

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 2812

(SENATE AUTHORS: PAPPAS, Wiger, Torres Ray, Tomassoni and Wiklund)

DATE
03/01/2018

D-PG
6232 Introduction and first reading
Referred to E-12 Policy

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to education finance; modifying early education provisions; establishing

1.3 five regions for the voluntary prekindergarten program; authorizing the

1.4 commissioner of education to determine the total amount of Pathway II

1.5 scholarships; making school readiness plus permanent; amending Minnesota

1.6 Statutes 2017 Supplement, sections 124D.151, subdivision 5; 124D.165, subdivision

1.7 3; Laws 2017, First Special Session chapter 5, article 8, sections 9, subdivisions

1.8 2, 5; 10, subdivision 3.

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

1.10 Section 1. Minnesota Statutes 2017 Supplement, section 124D.151, subdivision 5, is

1.11 amended to read:

1.12 Subd. 5. **Application process; priority for high poverty schools.** (a) ~~To qualify for~~

1.13 ~~program approval for fiscal year 2017, a district or charter school must submit an application~~

1.14 ~~to the commissioner by July 1, 2016.~~ To qualify for program approval for fiscal year 2018

1.15 and later, a district or charter school must submit an application to the commissioner by

1.16 January 30 of the fiscal year prior to the fiscal year in which the program will be

1.17 implemented. The application must include:

1.18 (1) a description of the proposed program, including the number of hours per week the

1.19 program will be offered at each school site or mixed-delivery location;

1.20 (2) an estimate of the number of eligible children to be served in the program at each

1.21 school site or mixed-delivery location; and

1.22 (3) a statement of assurances signed by the superintendent or charter school director that

1.23 the proposed program meets the requirements of subdivision 2.

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

(c) The commissioner must divide all applications for new or expanded voluntary prekindergarten programs under this section meeting the requirements of paragraph (a) and school readiness plus programs into ~~four~~ five groups as follows: the Minneapolis ~~and school district~~; the St. Paul school districts district; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

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

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

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

(d) The limit on participation for the programs as specified in subdivision 6 must initially be allocated among the ~~four~~ five groups based on each group's percentage share of the

statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the participation limit for fiscal years 2018 and 2019 must first be allocated to school sites approved for aid in the previous year to ensure that those sites are funded for the same number of participants as approved for the previous year. The remainder of the participation limit for each group must be allocated among school sites in priority order until that region's share of the participation limit is reached. If the participation limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis. For fiscal year 2020 and later, the participation limit must first be allocated to school sites approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings under paragraph (c).

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

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

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

EFFECTIVE DATE. This section is effective for fiscal year 2019 and later.

Sec. 2. Minnesota Statutes 2017 Supplement, 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 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.

(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.

EFFECTIVE DATE. This section is effective for fiscal year 2019 and later.

5.1 Sec. 3. Laws 2017, First Special Session chapter 5, article 8, section 9, subdivision 2, is
5.2 amended to read:

5.3 Subd. 2. **Program requirements.** A school readiness plus program provider must:

5.4 (1) assess each child's cognitive and language skills with a comprehensive child
5.5 assessment instrument when the child enters and again before the child leaves the program
5.6 to improve program planning and implementation, communicate with parents, and promote
5.7 kindergarten readiness;

5.8 (2) provide comprehensive program content and intentional instructional practice aligned
5.9 with the state early childhood learning guidelines and kindergarten standards and based on
5.10 early childhood research and professional practice that is focused on children's cognitive,
5.11 social, emotional, and physical skills and development and prepares children for the transition
5.12 to kindergarten, including early literacy and language skills;

5.13 (3) coordinate appropriate kindergarten transition with parents and kindergarten teachers;

5.14 (4) involve parents in program planning and decision making;

5.15 (5) coordinate with relevant community-based services;

5.16 (6) cooperate with adult basic education programs and other adult literacy programs;

5.17 (7) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children
5.18 with ~~at least one licensed~~ the first staff required to be a teacher;

5.19 (8) have teachers knowledgeable in early childhood curriculum content, assessment,
5.20 native and English language development programs, and instruction; and

5.21 (9) provide instructional content and activities that are of sufficient length and intensity
5.22 to address learning needs including offering a program with at least 350 hours of instruction
5.23 per school year.

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

5.25 Sec. 4. Laws 2017, First Special Session chapter 5, article 8, section 9, subdivision 5, is
5.26 amended to read:

5.27 Subd. 5. **Application process; priority for high poverty schools.** (a) For 2017-2018
5.28 school year, a school district or charter school that did not apply to participate in a voluntary
5.29 prekindergarten program under Minnesota Statutes, section 124D.151, may apply to the
5.30 commissioner by July 1, 2017, to participate in a school readiness plus program in the form
5.31 and manner specified by the commissioner. By June 15, 2017, the commissioner must notify

districts and charter schools of the availability of additional money for voluntary prekindergarten and school readiness plus programs. A school district or charter school that previously applied to participate in a voluntary prekindergarten program may amend its application by July 1, 2017, to apply instead for school readiness plus. The commissioner must review all applications for school readiness plus and notify applicant districts and charter schools by August 1, 2017, whether they have been selected for participation.

(b) For the 2018-2019 school year, a school district or charter school may apply to the commissioner by January 30, 2018, to participate in school readiness plus in the form and manner specified by the commissioner. For fiscal year 2020 and later, a school district or charter school may apply to the commissioner by January 30 of the previous fiscal year to participate in school readiness plus in the form and manner specified by the commissioner.

(c) A district or charter school submitting an application under this section must include: (1) a description of the proposed program, including the number of hours per week the program will be offered at each school site or mixed-delivery location; (2) an estimate of the number of eligible children to be served in the program at each school site or mixed-delivery location; (3) the number of children being served that will be new to the program; and (4) a statement of assurances signed by the superintendent or charter school director that the proposed program meets the requirements of subdivision 2.

(d) The commissioner must award funding for school readiness plus programs across school districts and charter schools in the same manner as for the voluntary prekindergarten program.

(e) A school site or mixed-delivery site approved for aid under this subdivision remains eligible for aid if the site continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price lunches.

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

Sec. 5. Laws 2017, First Special Session chapter 5, article 8, section 10, subdivision 3, is amended to read:

Subd. 3. **Mixed delivery prekindergarten programs.** (a) For mixed delivery prekindergarten programs and school readiness plus programs:

\$ 21,429,000 2018

\$ 28,571,000 2019

(b) The fiscal year 2018 appropriation includes \$0 for 2017 and \$21,429,000 for 2018.

7.1 (c) The fiscal year 2019 appropriation includes \$2,381,000 for 2018 and \$26,190,000
7.2 for 2019.

7.3 (d) The base for fiscal year 2020 and later is \$29,100,000.

7.4 ~~(d)~~ (e) The commissioner must proportionately allocate the amounts appropriated in this
7.5 subdivision among each education funding program affected by the enrollment of mixed
7.6 delivery system prekindergarten pupils.

7.7 ~~(e)~~ (f) The appropriation under this subdivision is reduced by any other amounts
7.8 specifically appropriated for those purposes.

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