Statutes, section 124D.99:

124.22 \$ 480,000 2018

124.23 \$ 480,000 2019

124.24 (b) Of the amounts in paragraph (a), \$160,000 each year is for the Northfield Healthy
 124.25 Community Initiative in Northfield; \$160,000 is for the Jones Family Foundation for the
 124.26 Every Hand Joined program in Red Wing; and \$160,000 is for the United Way of Central
 124.27 Minnesota for the Partners for Student Success program.

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

125.1 Sec. 25. **APPROPRIATIONS; OFFICE OF EARLY EDUCATION AND**
 125.2 **DEVELOPMENT.**

125.3 **Subdivision 1. Office of early education and development.** The sums indicated in this
 125.4 section are appropriated from the general fund to the office of early education and
 125.5 development for the fiscal years designated.

125.6 **Subd. 2. Director.** (a) For the office of early education and development, including
 125.7 personnel costs:

125.8 \$ 200,000 2018

125.9 \$ 200,000 2019

125.10 Sec. 26. **REVISOR'S INSTRUCTION.**

125.11 The revisor of statutes shall revise, as necessary, and recodify in Minnesota Statutes,
 125.12 chapter 119C, the early education programs defined in section 119C.01, subdivision 5.

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

125.14 Sec. 27. **REPEALER.**

125.15 Minnesota Statutes 2016, section 124D.151, is repealed.

125.16 **ARTICLE 9**

125.17 **COMMUNITY EDUCATION AND PREVENTION**

125.18 Section 1. **APPROPRIATIONS.**

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

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

125.24 \$ 483,000 2018

125.25 \$ 393,000 2019

125.26 The 2018 appropriation includes \$53,000 for 2017 and \$430,000 for 2018.

125.27 The 2019 appropriation includes \$47,000 for 2018 and \$346,000 for 2019.

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

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

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

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

127.7 Sec. 2. Minnesota Statutes 2016, section 124D.549, is amended to read:

127.8 **124D.549 GENERAL EDUCATION DEVELOPMENT (GED) TESTS RULES;**
127.9 **COMMISSIONER COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY**
127.10 **TEST.**

127.11 The commissioner ~~may amend rules to reflect changes in the national minimum standard~~
127.12 ~~score for passing the general education development (GED) tests,~~ in consultation with adult
127.13 basic education stakeholders, must select a high school equivalency test. The commissioner
127.14 may issue a high school equivalency diploma to a Minnesota resident 19 years of age or
127.15 older who has not earned a high school diploma, who has not previously been issued a
127.16 general education development (GED) test, and who has exceeded or achieved a minimum
127.17 passing score on the equivalency test established by the publisher. The commissioner of
127.18 education may waive the minimum age requirement if supportive evidence is provided by
127.19 an employer or a recognized education or rehabilitation provider.

127.20 Sec. 3. Minnesota Statutes 2016, section 124D.55, is amended to read:

127.21 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED)**
127.22 **COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.**

127.23 The commissioner shall pay 60 percent of the fee that is charged to an eligible individual
127.24 for the full battery of ~~general education development (GED)~~ the commissioner-selected
127.25 high school equivalency tests, but not more than \$40 for an eligible individual.

127.26 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged to
127.27 an eligible individual for the full battery of general education development (GED) tests, but
127.28 not more than the cost of one full battery of tests per year for any individual.

127.29 Sec. 4. Minnesota Statutes 2016, section 256J.08, subdivision 38, is amended to read:

127.30 Subd. 38. **Full-time student.** "Full-time student" means a person who is enrolled in a
127.31 graded or ungraded primary, intermediate, secondary, ~~GED~~ commissioner of

128.1 education-selected high school equivalency preparatory, trade, technical, vocational, or
 128.2 postsecondary school, and who meets the school's standard for full-time attendance.

128.3 Sec. 5. Minnesota Statutes 2016, section 256J.08, subdivision 39, is amended to read:

128.4 Subd. 39. ~~General educational development or GED~~ Commissioner of
 128.5 education-selected high school equivalency. ~~"General educational development" or "GED"~~
 128.6 "Commissioner of education-selected high school equivalency" means the ~~general educational~~
 128.7 ~~development~~ high school equivalency certification issued by the commissioner of education
 128.8 as an equivalent to a secondary school diploma under Minnesota Rules, part 3500.3100,
 128.9 ~~subpart 4~~ section 124D.549.

128.10 Sec. 6. APPROPRIATIONS.

128.11 Subdivision 1. Department of Education. The sums indicated in this section are
 128.12 appropriated from the general fund to the Department of Education for the fiscal years
 128.13 designated.

128.14 Subd. 2. Adult basic education aid. For adult basic education aid under Minnesota
 128.15 Statutes, section 124D.531:

128.16	\$	<u>49,133,000</u>	<u>.....</u>	<u>2018</u>
128.17	\$	<u>49,735,000</u>	<u>.....</u>	<u>2019</u>

128.18 The 2018 appropriation includes \$4,881,000 for 2017 and \$44,252,000 for 2018.

128.19 The 2019 appropriation includes \$4,917,000 for 2018 and \$44,818,000 for 2019.

128.20 Subd. 3. High school equivalency tests. For payment of 60 percent of the costs of high
 128.21 school equivalency tests under Minnesota Statutes, section 124D.55:

128.22	\$	<u>125,000</u>	<u>.....</u>	<u>2018</u>
128.23	\$	<u>125,000</u>	<u>.....</u>	<u>2019</u>

128.24 Sec. 7. REVISOR'S INSTRUCTION.

128.25 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the
 128.26 term "commissioner-selected high school equivalency" or similar term for "general education
 128.27 development," "GED," or similar terms for wherever the term refers to the tests or programs
 128.28 leading to a certification issued by the commissioner of education as an equivalency to a
 128.29 secondary diploma.

129.1 Sec. 8. **REPEALER.**

129.2 Minnesota Rules, part 3500.3100, subpart 4, is repealed.

129.3 **ARTICLE 11**

129.4 **STATE AGENCIES**

129.5 Section 1. Minnesota Statutes 2016, section 122A.14, subdivision 9, is amended to read:

129.6 Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay
129.7 the board a fee of \$75, collected each fiscal year. When transmitting notice of the license
129.8 fee, the board also must notify the licensee of the penalty for failing to pay the fee within
129.9 the time specified by the board. The board may provide a lower fee for persons on retired
129.10 or inactive status. After receiving notice from the board, any licensed school administrator
129.11 who does not pay the fee in the given fiscal year shall have all administrative licenses held
129.12 by the person automatically suspended, without the right to a hearing, until the fee has been
129.13 paid to the board. If the board suspends a licensed school administrator for failing to pay
129.14 the fee, it must immediately notify the district currently employing the school administrator
129.15 of the school administrator's suspension. The executive secretary shall deposit the fees in
129.16 the educator licensure account in the special revenue fund in the state treasury.

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

129.18 Sec. 2. **[122A.175] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR**
129.19 **LICENSURE AND BACKGROUND CHECKS.**

129.20 **Subdivision 1. Educator licensure account.** An educator licensure account is created
129.21 in the special revenue fund. Applicant licensure fees received by the Department of
129.22 Education, the Board of Teaching, or the Board of School Administrators must be deposited
129.23 in the educator licensure account. Any funds appropriated from this account that remain
129.24 unexpended at the end of the biennium cancel to the educator licensure account in the special
129.25 revenue fund.

129.26 **Subd. 2. Background check account.** An educator licensure background check account
129.27 is created in the special revenue fund. The Department of Education, the Board of Teaching,
129.28 and the Board of School Administrators must deposit all payments submitted by license
129.29 applicants for criminal background checks conducted by the Bureau of Criminal
129.30 Apprehension in the educator licensure background check account. Amounts in the account
129.31 are annually appropriated to the commissioner of education for payment to the superintendent

130.1 of the Bureau of Criminal Apprehension for the costs of background checks on applicants
130.2 for licensure.

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

130.4 Sec. 3. Minnesota Statutes 2016, section 122A.18, subdivision 7c, is amended to read:

130.5 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish a
130.6 temporary license in accordance with section 197.4552 for teaching. The fee for a temporary
130.7 license under this subdivision shall be \$87.90 for an online application or \$86.40 for a paper
130.8 application. The board must deposit the fees received from applicants in the educator
130.9 licensure account in the special revenue fund.

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

130.11 Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

130.12 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of
130.13 education must request a criminal history background check from the superintendent of the
130.14 Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under
130.15 their jurisdiction. Applicants must include with their licensure applications:

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

130.17 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
130.18 ~~for the fee for conducting~~ payment to conduct the criminal history background check. The
130.19 Board of Teaching and the commissioner of education must deposit payments received
130.20 under this subdivision in the educator licensure background check account in the special
130.21 revenue fund.

130.22 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
130.23 background check required under paragraph (a) by retrieving criminal history data as defined
130.24 in section 13.87 and shall also conduct a search of the national criminal records repository.
130.25 The superintendent is authorized to exchange fingerprints with the Federal Bureau of
130.26 Investigation for purposes of the criminal history check. The superintendent shall recover
130.27 the cost to the bureau of a background check through the fee charged to the applicant under
130.28 paragraph (a).

130.29 (c) The Board of Teaching or the commissioner of education may issue a license pending
130.30 completion of a background check under this subdivision, but must notify the individual
130.31 that the individual's license may be revoked based on the result of the background check.

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

131.2 Sec. 5. Minnesota Statutes 2016, section 122A.21, subdivision 1, is amended to read:

131.3 Subdivision 1. **Licensure applications.** Each applicant submitting an application for
131.4 ~~the issuance, renewal, or extension of~~ to the Board of Teaching to issue, renew, or extend
131.5 a teaching license to teach, including applications for licensure via portfolio under subdivision
131.6 2, ~~must be accompanied by~~ include a processing fee of \$57. The processing fee for a teacher's
131.7 license and for the licenses of supervisory personnel must be paid to the executive secretary
131.8 of the appropriate board and deposited in the educator licensure account in the special
131.9 revenue fund. ~~The executive secretary of the board shall deposit the fees with the~~
131.10 ~~commissioner of management and budget.~~ The fees as set by the board are nonrefundable
131.11 for applicants not qualifying for a license. However, ~~a fee must be refunded by the~~
131.12 commissioner of management and budget must refund a fee in any case in which the applicant
131.13 already holds a valid unexpired license. The board may waive or reduce fees for applicants
131.14 who apply at the same time for more than one license.

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

131.16 Sec. 6. Minnesota Statutes 2016, section 122A.21, subdivision 2, is amended to read:

131.17 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via portfolio
131.18 to obtain a professional five-year teaching license or to add a licensure field, consistent with
131.19 applicable Board of Teaching licensure rules.

131.20 (b) A candidate for a professional five-year teaching license must submit to the Educator
131.21 Licensing Division at the department one portfolio demonstrating pedagogical competence
131.22 and one portfolio demonstrating content competence.

131.23 (c) A candidate seeking to add a licensure field must submit to the Educator Licensing
131.24 Division at the department one portfolio demonstrating content competence.

131.25 (d) The Board of Teaching must notify a candidate who submits a portfolio under
131.26 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
131.27 the portfolio was approved. If the portfolio was not approved, the board must immediately
131.28 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
131.29 competence. The candidate may resubmit a revised portfolio at any time and the Educator
131.30 Licensing Division at the department must approve or disapprove the portfolio within 60
131.31 calendar days of receiving it.

132.1 (e) A candidate must pay to the executive secretary of the Board of Teaching a \$300 fee
 132.2 for the first portfolio submitted for review and a \$200 fee for any portfolio submitted
 132.3 subsequently. ~~The revenue generated from Board of Teaching executive secretary must~~
 132.4 deposit the fee must be deposited in an education the educator licensure portfolio account
 132.5 in the special revenue fund. The fees set by the Board of Teaching are nonrefundable for
 132.6 applicants not qualifying for a license. The Board of Teaching may waive or reduce fees
 132.7 for candidates based on financial need.

132.8 **EFFECTIVE DATE.** This section is effective July 1, 2018.

132.9 Sec. 7. Minnesota Statutes 2016, section 122A.21, is amended by adding a subdivision to
 132.10 read:

132.11 Subd. 3. **Annual appropriations.** (a) The amounts collected under subdivision 2 and
 132.12 deposited in the educator licensure account in the special revenue fund are annually
 132.13 appropriated to the Board of Teaching.

132.14 (b) The appropriations in paragraph (a) must be reduced by the amount of any money
 132.15 specifically appropriated for the same purposes in any year from any state fund.

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

132.17 Sec. 8. **TRANSFERS.**

132.18 Subdivision 1. **Portfolio account.** On July 1, 2017, the commissioner of management
 132.19 and budget shall transfer any balances in the educator licensure portfolio account in the
 132.20 special revenue fund to the educator licensure account in the special revenue fund.

132.21 Subd. 2. **Background check.** Any balance in an account that holds fees collected under
 132.22 Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator licensure
 132.23 background check account in the special revenue fund under Minnesota Statutes, section
 132.24 122A.175, subdivision 2. On July 2, 2017, \$80,000 is transferred from the educator licensure
 132.25 background check account in the special revenue fund to the educator licensure account in
 132.26 the special revenue fund.

132.27 Sec. 9. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

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

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

133.1 \$ 18,094,000 2018

133.2 \$ 18,060,000 2019

133.3 Of these amounts:

133.4 (1) \$720,000 each year is for:

133.5 (i) a dyslexia specialist;

133.6 (ii) a language arts specialist who must provide support to school districts on the

133.7 implementation of language arts standards under Minnesota Statutes, section 120B.021,

133.8 subdivision 1; and

133.9 (iii) implementing Minnesota's Learning for English Academic Proficiency and Success

133.10 Act under Laws 2014, chapter 272, article 1, as amended; and

133.11 (2) \$200,000 each year is for the Lola and Rudy Perpich arts education and outreach

133.12 division.

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

133.14 (c) None of the amounts appropriated under this subdivision may be used for Minnesota's

133.15 Washington, D.C. office.

133.16 (d) The expenditures of federal grants and aids as shown in the biennial budget document

133.17 and its supplements are approved and appropriated and shall be spent as indicated.

133.18 (e) The agency's base budget in fiscal year 2020 and later is \$18,471,000.

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

133.20 Sec. 10. **APPROPRIATIONS; BOARD OF TEACHING.**

133.21 (a) The sums indicated in this section are appropriated from the educator licensure

133.22 account in the special revenue fund or, if the amount in the educator licensure account is

133.23 insufficient, from the general fund to the Board of Teaching or any successor organization

133.24 for the fiscal years designated:

133.25 \$ 2,932,000 2018

133.26 \$ 2,959,000 2019

133.27 (b) This appropriation includes funds for information technology project services and

133.28 support subject to Minnesota Statutes, section 16E.0466. Any ongoing information

133.29 technology costs will be incorporated into an interagency agreement and will be paid to the

133.30 Office of MN.IT Services by the Board of Teaching under the mechanism specified in that

133.31 agreement.

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

134.2 (d) The board's base budget for fiscal year 2020 and later is \$2,954,000.

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

134.4 Sec. 11. **APPROPRIATION; BOARD OF SCHOOL ADMINISTRATORS.**

134.5 The sums indicated in this section are appropriated from the educator licensure account
 134.6 in the special revenue fund to the Board of School Administrators for the fiscal years
 134.7 designated:

134.8 \$ 231,000 2018

134.9 \$ 231,000 2019

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

134.11 Sec. 12. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

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

134.14 \$ 12,804,000 2018

134.15 \$ 12,786,000 2019

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

134.17 Sec. 13. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

134.18 (a) The sums in this section are appropriated from the general fund to the Perpich Center
 134.19 for Arts Education and to its successor fiscal agent for the fiscal years designated:

134.20 \$ 5,212,000 2018

134.21 \$ 2,786,000 2019

134.22 (b) Of the amounts appropriated in paragraph (a), \$162,000 in fiscal year 2018 and
 134.23 \$361,000 in fiscal year 2019 are for transfer to the Department of Administration.

134.24 (c) The base for fiscal year 2020 and later is \$0.

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

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

135.1

ARTICLE 12

135.2

FORECAST ADJUSTMENTS

135.3

A. GENERAL EDUCATION

135.4

Section 1. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision

135.5

2, as amended by Laws 2016, chapter 189, article 27, section 17, is amended to read:

135.6

Subd. 2. **General education aid.** For general education aid under Minnesota Statutes,

135.7

section 126C.13, subdivision 4:

135.8

\$ 6,649,435,000 2016

135.9

~~6,815,372,000~~

135.10

\$ 6,848,521,000 2017

135.11

The 2016 appropriation includes \$622,908,000 for 2015 and 6,026,524,000 for 2016.

135.12

The 2017 appropriation includes \$641,412,000 for 2016 and ~~\$6,173,962,000~~

135.13

\$6,207,109,000 for 2017.

135.14

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

135.15

Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 3, is

135.16

amended to read:

135.17

Subd. 3. **Enrollment options transportation.** For transportation of pupils attending

135.18

postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation

135.19

of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

135.20

\$ 39,000 2016

135.21

~~42,000~~

135.22

\$ 26,000 2017

135.23

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

135.24

Sec. 3. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 4, as

135.25

amended by Laws 2016, chapter 189, article 34, section 1, is amended to read:

135.26

Subd. 4. **Abatement revenue.** For abatement aid under Minnesota Statutes, section

135.27

127A.49:

135.28

\$ 3,051,000 2016

135.29

~~3,425,000~~

135.30

\$ 2,666,000 2017

135.31

The 2016 appropriation includes \$278,000 for 2015 and \$2,773,000 for 2016.

136.1 The 2017 appropriation includes \$308,000 for 2016 and ~~\$3,117,000~~ \$2,358,000 for
 136.2 2017.

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

136.4 Sec. 4. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 6, as
 136.5 amended by Laws 2016, chapter 189, article 34, section 3, is amended to read:

136.6 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
 136.7 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

136.8	\$	16,759,000	.....	2016
136.9		17,235,000		
136.10	\$	<u>16,879,000</u>	.....	2017

136.11 The 2016 appropriation includes \$1,575,000 for 2015 and \$15,184,000 for 2016.

136.12 The 2017 appropriation includes \$1,687,000 for 2016 and ~~\$15,548,000~~ \$15,192,000 for
 136.13 2017.

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

136.15 Sec. 5. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 7, as
 136.16 amended by Laws 2016, chapter 189, article 34, section 4, is amended to read:

136.17 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
 136.18 Minnesota Statutes, section 123B.92, subdivision 9:

136.19	\$	17,673,000	.....	2016
136.20		18,103,000		
136.21	\$	<u>18,278,000</u>	.....	2017

136.22 The 2016 appropriation includes \$1,816,000 for 2015 and \$15,857,000 for 2016.

136.23 The 2017 appropriation includes \$1,761,000 for 2016 and ~~\$16,342,000~~ \$16,517,000 for
 136.24 2017.

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

136.26 Sec. 6. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 9, as
 136.27 amended by Laws 2016, chapter 189, article 34, section 5, is amended to read:

136.28 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
 136.29 Statutes, section 124D.4531, subdivision 1b:

136.30	\$	5,922,000	2016
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137.1 ~~4,262,000~~
 137.2 \$ 4,806,000 2017

137.3 The 2016 appropriation includes \$574,000 for 2015 and \$5,348,000 for 2016.

137.4 The 2017 appropriation includes \$517,000 for 2016 and ~~\$3,745,000~~ \$4,289,000 for
 137.5 2017.

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

137.7 **B. EDUCATION EXCELLENCE**

137.8 Sec. 7. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 2, as
 137.9 amended by Laws 2016, chapter 189, article 25, section 44, is amended to read:

137.10 Subd. 2. **Alternative compensation.** For alternative teacher compensation aid under
 137.11 Minnesota Statutes, section 122A.415, subdivision 4:

137.12 \$ 78,907,000 2016
 137.13 ~~89,049,000~~
 137.14 \$ 88,137,000 2017

137.15 The 2016 appropriation includes \$7,766,000 for 2015 and \$71,141,000 for 2016.

137.16 The 2017 appropriation includes \$7,876,000 for 2016 and ~~\$81,173,000~~ \$80,261,000 for
 137.17 2017.

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

137.19 Sec. 8. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 3, as
 137.20 amended by Laws 2016, chapter 189, article 25, section 45, is amended to read:

137.21 Subd. 3. **Achievement and integration aid.** For achievement and integration aid under
 137.22 Minnesota Statutes, section 124D.862:

137.23 \$ 65,439,000 2016
 137.24 ~~69,372,000~~
 137.25 \$ 67,091,000 2017

137.26 The 2016 appropriation includes \$6,382,000 for 2015 and \$59,057,000 for 2016.

137.27 The 2017 appropriation includes \$6,561,000 for 2016 and ~~\$62,811,000~~ \$60,530,000 for
 137.28 2017.

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

138.1 Sec. 9. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 4, as
 138.2 amended by Laws 2016, chapter 189, article 34, section 6, is amended to read:

138.3 Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes,
 138.4 section 124D.98:

138.5 \$ 44,538,000 2016
 138.6 ~~45,855,000~~
 138.7 \$ 45,803,000 2017

138.8 The 2016 appropriation includes \$4,683,000 for 2015 and \$39,855,000 for 2016.

138.9 The 2017 appropriation includes \$4,428,000 for 2016 and ~~\$41,427,000~~ \$41,375,000 for
 138.10 2017.

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

138.12 Sec. 10. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 5,
 138.13 as amended by Laws 2016, chapter 189, article 34, section 7, is amended to read:

138.14 Subd. 5. **Interdistrict desegregation or integration transportation grants.** For
 138.15 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 138.16 section 124D.87:

138.17 \$ 14,423,000 2016
 138.18 ~~15,193,000~~
 138.19 \$ 13,496,000 2017

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

138.21 Sec. 11. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 7,
 138.22 as amended by Laws 2016, chapter 189, article 34, section 8, is amended to read:

138.23 Subd. 7. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes,
 138.24 section 124D.83:

138.25 \$ 3,539,000 2016
 138.26 ~~3,715,000~~
 138.27 \$ 3,278,000 2017

138.28 The 2016 appropriation includes \$204,000 for 2015 and \$3,335,000 for 2016.

138.29 The 2017 appropriation includes \$370,000 for 2016 and ~~\$3,345,000~~ \$2,908,000 for
 138.30 2017.

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

139.1 Sec. 12. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 11,
 139.2 as amended by Laws 2016, chapter 189, article 34, section 9, is amended to read:

139.3 Subd. 11. **American Indian education aid.** For American Indian education aid under
 139.4 Minnesota Statutes, section 124D.81, subdivision 2a:

139.5 \$ 7,740,000 2016
 139.6 ~~8,878,000~~
 139.7 \$ 8,838,000 2017

139.8 The 2016 appropriation includes \$0 for 2015 and \$7,740,000 for 2016.

139.9 The 2017 appropriation includes \$860,000 for 2016 and ~~\$8,018,000~~ \$7,978,000 for
 139.10 2017.

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

139.12 Sec. 13. Laws 2015, First Special Session chapter 3, article 4, section 9, subdivision 2, as
 139.13 amended by Laws 2016, chapter 189, article 28, section 10, is amended to read:

139.14 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
 139.15 Statutes, section 124E.22:

139.16 \$ 63,540,000 2016
 139.17 ~~70,132,000~~
 139.18 \$ 68,046,000 2017

139.19 The 2016 appropriation includes \$6,032,000 for 2015 and \$57,508,000 for 2016.

139.20 The 2017 appropriation includes \$6,389,000 for 2016 and ~~\$63,743,000~~ \$61,657,000 for
 139.21 2017.

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

139.23 **C. SPECIAL EDUCATION**

139.24 Sec. 14. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 2,
 139.25 as amended by Laws 2016, chapter 189, article 29, section 15, is amended to read:

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

139.28 \$ 1,183,619,000 2016
 139.29 ~~1,247,107,000~~
 139.30 \$ 1,258,250,000 2017

139.31 The 2016 appropriation includes \$137,932,000 for 2015 and \$1,045,687,000 for 2016.

140.1 The 2017 appropriation includes \$147,202,000 for 2016 and ~~\$1,099,905,000~~
 140.2 \$1,111,048,000 for 2017.

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

140.4 Sec. 15. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 3,
 140.5 as amended by Laws 2016, chapter 189, article 34, section 10, is amended to read:

140.6 Subd. 3. **Travel for home-based services.** For aid for teacher travel for home-based
 140.7 services under Minnesota Statutes, section 125A.75, subdivision 1:

140.8	\$	416,000	.....	2016
140.9		435,000		
140.10	\$	<u>482,000</u>	.....	2017

140.11 The 2016 appropriation includes \$35,000 for 2015 and \$381,000 for 2016.

140.12 The 2017 appropriation includes \$42,000 for 2016 and ~~\$393,000~~ \$440,000 for 2017.

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

140.14 Sec. 16. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 5,
 140.15 as amended by Laws 2016, chapter 189, article 34, section 11, is amended to read:

140.16 Subd. 5. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 140.17 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 140.18 the district boundaries for whom no district of residence can be determined:

140.19	\$	1,307,000	.....	2016
140.20		1,516,000		
140.21	\$	<u>1,390,000</u>	.....	2017

140.22 If the appropriation for either year is insufficient, the appropriation for the other year is
 140.23 available.

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

140.25 Sec. 17. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 6,
 140.26 is amended to read:

140.27 Subd. 6. **Court-placed special education revenue.** For reimbursing serving school
 140.28 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 140.29 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

140.30	\$	56,000	2016
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142.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

142.2 Sec. 21. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 3, as
 142.3 amended by Laws 2016, chapter 189, article 27, section 19, is amended to read:

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

142.6	\$	9,457,000	.....	2016
142.7		10,365,000		
142.8	\$	<u>9,869,000</u>	.....	2017

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

142.10 Sec. 22. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 4, as
 142.11 amended by Laws 2016, chapter 189, article 34, section 15, is amended to read:

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

142.14	\$	788,000	.....	2016
142.15		788,000		
142.16	\$	<u>758,000</u>	.....	2017

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

142.18 **F. EARLY CHILDHOOD EDUCATION**

142.19 Sec. 23. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 5, as
 142.20 amended by Laws 2016, chapter 189, article 34, section 16, is amended to read:

142.21 Subd. 5. **Early childhood family education aid.** For early childhood family education
 142.22 aid under Minnesota Statutes, section 124D.135:

142.23	\$	27,948,000	.....	2016
142.24		29,336,000		
142.25	\$	<u>28,944,000</u>	.....	2017

142.26 The 2016 appropriation includes \$2,713,000 for 2015 and \$25,235,000 for 2016.

142.27 The 2017 appropriation includes \$2,803,000 for 2016 and ~~\$26,533,000~~ \$26,141,000 for
 142.28 2017.

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

143.1 Sec. 24. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 6, as
 143.2 amended by Laws 2016, chapter 189, article 34, section 17, is amended to read:

143.3 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 143.4 Minnesota Statutes, sections 121A.17 and 121A.19:

143.5 \$ 3,477,000 2016

143.6 ~~3,488,000~~

143.7 \$ 3,573,000 2017

143.8 The 2016 appropriation includes \$338,000 for 2015 and \$3,139,000 for 2016.

143.9 The 2017 appropriation includes \$348,000 for 2016 and ~~\$3,140,000~~ \$3,225,000 for
 143.10 2017.

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

143.12 Sec. 25. Laws 2015, First Special Session chapter 3, article 10, section 3, subdivision 2,
 143.13 as amended by Laws 2016, chapter 189, article 34, section 18, is amended to read:

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

143.16 \$ 790,000 2016

143.17 ~~553,000~~

143.18 \$ 555,000 2017

143.19 The 2016 appropriation includes \$107,000 for 2015 and \$683,000 for 2016.

143.20 The 2017 appropriation includes \$75,000 for 2016 and ~~\$478,000~~ \$480,000 for 2017.

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

143.22 **G. SELF-SUFFICIENCY AND LIFELONG LEARNING**

143.23 Sec. 26. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision 2,
 143.24 as amended by Laws 2016, chapter 189, article 34, section 19, is amended to read:

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

143.27 \$ 48,231,000 2016

143.28 ~~49,683,000~~

143.29 \$ 48,762,000 2017

143.30 The 2016 appropriation includes \$4,782,000 for 2015 and \$43,449,000 for 2016.

- 144.1 The 2017 appropriation includes \$4,827,000 for 2016 and ~~\$44,856,000~~ \$43,935,000 for
- 144.2 2017.
- 144.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

APPENDIX
Article locations in H0890-4

ARTICLE 1	GENERAL EDUCATION	Page.Ln 2.9
ARTICLE 2	EDUCATION EXCELLENCE	Page.Ln 15.17
ARTICLE 3	TEACHERS	Page.Ln 59.1
ARTICLE 4	SPECIAL EDUCATION	Page.Ln 74.19
ARTICLE 5	FACILITIES AND TECHNOLOGY	Page.Ln 89.5
ARTICLE 6	NUTRITION	Page.Ln 101.5
ARTICLE 7	LIBRARIES	Page.Ln 103.18
ARTICLE 8	EARLY CHILDHOOD AND FAMILY SUPPORT	Page.Ln 105.1
ARTICLE 9	COMMUNITY EDUCATION AND PREVENTION	Page.Ln 125.16
ARTICLE 10	SELF-SUFFICIENCY AND LIFELONG LEARNING	Page.Ln 126.16
ARTICLE 11	STATE AGENCIES	Page.Ln 129.3
ARTICLE 12	FORECAST ADJUSTMENTS	Page.Ln 135.1

122A.40 EMPLOYMENT; CONTRACTS; TERMINATION.

Subd. 11. **Unrequested leave of absence.** The board may place on unrequested leave of absence, without pay or fringe benefits, as many teachers as may be necessary because of discontinuance of position, lack of pupils, financial limitations, or merger of classes caused by consolidation of districts. The unrequested leave is effective at the close of the school year. In placing teachers on unrequested leave, the board is governed by the following provisions:

(a) The board may place probationary teachers on unrequested leave first in the inverse order of their employment. A teacher who has acquired continuing contract rights must not be placed on unrequested leave of absence while probationary teachers are retained in positions for which the teacher who has acquired continuing contract rights is licensed;

(b) Teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed in the inverse order in which they were employed by the school district. In the case of equal seniority, the order in which teachers who have acquired continuing contract rights shall be placed on unrequested leave of absence in fields in which they are licensed is negotiable;

(c) Notwithstanding the provisions of paragraph (b), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the board of teaching, unless that exercise of seniority results in the placement on unrequested leave of absence of another teacher who also holds a provisional license in the same field. The provisions of this paragraph do not apply to vocational education licenses;

(d) Notwithstanding paragraphs (a), (b), and (c), if the placing of a probationary teacher on unrequested leave before a teacher who has acquired continuing rights, the placing of a teacher who has acquired continuing contract rights on unrequested leave before another teacher who has acquired continuing contract rights but who has greater seniority, or the restriction imposed by the provisions of paragraph (c) would place the district in violation of its affirmative action program, the district may retain the probationary teacher, the teacher with less seniority, or the provisionally licensed teacher;

(e) Teachers placed on unrequested leave of absence must be reinstated to the positions from which they have been given leaves of absence or, if not available, to other available positions in the school district in fields in which they are licensed. Reinstatement must be in the inverse order of placement on leave of absence. A teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field remains on unrequested leave. The order of reinstatement of teachers who have equal seniority and who are placed on unrequested leave in the same school year is negotiable;

(f) Appointment of a new teacher must not be made while there is available, on unrequested leave, a teacher who is properly licensed to fill such vacancy, unless the teacher fails to advise the school board within 30 days of the date of notification that a position is available to that teacher who may return to employment and assume the duties of the position to which appointed on a future date determined by the board;

(g) A teacher placed on unrequested leave of absence may engage in teaching or any other occupation during the period of this leave;

(h) The unrequested leave of absence must not impair the continuing contract rights of a teacher or result in a loss of credit for previous years of service;

(i) The unrequested leave of absence of a teacher who is placed on unrequested leave of absence and who is not reinstated shall continue for a period of five years, after which the right to reinstatement shall terminate. The teacher's right to reinstatement shall also terminate if the teacher fails to file with the board by April 1 of any year a written statement requesting reinstatement;

(j) The same provisions applicable to terminations of probationary or continuing contracts in subdivisions 5 and 7 must apply to placement on unrequested leave of absence;

(k) Nothing in this subdivision shall be construed to impair the rights of teachers placed on unrequested leave of absence to receive unemployment benefits if otherwise eligible.

122A.41 TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.

Subd. 14. **Services terminated by discontinuance or lack of pupils; preference given.**

(a) A teacher whose services are terminated on account of discontinuance of position or lack of pupils must receive first consideration for other positions in the district for which that teacher is

APPENDIX

Repealed Minnesota Statutes: H0890-4

qualified. In the event it becomes necessary to discontinue one or more positions, in making such discontinuance, teachers must be discontinued in any department in the inverse order in which they were employed, unless a board and the exclusive representative of teachers in the district negotiate a plan providing otherwise.

(b) Notwithstanding the provisions of clause (a), a teacher is not entitled to exercise any seniority when that exercise results in that teacher being retained by the district in a field for which the teacher holds only a provisional license, as defined by the Board of Teaching, unless that exercise of seniority results in the termination of services, on account of discontinuance of position or lack of pupils, of another teacher who also holds a provisional license in the same field. The provisions of this clause do not apply to vocational education licenses.

(c) Notwithstanding the provisions of clause (a), a teacher must not be reinstated to a position in a field in which the teacher holds only a provisional license, other than a vocational education license, while another teacher who holds a nonprovisional license in the same field is available for reinstatement.

123A.73 LEVY LIMITATIONS OF REORGANIZED DISTRICTS.

Subd. 3. **Voluntary dissolution; referendum revenue.** As of the effective date of the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 123A.46, the authorization for all referendum revenues previously approved by the voters of all affected districts for those districts pursuant to section 126C.17, subdivision 9, or its predecessor provision, is canceled. However, if all of the territory of any independent district is included in the enlarged district, and if the adjusted net tax capacity of taxable property in that territory comprises 90 percent or more of the adjusted net tax capacity of all taxable property in an enlarged district, the enlarged district's referendum revenue shall be determined as follows:

The referendum revenue shall be the revenue per adjusted pupil unit times the number of adjusted pupil units in the enlarged district. Any new referendum revenue shall be authorized only after approval is granted by the voters of the entire enlarged district in an election pursuant to section 126C.17, subdivision 9.

124D.151 VOLUNTARY PREKINDERGARTEN PROGRAM.

Subdivision 1. **Establishment; purpose.** A district, a charter school, a group of districts, a group of charter schools, or a group of districts and charter schools may establish a voluntary prekindergarten program. The purpose of a voluntary prekindergarten program is to prepare children for success as they enter kindergarten in the following year.

Subd. 2. **Program requirements.** (a) A voluntary prekindergarten program provider must:

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

(2) measure each child's cognitive and social skills using a formative measure aligned to the state's early learning standards when the child enters and again before the child leaves the program, screening and progress monitoring measures, and others from the state-approved menu of kindergarten entry profile measures;

(3) provide comprehensive program content including the implementation of curriculum, assessment, and instructional strategies aligned with the state early learning standards, and kindergarten through grade 3 academic standards;

(4) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least 350 hours of instruction per school year for a prekindergarten student;

(5) provide voluntary prekindergarten instructional staff salaries comparable to the salaries of local kindergarten through grade 12 instructional staff;

(6) coordinate appropriate kindergarten transition with families, community-based prekindergarten programs, and school district kindergarten programs;

(7) involve parents in program planning and transition planning by implementing parent engagement strategies that include culturally and linguistically responsive activities in prekindergarten through third grade that are aligned with early childhood family education under section 124D.13;

(8) coordinate with relevant community-based services, including health and social service agencies, to ensure children have access to comprehensive services;

APPENDIX

Repealed Minnesota Statutes: H0890-4

(9) coordinate with all relevant school district programs and services including early childhood special education, homeless students, and English learners;

(10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

(11) provide high-quality coordinated professional development, training, and coaching for both school district and community-based early learning providers that is informed by a measure of adult-child interactions and enables teachers to be highly knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and

(12) implement strategies that support the alignment of professional development, instruction, assessments, and prekindergarten through grade 3 curricula.

(b) A voluntary prekindergarten program must have teachers knowledgeable in early childhood curriculum content, assessment, native and English language programs, and instruction.

(c) Districts and charter schools must include their strategy for implementing and measuring the impact of their voluntary prekindergarten program under section 120B.11 and provide results in their world's best workforce annual summary to the commissioner of education.

Subd. 3. Mixed delivery of services. A district or charter school may contract with a charter school, Head Start or child care centers, family child care programs licensed under section 245A.03, or a community-based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2. Components of a mixed-delivery plan include strategies for recruitment, contracting, and monitoring of fiscal compliance and program quality.

Subd. 4. Eligibility. A child who is four years of age as of September 1 in the calendar year in which the school year commences is eligible to participate in a voluntary prekindergarten program free of charge. Each eligible child must complete a health and developmental screening within 90 days of program enrollment under sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

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

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

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

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

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

(c) The commissioner must divide all applications for new or expanded programs meeting the requirements of paragraph (a) into four groups as follows: the Minneapolis and St. Paul school districts; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

(1) concentration of kindergarten students eligible for free or reduced-price lunches by school site on October 1 of the previous school year. For school district programs to be operated at locations that do not have free and reduced-price lunch concentration data for kindergarten programs for October 1 of the previous school year, including mixed-delivery programs, the school district average concentration of kindergarten students eligible for free or reduced-price lunches must be used for the rank ordering;

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

APPENDIX

Repealed Minnesota Statutes: H0890-4

(d) The aid available for the program as specified in subdivision 6, paragraph (b), must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the available aid must be allocated among school sites in priority order until that region's share of the aid limit is reached. If the aid limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis.

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

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

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

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

(b) In reviewing applications under subdivision 5, the commissioner must limit the estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year 2017, \$27,239,000 for fiscal year 2018, and \$26,399,000 for fiscal year 2019 and later. If the actual state aid entitlement based on final data exceeds the limit in any year, the aid of the participating districts must be prorated so as not to exceed the limit.

124D.73 DEFINITIONS.

Subd. 2. American Indian child. "American Indian child" means any child, living on or off a reservation, who is enrolled or eligible for enrollment in a federally recognized tribe.

129C.10 PERPICH CENTER FOR ARTS EDUCATION.

Subdivision 1. Governance. (a) The board of the Perpich Center for Arts Education shall consist of 15 persons. The members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

(b) All board members must complete board training requirements consistent with section 127A.19.

Subd. 2. Terms, compensation, and other. The membership terms, compensation, removal of members, and filling of vacancies shall be as provided for in section 15.0575. A member may serve not more than two consecutive terms.

Subd. 3. Powers and duties of board. (a) The board has the powers necessary for the care, management, and control of the Perpich Center for Arts Education and any other school authorized in this chapter, and all their real and personal property. The powers shall include, but are not limited to, those listed in this subdivision.

(b) The board may employ and discharge necessary employees, and contract for other services to ensure the efficient operation of the Center for Arts Education and any other school authorized in this chapter.

(c) The board may receive and award grants. The board may establish a charitable foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational purposes and hold, manage, invest, and dispose of them and the proceeds and income of them according to the terms and conditions of the gift, grant, bequest, or devise and its acceptance. The board must adopt internal procedures to administer and monitor aids and grants.

(d) The board may establish or coordinate evening, continuing education, extension, and summer programs for teachers and pupils.

(e) The board may identify pupils who have artistic talent, either demonstrated or potential, in dance, literary arts, media arts, music, theater, and visual arts, or in more than one art form.

(f) The board must educate pupils with artistic talent by providing:

APPENDIX

Repealed Minnesota Statutes: H0890-4

(1) an interdisciplinary academic and arts program for pupils in the 11th and 12th grades. The total number of pupils accepted under this clause and clause (2) shall not exceed 310;

(2) additional instruction to pupils for a 13th grade. Pupils eligible for this instruction are those enrolled in 12th grade who need extra instruction and who apply to the board, or pupils enrolled in the 12th grade who do not meet learner outcomes established by the board;

(3) intensive arts seminars for one or two weeks for pupils in grades 9 to 12;

(4) summer arts institutes for pupils in grades 9 to 12;

(5) artist mentor and extension programs in regional sites; and

(6) teacher education programs for indirect curriculum delivery.

(g) The board may determine the location for the Perpich Center for Arts Education and any additional facilities related to the center, including the authority to lease a temporary facility.

(h) The board must plan for the enrollment of pupils on an equal basis from each congressional district.

(i) The board may establish task forces as needed to advise the board on policies and issues. The task forces expire as provided in section 15.059, subdivision 6.

(j) The board may request the commissioner of education for assistance and services.

(k) The board may enter into contracts with other public and private agencies and institutions for residential and building maintenance services if it determines that these services could be provided more efficiently and less expensively by a contractor than by the board itself. The board may also enter into contracts with public or private agencies and institutions, school districts or combinations of school districts, or service cooperatives to provide supplemental educational instruction and services.

(l) The board may provide or contract for services and programs by and for the Center for Arts Education, including a store, operating in connection with the center; theatrical events; and other programs and services that, in the determination of the board, serve the purposes of the center.

(m) The board may provide for transportation of pupils to and from the Center for Arts Education for all or part of the school year, as the board considers advisable and subject to its rules. Notwithstanding any other law to the contrary, the board may charge a reasonable fee for transportation of pupils. Every driver providing transportation of pupils under this paragraph must possess all qualifications required by the commissioner of education. The board may contract for furnishing authorized transportation under rules established by the commissioner of education and may purchase and furnish gasoline to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the Center for Arts Education. When transportation is provided, scheduling of routes, establishment of the location of bus stops, the manner and method of transportation, the control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board.

(n) The board may provide room and board for its pupils. If the board provides room and board, it shall charge a reasonable fee for the room and board. The fee is not subject to chapter 14 and is not a prohibited fee according to sections 123B.34 to 123B.39.

(o) The board may establish and set fees for services and programs. If the board sets fees not authorized or prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 123B.38.

(p) The board may apply for all competitive grants administered by agencies of the state and other government or nongovernment sources.

Subd. 3a. Center account. A center for arts education account is established in the special revenue fund in the state treasury. All money collected by the board, including rental income, must be deposited in the account. Money in the account, including interest earned, is appropriated to the board for the operation of its services and programs.

Subd. 3b. Appeal. A parent who disagrees with a board action that adversely affects the academic program of an enrolled pupil may appeal the board's action to the commissioner of education within 30 days of the board's action. The decision of the commissioner shall be binding on the board. The board must inform each pupil and parent at the time of enrolling of a parent's right to appeal a board action affecting the pupil's academic program.

Subd. 4. Employees. (a)(1) The board must appoint a director of the Center for Arts Education who shall serve in the unclassified service.

(2) The board must employ, upon recommendation of the director, a coordinator of resource programs who shall serve in the unclassified service.

(3) The board must employ, upon recommendation of the director, up to six department chairs who shall serve in the unclassified service. The chairs shall be licensed teachers unless no licensure exists for the subject area or discipline for which the chair is hired.

APPENDIX

Repealed Minnesota Statutes: H0890-4

(4) The board may employ other necessary employees, upon recommendation of the director.

(5) The board must employ, upon recommendation of the director, an executive secretary for the director, who shall serve in the unclassified service.

(b) The employees hired under this subdivision and other necessary employees hired by the board shall be state employees in the executive branch.

Subd. 4a. **Admission and curriculum requirements.** (a) The board may adopt rules for admission to and discharge from the full-time programs for talented pupils, rules regarding discharge from the dormitory, and rules regarding the operation of the center, including transportation of its pupils. Rules covering admission are governed by chapter 14. Rules covering discharge from the full-time program for talented pupils must be consistent with sections 121A.40 to 121A.56, the Pupil Fair Dismissal Act. Rules covering discharge from the dormitory are not governed by the Pupil Fair Dismissal Act as set forth in sections 121A.40 to 121A.56. Rules regarding discharge and the operation of the center are not governed by chapter 14.

(b) Proceedings concerning the full-time program for talented pupils, including admission, discharge, a pupil's program, and a pupil's progress, are governed by the rules adopted by the board and are not contested cases governed by chapter 14.

Subd. 5a. **Interdistrict voluntary integration magnet program.** Notwithstanding Minnesota Rules, parts 3535.0110 and 3535.0150, the board may establish and operate an interdistrict integration magnet program according to section 129C.30. For fiscal year 2016 and later, the board must have an approved achievement and integration plan and budget under section 124D.861.

Subd. 6. **Public postsecondary institutions; providing space.** Public postsecondary institutions must provide space for programs offered by the Perpich Center for Arts Education at no cost or reasonable cost to the center to the extent that space is available at the public postsecondary institutions.

Subd. 7. **Purchasing instructional items.** Technical educational equipment may be procured for programs of the Perpich Center for Arts Education by the board either by brand designation or in accordance with standards and specifications the board may adopt, notwithstanding chapters 16B and 16C.

Subd. 8. **Exemption to September 1 school start restriction.** Notwithstanding section 120A.40, the Perpich Center for Arts Education may begin the school year any day prior to September 1.

129C.105 BOARD MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS.

(a) Notwithstanding section 13D.01 and if complying with section 13D.02 is impractical, the Board of the Perpich Center for Arts Education may conduct a meeting of its members by telephone or other electronic means when:

(1) all members of the board participating in the meeting, wherever the members' physical locations, can hear one another and all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear all discussion and testimony and all votes of members of the board;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(b) Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented marginal costs that the board incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

129C.15 RESOURCE, MAGNET, AND OUTREACH PROGRAMS.

APPENDIX

Repealed Minnesota Statutes: H0890-4

Subdivision 1. **Resource and outreach.** The center must offer resource and outreach programs and services statewide aimed at the enhancement of arts education opportunities for pupils in elementary and secondary school. The programs and services must include:

- (1) developing and demonstrating exemplary curriculum, instructional practices, and assessment;
- (2) disseminating information; and
- (3) providing programs for pupils and teachers that develop technical and creative skills in art forms that are underrepresented and in geographic regions that are underserved.

Subd. 2. **Magnet programs.** The center must identify at least one school district in each congressional district with interest and the potential to offer magnet arts programs using the curriculum developed by the Perpich Center for Arts Education.

Subd. 3. **Center responsibilities.** The center must:

- (1) provide information and technical services to arts teachers, professional arts organizations, school districts, and the Department of Education;
- (2) gather and conduct research in arts education;
- (3) design and promote arts education opportunities for all Minnesota pupils in elementary and secondary schools; and
- (4) serve as liaison for the Department of Education to national organizations for arts education.

129C.20 MATERIALS, TRAINING, AND ASSISTANCE.

The Perpich Center for Arts Education, in cooperation with the Minnesota Alliance for Arts in Education and the Minnesota State Arts Board must provide materials, training, and assistance to the arts education committees in the school districts. The center may contract with the Minnesota Alliance for Arts in Education for its involvement in providing services, including staff assistance, to the program.

129C.25 COMPREHENSIVE ARTS PLANNING PROGRAM.

The Perpich Center for Arts Education shall prescribe the form and manner of application by one or more districts to be designated as a site to participate in the comprehensive arts planning program. Up to 30 sites may be selected. The center shall designate sites in consultation with the Minnesota Alliance for Arts in Education and the Minnesota State Arts Board.

129C.26 COMPREHENSIVE ARTS PLANNING PROGRAM SITES.

Subdivision 1. **Funding.** Each site shall receive \$1,250 each year for two years. If fewer than 30 sites are selected, each site shall receive an additional proportionate share of money appropriated and not used. Before receiving money for the second year, a long-range plan for arts education must be submitted to the Perpich Center for Arts Education.

Subd. 2. **Criteria.** The center, in consultation with the Comprehensive Arts Planning Program State Steering Committee, must establish criteria for site selection. Criteria shall include at least the following:

- (1) a willingness by the district or group of districts to designate a program chair for comprehensive arts planning with sufficient authority to implement the program;
- (2) a willingness by the district or group of districts to create a committee comprised of school district and community people whose function is to promote comprehensive arts education in the district;
- (3) commitment on the part of committee members to participate in training offered by the Department of Education;
- (4) a commitment of the committee to conduct a needs assessment of arts education;
- (5) commitment by the committee to evaluate its involvement in the program;
- (6) a willingness by the district to adopt a long-range plan for arts education in the district; and
- (7) location of the district or group of districts to assure representation of urban, suburban, and rural districts and distribution of sites throughout the state.

Subd. 3. **Program accounts.** A district receiving funds must maintain a separate account for the receipt and disbursement of all funds relating to the program. The funds must be spent only for the purpose of arts education programs, including teacher release time.

APPENDIX

Repealed Minnesota Statutes: H0890-4

Subd. 4. **Additional funding.** A district receiving funds may receive funds for the program from private sources and from other governmental agencies, including any state or federal funds available for arts education.

129C.30 CROSSWINDS INTEGRATION MAGNET SCHOOL.

Subdivision 1. **Definitions.** (a) The following terms have the meanings given them for this chapter.

(b) "Board" means the board of directors of the Perpich Center for Arts Education.

(c) "Crosswinds school" means the Crosswinds school in Woodbury operated during the 2012-2013 school year by Joint Powers District No. 6067, East Metro Integration District.

Subd. 2. **Board to operate the Crosswinds school.** The board may operate the Crosswinds school with the powers and duties granted to it under this chapter. A student may apply to the Crosswinds school under section 124D.03 and the Crosswinds school may accept students under that section.

Subd. 3. **General education funding.** General education revenue must be paid to the Crosswinds school as though it were a district. The general education revenue for each adjusted pupil unit is the state average general education revenue per pupil unit, plus the referendum equalization aid allowance in the pupil's district of residence, minus an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0466, calculated without declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, and transition revenue as though the school were a school district. The general education revenue for each extended time pupil unit equals \$4,794.

Subd. 4. **Special education funding.** Special education aid must be paid to the Crosswinds school according to sections 125A.76 and 125A.79, as though it were a school district. The special education aid paid to the Crosswinds school shall be adjusted as follows:

(1) if the Crosswinds school does not receive general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 125A.11; or

(2) if the Crosswinds school receives general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraphs (b) to (d).

Subd. 5. **Pupil transportation.** (a) For fiscal year 2015 only, a member district of Joint Powers District No. 6067, East Metro Integration District, must transport pupils enrolled at the Crosswinds school in the same manner as they were transported in fiscal year 2014.

(b) Pupil transportation expenses under this section are reimbursable under section 124D.87.

Subd. 6. **Achievement and integration aid.** For fiscal year 2016 and later, the Crosswinds school is eligible for achievement and integration aid under section 124D.862 as if it were a school district.

Subd. 7. **Other aids, grants, revenue.** (a) The Crosswinds school is eligible to receive other aids, grants, and revenue according to chapters 120A to 129C as though it were a district.

(b) Notwithstanding paragraph (a), the Crosswinds school may not receive aid, a grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy revenue that is not general education revenue, except as otherwise provided in this section.

(c) Federal aid received by the state must be paid to the school if it qualifies for the aid as though it were a school district.

(d) In the year-end report to the commissioner of education, the Crosswinds school shall report the total amount of funds received from grants and other outside sources.

Subd. 8. **Year-round programming.** The Crosswinds school may operate as a flexible learning year program under sections 124D.12 to 124D.127.

Subd. 9. **Data requirements.** The commissioner of education shall require the Crosswinds school to follow the budget and accounting procedures required for school districts and the Crosswinds school shall report all data to the Department of Education in the form and manner required by the commissioner.

3500.3100 ISSUANCE OF GENERAL EDUCATIONAL DEVELOPMENT (GED) DIPLOMA.

Subp. 4. **General Educational Development (GED) diploma.** The commissioner of education may issue a General Educational Development (GED) diploma to a Minnesota resident 19 years of age or over who has not earned a high school diploma and who has not previously been issued a GED if:

A. the person makes written application through any of the approved GED testing centers located in Minnesota; and

B. the person obtains a minimum standard score of 410 on each of the five GED tests and an average standard score of at least 450 on all five tests or the minimum standard scores required by the GED testing service, whichever is greater.

GED tests must be administered only by official agencies established by the American Council on Education and approved by the commissioner of education.

The commissioner of education may waive the minimum age requirement if supportive evidence is provided by an employer or a recognized education or rehabilitation provider.

3600.0010 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 3600.0010 to 3600.0085 have the meanings given them in this part.

3600.0010 DEFINITIONS.

Subp. 2. **Board.** "Board" means the board of the Perpich Center for Arts Education established in Minnesota Statutes, section 129C.10, subdivision 1.

3600.0010 DEFINITIONS.

Subp. 2a. **Center.** "Center" means the full-time high school program offered at the Perpich Center for Arts Education established in Minnesota Statutes, section 129C.10, subdivision 3, paragraph (f), clause (1).

3600.0010 DEFINITIONS.

Subp. 2b. **Eligible applicant.** "Eligible applicant" means a student who resides in Minnesota at the time of the arts review process and at the time of enrollment, as determined by the executive director or the executive director's designee, and meets the following criteria:

A. is living with one or more parents who maintain a domicile and resides in Minnesota at the time of the arts review process and enrollment; or

B. is living with a legal guardian who maintains a domicile and resides in Minnesota at the time of the student's arts review process and enrollment, and the student is living with the guardian primarily for the purpose of care and support and not for the primary purpose of receiving an education in Minnesota.

3600.0010 DEFINITIONS.

Subp. 3. **Executive director.** "Executive director" means the individual appointed by the board under Minnesota Statutes, section 129C.10, subdivision 4, paragraph (a), clause (1), to administer the Perpich Center for Arts Education.

3600.0010 DEFINITIONS.

Subp. 6. **School record.** "School record" means the information requested of the applicant by the center to help determine the appropriateness of the applicant's admission. The information requested must relate to the areas of review as described in part 3600.0030, subpart 6, and includes for example, a transcript of courses taken at the secondary level and their accompanying grades; secondary level attendance records; information about the high school content standards under chapter 3501 attempted or completed by the applicant; and a certified record from the applicant's previous secondary schools regarding grades and standards completed and recommendation. This recommendation must be completed by the applicant's school counselor or teacher of English, math, science, social studies, or world languages.

3600.0020 HOW THIS CHAPTER APPLIES.

APPENDIX
Repealed Minnesota Rule: H0890-4

Parts 3600.0010 to 3600.0085 prescribe the application, arts review, and evaluation processes for students wanting admission to the center. Participants in other programs under Minnesota Statutes, section 129C.10, are not included in the application, arts review, and evaluation process in parts 3600.0010 to 3600.0085.

3600.0030 APPLICATION PROCESS.

Subpart 1. **Eligible applicants.**

A. An eligible applicant for enrollment in the full-time high school program as an 11th grader must have:

(1) successfully completed the requirements of the sending school for grade 9 and be enrolled in grade 10 at the time of application and successfully completed the requirements of the sending school for grade 10 by the end of the grade 10 academic year; and

(2) completed the number of high school content standards as determined annually by the executive director or the executive director's designee. In order to make this determination, by September 1 of each academic year, the executive director or the executive director's designee must determine, for the following academic year, which standards and how many standards the eligible applicant must have completed. This determination will be based on:

(a) which content areas will not be offered by the center during the applicant's enrollment; and

(b) whether, given those standards being offered at the center, the student can complete the number of standards required so as to be able to graduate at the end of two years of enrollment.

B. An eligible applicant for enrollment in the center as a 12th grader must have:

(1) successfully completed the requirements of the sending school for grades 9 and 10 and be enrolled in grade 11 at the time of application and successfully completed the requirements of the sending school for grade 11 by the end of the grade 11 academic year;

(2) completed the number of high school content standards as determined annually by the executive director or the executive director's designee. In order to make this determination, by September 1 of each academic year, the executive director or the executive director's designee must determine, for the following academic year, which standards and how many standards the eligible applicant must have completed. This determination will be based on:

(a) which content areas will not be offered by the center during the applicant's enrollment; and

(b) whether, given those standards being offered at the center, the student can complete the number of standards required so as to be able to graduate at the end of one year of enrollment; and

(3) a "C" average in high school coursework.

3600.0030 APPLICATION PROCESS.

Subp. 2. **Application process.** An eligible applicant must apply for admission to the center by completing application forms and supplying a school record. Students whose applications or school records are not complete by the deadline established annually by the executive director or the executive director's designee shall not be considered further for enrollment. The deadline established annually is stated on the yearly application form.

3600.0030 APPLICATION PROCESS.

Subp. 4. **Number of applications.** Subject to the limitations in parts 3600.0045 to 3600.0085, an individual may apply no more than two times for admission into the center if the individual is an eligible applicant under part 3600.0030, subpart 1, at the time of the arts review process.

3600.0030 APPLICATION PROCESS.

Subp. 6. **Areas of review.** An applicant shall be evaluated for admission into the center based on a review of the applicant in three areas:

A. the arts review process in part 3600.0045;

B. the academic interview process in part 3600.0055; and

C. the final evaluation process in part 3600.0065.

APPENDIX
Repealed Minnesota Rule: H0890-4

The processes under this subpart shall occur at the location and times determined by the executive director or the executive director's designee.

3600.0045 ARTS REVIEW PROCESS.

Subpart 1. **Arts activities.** An applicant may choose to be reviewed in up to two areas of specialty designated on the application, within the following categories: dance, literary arts, media arts, music, theater, and visual arts. Within each specialty area, the executive director or the executive director's designee shall evaluate the applicant's following arts activities:

A. The demonstration of an example or examples of the applicant's previous arts activities, products, and abilities. The executive director or the executive director's designee must evaluate an applicant's artistic abilities or potential with the following criteria:

(1) skills/proficiency, including the degree the applicant possesses potential for rapid acquisition of skills needed to effectively communicate the applicant's arts specialty area or areas;

(2) creativity/imagination, including the level at which the applicant demonstrates the ability to develop inventive, personal, concise, creative expressions within the applicant's arts specialty area or areas; and

(3) attitude, including the extent the applicant demonstrates commitment, energy, and motivation for activities within the applicant's arts specialty area or areas.

B. The spontaneous individual and group activities that highlight individual creativity and group interaction. These activities must be related to the applicant's specialty area or areas. The executive director or the executive director's designee must evaluate an applicant's artistic abilities or potential with the following criteria:

(1) skills/proficiency, including the degree the applicant possesses potential for rapid acquisition of skills needed to effectively communicate the applicant's arts specialty area or areas;

(2) creativity/imagination, including the level at which the applicant's responses demonstrate inventive, personal, concise, imaginative creative expressions; and

(3) attitude, including the extent the applicant demonstrates a willingness to participate with commitment, energy, and motivation.

C. The solution to an arts assignment. Two weeks before the arts review begins, the center shall send applicants an arts assignment specific to the applicants' specialty area or areas. An applicant must bring the solution to the assignment to the arts review and present it to the executive director or the executive director's designee who must evaluate the solution with the following criteria:

(1) the extent that the solution demonstrates skill and proficiency effectiveness including the ability to effectively communicate the arts specialty area or areas;

(2) the extent that the solution represents an imaginative, creative solution including the ability to develop inventive, personal, concise expression within the arts specialty area or areas; and

(3) attitude, including the extent the applicant demonstrates a willingness to participate with commitment, energy, and motivation.

D. Participation in an interview. The executive director or the executive director's designee shall interview an applicant using a list of questions prepared by the executive director or executive director's designee to assess the applicant's attitude, including motivation and commitment to the applicant's arts specialty area or areas.

Subp. 2. **Rating of arts review.** Applicants shall be given a rating of "strongly recommended," "recommended," or "not recommended" in each arts review within each specialty area or areas under subpart 1.

3600.0055 ACADEMIC INTERVIEW PROCESS.

After the arts review, academic applicants shall be interviewed at a location designated by the executive director or the executive director's designee. The purpose of the interview is to comprehensively assess the applicant, including for example the applicant's maturity, the applicant's ability to handle the transition to the center, the applicant's attitude toward obtaining a comprehensive education in addition to an arts education, an explanation of past academic issues, including, for example, absences or low academic standing, and what the applicant will contribute to the community of students and faculty at the center.

3600.0065 FINAL EVALUATION PROCESS.

APPENDIX

Repealed Minnesota Rule: H0890-4

A. After completing the arts review process under part 3600.0045 and the academic interview process under part 3600.0055, an administrative team designated by the executive director or the executive director's designee shall review the student's school record and the results of the arts review and the academic interview to determine whether to admit the applicant into the center. An applicant shall be assessed on the applicant's arts review, the strength of the applicant's overall school records, and the academic interview or interviews. An applicant shall be admitted if a majority of the team recommends admission.

B. An applicant shall be disqualified from further consideration prior to final evaluation if:

- (1) the school record as requested by the center is not complete; and
- (2) the academic interview process is not complete.

3600.0075 SECOND ROUND APPLICATIONS.

If openings at the center remain unfilled after the final evaluations are completed, the executive director or the executive director's designee may reopen the entire application process under parts 3600.0030 to 3600.0065. Students who were not recommended in the process in the immediately preceding application round are not eligible to reapply for enrollment in the upcoming academic year.

3600.0085 BASIS FOR DISQUALIFICATION FROM ENROLLMENT.

A. An approved applicant for enrollment in grade 11 shall not be enrolled unless the following information has been provided by a date annually determined by the executive director or the executive director's designee:

- (1) a certified record from each high school attended that demonstrates the applicant has successfully completed the requirements of grades 9 and 10; and
- (2) a certified record from each high school attended that demonstrates the number and type of completed high school content standards.

B. An approved applicant for enrollment in grade 12 shall not be enrolled unless the following information has been provided by a date annually determined by the executive director or the executive director's designee:

- (1) a certified record from each high school attended that demonstrates the applicant successfully completed the requirements of grades 9, 10, and 11; and
- (2) a certified record from each high school attended that demonstrates the number and type of completed high school content standards.