SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 2684

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DATE	D-PG	OFFICIAL STATUS
03/07/2023	1381	Introduction and first reading
		Referred to Education Finance
04/04/2023	3106a	Comm report: To pass as amended and re-refer to Taxes
04/14/2023	4971a	Comm report: To pass as amended and re-refer to Finance
04/19/2023	5705a	Comm report: To pass as amended
	5708	Rule 21, referred to Rules and Administration
04/20/2023	5715	Comm report: Adopt previous comm report
	5716	Second reading
04/21/2023	5803a	Rule 45-amend, subst. General Orders HF2497

A bill for an act

relating to education finance; providing funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, literacy, teachers, special education, facilities, nutrition, libraries, early childhood, community education, and state agencies; making forecast adjustments; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 119A.52; 120A.20, subdivision 1; 120B.11, subdivisions 1, 2; 120B.12; 120B.122, subdivision 1; 121A.19; 121A.41, subdivision 7; 121A.582, subdivision 1; 122A.092, subdivision 5; 122A.183, subdivision 1; 122A.184, subdivision 1; 122A.185, subdivision 1; 122A.187, subdivision 5; 122A.31, subdivision 1; 122A.40, subdivisions 3, 5; 122A.41, subdivision 2, by adding a subdivision; 122A.415, subdivision 4; 122A.59; 122A.635; 122A.70; 122A.73, subdivisions 2, 3; 123B.147, subdivision 3; 123B.595, subdivision 3; 123B.92, subdivision 1; 124D.095, subdivisions 2, 7, 8; 124D.1158, as amended; 124D.128, subdivision 2; 124D.13, by adding a subdivision; 124D.151, subdivision 6; 124D.165, subdivisions 2, 3; 124D.20, subdivisions 3, 5; 124D.2211; 124D.231; 124D.42, subdivision 8; 124D.531, subdivisions 1, 4; 124D.55; 124D.56; 124D.59, subdivision 2; 124D.65, subdivision 5; 124D.68, subdivision 2; 124D.74, subdivision 3; 124D.81; 124D.98, by adding a subdivision; 124D.99, subdivisions 2, 3, 5; 125A.03; 125A.08; 125A.71, subdivision 1; 125A.76, subdivision 2e; 126C.05, subdivisions 1, 19; 126C.10, subdivisions 2, 2d, 2e, 4, 13, 13a, 14; 126C.12, by adding a subdivision; 126C.15, subdivision 2; 126C.17, by adding a subdivision; 126C.40, subdivisions 1, 6; 126C.43, subdivision 2; 134.355, subdivisions 1, 5, 6, 7; 256B.0625, subdivision 26; 268.085, subdivision 7; Laws 2021, First Special Session chapter 13, article 1, sections 9; 10, subdivisions 2, 3, 4, 5, 6, 7, 9; article 2, section 4, subdivisions 2, 3, 4, 12, 27; article 3, section 7, subdivision 7; article 5, section 3, subdivisions 2, 3, 4; article 7, section 2, subdivisions 2, 3; article 8, section 3, subdivisions 2, 3, 4; article 9, section 4, subdivisions 5, 6, 12; article 10, section 1, subdivisions 2, 8; article 11, section 4, subdivision 2; Laws 2023, chapter 18, section 4, subdivisions 2, 3; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 122A; 124D; 125A; 127A; 134; repealing Minnesota Statutes 2022, sections 122A.06, subdivision 4; 268.085, subdivision 8; Laws 2023, chapter 18, section 4, subdivision 5.

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

ARTICLE 1
GENERAL EDUCATION

Section 1. **[121A.212] ACCESS TO MENSTRUAL PRODUCTS.**

A school district or charter school must provide students access to menstrual products at no charge. The products must be available to all menstruating students in restrooms regularly used by students in grades 4 to 12 according to a plan developed by the school district. For purposes of this section, "menstrual products" means pads, tampons, or other similar products used in connection with the menstrual cycle.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 2. Minnesota Statutes 2022, section 124D.095, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Digital learning" ~~is~~ means learning facilitated by technology that offers students an element of control over the time, place, path, or pace of their learning and includes blended and online learning.

(b) "Blended learning" ~~is~~ means a form of digital learning that occurs when a student learns part time in a supervised physical setting and part time through digital delivery of instruction, or a student learns in a supervised physical setting where technology is used as a primary method to deliver instruction.

(c) "Online learning" ~~is~~ means a form of digital learning delivered by an approved online learning provider under paragraph (d).

(d) "Online learning provider" ~~is~~ means a school district, an intermediate school district, an organization of two or more school districts operating under a joint powers agreement, or a charter school located in Minnesota that provides online learning to students and is approved by the department to provide online learning courses.

(e) "Student" ~~is~~ means a Minnesota resident enrolled in a school under section 120A.22, subdivision 4, or in a Tribal contract or grant school authorized to receive aid under section 124D.83 in kindergarten through grade 12.

(f) "Online learning student" ~~is~~ means a student enrolled in an online learning course or program delivered by an online learning provider under paragraph (d).

(g) "Enrolling district" means the school district or charter school in which a student is enrolled under section 120A.22, subdivision 4, for purposes of compulsory attendance.

(h) "Supplemental online learning" means an online learning course taken in place of a course period at a local district school.

(i) "Full-time online learning provider" means an enrolling school authorized by the department to deliver comprehensive public education at any or all of the elementary, middle, or high school levels.

(j) "Online learning course syllabus" ~~is~~ means a written document that an online learning provider transmits to the enrolling district using a format prescribed by the commissioner to identify the state academic standards embedded in an online course, the course content outline, required course assessments, expectations for actual teacher contact time and other student-to-teacher communications, and the academic support available to the online learning student.

Sec. 3. Minnesota Statutes 2022, section 124D.095, subdivision 8, is amended to read:

Subd. 8. **Financial arrangements.** (a) For a student enrolled in an online learning course, the department must calculate average daily membership and make payments according to this subdivision.

(b) The initial online learning average daily membership equals 1/12 for each semester course or a proportionate amount for courses of different lengths. The adjusted online learning average daily membership equals the initial online learning average daily membership times .88.

(c) No online learning average daily membership shall be generated if: (1) the student does not complete the online learning course, or (2) the student is enrolled in online learning provided by the enrolling district.

(d) Online learning average daily membership under this subdivision for a student currently enrolled in a Minnesota public school or in a Tribal contract or grant school authorized to receive aid under section 124D.83 shall be used only for computing average daily membership according to section 126C.05, subdivision 19, paragraph (a), clause (2), and for computing online learning aid according to section 124D.096.

Sec. 4. Minnesota Statutes 2022, section 124D.59, subdivision 2, is amended to read:

Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through grade 12; an early childhood special education student under Part B, section 619 of the

Individuals with Disabilities Education Act, United States Code, title 20, section 1419; or a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151 or a school readiness plus program who meets the requirements under subdivision 2a or the following requirements:

(1) the pupil, as declared by a parent or guardian first learned a language other than English, comes from a home where the language usually spoken is other than English, or usually speaks a language other than English; and

(2) the pupil is determined by a valid assessment measuring the pupil's English language proficiency and by developmentally appropriate measures, which might include observations, teacher judgment, parent recommendations, or developmentally appropriate assessment instruments, to lack the necessary English skills to participate fully in academic classes taught in English.

(b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the previous school year took a commissioner-provided assessment measuring the pupil's emerging academic English, shall be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall generate state English learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff score or is otherwise counted as a nonproficient participant on the assessment measuring the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic language proficiency in English, including oral academic language, sufficient to successfully and fully participate in the general core curriculum in the regular classroom.

(c) Notwithstanding paragraphs (a) and (b), a pupil in early childhood special education or prekindergarten under section 124D.151, through grade 12 shall not be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall not generate state English learner aid under section 124D.65, subdivision 5, if:

(1) the pupil is not enrolled during the current fiscal year in an educational program for English learners under sections 124D.58 to 124D.64; or

(2) the pupil has generated seven or more years of average daily membership in Minnesota public schools since July 1, 1996.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 5. Minnesota Statutes 2022, section 124D.65, subdivision 5, is amended to read:

Subd. 5. **School district EL revenue.** (a) A district's English learner programs revenue equals the sum of:

(1) the product of ~~(1) $704 times (2)~~ (i) $1,000 and (ii) the greater of 20 or the adjusted average daily membership of eligible English learners enrolled in the district during the current fiscal year;

(2) $250 times the English learner pupil units under section 126C.05, subdivision 17; and

(3) the district's English learner cross subsidy aid. A district's English learner cross subsidy aid under paragraph (b) equals:

(i) 25 percent of the district's English learner cross subsidy for fiscal year 2024;

(ii) 50 percent of the district's English learner cross subsidy for fiscal year 2025; and

(iii) 75 percent of the district's English learner cross subsidy for fiscal year 2026 and later.

(b) A district's English learner cross subsidy aid equals the greater of zero or the difference between the district's expenditures for qualifying English learner services for the second previous year and the district's English learner revenue for the second previous year.

~~(b)~~ (c) A pupil ceases to generate state English learner aid in the school year following the school year in which the pupil attains the state cutoff score on a commissioner-provided assessment that measures the pupil's emerging academic English.

Sec. 6. Minnesota Statutes 2022, section 126C.05, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

~~(i)~~ (h) ~~For fiscal years 2018 through 2023,~~ A prekindergarten pupil who:

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

(2) is enrolled in a school readiness plus program under Laws 2017, First Special Session chapter 5, article 8, section 9; and

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

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

EFFECTIVE DATE. This section is effective for fiscal year 2024 and later.

Sec. 7. Minnesota Statutes 2022, section 126C.05, subdivision 19, is amended to read:

Subd. 19. **Online learning students.** (a) The average daily membership for a public school pupil or a pupil enrolled in a school authorized to receive Tribal contract or grant aid under section 124D.83 generating online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b), equals the sum of: (1) the ratio of the sum of the number of instructional hours the pupil is enrolled in a regular classroom setting at the enrolling school to the actual number of instructional hours in the school year at the enrolling school, plus (2) .12 times the initial online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b).

(b) When the sum of the average daily membership under paragraph (a) and the adjusted online learning average daily membership under section 124D.095, subdivision 8, paragraph (b), exceeds the maximum allowed for the student under subdivision 8 or 15, as applicable, the average daily membership under paragraph (a) shall be reduced by the excess over the maximum, but shall not be reduced below .12. The adjusted online learning average daily membership according to section 124D.095, subdivision 8, paragraph (b), shall be reduced by any remaining excess over the maximum.

Sec. 8. Minnesota Statutes 2022, section 126C.10, subdivision 2, is amended to read:

Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year 2021 is $6,567. The formula allowance for fiscal year 2022 is $6,728.~~ The formula allowance for fiscal year 2023 ~~and later~~ is $6,863. The formula allowance for fiscal year 2024 is $7,138. The formula allowance for fiscal year 2025 and later is $7,495.

Sec. 9. Minnesota Statutes 2022, section 126C.10, subdivision 2e, is amended to read:

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

(b) ~~For fiscal year 2021 and later,~~ A district's local optional levy equals the sum of the first tier local optional levy and the second tier local optional levy.

(c) A district's first tier local optional levy equals the district's first tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $880,000.

(d) ~~For fiscal year 2022, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $510,000.~~ For fiscal year 2023, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $548,842. For fiscal year 2024 ~~and later~~, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $510,000. For fiscal year 2025, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $587,244. For fiscal year 2026, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $578,149. For fiscal year 2027 and later, a district's second tier local optional levy equals the district's second tier local optional revenue times the lesser of one or the ratio of the district's referendum market value per resident pupil unit to $597,109.

(e) The local optional levy must be spread on referendum market value. A district may levy less than the permitted amount.

(f) A district's local optional aid equals its local optional revenue minus its local optional levy. If a district's actual levy for first or second tier local optional revenue is less than its maximum levy limit for that tier, its aid must be proportionately reduced.

Sec. 10. Minnesota Statutes 2022, section 126C.10, subdivision 4, is amended to read:

Subd. 4. **Basic skills revenue.** A school district's basic skills revenue equals the sum of:

(1) compensatory revenue under subdivision 3; ~~plus~~ and

(2) English learner revenue under section 124D.65, subdivision 5~~; plus~~

~~(3) $250 times the English learner pupil units under section 126C.05, subdivision 17~~.

Sec. 11. Minnesota Statutes 2022, section 126C.10, subdivision 13, is amended to read:

Subd. 13. **Total operating capital revenue.** (a) Total operating capital revenue for a district equals the ~~amount determined under paragraph (b) or (c), plus~~ sum of:

(1) $79 times the adjusted pupil units for the school year~~.~~;

(2) the product of $109, the district's maintenance cost index, and its adjusted pupil units for the school year plus the amount computed under paragraph (c); and

(3) $2 times the adjusted pupil units of the school district for the school year for the purposes of supplying menstrual products under subdivision 14, clause (26).

(b) The revenue under this subdivision must be placed in a reserved account in the general fund and may only be used according to subdivision 14.

~~(b) Capital revenue for a district equals $109 times the district's maintenance cost index times its adjusted pupil units for the school year.~~

(c) The revenue under paragraph (a), clause (2), for a district that operates a program under section 124D.128, is increased by an amount equal to $31 times the number of adjusted pupil units served at the site where the program is implemented.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 12. Minnesota Statutes 2022, section 126C.10, subdivision 13a, is amended to read:

Subd. 13a. **Operating capital levy.** (a) To obtain operating capital revenue, a district may levy an amount not more than the product of its operating capital revenue computed under subdivision 13, paragraph (a), clauses (1) and (2), for the fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to the operating capital equalizing factor.

(b) The operating capital equalizing factor equals ~~$23,902 for fiscal year 2020, $23,885 for fiscal year 2021, and~~ $22,912 for fiscal ~~year 2022 and later~~ years 2023 and 2024, $23,683 for fiscal year 2025, $23,490 for fiscal year 2026, and $23,499 for fiscal year 2027 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 13. Minnesota Statutes 2022, section 126C.10, subdivision 14, is amended to read:

Subd. 14. **Uses of total operating capital revenue.** Total operating capital revenue may be used only for the following purposes:

(1) to acquire land for school purposes;

(2) to acquire or construct buildings for school purposes;

(3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;

(4) to improve and repair school sites and buildings, and equip or reequip school buildings with permanent attached fixtures, including library media centers;

(5) for a surplus school building that is used substantially for a public nonschool purpose;

(6) to eliminate barriers or increase access to school buildings by individuals with a disability;

(7) to bring school buildings into compliance with the State Fire Code adopted according to chapter 299F;

(8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;

(9) to clean up and dispose of polychlorinated biphenyls found in school buildings;

(10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01;

(11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;

(12) to improve buildings that are leased according to section 123B.51, subdivision 4;

(13) to pay special assessments levied against school property but not to pay assessments for service charges;

(14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the Douglas J. Johnson Economic Protection Trust Fund Act according to sections 298.292 to ~~298.298~~ 298.297;

(15) to purchase or lease interactive telecommunications equipment;

(16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the amounts needed to meet, when due, principal and interest payments on certain obligations issued according to chapter 475; or (ii) pay principal and interest on debt service loans or capital loans according to section 126C.70;

(17) to pay operating capital-related assessments of any entity formed under a cooperative agreement between two or more districts;

(18) to purchase or lease computers and related hardware, software, and annual licensing fees, copying machines, telecommunications equipment, and other noninstructional equipment;

(19) to purchase or lease assistive technology or equipment for instructional programs;

(20) to purchase textbooks as defined in section 123B.41, subdivision 2;

(21) to purchase new and replacement library media resources or technology;

(22) to lease or purchase vehicles;

(23) to purchase or lease telecommunications equipment, computers, and related equipment for integrated information management systems for:

(i) managing and reporting learner outcome information for all students under a results-oriented graduation rule;

(ii) managing student assessment, services, and achievement information required for students with individualized education programs; and

(iii) other classroom information management needs;

(24) to pay personnel costs directly related to the acquisition, operation, and maintenance of telecommunications systems, computers, related equipment, and network and applications software; ~~and~~

(25) to pay the costs directly associated with closing a school facility, including moving and storage costs; and

(26) to pay the costs of supplies and equipment necessary to provide access to menstrual products at no charge to students in restrooms and as otherwise needed in school facilities.

Sec. 14. Minnesota Statutes 2022, section 126C.12, is amended by adding a subdivision to read:

Subd. 7. **Reporting.** A school district must annually report the district's class size ratios by each grade to the commissioner of education in the form and manner specified by the commissioner. The department must annually submit a report beginning December 1, 2024, to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education detailing the statewide ratios by grade starting with the 2023-2024 school year.

Sec. 15. Minnesota Statutes 2022, section 126C.15, subdivision 2, is amended to read:

Subd. 2. **Building allocation.** (a) A district or cooperative must allocate at least 80 percent of its compensatory revenue to each school building in the district or cooperative where the children who have generated the revenue are served unless the school district or cooperative has received permission under Laws 2005, First Special Session chapter 5, article 1, section 50, to allocate compensatory revenue according to student performance measures developed by the school board.

(b) ~~Notwithstanding paragraph (a),~~ A district or cooperative may allocate ~~up to 50~~ no more than 20 percent of the amount of compensatory revenue that the district receives to school sites according to a plan adopted by the school board. The money reallocated under this paragraph must be spent for the purposes listed in subdivision 1, but may be spent on students in any grade, including students attending school readiness or other prekindergarten programs.

(c) For the purposes of this section and section 126C.05, subdivision 3, "building" means education site as defined in section 123B.04, subdivision 1.

(d) Notwithstanding section 123A.26, subdivision 1, compensatory revenue generated by students served at a cooperative unit shall be paid to the cooperative unit.

(e) A district or cooperative with school building openings, school building closings, changes in attendance area boundaries, or other changes in programs or student demographics between the prior year and the current year may reallocate compensatory revenue among sites to reflect these changes. A district or cooperative must report to the department any adjustments it makes according to this paragraph and the department must use the adjusted compensatory revenue allocations in preparing the report required under section 123B.76, subdivision 3, paragraph (c).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 16. Minnesota Statutes 2022, section 126C.17, is amended by adding a subdivision to read:

Subd. 9b. **Renewal by school board.** (a) Notwithstanding the election requirements of subdivision 9, a school board may renew an expiring referendum by board action if:

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

(2) the term of the renewed referendum is no longer than the initial term approved by the voters;

(3) the school board, having taken a recorded vote, has adopted a written resolution authorizing the renewal after holding a meeting and allowing public testimony on the proposed renewal; and

(4) the expiring referendum has not been previously renewed under this subdivision.

(b) The resolution must be adopted by the school board by June 15 of any calendar year and becomes effective 60 days after its adoption.

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

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

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

Sec. 17. Minnesota Statutes 2022, section 126C.43, subdivision 2, is amended to read:

Subd. 2. **Payment to unemployment insurance program trust fund by state and political subdivisions.** (a) A district may levy the amount necessary (1) to pay the district's obligations under section 268.052, subdivision 1, and (2) to pay for job placement services offered to employees who may become eligible for benefits pursuant to section 268.085 for the fiscal year the levy is certified. A district must not include in its levy authority under this section the costs associated with school employees under section 268.085, subdivision 7, paragraph (b).

(b) Districts with a balance remaining in their reserve for reemployment as of June 30, 2003, may not expend the reserved funds for future reemployment expenditures. Each year a levy reduction must be made to return these funds to taxpayers. The amount of the levy reduction must be equal to the lesser of: (1) the remaining reserved balance for reemployment, or (2) the amount of the district's current levy under paragraph (a).

Sec. 18. Minnesota Statutes 2022, section 268.085, subdivision 7, is amended to read:

Subd. 7. **School employees; between terms denial.** (a) Wage credits from employment with an educational institution or institutions may not be used for unemployment benefit

purposes for any week during the period between two successive academic years or terms if:

(1) the applicant had employment for an educational institution or institutions in the prior academic year or term; and

(2) there is a reasonable assurance that the applicant will have employment for an educational institution or institutions in the following academic year or term.

~~This paragraph applies to a vacation period or holiday recess if the applicant was employed immediately before the vacation period or holiday recess, and there is a reasonable assurance that the applicant will be employed immediately following the vacation period or holiday recess.~~ This paragraph ~~also~~ applies to the period between two regular but not successive terms if there is an agreement for that schedule between the applicant and the educational institution.

This paragraph does not apply if the subsequent employment is substantially less favorable than the employment of the prior academic year or term, or the employment prior to the vacation period or holiday recess.

(b) Paragraph (a) does not apply to ~~an applicant who, at the end of the prior academic year or term, had an agreement for a definite period of employment between academic years or terms in other than an instructional, research, or principal administrative capacity and the educational institution or institutions failed to provide that employment.~~ any week during the period between two successive academic years or terms if an applicant worked at a public school district, charter school, the Minnesota State Academies for the Deaf and Blind, or Perpich Center for Arts Education in a capacity other than instructional, research, or principal administrative capacity.

(c) ~~If unemployment benefits are denied to any applicant under paragraph (a) who was employed in the prior academic year or term in other than an instructional, research, or principal administrative capacity and who was not offered an opportunity to perform the employment in the following academic year or term, the applicant is entitled to retroactive unemployment benefits for each week during the period between academic years or terms that the applicant filed a timely continued request for unemployment benefits, but unemployment benefits were denied solely because of paragraph (a).~~ Paragraph (a) applies to a vacation period or holiday recess if the applicant was employed immediately before the vacation period or holiday recess, and there is a reasonable assurance that the applicant will be employed immediately following the vacation period or holiday recess, including

applicants who worked in a capacity other than instructional, research, or principal administrative capacity.

(d) This subdivision applies to employment with an educational service agency if the applicant performed the services at an educational institution or institutions. "Educational service agency" means a governmental entity established and operated for the purpose of providing services to one or more educational institutions.

(e) This subdivision applies to employment with Minnesota, a political subdivision, or a nonprofit organization, if the services are provided to or on behalf of an educational institution or institutions.

(f) Paragraph (a) applies beginning the Sunday of the week that there is a reasonable assurance of employment.

(g) Employment and a reasonable assurance with multiple education institutions must be aggregated for purposes of application of this subdivision.

(h) If all of the applicant's employment with any educational institution or institutions during the prior academic year or term consisted of on-call employment, and the applicant has a reasonable assurance of any on-call employment with any educational institution or institutions for the following academic year or term, it is not considered substantially less favorable employment.

(i) A "reasonable assurance" may be written, oral, implied, or established by custom or practice.

(j) An "educational institution" is a school, college, university, or other educational entity operated by Minnesota, a political subdivision or instrumentality thereof, or a nonprofit organization.

(k) An "instructional, research, or principal administrative capacity" does not include an educational assistant.

EFFECTIVE DATE. This section is effective May 28, 2023.

Sec. 19. Laws 2021, First Special Session chapter 13, article 1, section 9, is amended to read:

Sec. 9. **ENGLISH LEARNER CROSS SUBSIDY REDUCTION AID.**

(a) Notwithstanding Minnesota Statutes, section 124D.65, English learner aid is increased by $2,000,000 per year for fiscal years 2022~~,~~ and 2023~~, 2024, and 2025~~. The commissioner

must allocate the aid to each school district and charter school based on the school district's or charter school's proportionate share of English learner and concentration revenue under Minnesota Statutes, section 126C.10, subdivision 4, clauses (2) and (3), for the preceding fiscal year.

(b) Revenue under this section must be used and reserved as basic skills revenue according to Minnesota Statutes, section 126C.15.

Sec. 20. Laws 2021, First Special Session chapter 13, article 1, section 9, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective for revenue in fiscal year 2022 and expires at the end of fiscal year ~~2025~~ 2023.

Sec. 21. **REPORT.**

By January 15 of each year, the Department of Education, in consultation with the Department of Employment and Economic Development, must report to the legislative committees with jurisdiction over education about the annual reimbursable costs and the number of hourly school workers receiving unemployment insurance benefits during the summer term. To the extent possible, the report must categorize eligible employees by major job class. The report must be filed according to Minnesota Statutes, section 3.195.

Sec. 22. **APPROPRIATIONS.**

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

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

$ 8,100,088,000 2024
$ 8,478,142,000 2025

(b) The 2024 appropriation includes $707,254,000 for 2023 and $7,392,835,000 for 2024.

(c) The 2025 appropriation includes $772,256,000 for 2024 and $7,705,886,000 for 2025.

Subd. 3. **Abatement aid.** (a) For abatement aid under Minnesota Statutes, section 127A.49:

$ 2,339,000 2024
$ 2,665,000 2025

(b) The 2024 appropriation includes $126,000 for 2023 and $2,213,000 for 2024.

(c) The 2025 appropriation includes $245,000 for 2024 and $2,420,000 for 2025.

Subd. 4. **Career and technical aid.** (a) For career and technical aid under Minnesota Statutes, section 124D.4531, subdivision 1b:

$ 1,512,000 2024
$ 761,000 2025

(b) The 2024 appropriation includes $183,000 for 2023 and $1,329,000 for 2024.

(c) The 2025 appropriation includes $147,000 for 2024 and $614,000 for 2025.

Subd. 5. **Consolidation transition aid.** (a) For districts consolidating under Minnesota Statutes, section 123A.485:

$ 187,000 2024
$ 290,000 2025

(b) The 2024 appropriation includes $7,000 for 2023 and $180,000 for 2024.

(c) The 2025 appropriation includes $20,000 for 2024 and $270,000 for 2025.

Subd. 6. **Enrollment options transportation.** For transportation of pupils attending postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

$ 18,000 2024
$ 19,000 2025

Subd. 7. **Nonpublic pupil education aid.** (a) For nonpublic pupil education aid under Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:

$ 22,354,000 2024
$ 24,121,000 2025

(b) The 2024 appropriation includes $1,925,000 for 2023 and $20,429,000 for 2024.

(c) The 2025 appropriation includes $2,269,000 for 2024 and $21,852,000 for 2025.

Subd. 8. **Nonpublic pupil transportation.** (a) For nonpublic pupil transportation aid under Minnesota Statutes, section 123B.92, subdivision 9:

$ 22,248,000 2024
$ 24,709,000 2025

(b) The 2024 appropriation includes $2,115,000 for 2023 and $20,133,000 for 2024.

(c) The 2025 appropriation includes $2,236,000 for 2024 and $22,473,000 for 2025.

Subd. 9. **One-room schoolhouse.** For a grant to Independent School District No. 690, Warroad, to operate the Angle Inlet School:

$	65,000	.....	2024
$	65,000	.....	2025

Subd. 10. **Pregnant and parenting pupil transportation reimbursement.** (a) To reimburse districts for transporting pregnant or parenting pupils under Minnesota Statutes, section 123B.92, subdivision 1, paragraph (b), clause (1), item (vi):

$	55,000	.....	2024
$	55,000	.....	2025

(b) To receive reimbursement, districts must apply using the form and manner of application prescribed by the commissioner. If the appropriation is insufficient, the commissioner must prorate the amount paid to districts seeking reimbursement.

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

Sec. 23. **REPEALER.**

(a) Laws 2023, chapter 18, section 4, subdivision 5, is repealed.

(b) Minnesota Statutes 2022, section 268.085, subdivision 8, is repealed.

EFFECTIVE DATE. Paragraph (b) is effective May 28, 2023.

ARTICLE 2
EDUCATION EXCELLENCE

Section 1. **[121A.201] MTSS AND COLLABORATIVE MINNESOTA PARTNERSHIPS TO ADVANCE STUDENT SUCCESS (COMPASS).**

Beginning July 1, 2023, all Minnesota school districts and charter schools must be offered training and support in implementing MTSS through the Department of Education COMPASS team and the Department of Education's regional partners, the Minnesota Service Cooperatives. COMPASS is the state school improvement model providing a statewide system through which all districts and schools may receive support in the areas of literacy, math, social-emotional learning, and mental health within the MTSS framework. The MTSS framework is the state's systemic, continuous school improvement framework for ensuring

positive social, emotional, behavioral, developmental, and academic outcomes for every student. MTSS provides access to layered tiers of culturally and linguistically responsive, evidence-based practices. The MTSS framework relies on the understanding and belief that every student can learn and thrive, and it engages an anti-bias and socially just approach to examining policies and practices and ensuring equitable distribution of resources and opportunity. The MTSS systemic framework requires:

(1) a district-wide infrastructure consisting of effective leaders, collective efficacy among staff, positive school climate, linked teams, and professional learning that supports continuous improvement;

(2) authentic engagement with families and communities to develop reciprocal relationships and build new opportunities for students together;

(3) multilayered tiers of culturally and linguistically responsive instruction and support that allows every student the support they need to reach meaningful and rigorous learning standards. Tiers of support include core (Tier 1), supplemental (Tier 2), and intensive (Tier 3) instruction levels;

(4) valid and reliable assessment tools and processes to assess student and system performance and inform necessary changes; and

(5) a data-based decision-making approach in which problems are precisely defined and analyzed, solutions address root causes, and implementation is monitored to ensure success. The data-based problem-solving component of the MTSS framework consists of three major subcomponents: accessible and integrated data, decision-making process, and system performance.

Sec. 2. Minnesota Statutes 2022, section 124D.095, subdivision 7, is amended to read:

Subd. 7. **Department of Education.** (a) The department must review and approve or disapprove online learning providers within 90 calendar days of receiving an online learning provider's completed application. The commissioner, using research-based standards of quality for online learning programs, must review all approved online learning providers on a cyclical three-year basis. Approved online learning providers annually must submit program data to, confirm statements of assurances for, and provide program updates including a current course list to the commissioner.

(b) The online learning courses and programs must be rigorous, aligned with state academic standards, and contribute to grade progression in a single subject. The online learning provider, other than a digital learning provider offering digital learning to its enrolled

students only under subdivision 4, paragraph (d), must give the commissioner written assurance that: (1) all courses meet state academic standards; and (2) the online learning curriculum, instruction, and assessment, expectations for actual teacher-contact time or other student-to-teacher communication, and academic support meet nationally recognized professional standards and are described as such in an online learning course syllabus that meets the commissioner's requirements. Once an online learning provider is approved under this paragraph, all of its online learning course offerings are eligible for payment under this section unless a course is successfully challenged by an enrolling district or the department under paragraph (c).

(c) An enrolling district may challenge the validity of a course offered by an online learning provider. The department must review such challenges based on the approval procedures under paragraph (b). The department may initiate its own review of the validity of an online learning course offered by an online learning provider.

(d) The department may collect a fee not to exceed $250 for approving online learning providers or $50 per course for reviewing a challenge by an enrolling district.

(e) The department must develop, publish, and maintain a list of online learning providers that it has reviewed and approved.

(f) The department may review a complaint about an online learning provider, or a complaint about a provider based on the provider's response to notice of a violation. If the department determines that an online learning provider violated a law or rule, the department may:

(1) create a compliance plan for the provider; or

(2) withhold funds from the provider under sections 124D.095, 124E.25, and 127A.42. The department must notify an online learning provider in writing about withholding funds and provide detailed calculations.

<u>(g) An online learning program fee administration account is created in the special revenue fund. Funds retained under paragraph (d) shall be deposited in the account. Money in the account is appropriated to the commissioner for costs associated with administering and monitoring online and digital learning programs.</u>

Sec. 3. Minnesota Statutes 2022, section 124D.231, is amended to read:

124D.231 FULL-SERVICE COMMUNITY SCHOOLS.

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

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

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

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

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

(e) "Full-service community school initiative director" means a director responsible for coordinating districtwide administrative and leadership assistance to community school sites and site coordinators, including serving as chairperson for the district's community-wide full-service community school leadership team; site coordinator support; data gathering and evaluation; administration of partnership and data agreements, contracts, and procurement; and grant administration.

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

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

~~(f)~~ (h) "Site coordinator" ~~is an individual~~ means a full-time staff member serving one eligible school who is responsible for ~~aligning~~ the identification, implementation, and

coordination of programming ~~with~~ to address the needs of the school community identified in the baseline analysis.

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

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

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

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

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

(2) $200,000 annually for each eligible school for up to three years of implementation of a full-service community school plan, pursuant to paragraphs (f) and (g). School sites receiving funding under this section shall hire or contract with a partner agency to hire a site coordinator to coordinate services at each covered school site. Districts or charter schools receiving funding under this section for three or more schools shall provide or contract with a partner agency to provide a full-service community school initiative director.

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

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

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

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

(2) the full-service community school leadership team must be responsible for overseeing the baseline analyses under paragraph ~~(f)~~ (e) and the creation of a full-service community school plan under paragraphs (f) and (g). A full-service community school leadership team must meet at least quarterly and have ongoing responsibility for monitoring the development and implementation of full-service community school operations and programming at the school site and shall issue recommendations to schools on a regular basis and summarized in an annual report. These reports shall also be made available to the public at the school site and on school and district websites.

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

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

(i) identification of challenges facing the school;

(ii) analysis of the student body, including:

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

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

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

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

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

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

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

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

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

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

~~(A) mechanisms for meeting students' social, emotional, and physical health needs, which may include coordination of existing services as well as the development of new services based on student needs; and~~

~~(B) strategies to create a safe and secure school environment and improve school climate and discipline, such as implementing a system of positive behavioral supports, and taking additional steps to eliminate bullying;~~

(A) integrated student supports that address out-of-school barriers to learning through partnerships with social and health service agencies and providers, and may include medical, dental, vision care, and mental health services or counselors to assist with housing, transportation, nutrition, immigration, or criminal justice issues;

(B) expanded and enriched learning time and opportunities, including before-school, after-school, weekend, and summer programs that provide additional academic instruction, individualized academic support, enrichment activities, and learning opportunities that emphasize real-world learning and community problem solving and may include art, music, drama, creative writing, hands-on experience with engineering or science, tutoring and homework help, or recreational programs that enhance and are consistent with the school's curriculum;

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

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

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

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

(i) the need for high-quality, full-day child care and early childhood education programs;

(ii) the need for physical and mental health care services for children and adults; and

(iii) the need for job training and other adult education programming.

~~(g)~~ (f) Each school site receiving funding under this section must ~~establish~~ develop a full-service community school plan that utilizes and aligns district and community assets and establishes services in at least two of the following types of programming:

(1) early childhood:

(i) early childhood education; and

(ii) child care services;

(2) academic:

(i) academic support and enrichment activities, including expanded learning time;

(ii) summer or after-school enrichment and learning experiences;

(iii) job training, internship opportunities, and career counseling services;

(iv) programs that provide assistance to students who have been chronically absent, truant, suspended, or expelled; and

(v) specialized instructional support services;

(3) parental involvement:

(i) programs that promote parental involvement and family literacy;

(ii) parent leadership development activities that empower and strengthen families and communities, provide volunteer opportunities, or promote inclusion in school-based leadership teams; and

(iii) parenting education activities;

(4) mental and physical health:

(i) mentoring and other youth development programs, including peer mentoring and conflict mediation;

(ii) juvenile crime prevention and rehabilitation programs;

(iii) home visitation services by teachers and other professionals;

(iv) developmentally appropriate physical education;

(v) nutrition services;

(vi) primary health and dental care; and

(vii) mental health counseling services;

(5) community involvement:

(i) service and service-learning opportunities;

(ii) adult education, including instruction in English as a second language; and

(iii) homeless prevention services;

(6) positive discipline practices; and

(7) other programming designed to meet school and community needs identified in the baseline analysis and reflected in the full-service community school plan.

~~(h)~~ (g) The full-service community school leadership team at each school site must develop a full-service community school plan detailing the steps the school leadership team will take, including:

(1) timely establishment and consistent operation of the school leadership team;

(2) maintenance of attendance records in all programming components;

(3) maintenance of measurable data showing annual participation and the impact of programming on the participating children and adults;

(4) documentation of meaningful and sustained collaboration between the school and community stakeholders, including local governmental units, civic engagement organizations, businesses, and social service providers;

(5) establishment and maintenance of partnerships with institutions, such as universities, hospitals, museums, or not-for-profit community organizations to further the development and implementation of community school programming;

(6) ensuring compliance with the district nondiscrimination policy; and

(7) plan for school leadership team development.

Subd. 3. **Full-service community school review.** (a) ~~Every three years,~~ A full-service community school site must submit to the commissioner, and make available at the school site and online, a report describing efforts to integrate community school programming at each covered school site and the effect of the transition to a full-service community school on participating children and adults. This report shall include, but is not limited to, the following:

(1) an assessment of the effectiveness of the school site in development or implementing the community school plan;

(2) problems encountered in the design and execution of the community school plan, including identification of any federal, state, or local statute or regulation impeding program implementation;

(3) the operation of the school leadership team and its contribution to successful execution of the community school plan;

(4) recommendations for improving delivery of community school programming to students and families;

(5) the number and percentage of students receiving community school programming who had not previously been served;

(6) the number and percentage of nonstudent community members receiving community school programming who had not previously been served;

(7) improvement in retention among students who receive community school programming;

(8) improvement in academic achievement among students who receive community school programming;

(9) changes in student's readiness to enter school, active involvement in learning and in their community, physical, social and emotional health, and student's relationship with the school and community environment;

(10) an accounting of anticipated local budget savings, if any, resulting from the implementation of the program;

(11) improvements to the frequency or depth of families' involvement with their children's education;

(12) assessment of community stakeholder satisfaction;

(13) assessment of institutional partner satisfaction;

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

(15) increases in access to services for students and their families; and.

(16) the degree of increased collaboration among participating agencies and private partners.

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

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

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

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

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

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

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

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

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

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

Sec. 4. **[124D.475] CREDIT FOR EMPLOYMENT WITH HEALTH CARE PROVIDERS.**

Consistent with the career and technical pathways program, a student in grade 11 or 12 who is employed by an institutional long-term care or licensed assisted living facility, a home and community-based services and supports provider, a hospital or health system clinic, or a child care center may earn up to two elective credits each year toward graduation under section 120B.024, subdivision 1, paragraph (a), clause (7), at the discretion of the enrolling school district or charter school. A student may earn one elective credit for every 350 hours worked, including hours worked during the summer. A student who is employed by an eligible employer must submit an application, in the form or manner required by the school district or charter school, for elective credit to the school district or charter school in order to receive elective credit. The school district or charter school must verify the hours worked with the employer before awarding elective credit.

EFFECTIVE DATE. This section is effective for the 2023-2024 school year and later.

Sec. 5. Minnesota Statutes 2022, section 124D.74, subdivision 3, is amended to read:

Subd. 3. **Enrollment of other children; shared time enrollment.** To the extent ~~it is economically feasible~~ that the unique educational and culturally related academic needs of American Indian people are met and American Indian student accountability factors are the same or higher than their non-American Indian peers, a district or participating school may make provision for the voluntary enrollment of non-American Indian children in the instructional components of an American Indian education program in order that they may acquire an understanding of the cultural heritage of the American Indian children for whom that particular program is designed. However, in determining eligibility to participate in a program, priority must be given to American Indian children. American Indian children ~~and other children~~ enrolled in an existing nonpublic school system may be enrolled on a shared time basis in American Indian education programs.

Sec. 6. Minnesota Statutes 2022, section 124D.81, is amended to read:

124D.81 AMERICAN INDIAN EDUCATION AID.

Subdivision 1. **Procedures.** A school district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or American Indian-controlled Tribal contract or grant school enrolling at least 20 American Indian students on October 1 of the previous school year ~~and operating an American Indian education program according to section 124D.74~~ is eligible for American Indian education aid if it meets the requirements of this section. Programs may provide for contracts for the provision of program components by nonsectarian nonpublic, community, Tribal, charter, or alternative schools. The commissioner shall prescribe the form and manner of application for aids, and no aid shall be made for a program not complying with the requirements of sections 124D.71 to 124D.82.

Subd. 2. **Plans.** To ~~qualify for~~ receive aid, an eligible district, charter school, cooperative unit as defined in section 123A.24, subdivision 2, or Tribal contract school must develop and submit a plan for approval by the Indian education director that shall:

(a) Identify the measures to be used to meet the requirements of sections 124D.71 to 124D.82;

(b) Identify the activities, methods and programs to meet the identified educational needs of the children to be enrolled in the program;

(c) Describe how district goals and objectives as well as the objectives of sections 124D.71 to 124D.82 are to be achieved;

(d) Demonstrate that required and elective courses as structured do not have a discriminatory effect within the meaning of section 124D.74, subdivision 5;

(e) Describe how each school program will be organized, staffed, coordinated, and monitored; and

(f) Project expenditures for programs under sections 124D.71 to 124D.82.

Subd. 2a. **American Indian education aid.** (a) The American Indian education aid for an eligible district, cooperative unit, or Tribal contract school equals the greater of (1) the sum of ~~$20,000~~ $40,000 plus the product of ~~$358~~ $500 times the difference between the number of American Indian students enrolled on October 1 of the previous school year and 20; or (2) if the district or school received a grant under this section for fiscal year 2015, the amount of the grant for fiscal year 2015.

(b) Notwithstanding paragraph (a), the American Indian education aid must not exceed the district, cooperative unit, or Tribal contract school's actual expenditure according to the approved plan under subdivision 2, except as provided in subdivision 2b.

Subd. 2b. **Carry forward of funds.** Notwithstanding section 16A.28, if a school district or Tribal contract school does not expend the full amount of its aid described in its plan and received under this section in the designated fiscal year, the school district or Tribal contract school may carry forward the remaining funds to the following fiscal year and is not subject to an aid reduction only if:

(1) the district is otherwise adhering to the plan developed under subdivision 2;

(2) the American Indian education parent advisory committee for that school has approved the carry forward; and

(3) the school district reports the reason for the carry forward and describes the district's intended actions to ensure the funds are expended in the following fiscal year. The district must report this information to the Department of Education in the form and manner and according to the timelines specified by the commissioner.

Subd. 3. **Additional requirements.** Each district or cooperative unit receiving aid under this section must each year conduct a count of American Indian children in the schools of the district; test for achievement; identify the extent of other educational needs of the children to be enrolled in the American Indian education program; and classify the American Indian children by grade, level of educational attainment, age and achievement. Participating schools must maintain records concerning the needs and achievements of American Indian children served.

Subd. 4. **Nondiscrimination; testing.** In accordance with recognized professional standards, all testing and evaluation materials and procedures utilized for the identification, testing, assessment, and classification of American Indian children must be selected and administered so as not to be racially or culturally discriminatory and must be valid for the purpose of identifying, testing, assessing, and classifying American Indian children.

Subd. 5. **Records.** Participating schools ~~and~~, districts, and cooperative units must keep records and afford access to them as the commissioner finds necessary to ensure that American Indian education programs are implemented in conformity with sections 124D.71 to 124D.82. Each school district, cooperative unit, or participating school must keep accurate, detailed, and separate revenue and expenditure accounts for ~~pilot~~ American Indian education programs funded under this section.

Subd. 6. **Money from other sources.** A district, cooperative unit, or participating school providing American Indian education programs shall be eligible to receive moneys for these programs from other government agencies and from private sources when the moneys are available.

Subd. 7. **Exceptions.** Nothing in sections 124D.71 to 124D.82 shall be construed as prohibiting a district, cooperative unit, or school from implementing an American Indian education program which is not in compliance with sections 124D.71 to 124D.82 if the proposal and plan for that program is not funded pursuant to this section.

EFFECTIVE DATE. This section is effective the day following final enactment for aid for fiscal year 2024 and later.

Sec. 7. **INNOVATIVE INCUBATOR SERVICE-LEARNING GRANTS.**

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

(b) "Eligible school" means a school district or school site operated by a school district, charter school, or Tribal contract or grant school eligible for state aid under Minnesota Statutes, section 124D.83, or cooperative unit under Minnesota Statutes, section 123A.24, subdivision 2.

(c) "Eligible service-learning partnership" means a partnership that includes an eligible school and at least one community-based organization, community education program, state or federal agency, or political subdivision. An eligible service-learning partnership may include other individuals or entities, such as a postsecondary faculty member or institution, parent, other community member, local business or business organization, or local media representative. A school district member in an eligible service-learning partnership may participate in the partnership through a community education program established under Minnesota Statutes, section 124D.19.

Subd. 2. **Establishment; eligibility criteria; application requirements.** (a) A technical assistance and grant program is established to initiate or expand and strengthen innovative service-learning opportunities for students in kindergarten through grade 12; increase student engagement and academic achievement; help close the academic achievement gap and the community, college, and career opportunity gaps; and create a positive school climate and safer schools and communities.

(b) At least one teacher, administrator, or program staff member and at least one service-learning specialist, service-learning coordinator, curriculum specialist, or other

qualified employee employed by an eligible school and designated to develop and share expertise in implementing service-learning best practices must work with students to form a student-adult partnership. Before developing and submitting a grant application to the department, a participating student must work with at least one adult who is part of the initial partnership to identify a need or opportunity to pursue through a service-learning partnership and invite at least one partner to collaborate in developing and submitting a grant application. The fiscal agent for the grant to an eligible service-learning partnership is an eligible school that is a member of the partnership or has a program that is a member of the partnership.

(c) An eligible service-learning partnership receiving an innovation service-learning grant must:

(1) include at least two or more enrolled students; two or more school employees of an eligible school in accordance with paragraph (b); and an eligible community-based organization, community education program, state or federal agency, or political subdivision; and

(2) assist students to:

(i) actively participate in service-learning experiences that meet identified student and community needs or opportunities;

(ii) operate collaboratively with service-learning partnership members;

(iii) align service-learning experiences with at least one state or local academic standard, which may include a local career and technical education standard;

(iv) apply students' knowledge and skills in their community and help solve community problems or address community opportunities;

(v) foster students' civic engagement; and

(vi) explore or pursue career pathways and support career and college readiness.

(d) An eligible service-learning partnership interested in receiving a grant must apply to the commissioner of education in the form and manner determined by the commissioner. The partnership must work with an eligible school. Consistent with this subdivision, the application must describe the eligible service-learning partnership plan to:

(1) incorporate student-designed and student-led service-learning into the school curriculum or specific courses or across subject areas;

(2) provide students with instruction and experiences using service-learning best practices during the regular school day with an option to supplement their service-learning experiences outside of the school day;

(3) align service-learning experiences with at least one state or local academic standard, which may include a local career or technical education standard, and at least one goal of the world's best workforce in accordance with Minnesota Statutes, section 120B.11, or the state plan submitted and approved under the most recent reauthorization of the Elementary and Secondary Education Act;

(4) make implementing service-learning best practices an educational priority;

(5) provide student-designed, student-led service-learning experiences that help meet community needs or develop or advance community opportunities; and

(6) identify at least one eligible school teacher, administrator, or program staff member and at least one service-learning specialist, service-learning coordinator, curriculum specialist, or other qualified eligible school employee designated to develop and share expertise in implementing service-learning best practices to work with students to form a student-adult partnership that includes at least one community-based organization, community education program, state or federal agency, or political subdivision.

Subd. 3. **Innovation grants.** The commissioner of education must award up to 32 grants of up to $50,000 each to allow eligible partnerships to provide student-designed, student-led service-learning opportunities consistent with this section. Grant awards must be equitably distributed throughout Minnesota by congressional district. The commissioner may designate start-up or leader grant categories with differentiated maximum grant dollar amounts up to $50,000. A grantee designated as a leader grantee may be required to meet additional leader grant requirements as established by the commissioner in the grant application criteria developed by the commissioner. In order to receive a grant, a partnership must provide a 50 percent match in funds or in-kind contributions unless the commissioner waives the match requirement for an applicant serving a high number of students whose families meet federal poverty guidelines. A partnership grantee must allocate the grant amount according to its grant application. The partnership must convey 50 percent of the actual grant amount to at least one community-based organization, community education program, state or federal agency, or political subdivision to help implement or defray the direct costs of carrying out the service-learning strategies and activities described in the partnership's grant application.

Subd. 4. **Report.** A grantee must report to the commissioner on the educational and developmental outcomes of participating students and the eligible school's progress toward meeting at least one goal of the world's best workforce goals in accordance with Minnesota Statutes, section 120B.11, or the state plan submitted and approved under the most recent reauthorization of the Elementary and Secondary Education Act. A grantee must report on the community outcomes achieved through student service-learning experiences and the corresponding student service activities. The commissioner must submit a report on participating student and community outcomes under this section to the legislative committees with jurisdiction over kindergarten through grade 12 education by February 15, 2025.

Sec. 8. **PILOT PROGRAM TO IMPROVE EDUCATIONAL OUTCOMES AND ACCOUNTABILITY.**

Subdivision 1. **Establishment.** The Department of Education must establish a pilot program beginning in the 2023-2024 school year to redesign performance frameworks for high schools to improve educational outcomes for students of color. The pilot program must engage students, families, and community leaders in redesigning performance frameworks. The performance frameworks must support schools in continuous improvement efforts and use data to measure performance of students beyond tests scores, graduation rates, and the world's best workforce goals.

Subd. 2. **Performance measures.** For each school in the pilot program, the equity-focused framework must:

(1) measure total enrollment, including the percentage of enrolled students disaggregated by characteristics of race and ethnicity, gender, age, economic disadvantage, disability, homelessness, home language, number of schools attended, foster-system involvement, or other categories required by the department;

(2) describe basic needs support provided by the school to students, family members, and community members;

(3) measure the number of students who receive support of the following types of social-emotional and mental health support: (i) individual meetings with licensed mental health professionals; (ii) peer support groups; (iii) referrals to community resources; and (iv) other social-emotional and mental health services provided by the school;

(4) describe flexible, personalized, and innovative instruction provided by the school;

(5) describe culturally and real-life relevant curriculum provided by the school, including students learning about the experiences of People of Color through a contextually accurate history of Minnesota's Indigenous people;

(6) measure the number and percentage of students provided opportunities for student identity development, including cultural identity;

(7) measure the number and percentage of students provided opportunities for student career exploration and preparation;

(8) measure the number and percentage of students participating in at least one extracurricular activity;

(9) measure the number of restorative-justice interventions and the number of referrals, suspensions, and expulsions per school;

(10) describe family engagement practices by the school;

(11) describe community engagement practices by the school; and

(12) describe teacher and staff training about antiracism, anti-bias, or equity, and the average weekly time provided for teacher and staff collaboration.

Subd. 3. **Reports.** (a) By July 1, 2024, the commissioner of education must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education detailing the effectiveness of the first year of the pilot program and recommendations for improvement in future years.

(b) By July 1, 2025, the commissioner of education must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education detailing the effectiveness of the pilot program after two years, including details on school implementation and performance measures on each of the criteria listed under subdivision 2.

Sec. 9. **APPROPRIATIONS.**

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

Subd. 2. **Achievement and integration aid.** (a) For achievement and integration aid under Minnesota Statutes, section 124D.862:

$ 83,330,000 2024
$ 84,232,000 2025

(b) The 2024 appropriation includes $8,172,000 for 2023 and $75,158,000 for 2024.

(c) The 2025 appropriation includes $8,350,000 for 2024 and $75,882,000 for 2025.

Subd. 3. **Alliance of Chicanos, Hispanics, and Latin Americans.** (a) For a grant to the Alliance of Chicanos, Hispanics, and Latin Americans (ACHLA) for the Juntos Club to support English language learners, low-income students, migrant students, and Latinx students with improving English and math proficiency:

$ 300,000 2024
$ 200,000 2025

(b) The base for fiscal year 2026 and later is $0.

Subd. 4. **American Indian education aid.** (a) For American Indian education aid under Minnesota Statutes, section 124D.81, subdivision 2a:

$ 17,949,000 2024
$ 19,266,000 2025

(b) The 2024 appropriation includes $1,159,000 for 2023 and $16,790,000 for 2024.

(c) The 2025 appropriation includes $1,865,000 for 2024 and $17,401,000 for 2025.

Subd. 5. **BARR Center.** (a) For grants to the Building Assets, Reducing Risks (BARR) Center, to deliver an evidence-based, research-validated program to schools:

$ 5,000,000 2024

(b) Consistent with Minnesota Statutes, section 127A.20, the BARR Center must apply for the grants in the form and manner specified by the commissioner of education. The BARR Center must deliver an evidence-based, research-validated program that provides school coaching support, professional development, and curriculum and resources over a three-year period to each qualifying school site.

(c) The BARR Center must select at least 18 schools to participate in the program. The schools must be geographically balanced among urban, suburban, and rural schools, and serve high concentrations of students in poverty or high concentrations of underrepresented students, including students who are from Black, Indigenous, and People of Color communities.

(d) The grants to the BARR Center must be directed toward:

(1) improving student social and emotional skills and engagement in school;

(2) increasing opportunity and academic achievement for students of color and those experiencing poverty;

(3) improving teacher satisfaction and effectiveness; and

(4) increasing the number of students who earn a high school diploma.

(e) This is a onetime appropriation and is available until June 30, 2026.

Subd. 6. **Charter school building lease aid.** (a) For building lease aid under Minnesota Statutes, section 124E.22:

$	94,320,000	 2024
$	98,166,000	 2025

(b) The 2024 appropriation includes $9,047,000 for 2023 and $85,273,000 for 2024.

(c) The 2025 appropriation includes $9,474,000 for 2024 and $88,692,000 for 2025.

Subd. 7. **College entrance examination reimbursement.** (a) To reimburse districts for the costs of college entrance examination fees for students who are eligible for free or reduced-price meals who take the ACT or SAT test under Minnesota Statutes, section 120B.30, subdivision 1, paragraph (e):

$	1,011,000	 2024
$	1,011,000	 2025

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

Subd. 8. **COMPASS and MTSS.** (a) To support the development and implementation of the MTSS framework and the Collaborative Minnesota Partnerships to Advance Student Success (COMPASS) school improvement model:

$	3,744,000	 2024
$	3,744,000	 2025

(b) Of this amount, $2,177,000 each year is to support implementation of MTSS and COMPASS. Funds must be used to support increased capacity at the Department of Education and the Minnesota Service Cooperatives for implementation supports.

(c) Of this amount, $1,567,000 each year is reserved for grants to school districts, charter schools, and cooperative units as defined in Minnesota Statutes, section 123A.24, subdivision 2, for implementation of MTSS, including: hiring local MTSS coordinators; deferring costs for personnel to participate in cohort activities and professional learning; and piloting a

Department of Education One Plan, the consolidation of multiple reporting structures to streamline various applications, reports, and submissions by school districts and charter schools. Up to five percent of this amount is available for program and grant administration.

(d) The base for fiscal year 2026 and later is $12,201,000.

(e) Up to five percent of the funds identified for grants is available for grant administration costs.

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

Subd. 9. **Concurrent enrollment aid.** (a) For concurrent enrollment aid under Minnesota Statutes, section 124D.091:

$	4,000,000	.....	2024
$	4,000,000	.....	2025

(b) If the appropriation is insufficient, the commissioner must proportionately reduce the aid payment to each school district.

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

Subd. 10. **Early childhood literacy programs.** (a) For early childhood literacy programs under Minnesota Statutes, section 119A.50, subdivision 3:

$	7,950,000	.....	2024
$	7,950,000	.....	2025

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

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

Subd. 11. **Emergency medical training.** (a) For grants to offer high school students courses in emergency medical services:

$	1,000,000	.....	2024
$	1,000,000	.....	2025

(b) A school district, charter school, or cooperative unit under Minnesota Statutes, section 123A.24, subdivision 2, may apply for a grant under this section to offer enrolled students emergency medical services courses approved by the Minnesota Emergency Medical Services Regulatory Board to prepare students to take the emergency medical technician certification

test, including an emergency medical services course that is a prerequisite to an emergency medical technician course.

(c) A grant recipient may use grant funds to partner with a district, charter school, cooperative unit, postsecondary institution, political subdivision, or entity with expertise in emergency medical services, including health systems, hospitals, ambulance services, and health care providers to offer an emergency medical services course.

(d) Eligible uses of grant funds include teacher salaries, transportation, equipment costs, emergency medical technician certification test fees, and student background checks.

(e) To the extent practicable, the commissioner must award half of the grant funds to applicants outside of the seven-county metropolitan area, and 30 percent of the grant funds to applicants with high concentrations of students of color.

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

(g) The base for fiscal year 2026 is $0.

Subd. 12. **Examination fees; teacher training and support programs.** (a) For students' advanced placement and international baccalaureate examination fees under Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

$	4,500,000	.....	2024
$	4,500,000	.....	2025

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

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

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

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

Subd. 13. **Full-service community schools.** (a) For grants to school districts and charter schools to plan or expand the full-service community schools programs under Minnesota Statutes, section 124D.231:

$	14,500,000	.....	2024
$	0	.....	2025

(b) Up to five percent of this appropriation is available for grant administration costs.

(c) This is a onetime appropriation and is available through June 30, 2027.

Subd. 14. **Girls Taking Action grant.** (a) For a grant to the Girls Taking Action program to enable Girls Taking Action to continue to provide and expand metropolitan-area school and community-based programs that encourage and support low-income girls of color:

$	1,500,000	.....	2024

(b) Of the appropriated funds, $1,000,000 must be used to sustain 16 current Girls Taking Action program sites, and to expand to an additional four sites in inner-ring suburban communities with growing ethnic diversity among students.

(c) Of the appropriated funds, $500,000 must be used to sustain three community-based Girls Taking Action programs for Asian, East African, and Latina girls in Hennepin, Ramsey, and Dakota Counties, and to expand an additional two community-based programs in these counties to reach Native American and African American girls.

(d) Girls Taking Action programs supported by these funds must include programs focused on:

(1) increasing academic performance, high school graduation rates, and enrollment in postsecondary education for girls faced with social, demographic, racial, and economic barriers and challenges;

(2) increasing mentoring opportunities, literacy, career development, positive community engagement, and the number of qualified female employees of color in the workforce pipeline, particularly in science, technology, engineering, and mathematics fields;

(3) providing coaching, mentoring, health and wellness counseling, resources to girls whose experience with sexual assault has negatively impacted their academics and behavior, and culturally sensitive therapy resources and counseling services to sexual assault victims; and

(4) increasing financial literacy and knowledge of options for financing college or postsecondary education.

(e) This is a onetime appropriation. Any balance in the first year does not cancel but is available in the second year.

Subd. 15. **Grants to increase science, technology, engineering, and math course offerings.** (a) For grants to schools to encourage low-income and other underserved students to participate in advanced placement and international baccalaureate programs according to Minnesota Statutes, section 120B.132:

$	250,000	.....	2024
$	250,000	.....	2025

(b) To the extent practicable, the commissioner must distribute grant funds equitably among geographic areas in the state, including schools located in greater Minnesota and in the seven-county metropolitan area.

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

Subd. 16. **Innovation service learning grants.** (a) For innovative service-learning grants under Minnesota Statutes, section 124D.501:

$	1,000,000	.....	2024
$	0	.....	2025

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

(c) The base for fiscal year 2026 and later is $0.

Subd. 17. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

$	14,992,000	.....	2024
$	16,609,000	.....	2025

Subd. 18. **Junior Achievement North.** (a) For a grant to Junior Achievement North to expand access to its financial literacy programming for elementary and secondary students:

$ 500,000 2024
$ 500,000 2025

(b) The grant awarded under this section must be consistent with the procedures for evidence-based education grants under Minnesota Statutes, section 127A.20.

(c) Junior Achievement North must use the grant proceeds to expand the number of students who participate in Junior Achievement North's financial literacy programs, career readiness programs, and entrepreneurship programs with a focus on expanding opportunities for underserved students. To the extent practicable, programming must be provided in an equitable manner to students in greater Minnesota.

(d) In addition to other reporting requirements, and subject to Minnesota Statutes, section 3.195, by February 1 of each year Junior Achievement North receives an appropriation, Junior Achievement North must report to the chairs and ranking minority members of the legislative committees with jurisdiction over education on activities funded by this appropriation. The report must include but is not limited to: information about the operations of Junior Achievement North, including its most recent audit; a description of the financial literacy, career readiness, and entrepreneurship programs offered during the year; participation and demographic information about the students and schools served by the program; and a description of partnerships with other financial literacy organizations.

(e) The base for fiscal year 2026 and later is $0.

Subd. 19. **Literacy incentive aid.** (a) For literacy incentive aid under Minnesota Statutes, section 124D.98:

$ 42,234,000 2024
$ 42,502,000 2025

(b) The 2024 appropriation includes $4,606,000 for 2023 and $37,628,000 for 2024.

(c) The 2025 appropriation includes $4,180,000 for 2024 and $38,322,000 for 2025.

Subd. 20. **Minnesota Center for the Book programming.** (a) For grants to the entity designated by the Library of Congress as the Minnesota Center for the Book to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the Center for the Book designation:

$ 150,000 2024
$ 150,000 2025

(b) The base for fiscal year 2026 and later is $0.

Subd. 21. **Minnesota Council on Economic Education.** (a) For a grant to the Minnesota Council on Economic Education:

$	200,000	.....	2024
$	200,000	.....	2025

(b) The grant must be used to:

(1) provide professional development to kindergarten through grade 12 teachers implementing state graduation standards in learning areas related to economic education; and

(2) support the direct-to-student ancillary economic and personal finance programs that teachers supervise and coach.

(c) By February 15 of each year following the receipt of a grant, the Minnesota Council on Economic Education must report to the commissioner of education the number and type of in-person and online teacher professional development opportunities provided by the Minnesota Council on Economic Education or its affiliated state centers. The report must include a description of the content, length, and location of the programs; the number of preservice and licensed teachers receiving professional development through each of these opportunities; and summaries of evaluations of teacher professional opportunities.

(d) The Department of Education must pay the full amount of the grant to the Minnesota Council on Economic Education by August 15 of each fiscal year for which the grant is appropriated. The Minnesota Council on Economic Education must submit its fiscal reporting in the form and manner specified by the commissioner. The commissioner may request additional information as necessary.

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

(f) The base for fiscal year 2026 and later is $0.

Subd. 22. **Minnesota Independence College and Community.** (a) For transfer to the Office of Higher Education for grants to Minnesota Independence College and Community for tuition reduction and institutional support:

$	625,000	.....	2024
$	625,000	.....	2025

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

(c) By January 15 of each year, Minnesota Independence College and Community must submit a report detailing expenditures, activities, and outcomes to the commissioner and

the chairs and ranking minority members of the legislative committees with primary jurisdiction over kindergarten through grade 12 education.

Subd. 23. **Minnesota math corps program.** (a) For the Minnesota math corps program under Minnesota Statutes, section 124D.42, subdivision 9:

$	1,000,000	.....	2024
$	1,000,000	.....	2025

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

(c) The base for fiscal year 2026 and later is $500,000.

Subd. 24. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota College of Education and Human Development for the operation of the Minnesota Principals Academy:

$	200,000	.....	2024
$	200,000	.....	2025

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

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

Subd. 25. **Museums and education centers.** (a) For grants to museums and education centers:

$	1,241,000	.....	2024
$	1,241,000	.....	2025

(b) $500,000 each year is for the Minnesota Children's Museum.

(c) $50,000 each year is for the Children's Museum of Rochester.

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

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

(f) $100,000 each year is for The Bakken Museum, Minneapolis.

(g) $50,000 each year is for The Works, Bloomington.

(h) $50,000 each year is for the WonderTrek Children's Museum, Brainerd-Baxter.

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

(j) $50,000 each year is for the Otter Cove Children's Museum, Fergus Falls.

(k) $50,000 each year is for the Children's Discovery Museum, Grand Rapids.

(l) $50,000 each year is for the Wheel and Cog Children's Museum, Hutchinson.

(m) $50,000 each year is for the Children's Museum of Southern Minnesota, Mankato.

(n) $50,000 each year is for the Great River Children's Museum, St. Cloud.

(o) $50,000 each year is for the Village Children's Museum, Willmar.

(p) $50,000 each year is for the Children's Discovery Museum, Breckenridge.

(q) A recipient of a grant under this subdivision must use the funds to encourage and increase access for historically underserved communities.

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

(s) The base for fiscal year 2026 and later is $1,741,000. Of this amount, $741,000 is for the museums and amounts indicated in paragraphs (b) to (f), and $1,000,000 is for the museums in paragraphs (g) to (q) in the amount of $100,000 per museum.

Subd. 26. **Native language revitalization grants to schools.** (a) For grants to school districts and charter schools to offer language instruction in Dakota and Anishinaabe languages or another language indigenous to the United States or Canada:

$	7,500,000	.....	2024
$	7,500,000	.....	2025

(b) Grant amounts are to be determined based upon the number of schools within a district implementing language courses. Eligible expenses include costs for teachers, program supplies, and curricular resources.

(c) Up to five percent of the grant amount is available for grant administration and monitoring.

(d) Up to $300,000 each year is for administrative and programmatic capacity at the Department of Education.

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

Subd. 27. **Online music instruction grant.** (a) For a grant to MacPhail Center for Music for the online music instruction program:

$	300,000	.....	2024
$	0	.....	2025

(b) The MacPhail Center for Music must use the grant funds received under this subdivision to:

(1) partner with schools and early childhood centers to provide online music instruction to students and children for the purpose of increasing student self-confidence, providing students with a sense of community, and reducing individual stress. In applying for the grant, MacPhail Center for Music must commit to providing at least a 30 percent match of the funds allocated. MacPhail Center for Music must also include in the application the measurable outcomes the applicant intends to accomplish with the grant funds;

(2) partner with schools or early childhood centers that are designated Title I schools or centers or are located in rural Minnesota, and may use the funds in consultation with the music or early childhood educators in each school or early childhood center to provide individual or small group music instruction, sectional ensembles or other group music activities, music workshops, or early childhood music activities. At least half of the online music programs must be in partnership with schools or early childhood centers located in rural Minnesota. MacPhail Center for Music may use the funds awarded to supplement or enhance an existing online music program within a school or early childhood center that meets the criteria described in this clause; and

(3) contract with a third-party entity to evaluate the success of the online music program. The evaluation must include interviews with the music educators and students at the schools and early childhood centers where an online music program was established. The results of the evaluation must be submitted to the commissioner of education and to the chairs and ranking minority members of the legislative committees with jurisdiction over education policy and finance by December 15, 2026.

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

(d) The base for fiscal year 2026 is $0.

Subd. 28. **P-TECH schools.** (a) For P-TECH support grants under Minnesota Statutes, section 124D.093, subdivision 5:

$	791,000	.....	2024
$	791,000	.....	2025

(b) The amounts in this subdivision are for grants, including to a public-private partnership that includes Independent School District No. 535, Rochester.

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

Subd. 29. **Pilot program to improve educational outcomes and accountability.** (a) For a grant to Pillsbury United Communities to collaborate with the Department of Education to implement the pilot program to improve educational outcomes and accountability under article 1, section 8.

$	150,000	.....	2024
$	150,000	.....	2025

(b) Up to $30,000 of the appropriation amount in each fiscal year may be retained to monitor and administer the program.

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

(d) The base for fiscal year 2026 and later is $0.

Subd. 30. **Recovery program grants.** (a) For recovery program grants under Minnesota Statutes, section 124D.695:

$	750,000	.....	2024
$	750,000	.....	2025

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

Subd. 31. **Rural career and technical education consortium.** (a) For rural career and technical education consortium grants:

$	3,000,000	.....	2024
$	3,000,000	.....	2025

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

Subd. 32. **ServeMinnesota program.** (a) For funding ServeMinnesota programs under Minnesota Statutes, sections 124D.37 to 124D.45:

$	900,000	.....	2024
$	900,000	.....	2025

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

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

Subd. 33. **Starbase MN.** (a) For a grant to Starbase MN for a rigorous science, technology, engineering, and math program providing students in grades 4 through 6 with a multisensory learning experience and a hands-on curriculum in an aerospace environment using state-of-the-art technology:

$	500,000	.....	2024
$	500,000	.....	2025

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

Subd. 34. **Statewide testing and reporting system.** (a) For the statewide testing and reporting system under Minnesota Statutes, section 120B.30:

$	10,892,000	.....	2024
$	10,892,000	.....	2025

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

Subd. 35. **Student organizations.** (a) For student organizations:

$	868,000	.....	2024
$	868,000	.....	2025

(b) $53,000 each year is for student organizations serving health occupations (HOSA).

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

(d) $104,000 each year is for student organizations serving business occupations (BPA, secondary and postsecondary).

(e) $234,000 each year is for student organizations serving agriculture occupations (FFA, PAS).

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

(g) $138,000 each year is for student organizations serving marketing occupations (DECA and DECA collegiate).

(h) $54,000 each year is for the Minnesota Foundation for Student Organizations.

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

(j) The base for fiscal year 2026 and later is $768,000. Of this amount:

(1) $46,000 each year is for student organizations serving health occupations (HOSA);

(2) $100,000 each year is for student organizations serving trade and industry occupations (Skills USA, secondary and postsecondary);

(3) $95,000 each year is for student organizations serving business occupations (BPA, secondary and postsecondary);

(4) $193,000 each year is for student organizations serving agriculture occupations (FFA, PAS);

(5) $185,000 each year is for student organizations serving family and consumer science occupations (FCCLA). Notwithstanding Minnesota Rules, part 3505.1000, subparts 28 and 31, the student organizations serving FCCLA shall continue to serve students in grade 9 and below;

(6) $109,000 each year is for student organizations serving marketing occupations (DECA and DECA collegiate); and

(7) $40,000 each year is for the Minnesota Foundation for Student Organizations.

Subd. 36. **Tribal contract school aid.** (a) For Tribal contract school aid under Minnesota Statutes, section 124D.83:

$	2,585,000	.....	2024
$	2,961,000	.....	2025

(b) The 2024 appropriation includes $255,000 for 2023 and $2,330,000 for 2024.

(c) The 2025 appropriation includes $258,000 for 2024 and $2,703,000 for 2025.

Subd. 37. **Walkabouts program.** (a) For a grant to the regional centers of excellence to provide an evidence-based, standards-aligned, kinesthetic learning platform using physical activity to teach math, English, language arts, and literacy standards for prekindergarten through grade 5 to improve academic performance and social-emotional learning:

$	250,000	.....	2024
$	250,000	.....	2025

(b) The regional centers of excellence must provide the ActivEd Walkabouts program at no cost to schools. A school must apply for participation in the program in the form and manner determined by the regional centers of excellence. To the extent practicable, the regional centers of excellence must select schools that are identified for support under the state accountability system and that are geographically distributed equitably throughout the state.

(c) The base for fiscal year 2026 and later is $0.

ARTICLE 3
READ ACT

Section 1. Minnesota Statutes 2022, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; ~~have all third grade students achieve grade-level literacy;~~ close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

(d) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

Sec. 2. Minnesota Statutes 2022, section 120B.11, subdivision 2, is amended to read:

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

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

(2) a process to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students to participate in gifted and talented programs and accelerate their instruction, and adopt early-admission procedures consistent

with section 120B.15, and identifying the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;

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

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

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

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

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

(b) A school district is not required to include information regarding literacy in a plan or report required under this section, except with regard to the academic achievement of English learners.

Sec. 3. **[120B.1119] TITLE; THE READ ACT.**

Sections 120B.12 to 120B.124 may be cited as the "Reading to Ensure Academic Development Act" or the "Read Act."

Sec. 4. Minnesota Statutes 2022, section 120B.12, is amended to read:

120B.12 ~~READING PROFICIENTLY NO LATER THAN THE END OF GRADE 3~~ READ ACT GOAL AND INTERVENTIONS.

Subdivision 1. **Literacy goal.** (a) The legislature seeks to have every child reading at or above grade level ~~no later than the end of grade 3,~~ every year, beginning in kindergarten,

including ~~English~~ multilingual learners~~, and that teachers provide comprehensive, scientifically based~~ and students receiving special education services. School leaders and educators must provide evidence-based reading instruction ~~consistent with section 122A.06, subdivision 4~~ through a focus on student mastery of the foundational reading skills of phonemic awareness, phonics, and fluency, as well as the development of oral language, vocabulary, and reading comprehension skills. Students must receive evidence-based instruction that is proven to effectively teach children to read, consistent with sections 120B.12 to 120B.124.

(b) To meet this goal, each school district must provide teachers and instructional support staff with responsibility for teaching reading with training on evidence-based reading instruction that is approved by the Department of Education and CAREI. By 2025, a district must provide the training to intervention teachers working with students in kindergarten through grade 12, special education teachers, curriculum directors, instructional support staff who provide reading instruction, and any staff who selects literacy instructional materials for a district. By 2027, a district must provide the training to all classroom teachers of students in a prekindergarten program, and in kindergarten through grade 3. The commissioner may grant a district an extension to the deadlines in this paragraph.

(c) Districts are strongly encouraged to adopt a MTSS framework. The framework should include a process for monitoring student progress, evaluating program fidelity, and analyzing student outcomes and needs in order to design and implement ongoing evidenced-based instruction and interventions.

Subd. 2. **Identification; report.** (a) ~~Each school district must identify before the end of~~ Twice per year, each school district must screen every student enrolled in kindergarten, grade 1, ~~and~~ grade 2 ~~all students who are not reading at grade level~~, and grade 3 using a screening tool approved by the Department of Education. Students identified as not reading at grade level by the end of kindergarten, grade 1, ~~and~~ grade 2, and grade 3, including multilingual learners and students receiving special education services, must be universally screened~~, in a locally determined manner~~ for mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, oral language, and for characteristics of dyslexia as measured by a screening tool approved by the Department of Education. The screening for characteristics of dyslexia may be integrated with universal screening for mastery of foundational skills and oral language. A district must submit data on student performance in kindergarten, grade 1, grade 2, and grade 3 on foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language to the Department of Education in the annual local literacy plan.

(b) Students in ~~grade 3 or higher who demonstrate a reading difficulty to a classroom teacher~~ grades 4 and above, including multilingual learners and students receiving special education services, who do not demonstrate mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language, must be screened~~, in a locally determined manner,~~ using a screening tool approved by the Department of Education for characteristics of dyslexia, unless a different reason for the reading difficulty has been identified, and must continue to receive evidence-based instruction, interventions, and progress monitoring until the student achieves grade-level proficiency.

(c) Reading ~~assessments~~ screeners in English, and in the predominant languages of district students where practicable, must identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of ~~English~~ multilingual learners. The district must use a locally adopted, developmentally appropriate, and culturally responsive ~~assessment~~ screener and annually report summary ~~assessment~~ screener results to the commissioner by July 1.

(d) The district also must ~~annually report to the commissioner by July 1~~ include in its literacy plan under subdivision 4a, a summary of the district's efforts to screen ~~and~~, identify, and provide interventions to students who demonstrate characteristics of dyslexia ~~using~~ as measured by a screening ~~tools such as those recommended by the department's dyslexia specialist~~ tool approved by the Department of Education. Districts are strongly encouraged to use the MTSS framework. With respect to students screened or identified under paragraph (a), the report must include:

(1) a summary of the district's efforts to screen for dyslexia;

(2) the number of students universally screened for that reporting year; ~~and~~

(3) the number of students demonstrating characteristics of dyslexia for that year~~.~~; and

~~(e) A student~~ (4) an explanation of how students identified under this subdivision ~~must be~~ are provided with alternate instruction and interventions under section 125A.56, subdivision 1.

Subd. 2a. **Parent notification and involvement.** Schools, at least annually, must give the parent of each student who is not reading at or above grade level timely information about:

(1) the student's reading proficiency as measured by a locally adopted ~~assessment~~ screener approved by the Department of Education;

(2) reading-related services currently being provided to the student and the student's progress; and

(3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

A district may not use this section to deny a student's right to a special education evaluation.

Subd. 3. **Intervention.** (a) For each student identified under subdivision 2, the district shall provide reading intervention to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and school year. A district is encouraged to provide reading intervention through a MTSS framework. If a student does not read at or above grade level by the end of ~~grade 3~~ the current school year, the district must continue to provide reading intervention until the student reads at grade level. District intervention methods shall encourage family engagement and, where possible, collaboration with appropriate school and community programs~~. Intervention methods~~ that specialize in evidence-based instructional practices and measure mastery of foundational reading skills, including phonemic awareness, phonics, decoding, fluency, and oral language. Intervention may include, but ~~are~~ is not limited to, requiring student attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day, extended-day programs, or programs that strengthen students' cultural connections.

(b) A ~~school~~ district ~~or charter school~~ is strongly encouraged to provide a personal learning plan for a student who is unable to demonstrate grade-level proficiency, as measured by the statewide reading assessment in grade 3 or a screener identified by the Department of Education under section 120B.123. The district or charter school must determine the format of the personal learning plan in collaboration with the student's educators and other appropriate professionals. The school must develop the learning plan in consultation with the student's parent or guardian. The personal learning plan must include targeted instruction and ongoing progress monitoring of the student's progress, and address knowledge gaps and skill deficiencies through strategies such as specific exercises and practices during and outside of the regular school day, group interventions, periodic assessments or screeners, and reasonable timelines. The personal learning plan may include grade retention, if it is in the student's best interest; a student may not be retained solely due to delays in literacy or not demonstrating grade-level proficiency. A school must maintain and regularly update and modify the personal learning plan until the student reads at grade level. This paragraph does not apply to a student under an individualized education program.

Subd. 4. **Staff development.** (a) A district must provide training that is evidence-based to teachers and instructional staff in accordance with subdivision 1, paragraph (b). The training must include teaching in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, reading comprehension, and culturally and linguistically responsive pedagogy.

(b) Each district shall use the data under subdivision 2 to identify the staff development needs so that:

(1) elementary teachers are able to implement ~~comprehensive, scientifically based reading and oral language~~ explicit, systematic, evidence-based instruction on foundational reading skills in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension as defined in section ~~122A.06, subdivision 4,~~ 120B.121 and other literacy-related areas including writing until the student achieves grade-level reading and writing proficiency;

(2) elementary teachers have sufficient training to provide ~~comprehensive, scientifically based reading~~ school students with evidence-based reading and oral language instruction that meets students' developmental, linguistic, and literacy needs using the intervention methods or programs selected by the district for the identified students;

(3) licensed teachers employed by the district have regular opportunities to improve reading and writing instruction;

(4) licensed teachers recognize students' diverse needs in cross-cultural settings and are able to serve the oral language and linguistic needs of students who are ~~English~~ multilingual learners by maximizing strengths in their native languages in order to cultivate students' English language development, including oral academic language development, and build academic literacy; and

(5) licensed teachers are well trained in culturally responsive pedagogy that enables students to master content, develop skills to access content, and build relationships.

(c) A district must provide staff in early childhood programs sufficient training to provide children in early childhood programs with explicit, systematic instruction in phonological and phonemic awareness; oral language, including listening comprehension; vocabulary; and letter-sound correspondence.

Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must adopt a local literacy plan to have every child ~~reading at or above grade level no later than the end of~~ in kindergarten through grade 3, including ~~English learners~~ multilingual learners

and students receiving special education services, demonstrate mastery of foundational literacy skills and read proficiently, at or above grade level, at every grade. The plan must be updated by August 1 each year. The plan must be consistent with ~~section 122A.06, subdivision 4~~ the Read Act, and include the following:

(1) a process to assess students' level of reading proficiency and ~~data to support the effectiveness of an assessment used to screen and identify a student's level of reading proficiency~~ the screeners used, by school site and grade level, under section 120B.123;

(2) a process to notify and involve parents;

(3) a description of how schools in the district will determine the ~~proper~~ targeted reading instruction that is evidence-based and includes an intervention strategy for a student and the process for intensifying or modifying the reading strategy in order to obtain measurable reading progress;

(4) evidence-based intervention methods for students who are not reading at or above grade level and progress monitoring to provide information on the effectiveness of the intervention; ~~and~~

(5) identification of staff development needs, including a program to meet those needs~~.~~;

(6) the literacy curriculum used by school site and grade level;

(7) a statement of whether the district has adopted a MTSS framework; and

(8) student data using the measures of foundational literacy skills and mastery identified by the Department of Education and CAREI.

(b) The district must post its literacy plan on the official school district website and submit it to the commissioner of education using the template developed by the commissioner of education once it is available.

(c) By March 1, 2024, the commissioner of education must develop a streamlined template for local literacy plans that meets the requirements of this subdivision and requires all reading instruction and teacher training in reading instruction to be evidence-based. The template must require a district to report information using the student categories required in the commissioner's report under paragraph (d). The template must focus district resources on improving students' foundational reading skills while reducing paperwork requirements for teachers.

(d) By December 1, 2025, the commissioner of education must submit a report to the legislative committees with jurisdiction over prekindergarten through grade 12 education

summarizing the local literacy plans submitted to the commissioner. The summary must include the following information:

(1) the number of teachers and other staff that have completed training approved by the Department of Education;

(2) by school site and grade, the screeners used at the beginning and end of the school year and the reading curriculum used; and

(3) by school site and grade, using the measurements of foundational literacy skills and mastery identified by the department and CAREI, both aggregated data and disaggregated data using the student categories under section 120B.35, subdivision 3, paragraph (a), clause (2).

Subd. 5. ~~**Commissioner**~~ **Approved screeners.** The commissioner ~~shall~~ must recommend to districts multiple ~~assessment~~ screening tools to assist districts and teachers with identifying students under subdivision 2 and to assess students' reading proficiency. The commissioner must identify screeners that may be used for both purposes. The commissioner ~~shall~~ must also make available examples of nationally recognized and ~~research-based~~ evidence-based instructional methods or programs to districts to provide ~~comprehensive, scientifically based~~ evidence-based reading instruction and intervention under this section.

Sec. 5. **[120B.121] READ ACT DEFINITIONS.**

Subdivision 1. **Read Act.** For purposes of sections 120B.12 to 120B.124, the following terms have the meanings given.

Subd. 2. **CAREI.** "CAREI" means the Center for Applied Research and Educational Improvement at the University of Minnesota.

Subd. 3. **District.** "District" means a school district, charter school, or cooperative unit as defined in section 123A.24, subdivision 2.

Subd. 4. **Evidence-based.** "Evidence-based" means the instruction or item described is based on reliable, trustworthy, and valid evidence and has demonstrated a record of success in increasing students' reading competency in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, and reading comprehension. Evidence-based literacy instruction is explicit, systematic, evidence-based reading instruction that includes the acquisition of language, phonological and phonemic awareness, phonics and decoding, spelling, fluency, vocabulary, oral language, and comprehension that can be differentiated to meet the needs of individual students. Evidence-based instruction does not include the three-cueing system, as defined in subdivision 17.

Subd. 5. **Fluency.** "Fluency" means the ability of students to read text accurately, automatically, and with proper expression.

Subd. 6. **Foundational reading skills.** "Foundational reading skills" includes phonological and phonemic awareness, phonics and decoding, and fluency. Foundational reading skills appropriate to each grade level must be mastered in kindergarten, grade 1, grade 2, and grade 3. Struggling readers in grades 4 and above who do not demonstrate mastery of grade-level foundational reading skills must continue to receive explicit, systematic instruction to reach mastery.

Subd. 7. **Literacy specialist.** "Literacy specialist" means a person licensed by the Professional Educator Licensing and Standards Board as a teacher of reading, a special education teacher, or a kindergarten through grade 6 teacher, who has completed professional development approved by the Department of Education in structured literacy.

Subd. 8. **Literacy lead.** "Literacy lead" means a literacy specialist with expertise in working with educators as adult learners. A district literacy lead must support the district's implementation of the Read Act; provide school-based coaching; support the implementation of structured literacy, interventions, curriculum delivery, and teacher training; assist with the development of personal learning plans; and train paraprofessionals and other support staff to support classroom literacy instruction. A literacy lead may be employed by one district, jointly by two or more districts, or may provide services to districts through a partnership with the Regional Centers of Excellence or another district.

Subd. 9. **MTSS.** "Multitiered system of support" or "MTSS" means a systemic, continuous improvement framework for ensuring positive social, emotional, behavioral, developmental, and academic outcomes for every student. The MTSS framework provides access to layered tiers of culturally and linguistically responsive, evidence-based practices and relies on the understanding and belief that every student can learn and thrive. Through a MTSS at the core (Tier 1), supplemental (Tier 2), and intensive (Tier 3) levels, educators provide high quality, evidence-based instruction and intervention that is matched to a student's needs; progress is monitored to inform instruction and set goals and data is used for educational decision making.

Subd. 10. **Oral language.** "Oral language," also called "spoken language," includes speaking and listening, and consists of five components, including phonology, morphology, syntax, semantics, and pragmatics.

Subd. 11. **Phonemic awareness.** "Phonemic awareness" means the ability to notice, think about, and manipulate individual sounds in spoken syllables and words.

Subd. 12. **Phonics instruction.** "Phonics instruction" means the explicit, systematic, and direct instruction of the relationships between letters and the sounds they represent and the application of this knowledge in reading and spelling.

Subd. 13. **Progress monitoring.** "Progress monitoring" means using data collected to inform whether interventions are working. Progress monitoring involves ongoing monitoring of progress that quantifies rates of improvement and informs instructional practice and the development of individualized programs using state-approved screening that is reliable and valid for the intended purpose.

Subd. 14. **Reading comprehension.** "Reading comprehension" means a function of word recognition skills, which includes phonemic awareness and language comprehension skills.

Subd. 15. **Structured literacy.** "Structured literacy" means an approach to reading instruction in which teachers carefully structure important literacy skills, concepts, and the sequence of instruction to facilitate children's literacy learning and progress. Structured literacy is characterized by the provision of systematic, explicit, sequential, and diagnostic instruction in phonemic awareness, phonics, fluency, vocabulary and oral language development, and reading comprehension.

Subd. 16. **Three-cueing system.** "Three-cueing system," also known as "meaning structure visual (MSV)," means a method that teaches students to use meaning, structure and syntax, and visual cues when attempting to read an unknown word.

Subd. 17. **Vocabulary development.** "Vocabulary development" means the process of acquiring new words. A robust vocabulary improves all areas of communication: listening, speaking, reading, and writing. Vocabulary growth is directly related to school achievement and is a strong predictor for reading success.

Sec. 6. Minnesota Statutes 2022, section 120B.122, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The department must employ a dyslexia specialist to provide technical assistance for dyslexia and related disorders and to serve as the primary source of information and support for schools in addressing the needs of students with dyslexia and related disorders. The dyslexia specialist shall also act to increase professional awareness and instructional competencies to meet the educational needs of students with dyslexia or identified with risk characteristics associated with dyslexia and shall develop implementation guidance and make recommendations to the commissioner consistent with ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124, to be used to assist general education teachers

and special education teachers to recognize educational needs and to improve literacy outcomes for students with dyslexia or identified with risk characteristics associated with dyslexia, including recommendations related to increasing the availability of online and asynchronous professional development programs and materials.

Sec. 7. **[120B.123] READ ACT IMPLEMENTATION.**

Subdivision 1. **Screeners.** A district must administer a reading screener to students in kindergarten through grade 3 within the first six weeks of the school year, and again within the last six weeks of the school year. The screener must be one of the screening tools identified by the Department of Education.

Subd. 2. **Progress monitoring.** For a student not reading at grade level, a district is strongly encouraged to develop an intervention plan that meets the requirements of section 120B.12, subdivision 3. A district may use screening tools to monitor students' progress.

Subd. 3. **Curriculum.** A district must use evidence-based curriculum at each grade level that is designed around teaching the foundational reading skills of phonemic awareness, phonics, vocabulary development, reading fluency, and reading comprehension.

Subd. 4. **MTSS Framework.** A district is encouraged to use a data-based decision-making process within the MTSS framework to determine the evidence-based core reading instruction and Tier 2 or Tier 3 intervention required to meet a student's identified needs.

Subd. 5. **Professional development.** (a) A district must provide training that is evidence-based to all reading intervention teachers and literacy specialists by July 1, 2025; and by June 15, 2027, to other teachers in the district, prioritizing elementary school classroom teachers, teachers who work with students with disabilities, English learners, and students who qualify for the graduation incentives program under section 124D.68. The commissioner of education may grant a district an extension to the deadlines in this paragraph.

(b) The training must prepare teachers to provide:

(1) elementary school students with explicit, systematic instruction in the five reading areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension as defined in section 120B.121 and other literacy-related areas, including writing and oral language, until the student achieves grade-level reading and writing proficiency; and

(2) children in early childhood programs with explicit, systematic instruction in phonological and phonemic awareness; oral language, including listening comprehension; vocabulary; and letter-sound correspondence.

(c) The training must include teaching in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, reading comprehension, and culturally and linguistically responsive pedagogy.

Subd. 6. **Literacy lead.** (a) By August 30, 2025, a district must employ or contract with a literacy lead, or be actively supporting a designated literacy specialist through the process of becoming a literacy lead. A board may satisfy the requirements of this subdivision by contracting with another school board or cooperative unit under section 123A.24 for the services of a literacy lead by August 30, 2025. A district may use Read Act funding to pay for training, substitute teachers to allow teachers time to attend trainings, and incentives for teachers that complete the training.

(b) A district literacy lead must collaborate with district administrators and staff to support the district's implementation of requirements under the Read Act.

Subd. 7. **Department of Education.** (a) By July 1, 2023, the department must make available to districts a list of approved evidence-based screeners in accordance with section 120B.12. A district must use an approved screener to assess students' mastery of foundational reading skills in accordance with section 120B.12.

(b) The Department of Education must partner with CAREI as required under section 120B.124 to approve literacy curricula. A district is not required to use an approved curriculum, unless the curriculum was purchased with state grant funds that require a curriculum to be selected from a list of approved curricula.

(c) The Department of Education must partner with CAREI as required under section 120B.124 to approve professional development programs, subject to final determination by the department. After the implementation partnership under section 120B.124 ends, the department must continue to regularly provide districts with information about professional development opportunities available throughout the state on reading instruction that is evidence-based.

(d) The department must identify training required for a literacy specialist position under this section.

(e) The department must employ a literacy specialist to provide support to districts implementing the Read Act and coordinate duties assigned to the department under the Read Act. The literacy specialist must work on state efforts to improve literacy tracking and implementation.

(f) The department must develop a template for a local literacy plan in accordance with section 120B.12, subdivision 4a.

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

Sec. 8. **[120B.124] READ ACT IMPLEMENTATION PARTNERSHIP.**

Subdivision 1. **Resources.** The Department of Education must partner with CAREI for two years beginning June 1, 2023, until August 30, 2025, to support implementation of the Read Act. The department and CAREI must jointly:

(1) identify at least five literacy curricula and supporting materials that are evidence-based or focused on structured literacy by July 15, 2023, and post a list of the curricula on the department website. The list must include curricula that use culturally and linguistically responsive materials that reflect diverse populations;

(2) identify at least three professional development programs that focus on the five pillars of literacy and the components of structured literacy by July 15, 2023, and post a list of the programs on the department website. The programs may include a program offered by CAREI;

(3) identify evidence-based literacy intervention materials for students in kindergarten through grade 12;

(4) develop an evidence-based literacy lead training program that trains literacy specialists throughout Minnesota to support schools' efforts in screening, measuring growth, monitoring progress, and implementing interventions in accordance with subdivision 1;

(5) identify measures of foundational literacy skills and mastery that a district must report on a local literacy plan;

(6) provide guidance to districts about best practices in literacy instruction, and practices that are not evidence-based;

(7) develop MTSS model plans that districts may adopt to support efforts to screen, identify, intervene, and monitor the progress of students not reading at grade level; and

(8) ensure that teacher professional development options and MTSS framework trainings are geographically equitable by supporting trainings through the regional service cooperatives.

Subd. 2. **Reconsideration.** The department and CAREI must provide districts an opportunity to request that the department and CAREI add to the list of curricula or professional development programs a specific curriculum or professional development

program. The department must publish the request for reconsideration procedure on the department website. A request for reconsideration must demonstrate that the curriculum or professional development program meets the requirements of the Read Act, is evidence-based, and has structured literacy components; or that the screener accurately measures literacy growth, monitors progress, and accurately assesses effective reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. The department and CAREI must review the request for reconsideration, consult with the Read Act Implementation Advisory Council regarding the request, and approve or deny the request within 60 days.

Subd. 3. **Support.** The department and CAREI must support district efforts to implement the Read Act by:

(1) issuing guidance for teachers on implementing curriculum that is evidence-based, or focused on structured literacy;

(2) providing teachers accessible options for evidence-based professional development focused on structured literacy;

(3) providing districts with guidance on adapting MTSS; and

(4) providing districts with literacy implementation guidance and support.

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

Sec. 9. Minnesota Statutes 2022, section 122A.092, subdivision 5, is amended to read:

Subd. 5. **Reading strategies.** (a) A teacher preparation provider approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in its teacher preparation programs ~~research-based~~ evidence-based best practices in reading, consistent with ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124, that enable the licensure candidate to teach reading in the candidate's content areas. Teacher candidates must be instructed in using students' native languages as a resource in creating effective differentiated instructional strategies for English learners developing literacy skills. A teacher preparation provider also must prepare early childhood and elementary teacher candidates for Tier 3 and Tier 4 teaching licenses under sections 122A.183 and 122A.184, respectively, for the portion of the examination under section 122A.185, subdivision 1, paragraph (c), covering assessment of reading instruction.

(b) Board-approved teacher preparation programs for teachers of elementary education must require instruction in applying comprehensive, scientifically based or evidence-based, and structured reading instruction programs that:

(1) teach students to read using foundational knowledge, practices, and strategies consistent with ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124, so that all students achieve continuous progress in reading; and

(2) teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels to become proficient readers.

(c) Board-approved teacher preparation programs for teachers of elementary education, early childhood education, special education, and reading intervention must include instruction on dyslexia, as defined in section 125A.01, subdivision 2. Teacher preparation programs may consult with the Department of Education, including the dyslexia specialist under section 120B.122, to develop instruction under this paragraph. Instruction on dyslexia must be modeled on practice standards of the International Dyslexia Association, and must address:

(1) the nature and symptoms of dyslexia;

(2) resources available for students who show characteristics of dyslexia;

(3) evidence-based instructional strategies for students who show characteristics of dyslexia, including the structured literacy approach; and

(4) outcomes of intervention and lack of intervention for students who show characteristics of dyslexia.

(d) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

Sec. 10. Minnesota Statutes 2022, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** (a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. Candidates may obtain a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the other requirements in section 122A.181, 122A.182, or 122A.183, respectively.

(b) The board must adopt rules requiring candidates for Tier 3 and Tier 4 licenses to pass an examination of general pedagogical knowledge and examinations of licensure field

specific content. The content examination requirement does not apply if no relevant content exam exists.

(c) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must pass test items assessing the candidates' knowledge, skill, and ability in ~~comprehensive, scientifically based reading~~ evidence-based literacy instruction under ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124.

(d) The requirement to pass a board-adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.

Sec. 11. Minnesota Statutes 2022, section 122A.187, subdivision 5, is amended to read:

Subd. 5. **Reading preparation.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements further reading preparation, consistent with ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

Sec. 12. Minnesota Statutes 2022, section 124D.42, subdivision 8, is amended to read:

Subd. 8. **Minnesota reading corps program.** (a) A Minnesota reading corps program is established to provide ServeMinnesota AmeriCorps members with a data-based problem-solving model of literacy instruction to use in helping to train local Head Start program providers, other prekindergarten program providers, and staff in schools with students in kindergarten through grade 3 to evaluate and teach early literacy skills, including ~~comprehensive, scientifically based reading~~ evidence-based literacy instruction under ~~section 122A.06, subdivision 4~~ sections 120B.12 to 120B.124, to children age 3 to grade 3.

(b) Literacy programs under this subdivision must comply with the provisions governing literacy program goals and data use under section 119A.50, subdivision 3, paragraph (b).

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

Sec. 13. Minnesota Statutes 2022, section 124D.98, is amended by adding a subdivision to read:

Subd. 5. **Literacy incentive aid uses.** A school district must use its literacy incentive aid to support evidence-based reading instruction. The following are eligible uses of literacy incentive aid:

(1) training for kindergarten through grade 3 teachers, early childhood educators, special education teachers, reading intervention teachers working with students in kindergarten through grade 12, curriculum directors, and instructional support staff that provide reading instruction, on using evidence-based screening and progress monitoring tools;

(2) evidence-based training using a training program approved by the Department of Education;

(3) employing or contracting with a literacy lead, as defined in section 120B.121;

(4) materials, training, and ongoing coaching to ensure reading interventions under section 125A.56, subdivision 1, are evidence-based; and

(5) evidence-based, structured literacy curriculum and supporting materials.

Sec. 14. **APPROPRIATIONS.**

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

Subd. 2. **CAREI.** (a) To contract with the Center for Applied Research and Educational Improvement at the University of Minnesota for the Read Act implementation partnership under section 120B.124:

$	4,200,000	.....	2024
$	4,200,000	.....	2025

(b) This appropriation is available until June 30, 2026.

(c) The base for fiscal year 2026 and later is $0.

Subd. 3. **Department literacy specialist.** For a full-time literacy specialist at the Department of Education:

$	250,000	.....	2024
$	250,000	.....	2025

Subd. 4. **Read Act professional development.** (a) For evidence-based training on structured literacy for teachers working in school districts, charter schools, and cooperatives:

$	32,543,000	.....	2024
$	0	.....	2025

(b) Of this amount, $18,000,000 is to fund the development of regional literacy networks. The regional literacy networks must focus on the implementation of comprehensive literacy reform efforts based on structured literacy. Each Minnesota service cooperative must add a literacy director position and establish a team of trained literacy coaches to facilitate evidence-based training opportunities and ongoing supports to school districts and charter schools in each of their regions.

(c) Of this amount, $9,200,000 is for one or more contracts to develop statewide training based in structured literacy to be offered free to school districts and charter schools and facilitated by the regional literacy networks and Minnesota Service Cooperatives.

(d) Of this amount, $1,000,000 is for grants to school districts, charter schools, or cooperatives to pay for substitute teachers to allow classroom teachers time to attend training, and incentives for teachers that complete training.

(e) Of this amount, $125,000 is for administration.

(f) If funds remain unspent on July 1, 2026, the commissioner must expand eligibility for approved training to include principals and other district, charter school, or cooperative administrators.

(g) The commissioner must report to the legislative committees with jurisdiction over kindergarten through grade 12 education the number of teachers from each district who received approved training using funds under this subdivision, and the amounts awarded to districts, charter schools, or cooperatives under paragraph (d).

(h) This appropriation is available until June 30, 2028.

(i) The base for fiscal year 2026 is $7,200,000 for the regional literacy networks and staff at the Department of Education to support ongoing support for school districts, charter schools, and cooperatives to implement evidence-based literacy instruction.

Sec. 15. **REPEALER.**

Minnesota Statutes 2022, section 122A.06, subdivision 4, is repealed.

ARTICLE 4
TEACHERS

Section 1. **[120B.113] CLOSING EDUCATIONAL OPPORTUNITY GAPS GRANTS.**

Subdivision 1. **Grant program established.** The commissioner of education must establish a grant program to support implementation of world's best workforce strategies under section 120B.11, subdivision 2, clauses (4) and (6), and collaborative efforts that address opportunity gaps resulting from curricular, environmental, and structural inequities in schools experienced by students, families, and staff who are of color or who are American Indian.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Antiracist" means actively working to identify and eliminate racism in all forms so that power and resources are redistributed and shared equitably among racial groups.

(c) "Curricular" means curriculum resources used and content taught as well as access to levels of coursework or types of learning opportunities.

(d) "Environmental" means relating to the climate and culture of a school.

(e) "Equitable" means fairness by providing curriculum, instruction, support, and other resources for learning based on the needs of individual students and groups of students to succeed at school rather than treating all students the same despite the students having different needs.

(f) "Institutional racism" means policies and practices within and across institutions that produce outcomes that chronically favor white people and disadvantage those who are Black, Indigenous, and People of Color.

(g) "Opportunity gap" means the inequitable distribution of resources that impacts inequitable opportunities that contribute to or perpetuate learning gaps for certain groups of students.

(h) "Structural" means relating to the organization and systems of a school that have been created to manage a school.

Subd. 3. **Applications and grant awards.** The commissioner must determine application procedures and deadlines, select districts and charter schools to participate in the grant program, and determine the award amount and payment process of the grants. To the extent that there are sufficient applications, the commissioner must award an approximately equal number of grants between districts in greater Minnesota and those in the Twin Cities metropolitan area. If there are an insufficient number of applications received for either geographic area, then the commissioner may award grants to meet the requests for funds wherever a district is located.

Subd. 4. **Description.** The grant program must provide funding that supports collaborative efforts that close opportunity gaps by:

(1) ensuring school environments and curriculum validate, affirm, embrace, and integrate cultural and community strengths of students, families, and employees from all racial and ethnic backgrounds; and

(2) addressing institutional racism with equitable school policies, structures, practices, and curricular offerings, consistent with the requirements for long-term plans under section 124D.861, subdivision 2, paragraph (c).

Subd. 5. **Report.** Grant recipients must annually report to the commissioner by a date and in a form and manner determined by the commissioner on efforts planned and implemented that engaged students, families, educators, and community members of diverse racial and ethnic backgrounds in making improvements to school climate and curriculum. The report must assess the impact of those efforts as perceived by racially and ethnically diverse stakeholders, and must identify any areas needed for further continuous improvement. The commissioner must publish a report for the public summarizing the activities of grant recipients and what was done to promote sharing of effective practices among grant recipients and potential grant applicants.

Sec. 2. Minnesota Statutes 2022, section 122A.183, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must issue a Tier 3 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets the educational or professional requirements in paragraphs (b) and (c);

(2) the candidate has obtained a passing score on the required licensure exams under section 122A.185; and

(3) the candidate has completed the coursework required under subdivision 2.

(b) A candidate for a Tier 3 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study.

(c) A candidate for a Tier 3 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:

(1) an associate's degree;

(2) a professional certification; or

(3) five years of relevant work experience.

In consultation with the governor's Workforce Development Board established under section 116L.665, the board must establish a list of qualifying certifications, and may add additional professional certifications in consultation with school administrators, teachers, and other stakeholders.

(d) The board must issue a Tier 3 license to a candidate who provides information sufficient to demonstrate the following, regardless of whether the candidate meets other requirements in this section:

(1) the candidate has completed a teacher preparation program from a culturally specific Minority Serving Institution in the United States, such as Historically Black Colleges and Universities, Tribal Colleges and Universities, or Hispanic-Serving Institutions, including those in Puerto Rico; or

(2) the candidate has completed a university teacher preparation program in another country and has taught at least two years.

The candidate must have completed student teaching comparable to the student teaching expectations in Minnesota.

Sec. 3. Minnesota Statutes 2022, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets all requirements for a Tier 3 license under section 122A.183, and has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2);

(2) the candidate has at least three years of teaching experience in Minnesota or another state;

(3) the candidate has obtained a passing score on all required licensure exams under section 122A.185; and

(4) the candidate's most recent summative teacher evaluation did not result in placing or otherwise keeping the teacher in an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Sec. 4. Minnesota Statutes 2022, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** ~~(a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. Candidates may obtain a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the other requirements in section 122A.181, 122A.182, or 122A.183, respectively.~~

~~(b)~~ (a) The board must adopt and revise rules requiring ~~candidates~~ applicants for Tier 3 and Tier 4 licenses to pass an examination of general pedagogical knowledge and examinations of licensure field specific content~~.~~ if the applicant has not completed a board-approved preparation program assuring that candidates from the program recommended for licensure meet content and pedagogy licensure standards in Minnesota. Candidates who have satisfactorily completed board-approved programs in Minnesota with required coursework and clinical field experiences that include learning opportunities and assessments aligned to content and pedagogy licensure standards are not additionally required to pass content and pedagogy exams for Tier 3 licensure. Applicants who have satisfactorily completed a preparation program in another state and passed licensure examinations in that state are not additionally required to pass similar examinations required in Minnesota. The content examination requirement does not apply if no relevant content exam exists.

~~(c)~~ (b) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must pass test items ~~assessing~~ under this paragraph if the candidates did not complete a

board-approved preparation program in Minnesota. The test items must assess the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under section 122A.06, subdivision 4.

~~(d) The requirement to pass a board-adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.~~

(c) All testing centers in the state must provide monthly opportunities for untimed content and pedagogy examinations. These opportunities must be advertised on the test registration website. The board must require the exam vendor to provide other equitable opportunities to pass exams, including: (1) waiving testing fees for test takers who qualify for federal grants; (2) providing free, multiple, full-length practice tests for each exam and free, comprehensive study guides on the test registration website; (3) making content and pedagogy exams available in languages other than English for teachers seeking licensure to teach in language immersion programs; and (4) providing free, detailed exam results analysis by test objective to assist candidates who do not pass an exam in identifying areas for improvement. Any candidate who has not passed a required exam after two attempts must be allowed to retake the exam, including new versions of the exam, without being charged an additional fee.

Sec. 5. Minnesota Statutes 2022, section 122A.40, subdivision 3, is amended to read:

Subd. 3. **Hiring, dismissing.** (a) School boards must hire or dismiss teachers at duly called meetings. Where a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher shall be made or authorized except upon the unanimous vote of the full board. A teacher related by blood or marriage, within the fourth degree, computed by the civil law, to a board member shall not be employed except by a unanimous vote of the full board. The initial employment of the teacher in the district must be by written contract, signed by the teacher and by the chair and clerk. All subsequent employment of the teacher in the district must be by written contract, signed by the teacher and by the chair and clerk, except where there is a master agreement covering

the employment of the teacher. Contracts for teaching or supervision of teaching can be made only with qualified teachers. A teacher shall not be required to reside within the employing district as a condition to teaching employment or continued teaching employment.

(b) A school district must annually report to the Professional Educator Licensing and Standards Board: (1) all new teacher hires and terminations, including layoffs, by race and ethnicity; and (2) the reasons for all teacher resignations and requested leaves of absence. The report must not include data that would personally identify individuals.

Sec. 6. Minnesota Statutes 2022, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period that is consistent with subdivision 8. Evaluation must occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in paragraph (b), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code,

title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(d) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(e) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(f) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a probationary period no longer than one year in a Minnesota school district.

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2023, and thereafter.

Sec. 7. Minnesota Statutes 2022, section 122A.41, subdivision 2, is amended to read:

Subd. 2. **Probationary period; discharge or demotion.** (a) All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board, after consulting with the peer review committee charged with evaluating the probationary teachers under subdivision 3, shall see fit. The school site management team or the school board if there is no school site management team, shall adopt a plan for a written evaluation of teachers during the probationary period according to subdivisions 3 and 5. Evaluation by the peer review committee charged with evaluating probationary teachers under subdivision 3 shall occur at least three times periodically throughout each school year for a teacher performing services during that school year; the first evaluation must occur within the first 90 days of teaching service. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school shall not be included in determining the number of school days on which a teacher performs services. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30

days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.

(b) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

(c) A probationary teacher whose first three years of consecutive employment are interrupted for maternity, paternity, or medical leave and who resumes teaching within 12 months of when the leave began is considered to have a consecutive teaching experience for purposes of paragraph (a) if the probationary teacher completes a combined total of three years of teaching service immediately before and after the leave.

(d) A probationary teacher must complete at least 120 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph.

(e) Notwithstanding any law to the contrary, a teacher who has taught for three consecutive years in a single school district or charter school in Minnesota or another state must serve a probationary period no longer than one year in a Minnesota school district.

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2023, and thereafter.

Sec. 8. Minnesota Statutes 2022, section 122A.41, is amended by adding a subdivision to read:

Subd. 16. **Reporting of hires and terminations.** A school district must annually report to the Professional Educator Licensing and Standards Board: (1) all new teacher hires and terminations, including layoffs, by race and ethnicity; and (2) the reasons for all teacher resignations and requested leaves of absence. The report must not include data that would personally identify individuals.

Sec. 9. Minnesota Statutes 2022, section 122A.415, subdivision 4, is amended to read:

Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher compensation aid for a school with a plan approved under section 122A.414, subdivision 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.

The basic alternative teacher compensation aid for a charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, equals $260 times the number of pupils enrolled in the school on October 1 of the previous year, or on October 1 of the current year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under subdivision 1.

(b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed ~~$75,840,000 for fiscal year 2016 and~~ $88,118,000 for fiscal year ~~2017~~ 2023; $88,466,000 for fiscal year 2024; $88,426,000 for fiscal year 2025; $88,244,000 for fiscal year 2026; and $87,940,000 for fiscal year 2027 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under this section so as not to exceed these limits by not approving new participants or by prorating the aid among participating districts, intermediate school districts, school sites, and charter schools. The commissioner may also reallocate a portion of the allowable aid for the biennium from the second year to the first year to meet the needs of approved participants.

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

Sec. 10. Minnesota Statutes 2022, section 122A.59, is amended to read:

122A.59 COME TEACH IN MINNESOTA HIRING BONUSES.

Subdivision 1. **Purpose.** This section establishes a program to support districts and schools recruiting and offering hiring bonuses for ~~licensed~~ teachers who are American Indian or a person of color from another state or country in order to meet staffing needs in shortage areas in ~~economic development regions in~~ Minnesota.

Subd. 2. **Eligibility.** A district or school must verify that the hiring bonus is given to ~~teachers licensed in~~ persons from another state or country who:

(1) immediately qualify for a Tier ~~3 or Tier 4~~ 2 or higher Minnesota license;

(2) have moved to ~~the economic development region in~~ Minnesota ~~where they were hired~~; and

(3) belong to a racial or ethnic group that is underrepresented among teachers compared to students in the district or school under section 120B.35, subdivision 3, paragraph (b), clause (2).

Subd. 3. **Bonus amount.** A district or school may offer a ~~signing~~ hiring and retention bonus of a minimum of ~~$2,500~~ $4,000 and a maximum of ~~$5,000~~ $8,000 to a teacher who meets the eligibility requirements. A teacher who meets the eligibility requirements and meets a licensure shortage area in the economic development region of the state where the school is located may be offered a ~~signing~~ hiring bonus of a minimum of ~~$4,000~~ $5,000 and a maximum of ~~$8,000~~ $10,000. A teacher must be paid half of the bonus when starting employment and half after completing four years of service in the hiring district or school if the teacher has demonstrated teaching effectiveness and is not on a professional improvement plan under section 122A.40, subdivision 8, paragraph (b), clause (12) or (13), or section 122A.41, subdivision 5, paragraph (b), clause (12) or (13), or is not being considered for termination for a reason listed in section 122A.40, subdivision 9, including a teacher hired by a school district located in a city of the first class. A teacher who does not complete their first school year upon receiving a hiring bonus must repay the hiring bonus. A teacher must have a Tier 3 or Tier 4 Minnesota teaching license to qualify for the second half of the bonus. A district must prorate the second half of the bonus if the eligible teacher is nonrenewed due to reasons not having to do with teaching effectiveness or misconduct.

Subd. 4. **Administration.** (a) The commissioner must establish a process for districts or schools to seek reimbursement for hiring bonuses given to teachers in shortage areas moving to and working in Minnesota schools experiencing specific shortages. The commissioner must provide guidance for districts to seek repayment of a hiring bonus from a teacher who does not complete the first year of employment. The department may conduct a pilot program with a small number of teachers during the 2022-2023 biennium to establish feasibility. The department must submit a report by December 1, 2022, to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education detailing the effectiveness of the program and recommendations for improvement in future years.

(b) The commissioner may award participating districts and schools additional funds to administer the program, including out-of-state recruiting efforts and retention activities. The commissioner may allow participating districts and schools to reserve up to five percent of Come Teach in Minnesota funding to administer the program, including for out-of-state recruiting efforts and retention activities.

Subd. 5. **Come Teach in Minnesota Hiring Bonus program account.** (a) An account is established in the special revenue fund known as the "Come Teach in Minnesota Hiring Bonus program account."

(b) Funds appropriated for the Come Teach in Minnesota Hiring Bonus program under this section must be transferred to the Come Teach in Minnesota Hiring Bonus program account in the special revenue fund.

(c) Money in the account is annually appropriated to the commissioner for hiring bonuses under this section. Any returned funds are available to be regranted.

(d) Up to $35,000 annually is appropriated to the commissioner for costs associated with developing and administering the program under this section.

EFFECTIVE DATE. The amendment to subdivision 2 is effective retroactively from July 1, 2022. The amendments to subdivisions 1, 3, and 4 are effective the day following final enactment.

Sec. 11. **[122A.631] SUPPORTING HERITAGE LANGUAGE AND CULTURE TEACHERS.**

Subdivision 1. **Purpose.** The purpose of this section is to increase the number of heritage language and culture teachers in Minnesota.

Subd. 2. **Definitions.** "Heritage language and culture teachers" means teachers with a connection to a community's language and culture who use this connection to support students as they learn academic content or the language and culture of that particular community.

Subd. 3. **Eligibility.** Applicants for the heritage language and culture licensure pathway program must:

(1) hold a current license issued by the Professional Educator Licensing and Standards Board or meet the criteria for licensure in 122A.181; and

(2) seek initial, dual, or additional licensure in a heritage language.

Subd. 4. **Heritage language and culture teacher licensure pathway program.** (a) The Professional Educator Licensing and Standards Board shall develop a program to support initial and additional licensure for heritage language and culture teachers. The program must include:

(1) a yearlong mentorship program;

(2) monthly meetings where applicants receive guidance on completing the portfolio process from a portfolio liaison, dedicated specifically to facilitating this program;

(3) a stipend to cover substitute teachers when meetings take place during the school day;

(4) a waiver for all portfolio and licensure testing fees; and

(5) a portfolio review committee created by the board.

(b) For applicants seeking an initial license in a world language and culture, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000 and content-specific pedagogical standards in Minnesota Rules, part 8710.4950, through the portfolio process.

(c) For applicants seeking a dual license, the applicant must demonstrate meeting the standards of effective practice in Minnesota Rules, part 8710.2000, content-specific pedagogical standards in Minnesota Rules, part 8710.4950, and all standards for the chosen dual license through the portfolio process.

(d) For applicants seeking an additional license in a world language and culture, the applicant must demonstrate meeting the content-specific pedagogical standards in Minnesota Rules, part 8710.4950.

Subd. 5. **Heritage language and culture educators seeking a world language license.** Heritage language and culture teachers seeking a world language and culture license pursuant to Minnesota Rules, part 8710.4950, who demonstrate proficiency through one of the following may use this proficiency to evidence meeting the required content-specific world language and culture standards, which do not include content-specific pedagogical standards, for licensure in their heritage language:

(1) passing a board-adopted assessment;

(2) holding a certificate to serve as a translator or interpreter; or

(3) completing an undergraduate or postbaccalaureate degree from an accredited university where the majority of coursework was taught via the non-English instructional language.

Sec. 12. Minnesota Statutes 2022, section 122A.635, is amended to read:

122A.635 COLLABORATIVE URBAN AND GREATER MINNESOTA EDUCATORS OF COLOR GRANT PROGRAM.

Subdivision 1. **Establishment.** The Professional Educator Licensing and Standards Board must award competitive grants to increase the number of teacher candidates who are of color or who are American Indian, complete teacher preparation programs, and meet the requirements for a Tier 3 license under section 122A.183. Eligibility for a grant under this section is limited to public or private higher education institutions that offer a teacher preparation program approved by the Professional Educator Licensing and Standards Board.

Subd. 2. **Competitive grants.** (a) The Professional Educator Licensing and Standards Board must award competitive grants to a variety of higher education institution types under this section. The board must require an applicant institution to submit a plan describing how it would use grant funds to increase the number of teachers who are of color or who are American Indian, and must award grants based on the following criteria, listed in descending order of priority:

~~(1) the number of teacher candidates being supported in the program who are of color or who are American Indian;~~

~~(2)~~ (1) program outcomes, including graduation or program completion rates~~,~~ and licensure recommendation rates~~, and placement rates~~ for candidates who are of color or who are American Indian compared to all candidates enrolled in a teacher preparation program at the institution and, for each outcome measure, the number of ~~those~~ teacher candidates who are of color or who are American Indian; ~~and~~

~~(3) the percent of racially and ethnically diverse teacher candidates enrolled in the institution compared to:~~

~~(i) the total percent of students of color and American Indian students enrolled at the institution, regardless of major; and~~

~~(ii) the percent of underrepresented racially and ethnically diverse teachers in the economic development region of the state where the institution is located and where a shortage of diverse teachers exists, as reported under section 122A.091, subdivision 5.~~

(2) the extent to which an institution's plan is clear in describing how the institution would use grant funds for implementing explicit research-based practices to provide programmatic support to teacher candidates who are of color or who are American Indian. Plans for grant funds may include:

(i) recruiting more racially and ethnically diverse candidates for admission to teacher preparation programs;

(ii) providing differentiated advising, mentoring, or other supportive community-building activities in addition to what the institution provides to all candidates enrolled in the institution;

(iii) providing academic tutoring or support to help teacher candidates pass required assessments; and

(iv) providing for program staffing expenses;

(3) an institution's plan to provide direct financial assistance as scholarships or stipends within the allowable dollar range determined by the board under subdivision 3, paragraph (b), to teacher candidates who are of color or who are American Indian;

~~(b) The board must give priority in awarding grants under this section to institutions that received grants under Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 27, and have demonstrated continuing success at recruiting, retaining, graduating, and inducting~~ (4) whether the institution has previously received a competitive grant under this section and has demonstrated positive outcomes from the use of grant funds for efforts helping teacher candidates who are of color or who are American Indian~~.~~ to enroll in and successfully complete teacher preparation programs and be recommended for licensure;

(5) geographic diversity among the institutions. In order to expand the number of grant recipients throughout the state, whenever there is at least a 20 percent increase in the base appropriation for this grant program, the board must prioritize awarding grants to institutions outside of the Twin Cities metropolitan area. If the board awards a ~~competitive~~ grant based on the criteria in paragraph (a) to a program that has not previously received funding, the board must thereafter give priority to the program equivalent to other programs ~~given priority under this paragraph.~~ that have received grants and demonstrated positive outcomes; and

(6) the percentage of racially and ethnically diverse teacher candidates enrolled in the institution compared to:

(i) the aggregate percentage of students of color and American Indian students enrolled in the institution, regardless of major; and

(ii) the percentage of underrepresented racially and ethnically diverse teachers in the economic development region of the state where the institution is located and where a shortage of diverse teachers exists, as reported under section 122A.091, subdivision 5.

(b) The board must not penalize an applicant institution in the grant review process for using grant funds only to provide direct financial support to teacher candidates if that is the institution's priority and the institution uses other resources to provide programmatic support to candidates.

(c) The board must determine award amounts for development, maintenance ~~and~~, or expansion of programs based only on the degree to which applicants meet the criteria in this subdivision, the number of candidates who are of color or who are American Indian supported by an applicant program, ~~sustaining support for those candidates,~~ and funds available.

(d) The board must determine grant awards in part by multiplying the number of teacher candidates to be provided direct financial assistance by the average amount the institution proposes per candidate that is within the allowable dollar range. After assessing an institution's adherence to grant criteria and funds available, the board may grant an institution a lower average amount per candidate and the institution may decide to award less per candidate or provide financial assistance to fewer candidates within the allowable range. Additionally, an institution may use up to 25 percent of the awarded grant funds to provide programmatic support as described in paragraph (a), clause (3). If the board does not award an applicant institution's full request, the board must allow the institution to modify how it uses grant funds to maximize program outcomes consistent with the requirements of this section.

Subd. 3. **Grant program administration.** (a) The Professional Educator Licensing and Standards Board may enter into an interagency agreement with the Office of Higher Education. The agreement may include a transfer of funds to the Office of Higher Education to help establish and administer the competitive grant process. The board must award grants to institutions located in various economic development regions throughout the state, but must not predetermine the number of institutions to be awarded grants under this section or set a limit for the amount that any one institution may receive as part of the competitive grant application process.

(b) The board must establish a standard allowable dollar range for the amount of direct financial assistance an applicant institution may provide to each candidate. To determine the range, the board may collect de-identified data from institutions that received a grant during the previous grant period and calculate the average scholarship amount awarded to all candidates across all institutions using the most recent fiscal year data available. The calculation may be used to determine a scholarship range that is no more than 25 percent of this amount and no less than half the average of this amount. The purpose of direct

financial assistance is to assist candidates matriculating through completing licensure programs if they demonstrate financial need after considering other grants and scholarships provided.

(c) All grants must be awarded by August 15 of the fiscal year in which the grants are to be used ~~except that, for initial competitive grants awarded for fiscal year 2020, grants must be awarded by September 15~~. An institution that receives a grant under this section may use the grant funds over a two- to four-year period to sustain support for teacher candidates at any stage from recruitment and program admission to graduation and licensure application.

Subd. 4. **Report.** (a) By ~~January~~ August 15 of each year, an institution awarded a grant under this section must prepare for the ~~legislature and the~~ board a detailed report regarding the expenditure of grant funds, including the amounts used to recruit, retain, and ~~induct~~ support teacher candidates of color or ~~who are~~ American Indian teacher candidates to complete programs and be recommended for licensure. The report must include:

(1) the total number of teacher candidates of color~~, disaggregated by race or ethnic group, who~~ and American Indian teacher candidates who:

(i) are enrolled in the institution;

(ii) are supported by grant funds with direct financial assistance during the academic reporting year;

(iii) are supported with other programmatic supports;

(iv) are recruited ~~to the institution, are~~ and newly admitted to ~~the~~ a licensure program~~, are enrolled in the~~;

(v) are enrolled in a licensure program;

(vi) have completed a licensure program~~, have completed student teaching, have graduated, are licensed, and are newly employed as Minnesota teachers in their licensure field. A grant recipient must report~~; and

(vii) were recommended for licensure in the field for which they were prepared;

(2) the total number of teacher candidates of color or ~~who are~~ American Indian teacher candidates at each stage from ~~recruitment~~ program admission to ~~licensed teaching~~ licensure recommendation as a percentage of ~~total~~ all candidates seeking the same licensure at the institution~~.~~; and

(3) a brief narrative describing the successes and challenges of efforts proposed in the grant application to support candidates with grant funds, and lessons learned for future efforts.

(b) By November 1 of each year, the board must post a report on its website summarizing the activities and outcomes of grant recipients and results that promote sharing of effective practices and lessons learned among grant recipients.

Sec. 13. Minnesota Statutes 2022, section 122A.70, is amended to read:

122A.70 TEACHER MENTORSHIP AND RETENTION OF EFFECTIVE TEACHERS.

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

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

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

~~(2) financial supports for professional learning community affinity groups across schools within and between districts for teachers from underrepresented racial and ethnic groups to come together throughout the school year. For purposes of this section, "affinity groups" are groups of educators who share a common racial or ethnic identity in society as persons of color or who are American Indian;~~

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

~~(4) grants supporting licensed and nonlicensed educator participation in professional development, such as workshops and graduate courses, related to increasing student~~

~~achievement for students of color and American Indian students in order to close opportunity and achievement gaps.~~

~~(c) A school or district that receives a grant must negotiate additional retention strategies or protection from unrequested leave of absences in the beginning years of employment for teachers of color and teachers who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.~~

Subd. 2. **Board grants.** The Professional Educator Licensing and Standards Board must make grant application forms available to sites interested in developing, sustaining, or expanding a mentorship program. A school district~~; a~~ or group of school districts~~; a coalition of districts, teachers, and teacher education institutions; or~~, a school or coalition of schools, or a coalition of teachers~~, or nonlicensed educators~~ may apply for a program grant. A higher education institution or nonprofit organization may partner with a grant applicant but is not eligible as a sole applicant for grant funds. The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Subd. 2a. **Funded work.** (a) Grant funds may be used for the following:

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

(2) financial supports for professional learning community affinity groups across schools within and between districts for educators from underrepresented racial and ethnic groups to come together throughout the school year. For purposes of this section, "affinity groups" means groups of licensed and nonlicensed educators who share a common racial or ethnic identity in society as persons who are of color or who are American Indian;

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

(4) professional development focused on ways to close opportunity and achievement gaps for students of color and American Indian students; or

(5) for teachers of color and American Indian teachers, graduate courses toward a first master's degree in a field related to their licensure or toward an additional license.

(b) A charter school or district that receives a grant must negotiate additional retention strategies or protection from unrequested leaves of absence in the beginning years of employment for teachers who are of color or who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.

Subd. 3. **Criteria for selection.** (a) At a minimum, applicants for grants under subdivision 2 must express commitment to:

(1) allow staff participation;

(2) assess skills of both beginning and mentor teachers;

(3) provide appropriate in-service to needs identified in the assessment;

(4) provide leadership to the effort;

(5) cooperate with higher education institutions or teacher educators;

(6) provide facilities and other resources;

(7) share findings, materials, and techniques with other school districts; and

(8) retain teachers of color and teachers who are American Indian.

(b) The Professional Educator Licensing and Standards Board must give priority to applications to fund programs to induct, mentor, and retain Tier 2 or Tier 3 teachers who are of color or who are American Indian, and Tier 2 or Tier 3 teachers in licensure shortage areas within the applicant's economic development region.

Subd. 4. **Additional funding.** Grant applicants must seek additional funding and assistance from sources such as school districts, postsecondary institutions, foundations, and the private sector.

Subd. 5. **Program implementation.** A grant recipient may use grant funds on implementing activities over a period of time up to 24 months. New and expanding

mentorship sites that receive a board grant under subdivision 2 to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation.

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

Sec. 14. Minnesota Statutes 2022, section 122A.73, subdivision 2, is amended to read:

Subd. 2. **Grow Your Own district programs.** (a) A school district, charter school, cooperative unit under section 123A.24, subdivision 2, or Head Start program under section 119A.50 may apply for a grant ~~for~~ to partner with a Professional Educator Licensing and Standards Board-approved teacher preparation program at the undergraduate or postbaccalaureate level. Partnerships may also include associate's degree-granting institutions to support students in early childhood or education programs that have transfer agreements with board-approved preparation programs at colleges or universities. The grant recipient must use at least 80 percent of grant funds to provide tuition scholarships or stipends to enable school district employees or community members affiliated with a school district, who are of color or American Indian and who seek a teaching license, to participate in the teacher preparation program.

(b) A district using grant funds under this subdivision to provide financial support to teacher candidates may require a commitment as determined by the district to teach in the district for a reasonable amount of time that does not exceed five years.

(c) The maximum grant award under this subdivision is $850,000. The commissioner may consider the number of participants a grant recipient intends to support when determining a grant amount.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 15. Minnesota Statutes 2022, section 122A.73, subdivision 3, is amended to read:

Subd. 3. **Grants for programs serving secondary school students.** (a) ~~In addition to grants for developing and offering dual-credit postsecondary course options in schools for~~

~~"Introduction to Teaching" or "Introduction to Education" courses under section 124D.09, subdivision 10,~~ A school district or charter school may apply for grants under this section to offer other innovative programs that encourage secondary school students, especially students of color and American Indian students, to pursue teaching. To be eligible for a grant under this subdivision, ~~a school district or charter school~~ an applicant must ensure that the aggregate percentage of secondary school students of color and American Indian students participating in the program is equal to or greater than the aggregate percentage of students of color and American Indian students in the school district ~~or~~, charter school, or cooperative unit.

(b) A grant recipient must use grant funds awarded under this subdivision for:

(1) supporting future teacher clubs or service-learning opportunities that provide middle and high school students with experiential learning that supports the success of younger students or peers and increases students' interest in pursuing a teaching career;

(2) developing and offering postsecondary enrollment options for "Introduction to Teaching" or "Introduction to Education" courses consistent with section 124D.09, subdivision 10, that meet degree requirements for teacher licensure;

~~(2)~~ (3) providing direct support, including wrap-around services, for students who are of color or American Indian to enroll and be successful in postsecondary enrollment options courses under section 124D.09 that would meet degree requirements for teacher licensure; or

~~(3)~~ (4) offering scholarships to graduating high school students who are of color or American Indian to enroll in board-approved undergraduate teacher preparation programs at a college or university in Minnesota.

(c) The maximum grant award under this subdivision is $500,000. The commissioner may consider the number of participants a grant recipient intends to support when determining a grant amount.

Sec. 16. Minnesota Statutes 2022, section 123B.147, subdivision 3, is amended to read:

Subd. 3. **Duties; evaluation.** (a) The principal shall provide administrative, supervisory, and instructional leadership services, under the supervision of the superintendent of schools of the district and according to the policies, rules, and regulations of the school board, for the planning, management, operation, and evaluation of the education program of the building or buildings to which the principal is assigned.

(b) To enhance a principal's culturally responsive leadership skills and support and improve teaching practices, school performance, and student achievement for diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, a district must develop and implement a performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness. The annual evaluation must:

(1) support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development;

(2) support and improve a principal's culturally responsive leadership practices that create inclusive and respectful teaching and learning environments for all students, families, and employees;

~~(2)~~ (3) include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

~~(3)~~ (4) be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, and high-quality instruction;

~~(4)~~ (5) include on-the-job observations and previous evaluations;

~~(5)~~ (6) allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;

~~(6)~~ (7) use longitudinal data on student academic growth as 35 percent of the evaluation and incorporate district achievement goals and targets;

~~(7)~~ (8) be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, culturally responsive leadership practices, and a collaborative professional culture; and

~~(8)~~ (9) for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.

The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 17. **[124D.901] STUDENT SUPPORT PERSONNEL AID.**

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

(1) "new position" means a student support services personnel full-time or part-time position not under contract by a school district, charter school, or cooperative unit at the start of the 2022-2023 school year;

(2) "part-time position" means a student support services personnel position less than 1.0 full-time equivalent at the start of the 2022-2023 school year;

(3) "American Rescue Plan Act" means the federal American Rescue Plan Act of 2021, Public Law 117-2, that awarded funds; and

(4) "student support services personnel" means an individual licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

Subd. 2. **Purpose.** The purpose of student support personnel aid is to:

(1) address shortages of student support services personnel within Minnesota schools;

(2) decrease caseloads for existing student support services personnel to ensure effective services;

(3) ensure that students receive effective student support services and integrated and comprehensive services to improve prekindergarten through grade 12 academic, physical, social, and emotional outcomes supporting career and college readiness and effective school mental health services;

(4) ensure that student support services personnel serve within the scope and practice of their training and licensure;

(5) fully integrate learning supports, instruction, assessment, data-based decision making, and family and community engagement within a comprehensive approach that facilitates interdisciplinary collaboration; and

(6) improve student health, school safety, and school climate to support academic success and career and college readiness.

Subd. 3. **Student support personnel aid.** (a) The initial student support personnel aid for fiscal year 2024 and fiscal year 2025 for a school district equals the greater of $24 times the adjusted pupil units at the district for the current fiscal year or $25,000. The initial student support personnel aid for fiscal year 2026 and later for a school district equals the greater of $44 times the adjusted pupil units at the district for the current fiscal year or $60,000. The initial student support personnel aid for fiscal year 2024 and fiscal year 2025 for a charter school equals $22 times the adjusted pupil units at the charter school for the current fiscal year. The initial student support personnel aid for fiscal year 2026 and later for a charter school equals $40 times the adjusted pupil units at the charter school for the current fiscal year.

(b) The cooperative student support personnel aid for fiscal year 2024 and fiscal year 2025 for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students equals $2 times the adjusted pupil units at the member district for the current fiscal year. The cooperative student support personnel aid for fiscal year 2026 and later for a school district that is a member of an intermediate school district or other cooperative unit that enrolls students equals $4 times the adjusted pupil units at the member district for the current fiscal year. If a district is a member of more than one cooperative unit that enrolls students, the revenue must be allocated among the cooperative units.

(c) Notwithstanding paragraphs (a) and (b), the student support personnel aid must not exceed the district's or cooperative unit's actual expenditure according to the approved plan under subdivision 3.

Subd. 4. **Allowed uses.** (a) Aid under this section must be used to hire new positions for student support services personnel or increase a current position that is less than 1.0 full-time equivalent to a greater number of service hours or make permanent a position hired using onetime resources awarded through the American Rescue Plan Act, or to maintain a position that would otherwise be eliminated.

(b) Cooperative student support personnel aid must be transferred to the intermediate district or other cooperative unit of which the district is a member and used to hire new positions for student support services personnel or increase a current position that is less than 1.0 full-time equivalent to a greater number of service hours or make permanent a

position hired using onetime resources awarded through the federal American Rescue Plan Act at the intermediate district or cooperative unit.

(c) If a school district, charter school, or cooperative unit does not receive at least two applications and is not able to hire a new full-time equivalent position with student support personnel aid, the aid may be used for contracted services from individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselor in Minnesota.

Subd. 5. **Report required.** By February 1 following any fiscal year in which student support personnel aid was received, a school district, charter school, or cooperative unit must submit a written report to the commissioner indicating how the new position affected two or more of the following measures:

(1) school climate;

(2) student health;

(3) attendance rates;

(4) academic achievement;

(5) career and college readiness; and

(6) postsecondary completion rates.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 18. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

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

Subd. 2. **Agricultural educator grants.** (a) For agricultural educator grants under Laws 2017, First Special Session chapter 5, article 2, section 51:

$	250,000	.....	2024
$	250,000	.....	2025

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

Subd. 3. **Alternative teacher compensation aid.** (a) For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

$ 88,443,000 2024
$ 88,430,000 2025

(b) The 2024 appropriation includes $8,824,000 for fiscal year 2023 and $79,619,000 for fiscal year 2024.

(c) The 2025 appropriation includes $8,847,000 for fiscal year 2024 and $79,583,000 for fiscal year 2025.

Subd. 4. **Come Teach in Minnesota hiring bonuses.** (a) For the Come Teach in Minnesota hiring bonuses pilot program under Minnesota Statutes, section 122A.59:

$ 200,000 2024
$ 400,000 2025

(b) The department may use up to $30,000 of the appropriation amount to administer and improve the program under this subdivision.

(c) This appropriation is subject to the requirements under Minnesota Statutes, section 122A.59, subdivision 5.

(d) The base for fiscal year 2026 and later is $400,000.

Subd. 5. **Closing educational opportunity gaps grants.** (a) To support schools in their efforts to close opportunity gaps under Minnesota Statutes, section 120B.113:

$ 4,000,000 2024
$ 4,000,000 2025

(b) The department may retain up to five percent of this appropriation to administer the grant program.

Subd. 6. **Coalition to Increase Teachers of Color and American Indian Teachers.** (a) For a grant to the Coalition to Increase Teachers of Color and American Indian Teachers in Minnesota for nonlobbying activities and general operating expenses that support the recruitment and retention of racially and ethnically diverse teachers underrepresented in the state's workforce:

$ 100,000 2024
$ 100,000 2025

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

Subd. 7. **Expanded concurrent enrollment grants.** (a) For grants to institutions offering "Introduction to Teaching" or "Introduction to Education" courses under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

95.1 $ 500,000 2024
95.2 $ 500,000 2025

95.3 (b) Up to five percent of the grant amount is available for grant administration and
95.4 monitoring.

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

95.6 Subd. 8. **Grow Your Own pathways to teacher licensure grants.** (a) For grants to
95.7 develop, continue, or expand Grow Your Own new teacher programs under Minnesota
95.8 Statutes, section 122A.73, to develop a teaching workforce that more closely reflects the
95.9 state's increasingly diverse student population and ensure all students have equitable access
95.10 to effective and diverse teachers:

95.11 $ 32,500,000 2024
95.12 $ 32,500,000 2025

95.13 (b) Of the amounts in paragraph (a), $1,500,000 each year is for grants to early childhood
95.14 educator programs.

95.15 (c) Of the amounts in paragraph (a), at least $3,000,000 each year is for teacher residency
95.16 programs under Minnesota Statutes, section 122A.68, subdivision 3.

95.17 (d) This appropriation is subject to the requirements under Minnesota Statutes, section
95.18 122A.73, subdivision 5.

95.19 (e) The base for fiscal year 2026 and later is $32,500,000.

95.20 Subd. 9. **Minnesota Indian teacher training program grants.** (a) For joint grants to
95.21 assist American Indian people to become teachers under Minnesota Statutes, section 122A.63:

95.22 $ 700,000 2024
95.23 $ 700,000 2025

95.24 (b) The department may use up to five percent of the appropriation amount to administer
95.25 the grant program.

95.26 Subd. 10. **Reimbursements for teacher licensing and exam fees.** (a) For reducing
95.27 financial burdens for aspiring teachers by funding costs associated with Minnesota teacher
95.28 licensing exams and first professional teacher license fees for newly graduated teachers:

95.29 $ 1,400,000 2024
95.30 $ 0 2025

95.31 (b) The commissioner must establish a process for newly licensed teachers to be
95.32 reimbursed for expenses related to:

(1) application fees to the board for initial licensure; and

(2) exam fees for required licensure exams to obtain a teaching license in Minnesota.

(c) Up to $50,000 is available for administration, including contracts.

(d) This is a onetime appropriation and is available until June 30, 2027.

Subd. 11. **Statewide concurrent enrollment teacher training program.** (a) For the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76:

$	375,000	.....	2024
$	375,000	.....	2025

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

Subd. 12. **Statewide teacher mentoring program.** (a) For a statewide teacher induction and mentoring program:

$	9,940,000	.....	2024
$	0	.....	2025

(b) Funds may be used for:

(1) competitive grants to Minnesota regional partners, including institutions of higher education, regional service cooperatives, other district or charter collaboratives, and professional organizations, to provide mentoring supports for new teachers, on-the-ground training, technical assistance, and networks or communities of practice for local new teachers, districts, and charter schools to implement Minnesota's induction model;

(2) competitive grants to school districts to fund Teacher of Record mentorships to Tier 1 special education teachers, including training and supervision; and

(3) contracts with national content experts and research collaboratives to assist in developing Minnesota's induction model, to provide ongoing training to mentors and principals, and to evaluate the program over time.

(c) This is a onetime appropriation and is available until June 30, 2027.

Subd. 13. **Student support personnel.** (a) To address shortages of school support personnel services that benefit children and young people's social, emotional, and physical health through strategies to fund additional positions within early childhood systems, public schools, and the Department of Education, and to implement a workforce development initiative:

$ 2,550,000 2024
$ 2,550,000 2025

(b) Of this amount, $2,400,000 each year is to fund a workforce development initiative to increase the number of student support personnel each year.

(c) Of this amount, $150,000 each year is to fund a school mental health service lead at the Department of Education.

Subd. 14. **Student support personnel aid.** (a) For aid to support schools in addressing students' social, emotional, and physical health under Minnesota Statutes, section 124D.901:

$ 23,432,000 2024
$ 25,990,000 2025

(b) The 2024 appropriation includes $0 for 2023 and $23,432,000 for 2024.

(c) The 2025 appropriation includes $2,604,000 for 2024 and $23,386,000 for 2025.

Sec. 19. **APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.**

Subdivision 1. **Professional Educator Licensing and Standards Board.** The sum indicated in this section is appropriated from the general fund to the Professional Educator Licensing and Standards Board for the fiscal year designated.

Subd. 2. **Collaborative urban and greater Minnesota educators of color grants.** (a) For collaborative urban and greater Minnesota educators of color competitive grants under Minnesota Statutes, section 122A.635:

$ 5,530,000 2024
$ 5,350,000 2025

(b) The board may retain up to $100,000 of the appropriation amount to monitor and administer the grant program.

(c) Any balance does not cancel but is available in the following fiscal year.

(d) The base for fiscal year 2026 and later is $5,350,000.

Subd. 3. **Heritage language and culture teachers.** To support an additional licensure pathway program for heritage language and culture teachers under Minnesota Statutes, section 122A.631, including funding for a portfolio liaison and funding for substitute teachers on meeting days, portfolio fees, licensure fees, and licensure exam fees for 50 program participants:

$	208,000	 2024
$	208,000	 2025

Subd. 4. **Mentoring, induction, and retention incentive program grants for teachers of color.** (a) To develop and expand mentoring, induction, and retention programs designed for teachers of color or American Indian teachers under Minnesota Statutes, section 122A.70:

$	3,496,000	 2024
$	3,496,000	 2025

(b) Any balance does not cancel but is available in the following fiscal year.

(c) The base for fiscal year 2026 and later is $3,496,000, of which at least $2,500,000 each fiscal year is for grants to develop and expand mentoring, induction, and retention programs designed for teachers of color or American Indian teachers.

(d) The board may retain up to three percent of the appropriation amount to monitor and administer the grant program.

Subd. 5. **Reports on increasing percentage of teachers of color and American Indian teachers.** (a) For a full-time equivalent employee to complete reports on state-funded programs to increase the percentage of teachers of color and American Indian teachers in Minnesota schools in accordance with Minnesota Statutes, section 120B.117, and process reports under Minnesota Statutes, sections 122A.40, subdivision 3, and 122A.41, subdivision 16:

$	20,000	 2024
$	0	 2025

(b) The base for fiscal year 2026 and later is $0.

Subd. 6. **Teacher recruitment marketing campaign.** (a) To develop two contracts to develop and implement an outreach and marketing campaign under this subdivision:

$	500,000	 2024
$	500,000	 2025

(b) The Professional Educator Licensing and Standards Board must issue a request for proposals to develop and implement an outreach and marketing campaign to elevate the profession and recruit teachers, especially teachers of color and American Indian teachers. Outreach efforts should include and support current and former Teacher of the Year finalists interested in being recruitment fellows to encourage prospective educators throughout the state.

(c) The outreach and marketing campaign must focus on increasing interest in teaching in Minnesota public schools for the following individuals:

(1) high school and college students of color or American Indian students who have not chosen a career path; or

(2) adults from racial or ethnic groups underrepresented in the teacher workforce who may be seeking to change careers.

(d) The board must award two $250,000 grants each year to firms or organizations that demonstrate capacity to reach wide and varied audiences of prospective teachers based on a work plan with quarterly deliverables. Preferences should be given to firms or organizations that are led by people of color and that have people of color working on the campaign with a proven record of success. The grant recipients must recognize current pathways or programs to become a teacher and must partner with educators, schools, institutions, and racially diverse communities. The grant recipients are encouraged to provide in-kind contributions or seek funds from nonstate sources to supplement the grant award.

(e) The board may use no more than three percent of the appropriation amount to administer the program under this subdivision, and may have an interagency agreement with the Department of Education including transfer of funds to help administer the program.

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

ARTICLE 5
SPECIAL EDUCATION

Section 1. Minnesota Statutes 2022, section 120A.20, subdivision 1, is amended to read:

Subdivision 1. **Age limitations; pupils.** (a) All schools supported in whole or in part by state funds are public schools. Admission to a public school is free to any person who: (1) resides within the district that operates the school; (2) is under 21 years of age or who meets the requirements of paragraph (c); and (3) satisfies the minimum age requirements imposed by this section. Notwithstanding the provisions of any law to the contrary, the conduct of all students under 21 years of age attending a public secondary school is governed by a single set of reasonable rules and regulations promulgated by the school board.

(b) A person shall not be admitted to a public school (1) as a kindergarten pupil, unless the pupil is at least five years of age on September 1 of the calendar year in which the school year for which the pupil seeks admission commences; or (2) as a 1st grade student, unless the pupil is at least six years of age on September 1 of the calendar year in which the school

year for which the pupil seeks admission commences or has completed kindergarten; except that any school board may establish a policy for admission of selected pupils at an earlier age under section 124D.02.

(c) A pupil who becomes age 21 after enrollment is eligible for continued free public school enrollment until at least one of the following occurs: (1) the first September 1 after the pupil's 21st birthday; (2) the pupil's completion of the graduation requirements; (3) the pupil's withdrawal with no subsequent enrollment within 21 calendar days; ~~or~~ (4) the end of the school year; or (5) in the case of a student with a disability as defined under section 125A.02, the pupil's 22nd birthday.

Sec. 2. Minnesota Statutes 2022, section 121A.41, subdivision 7, is amended to read:

Subd. 7. **Pupil.** (a) "Pupil" means any student:

(1) without a disability under 21 years of age; or

(2) with a disability under ~~21~~ 22 years old who has not received a regular high school diploma ~~or for a child with a disability who becomes 21 years old during the school year but has not received a regular high school diploma, until the end of that school year~~; and

(3) who remains eligible to attend a public elementary or secondary school.

(b) A "student with a disability" or a "pupil with a disability" has the same meaning as a "child with a disability" under section 125A.02.

Sec. 3. Minnesota Statutes 2022, section 122A.31, subdivision 1, is amended to read:

Subdivision 1. **Requirements for American sign language/English interpreters.** (a) In addition to any other requirements that a school district establishes, any person employed to provide American sign language/English interpreting or sign transliterating services on a full-time or part-time basis for a school district after July 1, 2000, must:

(1) hold current interpreter ~~and~~ or transliterator certificates awarded by the Registry of Interpreters for the Deaf (RID), or the general level interpreter proficiency certificate awarded by the National Association of the Deaf (NAD), or a comparable state certification from the commissioner of education~~;~~, and

~~(2)~~ satisfactorily complete an interpreter/transliterator training program affiliated with an accredited educational institution~~.~~; or

(2) hold a certified deaf interpreter certification issued by RID.

(b) New graduates of an interpreter/transliterator program affiliated with an accredited education institution or certified deaf interpreters who hold a certification issued by RID shall be granted a two-year provisional certificate by the commissioner. During the two-year provisional period, the interpreter/transliterator must develop and implement an education plan in collaboration with a mentor under paragraph (c).

(c) A mentor of a provisionally certified interpreter/transliterator must be an interpreter/transliterator who has either NAD level IV or V certification or RID certified interpreter and certified transliterator certification and have at least three years of interpreting/transliterating experience in any educational setting. The mentor, in collaboration with the provisionally certified interpreter/transliterator, shall develop and implement an education plan designed to meet the requirements of paragraph (a), clause (1), and include a weekly on-site mentoring process.

(d) Consistent with the requirements of this paragraph, a person holding a provisional certificate may apply to the commissioner for one time-limited extension. The commissioner, in consultation with the Commission of the Deaf, DeafBlind and Hard of Hearing, must grant the person a time-limited extension of the provisional certificate based on the following documentation:

(1) letters of support from the person's mentor, a parent of a pupil the person serves, the special education director of the district in which the person is employed, and a representative from the regional service center of the deaf and hard-of-hearing;

(2) records of the person's formal education, training, experience, and progress on the person's education plan; and

(3) an explanation of why the extension is needed.

As a condition of receiving the extension, the person must comply with a plan and the accompanying ~~time line~~ timeline for meeting the requirements of this subdivision. A committee composed of the deaf and hard-of-hearing state specialist, a representative of the Minnesota Association of Deaf Citizens, a representative of the Minnesota Registry of Interpreters ~~of~~ for the Deaf, and other appropriate ~~persons~~ committee members selected by the commissioner must develop the plan and ~~time line~~ timeline for the person receiving the extension.

(e) A school district may employ only an interpreter/transliterator who has been certified under paragraph (a) or (b), or for whom a time-limited extension has been granted under paragraph (d).

(f) An interpreter who meets the requirements of paragraph (a) is "essential personnel" as defined in section 125A.76, subdivision 1.

Sec. 4. Minnesota Statutes 2022, section 123B.92, subdivision 1, is amended to read:

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

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

(1) the sum of:

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

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

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

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

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

(1) Regular transportation is:

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

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

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

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

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

(vi) transportation of pregnant or parenting pupils to and from a program that was established on or before January 1, 2018, or that is in operation on or after July 1, 2021, that provides:

(A) academic instruction;

(B) at least four hours per week of parenting instruction; and

(C) high-quality child care on site during the education day with the capacity to serve all children of enrolled pupils.

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

(2) Excess transportation is:

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

(ii) transportation to and from school during the regular school year required under subdivision 3 for nonresident secondary pupils when the distance from the attendance area border to the school is at least one mile but less than two miles from the public school they attend, and for nonresident pupils when the distance from the attendance area border to the

school is less than one mile from the school and who are transported because of full-service school zones, extraordinary traffic, drug, or crime hazards.

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

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

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

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

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

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

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

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

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

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

For purposes of computing special education initial aid under section 125A.76, the cost of providing transportation for children with disabilities includes (A) the additional cost of transporting a student in a shelter care facility as defined in section 260C.007, subdivision 30, a student placed in a family foster home as defined in section 260C.007, subdivision 16b, a homeless student in another district to the school of origin, or a formerly homeless student from a permanent home in another district to the school of origin but only through the end of the academic year; and (B) depreciation on district-owned school buses purchased after July 1, 2005, and used primarily for transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled transportation category must be excluded in calculating the actual expenditure per pupil transported in the regular and excess transportation categories according to paragraph (a). For purposes of subitem (A), a school district may transport a child who does not have a school of origin to the same school attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

(5) "Nonpublic nonregular transportation" is:

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

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

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

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

Sec. 5. Minnesota Statutes 2022, section 124D.128, subdivision 2, is amended to read:

Subd. 2. **Commissioner designation.** (a) A state-approved alternative program designated by the state must be a site. A state-approved alternative program must provide services to students who meet the criteria in section 124D.68 and who are enrolled in:

(1) a district that is served by the state-approved alternative program; or

(2) a charter school located within the geographic boundaries of a district that is served by the state-approved alternative program.

(b) To be designated, a state-approved alternative program must demonstrate to the commissioner that it will:

(1) provide a program of instruction that permits pupils to receive instruction throughout the entire year; and

(2) develop and maintain a separate record system that, for purposes of section 126C.05, permits identification of membership attributable to pupils participating in the program. The record system and identification must ensure that the program will not have the effect of increasing the total average daily membership attributable to an individual pupil as a result of a learning year program. The record system must include the date the pupil originally enrolled in a learning year program, the pupil's grade level, the date of each grade promotion, the average daily membership generated in each grade level, the number of credits or standards earned, and the number needed to graduate.

(c) A student who has not completed a school district's graduation requirements may continue to enroll in courses the student must complete in order to graduate until the student satisfies the district's graduation requirements or the student is 21 years old, whichever comes first. A student with a disability as set forth in section 125A.02 may continue to enroll in courses until the student graduates with a regular high school diploma or the student is 22 years old, whichever comes first.

Sec. 6. Minnesota Statutes 2022, section 124D.68, subdivision 2, is amended to read:

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

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

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

(3) is pregnant or is a parent;

(4) has been assessed as having substance use disorder;

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

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

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

(8) has experienced mental health problems;

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

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

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

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

(b) A pupil otherwise qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years of age, and is an English learner with an interrupted formal education according to section 124D.59, subdivision 2a, <u>or is a pupil with a disability as set forth in section 125A.02,</u> is eligible to participate in the graduation incentives program under section 124D.68 and in concurrent enrollment courses offered under section 124D.09, subdivision 10, and is funded in the same manner as other pupils under this section.

Sec. 7. Minnesota Statutes 2022, section 125A.03, is amended to read:

125A.03 SPECIAL INSTRUCTION FOR CHILDREN WITH A DISABILITY.

(a) As defined in paragraph (b), every district must provide special instruction and services, either within the district or in another district, for all children with a disability, including providing required services under Code of Federal Regulations, title 34, section 300.121, paragraph (d), to those children suspended or expelled from school for more than ten school days in that school year, who are residents of the district and who are disabled as set forth in section 125A.02. For purposes of state and federal special education laws, the phrase "special instruction and services" in the state Education Code means a free and appropriate public education provided to an eligible child with disabilities. "Free appropriate public education" means special education and related services that:

(1) are provided at public expense, under public supervision and direction, and without charge;

(2) meet the standards of the state, including the requirements of the Individuals with Disabilities Education Act, Part B or C;

(3) include an appropriate preschool, elementary school, or secondary school education; and

(4) are provided to children ages three through 21 in conformity with an individualized education program that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 300.320 to 300.324, and provided to infants and toddlers in conformity with an individualized family service plan that meets the requirements of the Individuals with Disabilities Education Act, subpart A, sections 303.300 to 303.346.

(b) Notwithstanding any age limits in laws to the contrary, special instruction and services must be provided from birth ~~until July 1 after the child with a disability becomes 21 years old~~ until the child with a disability becomes 22 years old but shall not extend beyond secondary school or its equivalent, except as provided in section 124D.68, subdivision 2. Local health, education, and social service agencies must refer children under age five who are known to need or suspected of needing special instruction and services to the school district. Districts with less than the minimum number of eligible children with a disability as determined by the commissioner must cooperate with other districts to maintain a full range of programs for education and services for children with a disability. This section does not alter the compulsory attendance requirements of section 120A.22.

(c) At the board's discretion, a school district that participates in a reciprocity agreement with a neighboring state under section 124D.041 may enroll and provide special instruction and services to a child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service if the district has completed child identification procedures for that child to determine the child's eligibility for special education services, and the child has received developmental screening under sections 121A.16 to 121A.19.

Sec. 8. Minnesota Statutes 2022, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

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

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

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment, and where

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

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

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

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

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not

disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

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

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

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

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

(2) before beginning work alone with an individual student with a disability, the assigned paraprofessional must be either given paid time, or time during the school day, to review a student's individualized education program or be briefed on the student's specific needs by appropriate staff;

~~(2)~~ (3) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; ~~and~~

(4) a minimum of 16 hours of paid orientation or professional development must be provided annually to all paraprofessionals, Title I aides, and other instructional support staff. Eight of the 16 hours must be completed before the first instructional day of the school year or within 30 days of hire. The orientation or professional development must be relevant to the employee's occupation and may include collaboration time with classroom teachers and planning for the school year. For paraprofessionals who provide direct support to

students, at least 50 percent of the professional development or orientation must be dedicated to meeting the requirements of this section. Professional development for paraprofessionals may also address the requirements of section 120B.363, subdivision 3. A school administrator must provide an annual certification of compliance with this requirement to the commissioner. The annual certification must include the prior year expenses associated with the training provided under this clause; and

~~(3)~~ (5) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

(d) A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student in accordance with prior written notice provisions in section 125A.091, subdivision 3a. A parent or guardian may request that a school district conduct a comprehensive evaluation of the parent's or guardian's student.

Sec. 9. Minnesota Statutes 2022, section 125A.76, subdivision 2e, is amended to read:

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

(b) The cross subsidy aid factor equals ~~2.6 percent for fiscal year 2020 and 6.43 percent for fiscal year 2021~~ 40 percent for fiscal year 2024, 47.3 percent for fiscal year 2025, and 60 percent for fiscal year 2026 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 10. **[125A.81] SPECIAL EDUCATION SEPARATE SITES AND PROGRAMS AID.**

Subdivision 1. **Definition.** For purposes of this section, "special education separate site and program" means a public separate day school facility attended by students with disabilities for 50 percent or more of their school day.

Subd. 2. **Eligibility for special education separate sites and programs aid.** An education cooperative under section 471.59, education district under section 123A.15, service cooperative under section 123A.21, or intermediate school district under section 136D.01 qualifies for additional state funding to special education separate sites and programs

for every kindergarten through grade 12 child with a disability, as defined in section 125A.02, served in a special education separate site or program as defined in subdivision 1.

Subd. 3. **Uses of special education separate sites and programs aid.** Additional state funding to special education separate sites and programs under this section may be used for the same purposes as are permitted for state special education aid under section 125A.76.

Subd. 4. **Special education separate sites and programs aid.** For fiscal year 2024 and later, additional state funding to special education separate sites and programs equals $1,689 times the adjusted kindergarten through grade 12 pupil units served in special education separate sites and programs under subdivision 1.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 11. Minnesota Statutes 2022, section 256B.0625, subdivision 26, is amended to read:

Subd. 26. **Special education services.** (a) Medical assistance covers evaluations necessary in making a determination for eligibility for individualized education program and individualized family service plan services and for medical services identified in a recipient's individualized education program and individualized family service plan and covered under the medical assistance state plan. Covered services include occupational therapy, physical therapy, speech-language therapy, clinical psychological services, nursing services, school psychological services, school social work services, personal care assistants serving as management aides, assistive technology devices, transportation services, health assessments, and other services covered under the medical assistance state plan. Mental health services eligible for medical assistance reimbursement must be provided or coordinated through a children's mental health collaborative where a collaborative exists if the child is included in the collaborative operational target population. The provision or coordination of services does not require that the individualized education program be developed by the collaborative.

The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity; physician's, advanced practice registered nurse's, or physician assistant's orders; documentation; personnel qualifications; and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individualized education program are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

(b) Approval of health-related services for inclusion in the individualized education program does not require prior authorization for purposes of reimbursement under this chapter. The commissioner may require physician, advanced practice registered nurse, or physician assistant review and approval of the plan not more than once annually or upon any modification of the individualized education program that reflects a change in health-related services.

(c) Services of a speech-language pathologist provided under this section are covered notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

(1) holds a masters degree in speech-language pathology;

(2) is licensed by the Professional Educator Licensing and Standards Board as an educational speech-language pathologist; and

(3) either has a certificate of clinical competence from the American Speech and Hearing Association, has completed the equivalent educational requirements and work experience necessary for the certificate or has completed the academic program and is acquiring supervised work experience to qualify for the certificate.

(d) Medical assistance coverage for medically necessary services provided under other subdivisions in this section may not be denied solely on the basis that the same or similar services are covered under this subdivision.

(e) The commissioner shall develop and implement package rates, bundled rates, or per diem rates for special education services under which separately covered services are grouped together and billed as a unit in order to reduce administrative complexity.

(f) The commissioner shall develop a cost-based payment structure for payment of these services. Only costs reported through the designated Minnesota Department of Education data systems in distinct service categories qualify for inclusion in the cost-based payment structure. The commissioner shall reimburse claims submitted based on an interim rate, and shall settle at a final rate once the department has determined it. The commissioner shall notify the school district of the final rate. The school district has 60 days to appeal the final rate. To appeal the final rate, the school district shall file a written appeal request to the commissioner within 60 days of the date the final rate determination was mailed. The appeal request shall specify (1) the disputed items and (2) the name and address of the person to contact regarding the appeal.

(g) Effective July 1, 2000, medical assistance services provided under an individualized education program or an individual family service plan by local school districts shall not count against medical assistance authorization thresholds for that child.

(h) Nursing services as defined in section 148.171, subdivision 15, and provided as an individualized education program health-related service, are eligible for medical assistance payment if they are otherwise a covered service under the medical assistance program. Medical assistance covers the administration of prescription medications by a licensed nurse who is employed by or under contract with a school district when the administration of medications is identified in the child's individualized education program. The simple administration of medications alone is not covered under medical assistance when administered by a provider other than a school district or when it is not identified in the child's individualized education program.

(i) School social work services provided by a mental health professional, as defined in section 245I.04, subdivision 2, or mental health practitioner, as defined in section 245I.04, subdivision 4, under the supervision of a mental health professional, are eligible for medical assistance payment. A mental health practitioner performing school social work services under this section must provide services within the mental health practitioner's licensure scope of practice, if applicable, and within the mental health practitioner scope of practice under section 245I.04, subdivision 5.

(j) Notwithstanding Minnesota Rules, part 9505.0371, a special education evaluation, individualized education program, or individual family service plan may be used to determine medical necessity and eligibility for school social work services under paragraph (i) instead of a diagnostic assessment if the special education evaluation, individualized education program, or individual family service plan includes a sign, symptom, or condition ICD-10-CM code for the student.

(k) A school social worker or school providing mental health services under paragraph (i) is not required to be certified to provide children's therapeutic services and supports under section 256B.0943.

(l) Covered mental health services provided by a school social worker under paragraph (i) include but are not limited to:

(1) administering and reporting standardized measures;

(2) care coordination;

(3) children's mental health crisis assistance, planning, and response services;

(4) children's mental health clinical care consultation;

(5) dialectical behavioral therapy for adolescents;

(6) direction of mental health behavioral aides;

(7) family psychoeducation;

(8) individual, family, and group psychotherapy;

(9) mental health behavioral aide services;

(10) skills training; and

(11) treatment plan development and review.

EFFECTIVE DATE. This section is effective January 1, 2024, or upon federal approval, whichever is later. The commissioner shall notify the revisor of statutes when federal approval has been obtained.

Sec. 12. **APPROPRIATIONS.**

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

Subd. 2. **Aid for children with disabilities.** (a) For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

$	1,674,000	.....	2024
$	1,888,000	.....	2025

(b) If the appropriation for either year is insufficient, the appropriation for the other year is available.

Subd. 3. **Court-placed special education revenue.** For reimbursing serving school districts for unreimbursed eligible expenditures attributable to children placed in the serving school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

$	26,000	.....	2024
$	27,000	.....	2025

Subd. 4. **Paraprofessional training.** For reimbursement of prior year expenses associated with paid orientation and professional development for paraprofessionals under Minnesota Statutes, section 125A.08:

$ 0 2024
$ 14,105,000 2025

(b) The 2025 appropriation includes $0 for 2024 and $14,105,000 for 2025.

Subd. 5. **Special education out-of-state tuition.** For special education out-of-state tuition under Minnesota Statutes, section 125A.79, subdivision 8:

$ 250,000 2024
$ 250,000 2025

Subd. 6. **Special education; regular.** (a) For special education aid under Minnesota Statutes, section 125A.75:

$ 2,237,494,000 2024
$ 2,456,695,000 2025

(b) The 2024 appropriation includes $229,860,000 for 2023 and $2,007,634,000 for 2024.

(c) The 2025 appropriation includes $282,617,000 for 2024 and $2,174,078,000 for 2025.

Subd. 7. **Special education separate sites and programs.** (a) For aid for special education separate sites and programs under Minnesota Statutes, section 125A.81, subdivision 4:

$ 4,378,000 2024
$ 5,083,000 2025

(b) The 2024 appropriation includes $0 for 2023 and $4,378,000 for 2024.

(c) The 2025 appropriation includes $486,000 for 2024 and $4,597,000 for 2025.

Subd. 8. **Travel for home-based services.** (a) For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

$ 334,000 2024
$ 348,000 2025

(b) The 2024 appropriation includes $32,000 for 2023 and $302,000 for 2024.

(c) The 2025 appropriation includes $33,000 for 2024 and $315,000 for 2025.

ARTICLE 6
FACILITIES

Section 1. Minnesota Statutes 2022, section 123B.595, subdivision 3, is amended to read:

Subd. 3. **Intermediate districts and other cooperative units.** (a) Upon approval through the adoption of a resolution by each member district school board of an intermediate district or other cooperative ~~units~~ unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59, and the approval of the commissioner of education, a school district may include in its authority under this section a proportionate share of the long-term maintenance costs of the intermediate district ~~or~~, cooperative unit, or joint powers district. The cooperative unit or joint powers district may issue bonds to finance the project costs or levy for the costs~~,~~ using long-term maintenance revenue transferred from member districts to make debt service payments or pay project costs or, for leased facilities, pay the portion of lease costs attributable to the amortized cost of long-term facilities maintenance projects completed by the landlord. Authority under this subdivision is in addition to the authority for individual district projects under subdivision 1.

(b) The resolution adopted under paragraph (a) may specify which member districts will share the project costs under this subdivision, except that debt service payments for bonds issued by a cooperative unit or joint powers district to finance long-term maintenance project costs must be the responsibility of all member districts.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 2. Minnesota Statutes 2022, section 126C.40, subdivision 1, is amended to read:

Subdivision 1. **To lease building or land.** (a) When an independent or a special school district or a group of independent or special school districts finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.

(b) The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease

to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building or land for approved purposes. The proceeds of this levy must not be used for custodial or other maintenance services. A district may not levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself.

(c) For agreements finalized after July 1, 1997, a district may not levy under this subdivision for the purpose of leasing: (1) a newly constructed building used primarily for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed building addition or additions used primarily for regular kindergarten, elementary, or secondary instruction that contains more than 20 percent of the square footage of the previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the purpose of leasing or renting a district-owned building or site to itself only if the amount is needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, and the levy meets the requirements of paragraph (c). A levy authorized for a district by the commissioner under this paragraph may be in the amount needed by the district to make payments required by a lease purchase agreement, installment purchase agreement, or other deferred payments agreement authorized by law, provided that any agreement include a provision giving the school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed $212 times the adjusted pupil units for the fiscal year to which the levy is attributable.

(f) For agreements for which a review and comment have been submitted to the Department of Education after April 1, 1998, the term "instructional purpose" as used in this subdivision excludes expenditures on stadiums.

(g) The commissioner of education may authorize a school district to exceed the limit in paragraph (e) if the school district petitions the commissioner for approval. The commissioner shall grant approval to a school district to exceed the limit in paragraph (e) for not more than five years if the district meets the following criteria:

(1) the school district has been experiencing pupil enrollment growth in the preceding five years;

(2) the purpose of the increased levy is in the long-term public interest;

(3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding over construction of school facilities.

(h) A school district that is a member of an intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 may include in its authority under this section the costs associated with leases of administrative and classroom space for ~~intermediate school district~~ programs of the intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or joint powers district under section 471.59. This authority must not exceed $65 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. The intermediate school district, other cooperative unit, or joint powers district may specify which member districts will levy for lease costs under this paragraph.

~~(i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012 to 2023, a district that is a member of the "Technology and Information Education Systems" data processing joint board, that finds it economically advantageous to enter into a lease agreement to finance improvements to a building and land for a group of school districts or special school districts for staff development purposes, may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The total levy authority under this paragraph shall not exceed $632,000.~~

~~(j)~~ (i) Notwithstanding paragraph (a), a district may levy under this subdivision for the purpose of leasing administrative space if the district can demonstrate to the satisfaction of the commissioner that the lease cost for the administrative space is no greater than the lease cost for instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under this section if the commissioner does not grant authority under this paragraph. The resolution must also certify that the lease cost for administrative space under this paragraph is no greater than the lease cost for the district's proposed instructional lease.

(j) Notwithstanding paragraph (a), a district may levy under this subdivision for the district's proportionate share of deferred maintenance expenditures for a district-owned building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 for any instructional purposes or for school storage.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 3. Minnesota Statutes 2022, section 126C.40, subdivision 6, is amended to read:

Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) Special School District No. 1, Minneapolis, Independent School District No. 625, St. Paul, Independent School District No. 709, Duluth, or Independent School District No. 535, Rochester, if the district's desegregation plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and where the acquisition of property under this subdivision is determined by the commissioner to contribute to the implementation of the desegregation plan; or

(2) other districts eligible for revenue under section 124D.862 if the facility acquired under this subdivision is to be primarily used for a joint program for interdistrict desegregation and the commissioner determines that the joint programs are being undertaken to implement the districts' desegregation plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

(g) This subdivision is subject to review and comment under section 123B.71, subdivision 8.

Sec. 4. **LEASE LEVY FOR TRANSPORTATION HUB FOR EASTERN CARVER COUNTY SCHOOL DISTRICT.**

Notwithstanding Minnesota Statutes, section 126C.40, subdivision 1, Independent School District No. 112, Eastern Carver County Schools, may lease a transportation hub under Minnesota Statutes, section 126C.40, subdivision 1, if the district demonstrates to the satisfaction of the commissioner of education that the transportation hub will result in significant financial savings for the school district. Levy authority under this section must be included within the total levy authority under Minnesota Statutes, section 126C.40, subdivision 1, paragraph (e).

EFFECTIVE DATE. This section is effective for taxes payable in 2024 and later.

Sec. 5. **FUND TRANSFER; BURNSVILLE-EAGAN-SAVAGE SCHOOL DISTRICT.**

(a) Notwithstanding Minnesota Statutes, section 123B.51, subdivision 4, paragraph (b), or any law to the contrary, any remaining net proceeds received by the district in connection with a lease of real property that is not needed for school purposes, or part of the property that is not needed for school purposes as permitted under Minnesota Statutes, section 123B.51, subdivision 4, paragraph (a), and which the school board of Independent School District No. 191, Burnsville-Eagan-Savage, specifically identified in the district's open facilities action plan, may be deposited in the district's general unrestricted fund following the deposit of such proceeds, as required under Minnesota Statutes, section 123B.51, subdivision 4, paragraph (b).

(b) Notwithstanding Minnesota Statutes, section 123B.51, subdivision 6, paragraphs (c) to (f), or any law to the contrary, any remaining proceeds of the sale or exchange of school buildings or real property of Independent School District No. 191, Burnsville-Eagan-Savage, specifically identified in the district's open facilities action plan may be deposited in the district's general unrestricted fund following application of such proceeds, as required under Minnesota Statutes, section 123B.51, subdivision 6, paragraph (b).

EFFECTIVE DATE. This section is effective upon compliance by Independent School District No. 191, Burnsville-Eagan-Savage, with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 6. **LONG-TERM FACILITIES MAINTENANCE REVENUE ADJUSTMENT.**

Subdivision 1. **Eligibility.** A school board that purchases a nonschool facility and converts that facility to a school building may document to the commissioner of education, in the form and manner specified by the commissioner, that the purchase and subsequent remodeling of the facility is less expensive than constructing a new facility for the same space and is eligible for an adjustment to its long-term facilities maintenance revenue according to subdivision 2.

Subd. 2. **Inclusion in plan and revenue.** Notwithstanding Minnesota Statutes, section 123B.595, or any other law to the contrary, an eligible school district under subdivision 1 may include in its long-term facilities maintenance ten-year plan any heating, ventilation, and air conditioning projects necessary to improve air handling performance sufficient to satisfy the requirements for a certificate of occupancy for the space for its intended use as a school facility. The Department of Education must adjust an eligible school district's long-term facilities maintenance revenue to include these costs.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to a nonschool facility purchased between January 1, 2019, and June 30, 2023.

Sec. 7. **FUND TRANSFER; MOORHEAD AREA PUBLIC SCHOOLS.**

Notwithstanding Minnesota Statutes, section 123B.595, subdivisions 10 and 11, 123B.79, or 123B.80, on June 30, 2023, Independent School District No. 152, Moorhead Area Public Schools, may permanently transfer up to $5,000,000 from the long term facilities maintenance reserve account in the general fund to the operating capital account in the general fund. Transferred funds must be used to pay for increased costs of constructing, furnishing, and equipping the new Moorhead High School facility.

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

Sec. 8. **APPROPRIATIONS.**

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

Subd. 2. **Debt service equalization aid.** (a) For debt service equalization aid under Minnesota Statutes, section 123B.53, subdivision 6:

$	24,511,000	.....	2024
$	21,351,000	.....	2025

(b) The 2024 appropriation includes $2,424,000 for 2023 and $22,087,000 for 2024.

(c) The 2025 appropriation includes $2,454,000 for 2024 and $18,897,000 for 2025.

Subd. 3. **Equity in telecommunications access.** (a) For equity in telecommunications access:

$	3,750,000	.....	2024
$	3,750,000	.....	2025

(b) If the appropriation amount is insufficient, the commissioner shall reduce the reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the revenue for fiscal years 2024 and 2025 shall be prorated.

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

Subd. 4. **Historic school building preservation grants.** (a) For grants to school districts and the Minnesota State Academies for the Deaf and the Blind for historic school building preservation:

$	400,000	.....	2024
$	400,000	.....	2025

(b) To be eligible for a grant under this subdivision, a school district or the Minnesota State Academies for the Deaf and the Blind must apply for a historic school building preservation grant in the form and manner determined by the commissioner. A grant recipient is eligible for up to $300,000 per eligible building. For purposes of this subdivision, "eligible building" means a building that is:

(1) currently serving elementary or secondary students; and

(2) listed on the National Register of Historic Places.

A grant recipient must use funds received under this subdivision to properly maintain and prevent deterioration of the eligible building.

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

(d) The base for fiscal year 2026 and later is $1,500,000.

Subd. 5. **Long-term facilities maintenance equalized aid.** (a) For long-term facilities maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

$	108,045,000	.....	2024
$	107,894,000	.....	2025

(b) The 2024 appropriation includes $10,821,000 for 2023 and $97,224,000 for 2024.

(c) The 2025 appropriation includes $10,802,000 for 2024 and $97,092,000 for 2025.

ARTICLE 7
NUTRITION AND LIBRARIES

Section 1. Minnesota Statutes 2022, section 124D.1158, as amended by Laws 2023, chapter 18, section 2, is amended to read:

124D.1158 SCHOOL BREAKFAST PROGRAM.

Subdivision 1. **Purpose; eligibility.** (a) The purpose of the school breakfast program is to provide affordable morning nutrition to children so that they can effectively learn.

(b) A school district, charter school, nonpublic school, or other participant in the federal school breakfast program may receive state breakfast aid.

(c) Schools shall encourage all children to eat a nutritious breakfast, either at home or at school, and shall work to eliminate barriers to breakfast participation at school such as inadequate facilities and transportation.

Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each participating school either:

(1) 30 cents for each reduced-price breakfast, 55 cents for each fully paid breakfast served to students in grades 1 to 12, and $1.30 for each fully paid breakfast served to a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151, early childhood special education student participating in a program authorized under section 124D.151, or a kindergarten student; or

(2) if the school participates in the free school meals program under section 124D.111, subdivision 1c, state aid as provided in section 124D.111, subdivision 1d.

Subd. 4. **No fees.** A school that receives school breakfast aid under this section must make breakfast available without charge to all participating students in grades 1 to 12 who qualify for free or reduced-price meals and to all prekindergarten students enrolled in an approved voluntary prekindergarten program under section 124D.151, early childhood special education students participating in a program authorized under section 124D.151, and all kindergarten students.

Sec. 2. **[124D.901] SCHOOL LIBRARIES AND MEDIA CENTERS.**

A school district or charter school library or school library media center provides equitable and free access to students, teachers, and administrators.

A school library or school library media center must have the following characteristics:

(1) ensures every student has equitable access to resources and is able to locate, access, and use resources that are organized and cataloged;

(2) has a collection development plan that includes but is not limited to materials selection and deselection, a challenged materials procedure, and an intellectual and academic freedom statement;

(3) is housed in a central location that provides an environment for expanded learning and supports a variety of student interests;

(4) has technology and Internet access; and

(5) is served by a licensed school library media specialist or licensed school librarian.

Sec. 3. Minnesota Statutes 2022, section 134.355, subdivision 1, is amended to read:

Subdivision 1. **Appropriations.** (a) Basic system support aid and regional library telecommunications aid provide the appropriations for the basic regional library system.

(b) For fiscal year 2026 and later, basic system support aid equals the aid entitlement amount for the previous fiscal year times one plus the percent increase in the basic formula allowance under section 126C.10, subdivision 2, from the previous school year to the current school year.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2026 and later.

Sec. 4. Minnesota Statutes 2022, section 134.355, subdivision 5, is amended to read:

Subd. 5. **Base aid distribution.** ~~Five~~ Fifteen percent of the available aid funds shall be paid to each system as base aid for basic system services.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2024 and later.

Sec. 5. Minnesota Statutes 2022, section 134.355, subdivision 6, is amended to read:

Subd. 6. **Adjusted net tax capacity per capita distribution.** ~~Twenty-five~~ Fifteen percent of the available aid funds shall be distributed to regional public library systems based upon the adjusted net tax capacity per capita for each member county or participating portion of a county as calculated for the ~~second~~ third year preceding the fiscal year for which aid is provided. Each system's entitlement shall be calculated as follows:

~~(a)~~ (1) multiply the adjusted net tax capacity per capita for each county or participating portion of a county by .0082~~.~~;

~~(b)~~ (2) add sufficient aid funds that are available under this subdivision to raise the amount of the county or participating portion of a county with the lowest value calculated according to ~~paragraph (a)~~ clause (1) to the amount of the county or participating portion of a county with the next highest value calculated according to ~~paragraph (a)~~ clause (1). Multiply the amount of the additional aid funds by the population of the county or participating portion of a county~~.~~;

~~(c)~~ (3) continue the process described in ~~paragraph (b)~~ clause (2) by adding sufficient aid funds that are available under this subdivision to the amount of a county or participating portion of a county with the next highest value calculated in ~~paragraph (a)~~ clause (1) to raise it and the amount of counties and participating portions of counties with lower values calculated in ~~paragraph (a)~~ clause (1) up to the amount of the county or participating portion of a county with the next highest value, until reaching an amount where funds available under this subdivision are no longer sufficient to raise the amount of a county or participating portion of a county and the amount of counties and participating portions of counties with lower values up to the amount of the next highest county or participating portion of a county~~.~~; and

~~(d)~~ (4) if the point is reached using the process in ~~paragraphs (b) and (c)~~ clauses (2) and (3) at which the remaining aid funds under this subdivision are not adequate for raising the amount of a county or participating portion of a county and all counties and participating portions of counties with amounts of lower value to the amount of the county or participating portion of a county with the next highest value, those funds are to be divided on a per capita basis for all counties or participating portions of counties that received aid funds under the calculation in ~~paragraphs (b) and (c)~~ clauses (2) and (3).

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2024 and later.

Sec. 6. Minnesota Statutes 2022, section 134.355, subdivision 7, is amended to read:

Subd. 7. **Population determination.** A regional public library system's population ~~shall be determined according to~~ must be calculated using the most recent estimate available under section 477A.011, subdivision 3, at the time the aid amounts are calculated, which must be by April 1 in the year the calculation is made.

EFFECTIVE DATE. This section is effective for state aid for fiscal year 2024 and later.

Sec. 7. **[134.356] SCHOOL LIBRARY AID.**

Subdivision 1. **School library aid.** For fiscal year 2024 and later, school library aid for a district or charter school equals the greater of $15 times the district's adjusted pupil units for the school year or $50,000.

Subd. 2. **Uses of school library aid.** School library aid must be reserved and used for directly funding the costs of the following purposes within a library:

(1) the salaries and benefits of a school library media specialist;

(2) electronic, computer, and audiovisual equipment;

(3) information technology infrastructure and digital tools;

(4) electronic and material resources; or

(5) furniture, equipment, or supplies.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 8. Laws 2023, chapter 18, section 4, subdivision 2, is amended to read:

Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111, including the amounts for the free school meals program:

	~~190,863,000~~		
$	190,897,000	.....	2024
	~~197,902,000~~		
$	197,936,000	.....	2025

Sec. 9. Laws 2023, chapter 18, section 4, subdivision 3, is amended to read:

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

	~~25,731,000~~		
$	25,912,000	.....	2024
	~~26,538,000~~		
$	26,719,000	.....	2025

Sec. 10. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balance in the first year does not cancel but is available in the second year.

Subd. 2. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes, section 124D.118:

$	659,000	.....	2024
$	659,000	.....	2025

Subd. 3. **Summer school food service replacement.** For summer school food service replacement aid under Minnesota Statutes, section 124D.119:

$	150,000	.....	2024
$	150,000	.....	2025

Subd. 4. **Basic system support.** (a) For basic system support aid under Minnesota Statutes, section 134.355:

$	17,570,000	.....	2024
$	17,570,000	.....	2025

(b) The 2024 appropriation includes $1,357,000 for 2023 and $16,213,000 for 2024.

(c) The 2025 appropriation includes $1,801,000 for 2024 and $15,769,000 for 2025.

Subd. 5. **Electronic library for Minnesota.** For statewide licenses to online databases selected in cooperation with the Minnesota Office of Higher Education for school media centers, public libraries, state government agency libraries, and public or private college or university libraries:

$	900,000	.....	2024
$	900,000	.....	2025

Subd. 6. **Licensed library media specialists.** (a) For aid to multicounty, multitype library systems to increase the number of licensed library media specialists:

$	1,000,000	.....	2024
$	0	.....	2025

(b) The aid awarded under this subdivision must be used for activities associated with increasing the number of licensed library media specialists, including but not limited to conducting a census of licensed library media specialists currently working in Minnesota schools, conducting a needs-based assessment to identify gaps in licensed library media

specialist services, providing professional development opportunities for licensed library media specialists, and providing tuition support to candidates seeking to attain school library media specialist licensure.

(c) This is a onetime appropriation.

Subd. 7. **Multicounty, multitype library systems.** (a) For aid under Minnesota Statutes, sections 134.353 and 134.354, to multicounty, multitype library systems:

$	2,000,000	.....	2024
$	2,000,000	.....	2025

(b) The 2024 appropriation includes $130,000 for 2023 and $1,870,000 for 2024.

(c) The 2025 appropriation includes $207,000 for 2024 and $1,793,000 for 2025.

Subd. 8. **Regional library telecommunications.** (a) For regional library telecommunications aid under Minnesota Statutes, section 134.355:

$	2,300,000	.....	2024
$	2,300,000	.....	2025

(b) The 2024 appropriation includes $230,000 for 2023 and $2,070,000 for 2024.

(c) The 2025 appropriation includes $230,000 for 2024 and $2,070,000 for 2025.

Subd. 9. **School library aid.** (a) For school library aid under Minnesota Statutes, section 134.356:

$	28,066,000	.....	2024
$	31,207,000	.....	2025

(b) The 2024 appropriation includes $0 for 2023 and $28,066,000 for 2024.

(c) The 2025 appropriation includes $3,119,000 for 2024 and $28,088,000 for 2025.

ARTICLE 8
EARLY EDUCATION

Section 1. Minnesota Statutes 2022, section 119A.52, is amended to read:

119A.52 DISTRIBUTION OF APPROPRIATION.

(a) The commissioner of education must distribute money appropriated for that purpose to federally designated Head Start programs to expand services and to serve additional low-income children~~. Migrant and Indian reservation programs must be initially allocated money based on the programs' share of federal funds.~~, which may include costs associated

with program operations, infrastructure, or reconfiguration to serve children from birth to age five in center-based services. The distribution must occur in the following order: (1) 10.72 percent of the total Head Start appropriation must be initially allocated to federally designated Tribal Head Start programs; (2) the Tribal Head Start portion of the appropriation must be initially allocated to Tribal Head Start programs based on the programs' share of federal funds; and (3) migrant programs must be initially allocated funding based on the programs' share of federal funds. The remaining money must be initially allocated to the remaining local agencies based equally on the agencies' share of federal funds and on the proportion of eligible children in the agencies' service area who are not currently being served. A Head Start program must be funded at a per child rate equal to its contracted, federally funded base level at the start of the fiscal year. For all agencies without a federal Early Head Start rate, the state average federal cost per child for Early Head Start applies. In allocating funds under this paragraph, the commissioner of education must assure that each Head Start program in existence in 1993 is allocated no less funding in any fiscal year than was allocated to that program in fiscal year 1993. Before paying money to the programs, the commissioner must notify each program of its initial allocation and how the money must be used. Each program must present a plan under section 119A.535. For any program that cannot utilize its full allocation at the beginning of the fiscal year, the commissioner must reduce the allocation proportionately. Money available after the initial allocations are reduced must be redistributed to eligible programs.

(b) The commissioner must develop procedures to make payments to programs based upon the number of children reported to be enrolled during the required time period of program operations. Enrollment is defined by federal Head Start regulations. The procedures must include a reporting schedule, corrective action plan requirements, and financial consequences to be imposed on programs that do not meet full enrollment after the period of corrective action. Programs reporting chronic underenrollment, as defined by the commissioner, will have their subsequent program year allocation reduced proportionately. Funds made available by prorating payments and allocations to programs with reported underenrollment will be made available to the extent funds exist to fully enrolled Head Start programs through a form and manner prescribed by the department.

(c) Programs with approved innovative initiatives that target services to high-risk populations, including homeless families and families living in homeless shelters and transitional housing, are exempt from the procedures in paragraph (b). This exemption does not apply to entire programs. The exemption applies only to approved innovative initiatives

that target services to high-risk populations, including homeless families and families living in homeless shelters, transitional housing, and permanent supportive housing.

Sec. 2. Minnesota Statutes 2022, section 121A.19, is amended to read:

121A.19 DEVELOPMENTAL SCREENING AID.

Each school year, the state must pay a district for each child or student screened by the district according to the requirements of section 121A.17. The amount of state aid for each child or student screened shall be: (1) ~~$75~~ $98 for a child screened at age three; (2) ~~$50~~ $65 for a child screened at age four; (3) ~~$40~~ $52 for a child screened at age five or six prior to kindergarten; and (4) ~~$30~~ $39 for a student screened within 30 days after first enrolling in a public school kindergarten if the student has not previously been screened according to the requirements of section 121A.17. If this amount of aid is insufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient. Developmental screening aid shall not be paid for any student who is screened more than 30 days after the first day of attendance at a public school kindergarten, except if a student transfers to another public school kindergarten within 30 days after first enrolling in a Minnesota public school kindergarten program. In this case, if the student has not been screened, the district to which the student transfers may receive developmental screening aid for screening that student when the screening is performed within 30 days of the transfer date.

Sec. 3. Minnesota Statutes 2022, section 124D.151, subdivision 6, is amended to read:

Subd. 6. **Participation 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 total number of participants in the voluntary prekindergarten and school readiness plus programs under Laws 2017, First Special Session chapter 5, article 8, section 9, to not more than 7,160 participants ~~for fiscal years 2019, 2020, 2021, 2022, and 2023, and 3,160 participants for fiscal years 2024 and later~~ per fiscal year.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 4. Minnesota Statutes 2022, section 124D.165, subdivision 2, is amended to read:

Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship, parents or guardians must meet the following eligibility requirements:

(1) have an eligible child; and

(2) have income equal to or less than ~~185~~ 200 percent of federal poverty level income in the current calendar year, or be able to document their child's current participation in the free and reduced-price lunch program or Child and Adult Care Food Program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or placement in foster care under section 260C.212.

(b) An "eligible child" means a child who has not yet enrolled in kindergarten and is~~:~~

~~(1) at least three but~~ not yet five years of age on September 1 of the current school year~~;~~.

~~(2) a sibling from birth to age five of a child who has been awarded a scholarship under this section provided the sibling attends the same program as long as funds are available;~~

~~(3) the child of a parent under age 21 who is pursuing a high school degree or a course of study for a high school equivalency test; or~~

~~(4) homeless, in foster care, or in need of child protective services.~~

(c) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(d) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(e) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,

and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Sec. 5. Minnesota Statutes 2022, section 124D.165, subdivision 3, is amended to read:

Subd. 3. **Administration.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meets operational needs of eligible families and programs. The commissioner must give highest priority to applications from children who:

(1) have a parent under age 21 who is pursuing a high school diploma or a course of study for a high school equivalency test;

(2) are in foster care ~~or otherwise in need of protection or services; or~~;

(3) have been referred as in need of child protection services;

(4) have an incarcerated parent;

(5) have a parent in a substance use treatment program;

(6) have a parent in a mental health treatment program;

(7) have experienced domestic violence;

(8) have family income less than or equal to 185 percent of federal poverty level income in the current calendar year; or

~~(3)~~ (9) have experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

The commissioner may prioritize applications on additional factors including family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

(b) The commissioner shall establish a target for the average scholarship amount per child based on the results of the rate survey conducted under section 119B.02.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or on a waiting list for a program beginning in July, August, or September may notify the commissioner, in the form and manner prescribed by the commissioner, each year of the program's desire to enhance program services or to serve more children than current funding provides. The commissioner may designate a predetermined number of scholarship slots for that program and notify the program of that number. For fiscal year 2018 and later, the statewide amount of funding directly designated by the commissioner must not exceed the

funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district or Head Start program qualifying under this paragraph may use its established registration process to enroll scholarship recipients and may verify a scholarship recipient's family income in the same manner as for other program participants.

(d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not been accepted and subsequently enrolled in a rated program within ten months of the awarding of the scholarship, the scholarship cancels and the recipient must reapply in order to be eligible for another scholarship. A child may not be awarded more than one scholarship in a 12-month period.

(e) A child who receives a scholarship who has not completed development screening under sections 121A.16 to 121A.19 must complete that screening within 90 days of first attending an eligible program or within 90 days after the child's third birthday if awarded a scholarship under the age of three.

(f) For fiscal year 2017 and later, a school district or Head Start program enrolling scholarship recipients under paragraph (c) may apply to the commissioner, in the form and manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of the application, the commissioner must pay each program directly for each approved scholarship recipient enrolled under paragraph (c) according to the metered payment system or another schedule established by the commissioner.

Sec. 6. Minnesota Statutes 2022, section 126C.10, subdivision 2d, is amended to read:

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

~~(b) Notwithstanding paragraph (a), for fiscal year 2024 only, prekindergarten pupil units under section 126C.05, subdivision 1, paragraph (d), must be excluded from the calculation of declining enrollment revenue.~~

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 7. **APPROPRIATIONS.**

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

Subd. 2. **Developmental screening aid.** (a) For developmental screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

$	4,350,000	.....	2024
$	4,375,000	.....	2025

(b) The 2024 appropriation includes $349,000 for 2023 and $4,001,000 for 2024.

(c) The 2025 appropriation includes $445,000 for 2024 and $3,930,000 for 2025.

Subd. 3. **Early childhood family education aid.** (a) For early childhood family education aid under Minnesota Statutes, section 124D.135:

$	37,497,000	.....	2024
$	40,743,000	.....	2025

(b) The 2024 appropriation includes $3,518,000 for 2023 and $33,979,000 for 2024.

(c) The 2025 appropriation includes $3,775,000 for 2024 and $36,968,000 for 2025.

Subd. 4. **Early childhood programs at Tribal contract schools.** (a) For early childhood family education programs at Tribal contract schools under Minnesota Statutes, section 124D.83, subdivision 4:

$	68,000	.....	2024
$	68,000	.....	2025

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

Subd. 5. **Early childhood teacher shortage.** (a) For transfer to the Office of Higher Education for grants to Minnesota institutions of higher education to address the early childhood education teacher shortage:

$	490,000	.....	2024
$	490,000	.....	2025

(b) Grant funds may be used to provide tuition and other supports to students.

(c) Up to five percent of the grant amount is available for grant administration and monitoring.

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

(e) The base for fiscal year 2026 and later is $700,000.

Subd. 6. **Early learning scholarships.** (a) For the early learning scholarship program under Minnesota Statutes, section 124D.165:

$ 205,968,000 2024
$ 205,969,000 2025

(b) This appropriation is subject to the requirements under Minnesota Statutes, section 124D.165, subdivision 6.

(c) The base for fiscal year 2026 and later is $105,974,000.

Subd. 7. **Educate parents partnership.** (a) For the educate parents partnership under Minnesota Statutes, section 124D.129:

$ 49,000 2024
$ 49,000 2025

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

Subd. 8. **Head Start program.** (a) For Head Start programs under Minnesota Statutes, section 119A.52:

$ 35,100,000 2024
$ 35,100,000 2025

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

Subd. 9. **Home visiting aid.** (a) For home visiting aid under Minnesota Statutes, section 124D.135:

$ 391,000 2024
$ 309,000 2025

(b) The 2024 appropriation includes $41,000 for 2023 and $350,000 for 2024.

(c) The 2025 appropriation includes $38,000 for 2024 and $271,000 for 2025.

Subd. 10. **Kindergarten entrance assessment initiative and intervention program.** For the kindergarten entrance assessment initiative and intervention program under Minnesota Statutes, section 124D.162:

$ 281,000 2024
$ 281,000 2025

Subd. 11. **Learning with Music program.** (a) For a grant to the MacPhail Center for Music to expand the Learning with Music program:

$ 250,000 2024
$ 250,000 2025

(b) The MacPhail Center for Music must use the grant funds received under this subdivision to:

(1) expand direct programming to four early childhood center locations in each year of the grant, with a focus on meeting the needs of children experiencing economic hardship in the metropolitan area; and

(2) create and deliver professional development training opportunities to early childhood educators statewide, both online and in person, that are based on current successful elements of the Learning with Music program.

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

(d) The base for fiscal year 2026 is $0.

Subd. 12. **ParentChild+ program.** For a grant to the ParentChild+ program:

$	1,800,000	.....	2024
$	1,800,000	.....	2025

(b) The grant must be used for an evidence-based and research-validated early childhood literacy and school readiness program for children ages 16 months to four years at its existing suburban program location. The program must include urban and rural program locations for fiscal years 2024 and 2025.

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

Subd. 13. **Quality rating and improvement system.** (a) For transfer to the commissioner of human services for the purposes of expanding the quality rating and improvement system under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports for providers participating in the quality rating and improvement system:

$	1,750,000	.....	2024
$	1,750,000	.....	2025

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

Subd. 14. **Reach Out and Read Minnesota.** (a) For a grant to Reach Out and Read Minnesota to establish a statewide plan that encourages early childhood development through a network of health care clinics:

$	250,000	.....	2024
$	250,000	.....	2025

(b) The grant recipient must develop and implement a plan that includes:

(1) integrating children's books and parent education into well-child visits;

(2) creating literacy-rich environments at health care clinics by providing books to clinics for visits outside of Reach Out and Read Minnesota parameters, for waiting room use, or for volunteer readers to model read-aloud techniques for parents where possible;

(3) working with public health clinics, federally qualified health centers, Tribal sites, community health centers, and clinics that belong to health care systems, as well as independent clinics in underserved areas; and

(4) training medical professionals on discussing the importance of early literacy with parents of infants, toddlers, and preschoolers.

(c) The grant recipient must fully implement the plan on a statewide basis by 2030.

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

$	33,683,000	.....	2024
$	33,683,000	.....	2025

(b) The 2024 appropriation includes $3,368,000 for 2023 and $30,315,000 for 2024.

(c) The 2025 appropriation includes $3,368,000 for 2024 and $30,315,000 for 2025.

ARTICLE 9
COMMUNITY EDUCATION AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2022, section 124D.20, subdivision 3, is amended to read:

Subd. 3. **General community education revenue.** The general community education revenue for a district equals ~~$5.23 for fiscal years 2005 and 2006 and~~ $5.42 for fiscal year 2007 through fiscal year 2024 and $7.00 for fiscal year 2025 and later, times the greater of 1,335 or the population of the district. The population of the district is determined according to section 275.14.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 2. Minnesota Statutes 2022, section 124D.20, subdivision 5, is amended to read:

Subd. 5. **Total community education levy.** To obtain total community education revenue, a district may levy the amount raised by a maximum tax rate of 0.94 percent through fiscal year 2024, 0.409 percent in fiscal year 2025, 0.3687 percent in fiscal year 2026, and 0.35

percent in fiscal year 2027 and later, times the adjusted net tax capacity of the district. If the amount of the total community education levy would exceed the total community education revenue, the total community education levy shall be determined according to subdivision 6.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 3. Minnesota Statutes 2022, section 124D.2211, is amended to read:

124D.2211 AFTER-SCHOOL COMMUNITY LEARNING PROGRAMS.

Subdivision 1. **Establishment.** A competitive statewide after-school community learning grant program is established to provide grants to ~~community or nonprofit organizations, political subdivisions, for-profit or nonprofit child care centers, or school-based programs that serve~~ support eligible organizations to provide culturally affirming and enriching after-school and summer learning programs for school-age youth after school or during nonschool hours. Grants must be used to offer a broad array of academic enrichment activities that promote positive after-school and summer learning activities, including art, music, community engagement, literacy, science, technology, engineering, math, health, and recreation programs. The commissioner shall develop criteria for after-school community learning programs that promote partnerships and active collaboration with the schools that participating students attend. The commissioner may award grants under this section to community or nonprofit organizations, culturally specific organizations, American Indian organizations, Tribal Nations, political subdivisions, public libraries, or school-based programs that serve youth after school, during the summer, or during nonschool hours.

Subd. 2. ~~**Program outcomes**~~ **Objectives.** The ~~expected outcomes~~ objectives of the after-school community learning programs are to ~~increase~~:

~~(1) school connectedness of participants;~~

~~(2) academic achievement of participating students in one or more core academic areas;~~

~~(3) the capacity of participants to become productive adults; and~~

~~(4) prevent truancy from school and prevent juvenile crime.~~

(1) increase access to comprehensive and culturally affirming after-school and summer learning and enrichment opportunities that meet the academic, social, and emotional needs of historically underserved students;

(2) promote engagement in learning and connections to school and community; and

(3) encourage school attendance and improve academic performance.

Subd. 3. **Grants.** (a) An applicant ~~shall~~ must submit an after-school community learning program proposal to the commissioner. The submitted ~~plan~~ proposal must include:

~~(1) collaboration with and leverage of existing community resources that have demonstrated effectiveness;~~

~~(2) outreach to children and youth; and~~

~~(3) involvement of local governments, including park and recreation boards or schools, unless no government agency is appropriate.~~

~~Proposals will be reviewed and approved by the commissioner.~~

(1) an assessment of the needs and available resources for the after-school community learning program and a description of how the proposed program will address the needs identified, including how students and families were engaged in the process;

(2) a description of the partnership between a school and another eligible entity;

(3) an explanation of how the proposal will support the objectives identified in subdivision 2, including the use of best practices;

(4) a plan to implement effective after-school and summer learning practices and provide staff access to professional development opportunities; and

(5) a description of the data they will use to evaluate the impact of the program.

(b) The commissioner must review proposals and award grants to programs that:

(1) primarily serve historically underserved students; and

(2) provide opportunities for academic enrichment and a broad array of additional services and activities to meet program objectives.

(c) To the extent practicable, the commissioner must award grants equitably among the geographic areas of Minnesota, including rural, suburban, and urban communities.

Subd. 4. **Technical assistance and continuous improvement.** (a) The commissioner must monitor and evaluate the performance of grant recipients to assess the effectiveness of after-school community learning programs in meeting the objectives identified in subdivision 2.

(b) The commissioner must provide technical assistance, capacity building, and professional development to grant recipients, including guidance on effective practices for after-school and summer learning programs.

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

Sec. 4. Minnesota Statutes 2022, section 124D.531, subdivision 1, is amended to read:

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year ~~2011~~ 2024 equals ~~$44,419,000~~ $52,781,000, plus any amount that is not paid during the previous fiscal year as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later fiscal years equals:

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

(2) the lesser of:

(i) 1.03; or

(ii) the greater of: (A) one plus the percent change in the formula allowance under section 126C.10, subdivision 2, from the previous fiscal year to the current fiscal year; or (B) the average growth in state total contact hours over the prior ten program years.

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

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

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 5. Minnesota Statutes 2022, section 124D.531, subdivision 4, is amended to read:

Subd. 4. **Adult basic education program aid limit.** (a) Notwithstanding subdivisions 2 and 3, the total adult basic education aid for a program per prior year contact hour must not exceed ~~$22~~ $30 per prior year contact hour computed under subdivision 3, clause (2).

(b) The aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the aid for that program under subdivision 3, clause (2), for the first preceding fiscal year by more than the greater of 11 percent or $10,000.

(c) Adult basic education aid is payable to a program for unreimbursed costs occurring in the program year as defined in section 124D.52, subdivision 3.

(d) Any adult basic education aid that is not paid to a program because of the program aid limitation under paragraph (a) must be added to the state total adult basic education aid

for the next fiscal year under subdivision 1. Any adult basic education aid that is not paid to a program because of the program aid limitations under paragraph (b) must be reallocated among programs by adjusting the rate per contact hour under subdivision 3, clause (2).

Sec. 6. Minnesota Statutes 2022, section 124D.55, is amended to read:

124D.55 COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.

(a) The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of the commissioner-selected high school equivalency tests, but not more than $40 for an eligible individual.

(b) Notwithstanding paragraph (a), for fiscal years ~~2020 and 2021~~ 2023 through 2027 only, subject to the availability of funds, the commissioner shall pay 100 percent of the fee charged to an eligible individual for the full battery of the commissioner-selected high school equivalency tests, but not more than the cost of one full battery of tests per year for any individual.

Sec. 7. Minnesota Statutes 2022, section 124D.56, is amended to read:

124D.56 COMMUNITY EDUCATION PROGRAM REVENUE; ADULTS WITH DISABILITIES.

Subdivision 1. **Revenue amount.** A district that is eligible according to section 124D.20, subdivision 2, may receive revenue for a program for adults with disabilities. Revenue for the program for adults with disabilities for a district ~~or a group of districts~~ equals the lesser of:

(1) the actual expenditures for approved programs and budgets; or

(2) ~~$60,000~~ the greater of (i) $0.67 times the population of the school district as determined according to section 275.14, or (ii) the district's adults with disabilities revenue for fiscal year 2023. If the district does not levy the entire amount permitted, the district's adults with disabilities aid is reduced in proportion to the actual amount levied.

Subd. 2. **Aid.** Program aid for adults with disabilities equals the ~~lesser of:~~

~~(1) one-half of the actual expenditures for approved programs and budgets; or~~

~~(2) $30,000~~ difference between the district's adults with disabilities revenue and the district's adults with disabilities levy.

Subd. 3. **Levy.** A district may levy for a program for adults with disabilities in an amount ~~up to the amount designated in subdivision 2. In the case of a program offered by a group of districts, the levy amount must be apportioned among the districts according to the agreement submitted to the department.~~ not to exceed the lesser of:

(1) the district's revenue under subdivision 1; or

(2) the product of a tax rate not to exceed .006 percent in fiscal year 2025, .0053 percent in fiscal year 2026, and .005 percent in fiscal year 2027 and later, times the district's adjusted net tax capacity for the year prior to the year the levy is certified.

Subd. 4. **Outside revenue.** A district may receive money from public or private sources to supplement revenue for the program for adults with disabilities. Aid may not be reduced as a result of receiving money from these sources.

Subd. 5. **Use of revenue.** Revenue for the program for adults with disabilities may be used only to provide programs for adults with disabilities.

Subd. 6. **Cooperation encouraged.** A school district offering programming for adults with disabilities is encouraged to provide programming in cooperation with other school districts and other public and private organizations providing services to adults with disabilities.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 8. Minnesota Statutes 2022, section 124D.99, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For purposes of this section the terms defined in this subdivision have the meanings given them.

(b) ~~"Tier 1 grant"~~ "Neighborhood partnership grant" means a sustaining grant for the ongoing operation, stability, and expansion of existing education partnership program locations serving a defined geographic area within a single municipality.

(c) ~~"Tier 2 grant"~~ "Regional neighborhood partnership grant" means an implementation grant for ~~expanding activity in~~ the ongoing operation, stability, and expansion of activity of existing education partnership program locations serving a defined geographic area encompassing an entire municipality or part of or all of multiple municipalities.

Sec. 9. Minnesota Statutes 2022, section 124D.99, subdivision 3, is amended to read:

Subd. 3. **Administration; design.** (a) The commissioner shall establish program requirements, an application process and timeline for each ~~tier of grants~~ grant specified in

subdivision 4, criteria for evaluation of applications, and a grant awards process. The commissioner's process must minimize administrative costs, minimize burdens for applicants and grant recipients, and provide a framework that permits flexibility in program design and implementation among grant recipients.

(b) To the extent practicable, the commissioner shall design the program to align with programs implemented or proposed by organizations in Minnesota that:

(1) identify and increase the capacity of organizations that are focused on achieving data-driven, locally controlled positive outcomes for children and youth throughout an entire neighborhood or geographic area through programs such as Strive Together, Promise Neighborhood, and the Education Partnerships Coalition members;

(2) build a continuum of educational family and community supports with academically rigorous schools at the center;

(3) maximize program efficiencies by integrating programmatic activities and eliminating administrative barriers;

(4) develop local infrastructure needed to sustain and scale ~~up~~ proven and effective solutions beyond the initial neighborhood or geographic area;

(5) utilize appropriate outcome measures based on unique community needs and interests and apply rigorous evaluation on a periodic basis to be used to both monitor outcomes and allow for continuous improvements to systems;

(6) collect and utilize data to improve student outcomes;

(7) share disaggregated performance data with the community to set community-level outcomes;

(8) employ continuous improvement processes;

(9) have a Tribal entity, community foundation, higher education institution, or community-based organization as an anchor entity managing the partnership;

(10) convene a cross-sector leadership group and have a documented accountability structure; and

(11) demonstrate use of nonstate funds, from multiple sources, including in-kind contributions.

(c) A grant recipient's supportive services programming must address:

(1) kindergarten readiness and youth development;

(2) grade 3 reading proficiency;

(3) middle school mathematics;

(4) high school graduation;

(5) postsecondary educational enrollment;

(6) postsecondary education completion or attainment;

(7) physical and mental health;

(8) development of career skills and readiness;

(9) parental engagement and development;

(10) community engagement and programmatic alignment; and

(11) reduction of remedial education.

(d) The commissioner, in consultation with grant recipients, must:

(1) develop and revise core indicators of progress toward outcomes specifying impacts ~~for each tier~~ identified under subdivision 4;

(2) establish a reporting system for grant recipients to measure program outcomes using data sources and program goals; and

(3) evaluate effectiveness based on the core indicators established by each partnership ~~for each tier~~.

Sec. 10. Minnesota Statutes 2022, section 124D.99, subdivision 5, is amended to read:

Subd. 5. **Grants.** The commissioner shall award ~~Tier 1 and Tier 2~~ grants to qualifying recipients that can demonstrate a nonstate source of funds, including in-kind contributions.

Sec. 11. **APPROPRIATIONS.**

Subdivision 1. **Department of Education.** The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balance in the first year does not cancel but is available in the second year.

Subd. 2. **Adult basic education aid.** (a) For adult basic education aid under Minnesota Statutes, section 124D.531:

$	52,663,000	.....	2024
$	54,196,000	.....	2025

(b) The 2024 appropriation includes $5,179,000 for 2023 and $47,484,000 for 2024.

(c) The 2025 appropriation includes $5,275,000 for 2024 and $48,921,000 for 2025.

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

$	710,000	.....	2024
$	2,881,000	.....	2025

(b) The 2024 appropriation includes $71,000 for 2023 and $639,000 for 2024.

(c) The 2025 appropriation includes $71,000 for 2024 and $2,171,000 for 2025.

Subd. 4. **After school community learning grant program.** (a) For grants for after school community learning programs in accordance with Minnesota Statutes, section 124D.2211:

$	40,000,000	.....	2024
$	0	.....	2025

(b) Of this amount, a portion may be used for a contract with Ignite Afterschool to build out a state-wide system of support for continuous improvement.

(c) Up to $2,250,000 is available for grant administration, monitoring, providing technical assistance, and program evaluation.

(d) This is a onetime appropriation and is available until June 30, 2027.

Subd. 5. **Community education aid.** (a) For community education aid under Minnesota Statutes, section 124D.20:

$	98,000	.....	2024
$	8,684,000	.....	2025

(b) The 2024 appropriation includes $14,000 for 2023 and $84,000 for 2024.

(c) The 2025 appropriation includes $9,000 for 2024 and $8,675,000 for 2025.

Subd. 6. **Deaf, deafblind, and hard-of-hearing adults.** For programs for deaf, deafblind, and hard-of-hearing adults under Minnesota Statutes, section 124D.57:

$	70,000	.....	2024
$	70,000	.....	2025

Subd. 7. **High school equivalency tests.** (a) For payment of the costs of the commissioner-selected high school equivalency tests under Minnesota Statutes, section 124D.55:

$ 615,000 2024
$ 125,000 2025

(b) Of the amounts in paragraph (a), $490,000 in fiscal year 2024 is available until June 30, 2027.

Subd. 8. **Minnesota Alliance of Boys and Girls Clubs.** (a) For a grant to the Minnesota Alliance of Boys and Girls Clubs to support the establishment and expansion of Boys and Girls Clubs in Minnesota beyond existing service areas to support after-school and summer programming that address learning loss:

$ 2,500,000 2024
$ 2,500,000 2025

(b) The grant recipient must take into consideration multiple factors, including need, feasibility, and community engagement when determining where to establish and expand Boys and Girls Clubs programming. Need may be analyzed using available data from the department. Feasibility must be determined by proximity to supporting organizations, staffing capabilities, and access to adequate facilities. The grant recipient must take into consideration community engagement and interest in programming as important elements for the desired sustainability of programming beyond the project's funding period.

(c) To receive a grant under this section, the Minnesota Alliance of Boys and Girls Clubs must receive a 25 percent match from nonstate funds.

(d) The base in fiscal year 2026 is $0.

Subd. 9. **Neighborhood partnership grants.** (a) For neighborhood partnership grants under Minnesota Statutes, section 124D.99:

$ 2,600,000 2024
$ 2,600,000 2025

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

Subd. 10. **Regional neighborhood partnership grants.** (a) For regional neighborhood partnership grants under Minnesota Statutes, section 124D.99:

$ 2,100,000 2024
$ 2,100,000 2025

(b) Of the amounts in paragraph (a), $300,000 each year is for the following programs:

(1) Northfield Healthy Community Initiative in Northfield;

(2) Red Wing Youth Outreach Program in Red Wing;

(3) United Way of Central Minnesota in St. Cloud;

(4) Austin Aspires in Austin;

(5) Rochester Area Foundation in Rochester;

(6) Greater Twin Cities United Way for Generation Next; and

(7) Children First and Partnership for Success in St. Louis Park.

Subd. 11. **School-age care aid.** (a) For school-age care aid under Minnesota Statutes, section 124D.22:

$	1,000	.....	2024
$	1,000	.....	2025

(b) The 2024 appropriation includes $0 for 2023 and $1,000 for 2024.

(c) The 2025 appropriation includes $0 for 2024 and $1,000 for 2025.

ARTICLE 10
STATE AGENCIES

Section 1. **[121A.20] LICENSED SCHOOL NURSE.**

Subdivision 1. **Purpose and duties.** (a) The Department of Education must employ a school health services specialist to:

(1) provide technical assistance to school districts and charter schools for the education-related health needs of students;

(2) serve as the primary source of information and support for schools in addressing emergency readiness, public health, and the needs of children and youth with acute and chronic health conditions and related disorders; and

(3) serve as the primary liaison to the Department of Health and other state agencies to coordinate school-based, health-related services for students.

(b) The school health services specialist's duties include:

(1) increasing professional awareness and competencies of school nurses and other specialized instructional support personnel, using the competencies defined in the most recent edition of the document jointly prepared by the American Nurses Association and the National Association of School Nurses identified as "School Nursing; Scope and Standards of Practice" to meet the educational needs of students with acute or chronic health

conditions or students identified with risk characteristics associated with health and mental health;

(2) developing implementation guidance to assist general education and special education teachers in (i) recognizing health-related educational needs of children and youth, and (ii) improving students' attendance and full participation in instruction and other school activities;

(3) developing implementation guidance to assist teachers, specialized instructional support personnel, and school administrators in prevention of and intervention with health-harming behavior and mental health; and

(4) increasing the availability of online and asynchronous professional development programs and materials for school staff.

Subd. 2. **Definition.** For purposes of this section, "health services specialist" means a professional registered nurse who:

(1) is licensed as a public health nurse in Minnesota;

(2) is licensed as a school nurse in Minnesota;

(3) has a minimum of three years of experience in school nursing services or as a public health nurse serving schools;

(4) has experience in managing a districtwide health policy, overseeing a budget, and supervising personnel; and

(5) has a graduate degree in nursing, public health, education, or a related field.

Subd. 3. **Requirements for position.** The Department of Education's school health services specialist must be highly trained in school nursing, which includes knowledge about child growth and development; public health; health education; and special education with a focus on the impact of health on learning, comprehensive assessment of learning-related health using interventions that are evidence-based, and documentation and evaluation of child health knowledge, skills, status, and education implications. The specialist must have knowledge of section 504 plans, health insurance and third-party reimbursement, health privacy, and emergency preparedness. The specialist must also have skills in interdisciplinary collaboration, policy development, parent involvement, health teaching and learning, and staff development.

Sec. 2. Minnesota Statutes 2022, section 121A.582, subdivision 1, is amended to read:

Subdivision 1. **Reasonable force standard.** (a) A teacher or school principal, in exercising the person's lawful authority, may use reasonable force when it is necessary under

the circumstances to correct or restrain a student ~~or~~ to prevent imminent bodily harm or death to the student or to another.

(b) A school employee, school bus driver, or other agent of a district, in exercising the person's lawful authority, may use reasonable force when it is necessary under the circumstances to restrain a student ~~or~~ to prevent bodily harm or death to the student or to another.

(c) Paragraphs (a) and (b) do not authorize conduct prohibited under section 125A.0942.

(d) Districts must report data on their use of any reasonable force used on a student with a disability to correct or restrain the student to prevent imminent bodily harm or death to the student or another that is consistent with the definition of physical holding under section 125A.0941, paragraph (c), as outlined in section 125A.0942, subdivision 3, paragraph (b).

(e) Beginning with the 2024-2025 school year, districts must report annually by July 15, in a form and manner determined by the commissioner, data from the prior school year about any reasonable force used on a general education student to correct or restrain the student to prevent imminent bodily harm or death to the student or another that is consistent with the definition of physical holding under section 125A.0941, paragraph (c).

Sec. 3. Minnesota Statutes 2022, section 124D.13, is amended by adding a subdivision to read:

Subd. 12a. **Support staff.** (a) The department must employ two full-time equivalent staff to serve as resources for programs described in this section. The staff persons must provide operational support and guidance to programs, including but not limited to providing professional development and education support, assisting with marketing and outreach, and facilitating collaborations with public and private organizations serving families.

(b) Each staff person described in this subdivision must hold a valid license as a teacher of parent and family education.

Sec. 4. Minnesota Statutes 2022, section 125A.71, subdivision 1, is amended to read:

Subdivision 1. **Rental income; appropriation.** Rental income~~, excluding rent for land and living residences,~~ must be deposited in the state treasury and credited to a revolving fund of the academies. Money in the revolving fund for rental income is annually appropriated to the academies for staff development purposes. Payment from the revolving fund for rental income may be made only according to vouchers authorized by the administrator of the academies.

Sec. 5. **[127A.21] OFFICE OF THE INSPECTOR GENERAL.**

Subdivision 1. **Establishment of Office of the Inspector General; powers; duties.** The commissioner must establish within the department an Office of the Inspector General. The Office of the Inspector General is charged with protecting the integrity of the department and the state by detecting and preventing fraud, waste, and abuse in department programs. The Office of the Inspector General must conduct independent and objective investigations to promote the integrity of the department's programs and operations. When fraud or other misuse of public funds is detected, the Office of the Inspector General must report it to the appropriate law enforcement entity and collaborate and cooperate with law enforcement to assist in the investigation and any subsequent civil and criminal prosecution.

Subd. 2. **Data practices; hiring; reporting.** The Office of the Inspector General has access to all program data, regardless of classification under chapter 13, held by the department, school districts or charter schools, grantees, and any other recipient of funds from the department. The commissioner, or the commissioner's designee, must hire an inspector general to lead the Office of the Inspector General. The inspector general must hire a deputy inspector general and, at the discretion of the inspector general, sufficient assistant inspectors general to carry out the duties of the office. In a form and manner determined by the inspector general, the Office of the Inspector General must develop a public platform for the public to report instances of potential fraud, waste, or abuse of public funds administered by the department.

Sec. 6. Laws 2021, First Special Session chapter 13, article 11, section 4, subdivision 2, is amended to read:

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

$	30,837,000	.....	2022
	~~26,287,000~~		
$	25,187,000	.....	2023

Of these amounts:

(1) $319,000 each year is for the Board of School Administrators;

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

(3) $250,000 each year is for the School Finance Division to enhance financial data analysis;

(4) $720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

(5) $123,000 each year is for a dyslexia specialist;

(6) $480,000 each year is for the Department of Education's mainframe update;

(7) $4,500,000 in fiscal year 2022 only is for legal fees and costs associated with litigation; and

(8) $340,000 in fiscal years 2022 and 2023 only are for voluntary prekindergarten programs.

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

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

(d) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.21. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Education under the rates and mechanisms specified in that agreement.

(e) To account for the base adjustments provided in Laws 2018, chapter 211, article 21, section 1, paragraph (a), and section 3, paragraph (a), the base for fiscal year 2024 and later is $25,965,000.

(f) On the effective date of this act, $1,500,000 from the fiscal year 2022 appropriation for legal fees and costs associated with litigation is canceled to the general fund.

Sec. 7. **GRANT AUTHORITY.**

(a) The commissioner of education may transfer funding for grant administration and monitoring within the Department of Education as the commissioner determines necessary with the advance approval of the commissioner of management and budget. All transfers under this section must be intrafund.

(b) Unless a different amount is specified by law, the commissioner of education may retain up to four percent of amounts appropriated for grants for the purpose of grant administration and monitoring.

Sec. 8. **FINANCIAL REVIEW OF GRANT AND BUSINESS SUBSIDY RECIPIENTS.**

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Grant" means a grant or business subsidy funded by an appropriation in this act.

(c) "Grantee" means a business entity as defined in Minnesota Statutes, section 5.001.

Subd. 2. **Financial information required; determination of ability to perform.** Before an agency awards a competitive, legislatively named, single source, or sole source grant, the agency must assess the risk that a grantee cannot or would not perform the required duties. In making this assessment, the agency must review the following information:

(1) the grantee's history of performing duties similar to those required by the grant, whether the size of the grant requires the grantee to perform services at a significantly increased scale, and whether the size of the grant will require significant changes to the operation of the grantee's organization;

(2) for a grantee that is a nonprofit organization, the grantee's Form 990 or Form 990-EZ filed with the Internal Revenue Service in each of the prior three years. If the grantee has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, the grantee must demonstrate to the grantor's satisfaction that the grantee is exempt and must instead submit the grantee's most recent board-reviewed financial statements and documentation of internal controls;

(3) for a for-profit business, three years of federal and state tax returns, current financial statements, certification that the business is not under bankruptcy proceedings, and disclosure of any liens on its assets. If a business has not been in business long enough to have three years of tax returns, the grantee must demonstrate to the grantor's satisfaction that the grantee has appropriate internal financial controls;

(4) evidence of registration and good standing with the secretary of state under Minnesota Statutes, chapter 317A, or other applicable law;

(5) if the grantee's total annual revenue exceeds $750,000, the grantee's most recent financial audit performed by an independent third party in accordance with generally accepted accounting principles; and

(6) certification, provided by the grantee, that none of its principals have been convicted of a financial crime.

Subd. 3. **Additional measures for some grantees.** The agency may require additional information and must provide enhanced oversight for grants that have not previously received state or federal grants for similar amounts or similar duties and so have not yet demonstrated the ability to perform the duties required under the grant on the scale required.

Subd. 4. **Assistance from administration.** An agency without adequate resources or experience to perform obligations under this section may contract with the commissioner of administration to perform the agency's duties under this section.

Subd. 5. **Agency authority to not award grant.** If an agency determines that there is an appreciable risk that a grantee receiving a competitive, single source, or sole source grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee and the commissioner of administration and give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must not award the grant.

Subd. 6. **Legislatively-named grantees.** If an agency determines that there is an appreciable risk that a grantee receiving a legislatively named grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee, the commissioner of administration, and the chair and ranking minority members of Ways and Means Committee in the house of representatives, the chairs and ranking minority members of the Finance Committee in the senate, and the chairs and ranking minority members of the committees in the house of representatives and the senate with primary jurisdiction over the bill in which the money for the grant was appropriated. The agency must give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must delay award of the grant until adjournment of the next regular or special legislative session.

Subd. 7. **Subgrants.** If a grantee will disburse the money received from the grant to other organizations to perform duties required under the grant agreement, the agency must be a party to agreements between the grantee and a subgrantee. Before entering agreements for subgrants, the agency must perform the financial review required under this section with respect to the subgrantees.

Subd. 8. **Effect.** The requirements of this section are in addition to other requirements imposed by law, the commissioner of administration under Minnesota Statutes, sections 16B.97 to 16B.98, or agency grant policy.

Sec. 9. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

Subdivision 1. **Department of Education.** Unless otherwise indicated, the sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated. Any balance in the first year does not cancel but is available in the second year.

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

$	43,363,000	.....	2024
$	38,185,000	.....	2025

Of these amounts:

(1) $405,000 each year is for the Board of School Administrators;

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

(3) $720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act (LEAPS) under Laws 2014, chapter 272, article 1, as amended;

(4) $480,000 each year is for the Department of Education's mainframe update;

(5) $7,500,000 in fiscal year 2024 only is for legal fees and costs associated with litigation;

(6) $595,000 in fiscal year 2024 and $2,609,000 in fiscal year 2025 are for modernizing district data submissions. The base amount for the allocation under this clause is $2,359,000 in fiscal year 2026 and later; and

(7) $2,000,000 each year is for the Office of the Inspector General established under section 127A.21.

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

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

(d) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.21. Any ongoing information technology costs may be incorporated into the service level agreement and may be paid to the Department of Information Technology Services by the Department of Education under the rates and mechanisms specified in that agreement.

(e) The base for fiscal year 2026 is $37,931,000. The base for fiscal year 2027 and later is $37,927,000.

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

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

$	17,445,000	.....	2024
$	17,189,000	.....	2025

Of these amounts:

(1) $125,000 in fiscal year 2024 only is for an audiology booth and related testing equipment; and

(2) $445,000 in fiscal year 2024 and $185,000 in fiscal year 2025 are for a mental health day treatment program. These funds are available until June 30, 2027. The base amount for the allocation under this clause is $185,000 in fiscal year 2026 and later.

(b) The base for fiscal year 2026 is $17,436,000. The base for fiscal year 2027 and later is $17,193,000.

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

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

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

$	8,369,000	.....	2024
$	8,435,000	.....	2025

Of these amounts, $300,000 in fiscal year 2024 only is for furniture replacement in the agency's dormitory and classrooms, including costs associated with moving and disposal.

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

Sec. 12. **APPROPRIATIONS; PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.**

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

$ 3,417,000 2024

$ 3,561,000 2025

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

(c) This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.21. Any ongoing information technology costs may be incorporated into an interagency agreement and may be paid to the Department of Information Technology Services by the Professional Educator Licensing and Standards Board under the mechanism specified in that agreement.

Subd. 2. **Licensure by portfolio.** (a) For licensure by portfolio:

$ 34,000 2024

$ 34,000 2025

(b) This appropriation is from the education licensure portfolio account in the special revenue fund.

ARTICLE 11
FORECAST
A. GENERAL EDUCATION

Section 1. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 2, is amended to read:

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

$ 7,569,266,000 2022

~~7,804,527,000~~

$ 7,538,983,000 2023

The 2022 appropriation includes $717,326,000 for 2021 and $6,851,940,000 for 2022.

The 2023 appropriation includes $734,520,000 for 2022 and ~~$7,070,007,000~~ $6,804,463,000 for 2023.

Sec. 2. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 3, is amended to read:

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

$ 12,000 2022

~~13,000~~
$ 16,000 2023

Sec. 3. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 4, is amended to read:

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

$ 2,897,000 2022

~~3,558,000~~
$ 1,434,000 2023

The 2022 appropriation includes $269,000 for 2021 and $2,628,000 for 2022.

The 2023 appropriation includes $291,000 for 2022 and ~~$3,267,000~~ $1,143,000 for 2023.

Sec. 4. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 5, is amended to read:

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

$ 309,000 2022

~~373,000~~
$ 95,000 2023

The 2022 appropriation includes $30,000 for 2021 and $279,000 for 2022.

The 2023 appropriation includes $31,000 for 2022 and ~~$342,000~~ $64,000 for 2023.

Sec. 5. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 6, is amended to read:

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

$ 16,991,000 2022

~~17,450,000~~
$ 19,003,000 2023

The 2022 appropriation includes $1,903,000 for 2021 and $15,088,000 for 2022.

The 2023 appropriation includes $1,676,000 for 2022 and ~~$15,774,000~~ $17,327,000 for 2023.

Sec. 6. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 7, is amended to read:

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

$	19,770,000	.....	2022
$	~~19,906,000~~ 21,027,000	.....	2023

The 2022 appropriation includes $1,910,000 for 2021 and $17,860,000 for 2022.

The 2023 appropriation includes $1,984,000 for 2022 and ~~$17,922,000~~ $19,043,000 for 2023.

Sec. 7. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 9, is amended to read:

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

$	2,668,000	.....	2022
$	~~2,279,000~~ 1,914,000	.....	2023

The 2022 appropriation includes $323,000 for 2021 and $2,345,000 for 2022.

The 2023 appropriation includes $260,000 for 2022 and ~~$2,019,000~~ $1,654,000 for 2023.

B. EDUCATION EXCELLENCE

Sec. 8. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 2, is amended to read:

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

$	84,057,000	.....	2022
$	~~83,431,000~~ 81,579,000	.....	2023

The 2022 appropriation includes $8,868,000 for 2021 and $75,189,000 for 2022.

The 2023 appropriation includes $8,353,000 for 2022 and ~~$75,078,000~~ $73,226,000 for 2023.

Sec. 9. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 3, is amended to read:

Subd. 3. **American Indian education aid.** For American Indian education aid under Minnesota Statutes, section 124D.81, subdivision 2a:

$	11,351,000	.....	2022
	~~11,775,000~~		
$	11,575,000	.....	2023

The 2022 appropriation includes $1,102,000 for 2021 and $10,249,000 for 2022.

The 2023 appropriation includes $1,138,000 for 2022 and ~~$10,637,000~~ $10,437,000 for 2023.

Sec. 10. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 4, is amended to read:

Subd. 4. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124E.22:

$	93,547,000	.....	2022
	~~99,819,000~~		
$	90,864,000	.....	2023

The 2022 appropriation includes $8,617,000 for 2021 and $84,930,000 for 2022.

The 2023 appropriation includes $9,436,000 for 2022 and ~~$90,383,000~~ $81,428,000 for 2023.

Sec. 11. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 12, is amended to read:

Subd. 12. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

$	12,310,000	.....	2022
	~~14,823,000~~		
$	13,785,000	.....	2023

Sec. 12. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 27, is amended to read:

Subd. 27. **Tribal contract school aid.** For Tribal contract school aid under Minnesota Statutes, section 124D.83:

$	2,743,000	.....	2022
	~~3,160,000~~		
$	2,581,000	.....	2023

The 2022 appropriation includes $240,000 for 2021 and $2,503,000 for 2022.

The 2023 appropriation includes $278,000 for 2022 and ~~$2,882,000~~ $2,303,000 for 2023.

C. TEACHERS

Sec. 13. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 7, is amended to read:

Subd. 7. **Alternative teacher compensation aid.** (a) For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

$	88,896,000	.....	2022
	~~88,898,000~~		
$	88,308,000	.....	2023

(b) The 2022 appropriation includes $8,877,000 for 2021 and $80,019,000 for 2022.

(c) The 2023 appropriation includes $8,891,000 for 2022 and ~~$80,007,000~~ $79,417,000 for 2023.

D. SPECIAL EDUCATION

Sec. 14. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 2, is amended to read:

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

$	1,822,998,000	.....	2022
	~~1,945,533,000~~		
$	1,859,205,000	.....	2023

The 2022 appropriation includes $215,125,000 for 2021 and $1,607,873,000 for 2022.

The 2023 appropriation includes $226,342,000 for 2022 and ~~$1,719,191,000~~ $1,632,863,000 for 2023.

Sec. 15. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 3, is amended to read:

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

$	1,818,000	.....	2022
$	~~2,010,000~~ 1,484,000	.....	2023

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

Sec. 16. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 4, is amended to read:

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

$	465,000	.....	2022
$	~~512,000~~ 337,000	.....	2023

The 2022 appropriation includes $23,000 for 2021 and $442,000 for 2022.

The 2023 appropriation includes $49,000 for 2022 and ~~$463,000~~ $288,000 for 2023.

E. FACILITIES

Sec. 17. Laws 2021, First Special Session chapter 13, article 7, section 2, subdivision 2, is amended to read:

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

$	25,001,000	.....	2022
$	~~24,286,000~~ 24,315,000	.....	2023

The 2022 appropriation includes $2,588,000 for 2021 and $22,413,000 for 2022.

The 2023 appropriation includes $2,490,000 for 2022 and ~~$21,796,000~~ $21,825,000 for 2023.

Sec. 18. Laws 2021, First Special Session chapter 13, article 7, section 2, subdivision 3, is amended to read:

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

$	108,582,000	.....	2022
$	~~111,077,000~~ 108,269,000	.....	2023

The 2022 appropriation includes $10,660,000 for 2021 and $97,922,000 for 2022.

The 2023 appropriation includes $10,880,000 for 2022 and ~~$100,197,000~~ $97,389,000 for 2023.

F. NUTRITION

Sec. 19. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 2, is amended to read:

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

$	16,661,000	.....	2022
$	~~16,954,000~~ 15,984,000	.....	2023

Sec. 20. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 3, is amended to read:

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

$	11,848,000	.....	2022
$	~~12,200,000~~ 10,802,000	.....	2023

Sec. 21. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 4, is amended to read:

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

$ 656,000 2022

~~658,000~~
$ 659,000 2023

G. EARLY EDUCATION

Sec. 22. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 5, is amended to read:

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

$ 35,003,000 2022

~~36,478,000~~
$ 35,180,000 2023

(b) The 2022 appropriation includes $3,341,000 for 2021 and $31,662,000 for 2022.

(c) The 2023 appropriation includes $3,518,000 for 2022 and ~~$32,960,000~~ $31,662,000 for 2023.

Sec. 23. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 6, is amended to read:

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

$ 3,582,000 2022

~~3,476,000~~
$ 3,503,000 2023

(b) The 2022 appropriation includes $360,000 for 2021 and $3,222,000 for 2022.

(c) The 2023 appropriation includes $357,000 for 2022 and ~~$3,119,000~~ $3,146,000 for 2023.

Sec. 24. Laws 2021, First Special Session chapter 13, article 9, section 4, subdivision 12, is amended to read:

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

$ 462,000 2022

~~444,000~~
$ 415,000 2023

(b) The 2022 appropriation includes $47,000 for 2021 and $415,000 for 2022.

(c) The 2023 appropriation includes $46,000 for 2022 and ~~$398,000~~ $369,000 for 2023.

H. COMMUNITY EDUCATION AND LIFELONG LEARNING

Sec. 25. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 2, is amended to read:

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

$	180,000	.....	2022
	~~155,000~~		
$	150,000	.....	2023

The 2022 appropriation includes $22,000 for 2021 and $158,000 for 2022.

The 2023 appropriation includes $17,000 for 2022 and ~~$138,000~~ $133,000 for 2023.

Sec. 26. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 8, is amended to read:

Subd. 8. **Adult basic education aid.** For adult basic education aid under Minnesota Statutes, section 124D.531:

$	53,191,000	.....	2022
	~~54,768,000~~		
$	51,948,000	.....	2023

The 2022 appropriation includes $5,177,000 for 2021 and $48,014,000 for 2022.

The 2023 appropriation includes $5,334,000 for 2022 and ~~$49,434,000~~ $46,614,000 for 2023.

122A.06 DEFINITIONS.

Subd. 4. **Comprehensive, scientifically based reading instruction.** (a) "Comprehensive, scientifically based reading instruction" includes a program or collection of instructional practices that is based on valid, replicable evidence showing that when these programs or practices are used, students can be expected to achieve, at a minimum, satisfactory reading progress. The program or collection of practices must include, at a minimum, effective, balanced instruction in all five areas of reading: phonemic awareness, phonics, fluency, vocabulary development, and reading comprehension.

Comprehensive, scientifically based reading instruction also includes and integrates instructional strategies for continuously assessing, evaluating, and communicating the student's reading progress and needs in order to design and implement ongoing interventions so that students of all ages and proficiency levels can read and comprehend text, write, and apply higher level thinking skills. For English learners developing literacy skills, districts are encouraged to use strategies that teach reading and writing in the students' native language and English at the same time.

(b) "Fluency" is the ability of students to read text with speed, accuracy, and proper expression.

(c) "Phonemic awareness" is the ability of students to notice, think about, and manipulate individual sounds in spoken syllables and words.

(d) "Phonics" is the understanding that there are systematic and predictable relationships between written letters and spoken words. Phonics instruction is a way of teaching reading that stresses learning how letters correspond to sounds and how to apply this knowledge in reading and spelling.

(e) "Reading comprehension" is an active process that requires intentional thinking during which meaning is constructed through interactions between text and reader. Comprehension skills are taught explicitly by demonstrating, explaining, modeling, and implementing specific cognitive strategies to help beginning readers derive meaning through intentional, problem-solving thinking processes.

(f) "Vocabulary development" is the process of teaching vocabulary both directly and indirectly, with repetition and multiple exposures to vocabulary items. Learning in rich contexts, incidental learning, and use of computer technology enhance the acquiring of vocabulary.

(g) Nothing in this subdivision limits the authority of a school district to select a school's reading program or curriculum.

268.085 ELIGIBILITY REQUIREMENTS; PAYMENTS THAT AFFECT BENEFITS.

Subd. 8. **Services for school contractors.** (a) Wage credits from an employer are subject to subdivision 7, if:

(1) the employment was provided under a contract between the employer and an elementary or secondary school; and

(2) the contract was for services that the elementary or secondary school could have had performed by its employees.

(b) Wage credits from an employer are not subject to subdivision 7 if:

(1) those wage credits were earned by an employee of a private employer performing work under a contract between the employer and an elementary or secondary school; and

(2) the employment was related to food services provided to the school by the employer.

Laws 2023, chapter 18, section 4, subdivision 5

Sec. 4. **APPROPRIATION; SCHOOL MEALS.**

Subd. 5. **Additional general education aid.** (a) For additional general education aid under Minnesota Statutes, section 126C.13, subdivision 4, for compensatory revenue under section 3:

$	5,434,000	.....	2025

(b) The aid for fiscal year 2026 is $604,000. The base for fiscal year 2027 and later is $0.