

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 3928

(SENATE AUTHORS: NELSON)

DATE	D-PG	OFFICIAL STATUS
04/12/2018	7288	Introduction and first reading Referred to E-12 Finance
04/19/2018	7690a	Comm report: To pass as amended and re-refer to Finance See SF3656, Art. 46, Sec. 4, 8-9; Art. 47, Sec. 6-9, 12, 14-17, 21-22, 28; Art. 48, Sec. 44, 47, 49-50

1.1 A bill for an act

1.2 relating to education finance; providing funding for prekindergarten through grade

1.3 12 education, including school safety, general education, education excellence,

1.4 teachers, special education, facilities and technology, libraries, early education,

1.5 and state agencies; making forecast adjustments; appropriating money; amending

1.6 Minnesota Statutes 2016, sections 120A.20, subdivision 2; 122A.63, subdivisions

1.7 1, 4, 5, 6, by adding a subdivision; 123B.595, by adding a subdivision; 123B.61;

1.8 124D.09, subdivisions 4, 22; 124D.151, subdivisions 2, 3; 124E.20, subdivision

1.9 1; 125B.26, subdivision 4, by adding a subdivision; 126C.10, subdivisions 2e, 24;

1.10 126C.17, subdivisions 1, 2, 5, 6, 7, 7a; 126C.40, subdivision 1; 126C.44; 205A.07,

1.11 subdivision 2; 475.58, subdivision 4; Minnesota Statutes 2017 Supplement, sections

1.12 122A.187, by adding a subdivision; 123B.03, subdivision 1; 124D.151, subdivisions

1.13 5, 6; 124D.68, subdivision 2; 124E.03, subdivision 2; 475.59, subdivision 1; Laws

1.14 2017, First Special Session chapter 5, article 1, section 19, subdivisions 2, 3, 4, 5,

1.15 6, 7, 9; article 2, sections 56; 57, subdivisions 2, 3, 4, 5, 6, 12, 21, 22, 23, 26, 34;

1.16 article 4, section 12, subdivisions 2, as amended, 3, 4, 5; article 5, section 14,

1.17 subdivisions 2, 3, 4; article 6, section 3, subdivisions 2, 3, 4; article 8, sections 9,

1.18 subdivision 6; 10, subdivisions 5a, 6, 12; article 9, section 2, subdivision 2; article

1.19 10, section 6, subdivision 2; article 11, sections 9, subdivision 2; 12; proposing

1.20 coding for new law in Minnesota Statutes, chapters 120B; 123B; 124D; repealing

1.21 Minnesota Statutes 2016, sections 122A.63, subdivisions 7, 8; 126C.16,

1.22 subdivisions 1, 3; 126C.17, subdivision 9a; Laws 2016, chapter 189, article 25,

1.23 section 62, subdivision 16.

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

1.25 **ARTICLE 1**

1.26 **SCHOOL SAFETY**

1.27 Section 1. Minnesota Statutes 2016, section 123B.61, is amended to read:

1.28 **123B.61 PURCHASE OF CERTAIN EQUIPMENT.**

1.29 (a) The board of a district may issue general obligation certificates of indebtedness or

1.30 capital notes subject to the district debt limits to:

2.1 ~~(a)~~ (1) purchase vehicles, computers, telephone systems, cable equipment, photocopy
2.2 and office equipment, technological equipment for instruction, public announcement systems,
2.3 emergency communications devices, other equipment related to violence prevention and
2.4 facility security, and other capital equipment having an expected useful life at least as long
2.5 as the terms of the certificates or notes;

2.6 ~~(b)~~ (2) purchase computer hardware and software, without regard to its expected useful
2.7 life, whether bundled with machinery or equipment or unbundled, together with application
2.8 development services and training related to the use of the computer; and

2.9 ~~(c)~~ (3) prepay special assessments.

2.10 (b) The certificates or notes must be payable in not more than ten years and must be
2.11 issued on the terms and in the manner determined by the board, except that certificates or
2.12 notes issued to prepay special assessments must be payable in not more than 20 years. The
2.13 certificates or notes may be issued by resolution and without the requirement for an election.
2.14 The certificates or notes are general obligation bonds for purposes of section 126C.55.

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

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

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

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

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

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

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

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

3.7 Sec. 2. Minnesota Statutes 2016, section 126C.44, is amended to read:

3.8 **126C.44 SAFE SCHOOLS ~~LEVY~~ REVENUE.**

3.9 Subdivision 1. **Safe schools revenue.** ~~(a) Each district may make a levy on all taxable~~
 3.10 ~~property located within the district for the purposes specified in this section. The maximum~~
 3.11 ~~amount which may be levied for all costs under this section shall be equal to \$36 multiplied~~
 3.12 ~~by the district's adjusted pupil units for the school year. For fiscal year 2019 and later, safe~~
 3.13 ~~schools revenue for a school district equals the sum of its safe schools levy and its safe~~
 3.14 ~~schools aid.~~

3.15 Subd. 2. **Safe schools levy.** (a) For fiscal year 2019 and later, a district's safe schools
 3.16 levy equals the sum of its initial safe schools levy and its cooperative safe schools levy.

3.17 (b) For fiscal year 2019 and later, the initial safe schools levy for a district equals \$36
 3.18 times the district's adjusted pupil units for the school year.

3.19 (c) For fiscal year 2019 and later, the cooperative safe schools levy for a school district
 3.20 that is a member of an intermediate school district equals \$15 times the district's adjusted
 3.21 pupil units for the school year.

3.22 Subd. 3. **Safe schools aid.** (a) For fiscal year 2019 and later, a district's safe schools aid
 3.23 equals the sum of its initial safe schools aid and its cooperative safe schools aid.

3.24 (b) For fiscal year 2019 and later, the initial safe schools aid for a district equals the
 3.25 greater of (1) \$25,000 minus the permitted levy under subdivision 2, paragraph (b), or (2)
 3.26 \$3.65 times the district's adjusted pupil units for the school year.

3.27 (c) For fiscal year 2019 only, the cooperative safe schools aid for a school district that
 3.28 is a member of a cooperative unit other than an intermediate district that enrolls students
 3.29 equals \$7.50 times the district's adjusted pupil units for the school year.

3.30 Subd. 3a. **Intermediate district and cooperative unit revenue transfer.** Revenue
 3.31 raised under subdivision 2, paragraph (c), and subdivision 3, paragraph (c), must be
 3.32 transferred to the intermediate school district or other cooperative unit of which the district

4.1 is a member and used only for costs associated with safe schools activities authorized under
4.2 subdivision 5, paragraph (a), clauses (1) to (10). If the district is a member of more than
4.3 one cooperative unit that enrolls students, the revenue must be allocated among the
4.4 cooperative units.

4.5 Subd. 4. **Safe schools revenue for a charter school.** (a) For fiscal year 2019 and later,
4.6 safe schools revenue for a charter school equals \$3.65 times the adjusted pupil units for the
4.7 school year.

4.8 (b) The revenue must be reserved and used only for costs associated with safe schools
4.9 activities authorized under subdivision 5, paragraph (a), clauses (1) to (10), or for building
4.10 lease expenses not funded by charter school building lease aid that are attributable to facility
4.11 security enhancements made by the landlord after March 1, 2018.

4.12 Subd. 4a. **Fiscal year 2019 additional safe schools revenue.** (a) For fiscal year 2019
4.13 only, safe schools aid for a school district under subdivision 3 is increased by an amount
4.14 equal to \$16.23 times the district's adjusted pupil units for the school year.

4.15 (b) For fiscal year 2019 only, safe schools revenue for a charter school under subdivision
4.16 4 is increased by an amount equal to \$16.23 times the charter school's adjusted pupil units
4.17 for the school year.

4.18 Subd. 5. **Uses of safe schools revenue.** The proceeds of the levy revenue must be reserved
4.19 and used for directly funding the following purposes or for reimbursing the cities and
4.20 counties who contract with the district for the following purposes:

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

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

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

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

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

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

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

5.7 (8) to pay for costs associated with improving the school climate; ~~or~~

5.8 (9) to pay costs for colocating and collaborating with mental health professionals who
 5.9 are not district employees or contractors or for school-linked mental health services delivered
 5.10 by telemedicine;

5.11 (10) to pay the costs of enhancing cybersecurity in the district's information systems; or

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

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

5.22 ~~(c) A school district that is a member of an intermediate school district may include in~~
 5.23 ~~its authority under this section the costs associated with safe schools activities authorized~~
 5.24 ~~under paragraph (a) for intermediate school district programs. This authority must not exceed~~
 5.25 ~~\$15 times the adjusted pupil units of the member districts. This authority is in addition to~~
 5.26 ~~any other authority authorized under this section. Revenue raised under this paragraph must~~
 5.27 ~~be transferred to the intermediate school district. Notwithstanding paragraph (a), safe schools~~
 5.28 ~~aid for a school district and safe schools revenue for a charter school must not be used for~~
 5.29 ~~the purpose under paragraph (a), clause (8).~~

5.30 Subd. 6. **Report.** By January 15 of each year, the commissioner of education must deliver
 5.31 to the chairs and ranking minority members of the legislative committees with jurisdiction
 5.32 over kindergarten through grade 12 education a report detailing district-level expenditures

6.1 of safe schools revenue for the prior fiscal year for each of the authorized purposes under
 6.2 subdivision 5.

6.3 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2019 and later.

6.4 Sec. 3. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 34,
 6.5 is amended to read:

6.6 Subd. 34. **Sanneh Foundation.** (a) For a grant to the Sanneh Foundation to provide
 6.7 all-day, in-school, and before- and after-school academic and behavioral interventions for
 6.8 low-performing and chronically absent students with a focus on low-income students and
 6.9 students of color throughout the school year and during the summer to decrease absenteeism,
 6.10 encourage school engagement, and improve grades and graduation rates.

6.11 \$ 1,000,000 2018

6.12 \$ 250,000 2019

6.13 (b) Funds appropriated ~~in this section~~ for fiscal year 2018 must be used to establish and
 6.14 provide services in schools where the Sanneh Foundation does not currently operate, and
 6.15 must not be used for programs operating in schools as of June 30, 2017. Funds appropriated
 6.16 for fiscal year 2019 may be used to provide services under paragraph (a) in any school.

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

6.19 Sec. 4. **TRANSFER OF UNSPENT CONSOLIDATION TRANSITION AID FOR**
 6.20 **INCENTIVE GRANTS FOR CHARACTER DEVELOPMENT EDUCATION.**

6.21 Notwithstanding Minnesota Statutes, section 123A.485, if no school district is eligible
 6.22 for a consolidation transition aid entitlement for fiscal year 2019, the consolidation transition
 6.23 aid appropriation for fiscal year 2019 in article 9, section 2, of this act is transferred to the
 6.24 commissioner of education for additional incentive grants for character development
 6.25 education under article 1, section 4, subdivision 3, of this act. This is a onetime transfer for
 6.26 fiscal year 2019 only.

6.27 **EFFECTIVE DATE.** This section is effective June 30, 2018.

6.28 Sec. 5. **APPROPRIATION.**

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

7.1 Subd. 2. **Safe schools revenue.** For safe schools revenue under Minnesota Statutes,
 7.2 section 126C.44, subdivision 1:

7.3 § 19,814,000 2019

7.4 Subd. 3. **Incentive grants for character development education.** (a) For incentive
 7.5 grants to public schools and charter schools that offer the Congressional Medal of Honor
 7.6 character development program:

7.7 § 455,000 2019

7.8 (b) The commissioner must award grants to public schools and charter schools that
 7.9 demonstrate use of the Congressional Medal of Honor character development program. The
 7.10 commissioner must allocate the appropriation proportionally among the public schools and
 7.11 charter schools that apply, not to exceed \$5,000 per school per fiscal year. If the entire
 7.12 appropriation is not expended in fiscal year 2019, the commissioner must award additional
 7.13 grants in fiscal years 2020 and 2021. The grant award may be used for any school-related
 7.14 purpose consistent with Minnesota Statutes, section 120B.232.

7.15 (c) This is a onetime appropriation. The appropriation is available until June 30, 2021.

7.16 Subd. 4. **Suicide prevention training for teachers.** (a) For a grant to Kognito to offer
 7.17 evidence-based online training for teachers on suicide prevention and engaging students
 7.18 experiencing mental distress:

7.19 § 273,000 2019

7.20 (b) Training funded under this subdivision must be accessible to teachers in every school
 7.21 district, charter school, intermediate school district, service cooperative, and tribal school
 7.22 in Minnesota. This is a onetime appropriation.

7.23 **ARTICLE 2**

7.24 **GENERAL EDUCATION**

7.25 Section 1. Minnesota Statutes 2016, section 124D.09, subdivision 4, is amended to read:

7.26 Subd. 4. **Alternative pupil.** (a) "Alternative pupil" means an 11th or 12th grade student
 7.27 not enrolled in a public school district, and includes students attending nonpublic schools
 7.28 and students who are home schooled.

7.29 (b) "Alternative pupil" includes a 10th grade student who:

7.30 (1) is not enrolled in a public school district, including a student attending a nonpublic
 7.31 school or who is home schooled;

8.1 (2) is applying to enroll in a career or technical education course offered by a Minnesota
 8.2 state college or university; and

8.3 (3) has received a passing score on the 8th grade Minnesota Comprehensive Assessment,
 8.4 or if the student did not take the 8th grade Minnesota Comprehensive Assessment in reading,
 8.5 another reading assessment accepted by the enrolling postsecondary institution.

8.6 The alternative 10th grade pupil's enrollment in courses is subject to the same conditions
 8.7 and restrictions as applies to all other 10th grade students under this section.

8.8 (c) An alternative pupil is considered a pupil for purposes of this section only. An
 8.9 alternative pupil must register with the commissioner of education before participating in
 8.10 the postsecondary enrollment options program. The commissioner shall prescribe the form
 8.11 and manner of the registration, in consultation with the Nonpublic Education Council under
 8.12 section 123B.445, and may request any necessary information from the alternative pupil.

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

8.14 Sec. 2. Minnesota Statutes 2016, section 124D.09, subdivision 22, is amended to read:

8.15 Subd. 22. **Transportation.** (a) A parent or guardian of a pupil enrolled in a course for
 8.16 secondary credit may apply to the pupil's district of residence for reimbursement for
 8.17 transporting the pupil between the secondary school in which the pupil is enrolled or the
 8.18 pupil's home and the postsecondary institution that the pupil attends. The state shall provide
 8.19 state aid to a district in an amount sufficient to reimburse the parent or guardian for the
 8.20 necessary transportation costs when the family's or guardian's income is at or below the
 8.21 poverty level, as determined by the federal government. The reimbursement shall be the
 8.22 pupil's actual cost of transportation or ~~15 cents~~ the United States Internal Revenue Service
 8.23 business standard mileage rate per mile traveled, whichever is less. Reimbursement may
 8.24 not be paid for more than 250 miles per week. However, if the nearest postsecondary
 8.25 institution is more than 25 miles from the pupil's resident secondary school, the weekly
 8.26 reimbursement may not exceed the reimbursement rate per mile times the actual distance
 8.27 between the secondary school or the pupil's home and the nearest postsecondary institution
 8.28 times ten. The state must pay aid to the district according to this subdivision.

8.29 (b) A parent or guardian of an alternative pupil enrolled in a course for secondary credit
 8.30 may apply to the pupil's postsecondary institution for reimbursement for transporting the
 8.31 pupil between the secondary school in which the pupil is enrolled or the pupil's home and
 8.32 the postsecondary institution in an amount sufficient to reimburse the parent or guardian
 8.33 for the necessary transportation costs when the family's or guardian's income is at or below

9.1 the poverty level, as determined by the federal government. The amount of the reimbursement
9.2 shall be determined as in paragraph (a). The state must pay aid to the postsecondary institution
9.3 according to this subdivision.

9.4 (c) "Necessary transportation costs" under this subdivision includes the costs of
9.5 transportation in a private vehicle, bus, taxi, or other shared vehicle.

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

9.7 Sec. 3. Minnesota Statutes 2017 Supplement, section 124D.68, subdivision 2, is amended
9.8 to read:

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

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

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

9.15 (3) is pregnant or is a parent;

9.16 (4) has been assessed as chemically dependent;

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

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

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

9.21 (8) has experienced mental health problems;

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

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

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

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

10.1 (b) For fiscal ~~years 2017 and 2018~~ year 2019 only, a pupil otherwise qualifying under
 10.2 paragraph (a) who is at least 21 years of age and not yet 22 years of age, is an English learner
 10.3 with an interrupted formal education according to section 124D.59, subdivision 2a, and was
 10.4 in an early middle college program during the previous school year is eligible to participate
 10.5 in the graduation incentives program under section 124D.68 and in concurrent enrollment
 10.6 courses offered under section 124D.09, subdivision 10, and is funded in the same manner
 10.7 as other pupils under this section.

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

10.9 Sec. 4. Minnesota Statutes 2016, section 124E.20, subdivision 1, is amended to read:

10.10 Subdivision 1. **Revenue calculation.** (a) General education revenue must be paid to a
 10.11 charter school as though it were a district. The general education revenue for each adjusted
 10.12 pupil unit is the state average general education revenue per pupil unit, plus the referendum
 10.13 equalization aid allowance and first tier local optional aid allowance in the pupil's district
 10.14 of residence, minus an amount equal to the product of the formula allowance according to
 10.15 section 126C.10, subdivision 2, times .0466, calculated without declining enrollment revenue,
 10.16 local optional revenue, basic skills revenue, extended time revenue, pension adjustment
 10.17 revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment
 10.18 revenue, basic skills revenue, pension adjustment revenue, and transition revenue as though
 10.19 the school were a school district.

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

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

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

10.29 Sec. 5. Minnesota Statutes 2016, section 126C.10, subdivision 2e, is amended to read:

10.30 Subd. 2e. **Local optional revenue.** (a) For fiscal year 2019, local optional revenue for
 10.31 a school district equals \$424 times the adjusted pupil units of the district for that school
 10.32 year. For fiscal year 2020 and later, local optional revenue for a school district equals the

11.1 sum of the district's first tier local optional revenue and second tier local optional revenue.
 11.2 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
 11.3 district for that school year. A district's second tier local optional revenue equals \$424 times
 11.4 the adjusted pupil units of the district for that school year.

11.5 (b) For fiscal year 2019, a district's local optional levy equals its local optional revenue
 11.6 times the lesser of one or the ratio of its referendum market value per resident pupil unit to
 11.7 \$510,000. For fiscal year 2020 and later, a district's local optional levy equals the sum of
 11.8 the first tier local optional levy and the second tier local optional levy. A district's first tier
 11.9 local optional levy equals the district's first tier local optional revenue times the lesser of
 11.10 one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.
 11.11 A district's second tier local optional levy equals the district's second tier local optional
 11.12 revenue times the lesser of one or the ratio of the district's referendum market value per
 11.13 resident pupil unit to \$510,000. The local optional revenue levy must be spread on referendum
 11.14 market value. A district may levy less than the permitted amount.

11.15 (c) A district's local optional aid equals its local optional revenue less its local optional
 11.16 levy, times the ratio of the actual amount levied to the permitted levy. If a district's actual
 11.17 levy for first or second tier local optional revenue is less than its maximum levy limit for
 11.18 that tier, aid shall be proportionately reduced.

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

11.20 Sec. 6. Minnesota Statutes 2016, section 126C.10, subdivision 24, is amended to read:

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

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

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

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

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

12.4 ~~(d)~~ (c) A school district's equity revenue is increased by the greater of zero or an amount
 12.5 equal to the district's adjusted pupil units times the difference between ten percent of the
 12.6 statewide average amount of referendum revenue and first tier local optional revenue per
 12.7 adjusted pupil unit for that year and the sum of the district's referendum revenue and first
 12.8 tier local optional revenue per adjusted pupil unit. A school district's revenue under this
 12.9 paragraph must not exceed \$100,000 for that year.

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

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

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

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

12.20 Sec. 7. Minnesota Statutes 2016, section 126C.17, subdivision 1, is amended to read:

12.21 Subdivision 1. **Referendum allowance.** (a) A district's initial referendum allowance for
 12.22 fiscal year 2020 and later equals the result of the following calculations:

12.23 ~~(1) multiply the referendum allowance the district would have received for fiscal year~~
 12.24 ~~2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on elections~~
 12.25 ~~held before July 1, 2013, by the resident marginal cost pupil units the district would have~~
 12.26 ~~counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;~~

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

12.30 ~~(3) divide the result of clause (2) by the district's adjusted pupil units for fiscal year~~
 12.31 ~~2015;~~

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

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

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

13.8 (1) subtract \$424 from the district's allowance under Minnesota Statutes 2016, section
 13.9 126C.17, subdivision 1, paragraph (a), clause (5);

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

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

13.14 (4) add to the result in clause (3) any additional referendum allowance per adjusted pupil
 13.15 unit authorized between January 1, 2014, and June 30, 2018;

13.16 (5) subtract from the result in clause (4) any allowances expiring in fiscal year 2016,
 13.17 2017, 2018, or 2019;

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

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

13.20 (b) A district's referendum allowance equals the sum of the district's initial referendum
 13.21 allowance, plus any new referendum allowance authorized ~~between July 1, 2013, and~~
 13.22 ~~December 31, 2013, under subdivision 9a, plus any additional referendum allowance per~~
 13.23 ~~adjusted pupil unit authorized after December 31, 2013,~~ after July 1, 2018, minus any
 13.24 allowances expiring in fiscal year ~~2016~~ 2020 or later, plus any inflation adjustments for
 13.25 fiscal year 2020 and later approved by the voters prior to July 1, 2018, provided that the
 13.26 allowance may not be less than zero. ~~For a district with more than one referendum allowance~~
 13.27 ~~for fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, the allowance calculated~~
 13.28 ~~under paragraph (a), clause (3), must be divided into components such that the same~~
 13.29 ~~percentage of the district's allowance expires at the same time as the old allowances would~~
 13.30 ~~have expired under Minnesota Statutes 2012, section 126C.17. For a district with more than~~
 13.31 ~~one allowance for fiscal year 2015 that expires in the same year, the reduction under~~
 13.32 ~~paragraph (a), clause~~ clauses (1) and (6), to offset local optional revenue shall be made first
 13.33 ~~from any allowances that do not have an inflation adjustment approved by the voters.~~

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

14.2 Sec. 8. Minnesota Statutes 2016, section 126C.17, subdivision 2, is amended to read:

14.3 Subd. 2. **Referendum allowance limit.** (a) Notwithstanding subdivision 1, for fiscal
14.4 year ~~2015~~ 2020 and later, a district's referendum allowance must not exceed the annual
14.5 inflationary increase as calculated under paragraph (b) times the ~~greatest~~ greater of:

14.6 (1) ~~\$1,845~~ \$1,712.53;

14.7 (2) the sum of the referendum revenue the district would have received for fiscal year
14.8 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 4, based on elections
14.9 held before July 1, 2013, and the adjustment the district would have received under Minnesota
14.10 Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based on elections
14.11 held before July 1, 2013, divided by the district's adjusted pupil units for fiscal year 2015,
14.12 minus \$300; or

14.13 ~~(3) the product of the referendum allowance limit the district would have received for~~
14.14 ~~fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 2, and the~~
14.15 ~~resident marginal cost pupil units the district would have received for fiscal year 2015 under~~
14.16 ~~Minnesota Statutes 2012, section 126C.05, subdivision 6, plus the adjustment the district~~
14.17 ~~would have received under Minnesota Statutes 2012, section 127A.47, subdivision 7,~~
14.18 ~~paragraphs (a), (b), and (c), based on elections held before July 1, 2013, divided by the~~
14.19 ~~district's adjusted pupil units for fiscal year 2015; minus \$424; or~~

14.20 ~~(4)~~ (3) for a newly reorganized district created after July 1, 2013, the referendum revenue
14.21 authority for each reorganizing district in the year preceding reorganization divided by its
14.22 adjusted pupil units for the year preceding reorganization.

14.23 (b) For purposes of this subdivision, for fiscal year ~~2016~~ 2021 and later, "inflationary
14.24 increase" means one plus the percentage change in the Consumer Price Index for urban
14.25 consumers, as prepared by the United States Bureau of Labor Standards, for the current
14.26 fiscal year to fiscal year ~~2015~~ 2020. For fiscal year 2016 and later, for purposes of paragraph
14.27 (a), clause (3), the inflationary increase equals one-fourth of the percentage increase in the
14.28 formula allowance for that year compared with the formula allowance for fiscal year 2015.

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

15.1 Sec. 9. Minnesota Statutes 2016, section 126C.17, subdivision 5, is amended to read:

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

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

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

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

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

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

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

15.20 ~~(h)~~ (f) Notwithstanding paragraph ~~(g)~~ (e), the ~~third~~ second tier referendum allowance
15.21 for a district qualifying for secondary sparsity revenue under section 126C.10, subdivision
15.22 7, or elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
15.23 referendum allowance under subdivision 1 minus the ~~sum of the~~ district's first tier referendum
15.24 equalization allowance ~~and second tier referendum equalization allowance.~~

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

15.26 Sec. 10. Minnesota Statutes 2016, section 126C.17, subdivision 6, is amended to read:

15.27 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
15.28 equals the sum of the first tier referendum equalization levy, and the second tier referendum
15.29 equalization levy, ~~and the third tier referendum equalization levy.~~

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

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

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

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

16.8 Sec. 11. Minnesota Statutes 2016, section 126C.17, subdivision 7, is amended to read:

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

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

16.13 (c) Notwithstanding paragraph (a), the referendum equalization aid for a district, ~~where~~
 16.14 ~~the referendum equalization aid under paragraph (a) exceeds 90 percent of the referendum~~
 16.15 ~~revenue,~~ must not exceed (1) the difference between 25 percent of the formula allowance
 16.16 and \$300 times (2) the district's adjusted pupil units. A district's referendum levy is increased
 16.17 by the amount of any reduction in referendum aid under this paragraph.

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

16.19 Sec. 12. Minnesota Statutes 2016, section 126C.17, subdivision 7a, is amended to read:

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

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

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

17.4 Sec. 13. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 2,
17.5 is amended to read:

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

17.8		7,032,051,000		
17.9	\$	<u>7,078,769,000</u>	.....	2018
17.10		7,227,809,000		
17.11	\$	<u>7,239,247,000</u>	.....	2019

17.12 The 2018 appropriation includes \$686,828,000 for 2017 and ~~\$6,345,223,000~~
17.13 \$6,391,941,000 for 2018.

17.14 The 2019 appropriation includes ~~\$705,024,000~~ \$683,110,000 for 2018 and
17.15 ~~\$6,522,785,000~~ \$6,556,137,000 for 2019.

17.16 **EFFECTIVE DATE.** This section is effective June 30, 2018.

17.17 Sec. 14. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 3,
17.18 is amended to read:

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

17.22		29,000		
17.23	\$	<u>25,000</u>	.....	2018
17.24		31,000		
17.25	\$	<u>29,000</u>	.....	2019

17.26 **EFFECTIVE DATE.** This section is effective June 30, 2018.

17.27 Sec. 15. **REPEALER.**

17.28 (a) Minnesota Statutes 2016, section 126C.17, subdivision 9a, is repealed.

17.29 (b) Minnesota Statutes 2016, section 126C.16, subdivisions 1 and 3, are repealed.

17.30 **EFFECTIVE DATE.** Paragraph (a) is effective for revenue for fiscal year 2020 and
17.31 later. Paragraph (b) is effective July 1, 2018.

18.1

ARTICLE 3

18.2

EDUCATION EXCELLENCE

18.3

Section 1. [120B.25] ACADEMIC BALANCE POLICY.

18.4

A school board must adopt a written academic balance policy. At a minimum, the policy

18.5

must prohibit discrimination against students on the basis of political, ideological, or religious

18.6

beliefs. A student must not be required to publicly identify their personal beliefs, views,

18.7

and values for the purpose of academic credit, classroom, or extracurricular participation.

18.8

The policy must include reporting procedures and appropriate disciplinary actions for policy

18.9

violations. The disciplinary actions must conform with collective bargaining agreements

18.10

and sections 121A.41 to 121A.56. A district must post the policy on the district's Web site

18.11

during the 2018-2019 school year, provide a copy to each district employee, and include

18.12

the policy in subsequent editions of the student handbook.

18.13

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

18.14

Sec. 2. Minnesota Statutes 2016, section 122A.63, subdivision 1, is amended to read:

18.15

Subdivision 1. **Establishment.** (a) A grant program is established to assist American

18.16

Indian people to become teachers and to provide additional education for American Indian

18.17

teachers. The commissioner may award a joint grant to each of the following:

18.18

(1) the Duluth campus of the University of Minnesota and Independent School District

18.19

No. 709, Duluth;

18.20

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

18.21

(3) Moorhead State University and one of the school districts located within the White

18.22

Earth Reservation; and

18.23

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

18.24

District No. 1, Minneapolis.

18.25

(b) If additional funds are available, the commissioner may award additional joint grants

18.26

to other postsecondary institutions and school districts.

18.27

(c) Grantees may enter into contracts with tribal, technical, and community colleges and

18.28

four-year postsecondary institutions to identify and provide grants to students at those

18.29

institutions interested in the field of education. Each grantee is eligible to and may contract

18.30

with partner institutions to provide professional development and supplemental services to

18.31

a tribal, technical, or community college or four-year postsecondary institution, including

19.1 identification of prospective students, provision of instructional supplies and materials, and
 19.2 provision of grant money to students. A contract with a tribal, technical, or community
 19.3 college or four-year postsecondary institution includes coordination of student identification,
 19.4 professional development, and mentorship services.

19.5 Sec. 3. Minnesota Statutes 2016, section 122A.63, subdivision 4, is amended to read:

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

19.9 Sec. 4. Minnesota Statutes 2016, section 122A.63, subdivision 5, is amended to read:

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

19.17 Sec. 5. Minnesota Statutes 2016, section 122A.63, subdivision 6, is amended to read:

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

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

19.22 ~~(1)~~ (2) a student, including a teacher aide employed by a district receiving a joint grant
 19.23 or their contracted partner school, who intends to become a teacher or who is interested in
 19.24 the field of education and who is enrolled in a postsecondary institution or their contracted
 19.25 partner institutions receiving a joint grant;

19.26 ~~(2)~~ (3) a licensed employee of a district receiving a joint grant or a contracted partner
 19.27 school, who is enrolled in a master of education program; and

19.28 ~~(3)~~ (4) a student who, after applying for federal and state financial aid and an Indian
 19.29 scholarship according to section 136A.126, has financial needs that remain unmet. Financial
 19.30 need shall be determined according to the congressional methodology for needs determination
 19.31 or as otherwise set in federal law.

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

20.7 Sec. 6. Minnesota Statutes 2016, section 122A.63, is amended by adding a subdivision to
20.8 read:

20.9 Subd. 9. **Eligible programming.** (a) The grantee institutions and the contracted partner
20.10 institutions may provide grants to students progressing toward educational goals in any area
20.11 of teacher licensure, including an associate of arts, bachelor's, master's, or doctoral degree
20.12 in the following:

20.13 (1) any educational certification necessary for employment;

20.14 (2) early childhood family education or prekindergarten licensure;

20.15 (3) elementary and secondary education;

20.16 (4) school administration; or

20.17 (5) any educational program that provides services to American Indian students in
20.18 prekindergarten through grade 12.

20.19 The grantee institutions and the contracted partner institutions must give priority to grants
20.20 for students progressing towards an associate of arts or a bachelor's degree. Students
20.21 progressing towards a master's or doctoral degree may be awarded a grant if they were
20.22 enrolled in the degree granting program before May 1, 2018.

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

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

21.1 Sec. 7. **[123B.022] PROHIBITING SCHOOL EMPLOYEES FROM USING PUBLIC**
 21.2 **RESOURCES FOR ADVOCACY; ENDORSING TIMELY AND CURRENT**
 21.3 **FACTUAL INFORMATION.**

21.4 (a) A school board must adopt and implement a districtwide policy that prohibits district
 21.5 employees from using district funds or other publicly funded district resources, including
 21.6 time, materials, equipment, facilities, social media, and communication technologies, among
 21.7 other resources, to advocate for electing or defeating a candidate, or passing or defeating a
 21.8 ballot question. The policy must apply when the employee performs the duties assigned to
 21.9 the employee under the employee's employment contract with the district, and includes the
 21.10 periods when the employee represents the district in an official capacity, among other duties.
 21.11 The policy must not apply when an employee disseminates factual information consistent
 21.12 with the employee's contractual duties.

21.13 (b) The school board must provide the district's electorate with timely factual information
 21.14 about a pending ballot question.

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

21.16 Sec. 8. **[124D.5222] ADULT BASIC EDUCATION AID FOR COMMUNITY-BASED**
 21.17 **PROVIDERS.**

21.18 (a) The International Education Center, the American Indian Opportunities
 21.19 Industrialization Center, and the Minnesota Office of Communication Service for the Deaf
 21.20 are eligible for additional adult basic education aid for fiscal year 2019 only.

21.21 (b) The additional aid for each eligible organization equals \$400,000 times the ratio of
 21.22 (1) the number of students served for the previous fiscal year by the organization to (2) the
 21.23 sum of the number of students served for the previous fiscal year by all eligible organizations.

21.24 (c) The additional aid under this section must be paid in the same form and manner as
 21.25 the aid under section 124D.531.

21.26 **EFFECTIVE DATE.** This section is effective for fiscal year 2019 only.

21.27 Sec. 9. Minnesota Statutes 2017 Supplement, section 124E.03, subdivision 2, is amended
 21.28 to read:

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

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

22.3 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
22.4 123B.34 to 123B.39.

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

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

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

22.10 (g) A charter school must comply with continuing truant notification under section
22.11 260A.03.

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

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

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

22.22 (k) A charter school must adopt an academic balance policy under section 120B.25.

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

22.24 Sec. 10. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 12,
22.25 is amended to read:

22.26 Subd. 12. **Museums and education centers.** For grants to museums and education
22.27 centers:

22.28	\$	460,000	.....	2018
22.29		460,000		
22.30	\$	<u>507,000</u>	.....	2019

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

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

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

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

23.6 (e) \$47,000 in fiscal year 2019 only is for the Judy Garland Museum for the Children's
23.7 Discovery Museum of Grand Rapids.

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

23.9 The base in fiscal year 2020 is \$460,000.

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

23.11 Sec. 11. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 22,
23.12 is amended to read:

23.13 Subd. 22. **Race 2 Reduce.** (a) For grants to support expanded Race 2 Reduce water
23.14 conservation programming in Minnesota schools:

23.15 \$ 307,000 2018

23.16 \$ 0

23.17 \$ 100,000 2019

23.18 (b) For fiscal year 2018, \$143,000 is for H2O for Life; \$98,000 is for Independent School
23.19 District No. 624, White Bear Lake; and \$66,000 is for Independent School District No. 832,
23.20 Mahtomedi.

23.21 (c) For fiscal year 2019, \$57,000 is for H2O for Life, and \$43,000 is for Independent
23.22 School District No. 624, White Bear Lake.

23.23 ~~The appropriation is available until June 30, 2019.~~ (d) Any balance in the first year does
23.24 not cancel but is available in the second year. The base for fiscal year 2020 is \$0.

23.25 Sec. 12. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 23,
23.26 is amended to read:

23.27 Subd. 23. **Paraprofessional pathway Grow Your Own Pathways to teacher licensure.**

23.28 (a) For grants to school districts for Grow Your Own new teacher programs:

23.29 \$ 1,500,000 2018

23.30 \$ 1,500,000 2019

24.1 (b) The grants in paragraph (a) are for school districts ~~with more than 30 percent minority~~
 24.2 and charter schools where at least 30 percent of the school district's or charter school's
 24.3 students served are students of color or American Indian students.

24.4 (c) \$900,000 of the fiscal year 2019 appropriation is for a Board of Teaching-approved
 24.5 established and effective Professional Educator Licensing and Standards Board-approved
 24.6 nonconventional teacher residency pilot program programs. The program must provide
 24.7 tuition scholarships or stipends to enable school district and charter school employees or
 24.8 community members affiliated with a school district or charter school who seek an education
 24.9 license to participate in a nonconventional teacher preparation program. School districts
 24.10 and charter schools that receive funds under this subdivision are strongly encouraged to
 24.11 recruit candidates of color and American Indian candidates to participate in the Grow Your
 24.12 Own new teacher programs. Districts or schools providing financial support may require a
 24.13 commitment as determined by the district to teach in the district or school for a reasonable
 24.14 amount of time that does not exceed five years.

24.15 ~~(e) School districts and charter schools may also apply for grants to develop~~ (d) \$600,000
 24.16 of the fiscal year 2019 appropriation is for grants to provide financial assistance, mentoring,
 24.17 and experiences to enable persons who are of color or who are American Indian, and who
 24.18 work or live in the local community, to become teachers. Districts or schools providing
 24.19 financial support may require a commitment as determined by the district or school to teach
 24.20 in the district or school for a reasonable amount of time that does not exceed five years.

24.21 Grants may be used for:

24.22 (1) tuition scholarships or stipends to eligible teaching assistants, cultural liaisons, or
 24.23 other nonlicensed employees who are of color or who are American Indian and who are
 24.24 enrolled in any teacher preparation program approved by the Professional Educator Licensing
 24.25 and Standards Board;

24.26 (2) supporting the development of innovative residency programs for persons of color
 24.27 and American Indians seeking an education license through a school-based, board-approved
 24.28 program; and

24.29 (3) developing innovative expanded Grow Your Own programs that:

24.30 (i) encourage secondary school students to pursue teaching, including developing and
 24.31 offering dual-credit postsecondary course options in schools for "Introduction to Teaching"
 24.32 or "Introduction to Education" courses consistent with Minnesota Statutes, section 124D.09,
 24.33 subdivision 10; and

25.1 (ii) support future teacher clubs involving middle and high school students who are of
 25.2 color or who are American Indian to provide experiential learning, support the success of
 25.3 younger students, and pursue teaching careers.

25.4 (e) A school district must apply for grants under this subdivision in the form and manner
 25.5 specified by the commissioner. Each year, the commissioner must review all grant
 25.6 applications by September 15 and notify grant recipients of the amount of their grant by
 25.7 September 30.

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

25.14 ~~(e)~~ (g) The department may retain up to three percent of the appropriation amount to
 25.15 monitor and administer the grant program.

25.16 ~~(f)~~ (h) Any balance in ~~the first~~ fiscal year 2018 does not cancel but is available in ~~the~~
 25.17 ~~second~~ fiscal year 2019.

25.18 **EFFECTIVE DATE.** This section is effective June 30, 2018.

25.19 Sec. 13. **APPROPRIATIONS.**

25.20 **Subdivision 1. Department of Education.** The sum indicated in this section is
 25.21 appropriated from the general fund to the Department of Education for the fiscal year
 25.22 designated.

25.23 **Subd. 2. Online access to music education.** (a) For a grant to the MacPhail Center for
 25.24 Music to broaden access to music education in rural Minnesota:

25.25 \$ 125,000 2019

25.26 (b) The MacPhail Center must use the grant under paragraph (a) to broaden access to
 25.27 music education in rural Minnesota. The program must supplement and enhance an existing
 25.28 program and may provide individual instruction, sectional ensembles, and other group
 25.29 activities, workshops, and early childhood music activities. The MacPhail Center must
 25.30 design its program in consultation with music educators who teach in rural Minnesota. The
 25.31 grants may be used by the MacPhail Center for employee costs and for any related travel
 25.32 costs.

26.1 (c) Upon request from a school's music educator, the MacPhail Center may enter into
 26.2 an agreement with the school to provide a program according to paragraph (b). In an early
 26.3 childhood setting, the MacPhail Center may provide a program upon a request initiated by
 26.4 an early childhood educator.

26.5 (d) By January 15, 2020, the MacPhail Center shall prepare and submit a report to the
 26.6 legislature describing the online programs offered, program outcomes, the students served,
 26.7 an estimate of the unmet need for music education, and a detailed list of expenditures for
 26.8 the previous fiscal year.

26.9 (e) This is a onetime appropriation.

26.10 Subd. 3. **Academic balance policy review.** (a) For the commissioner of education to
 26.11 conduct a review of academic balance policies under Minnesota Statutes, section 120B.25.

26.12 § 25,000 2019

26.13 (b) The commissioner must review a sample of policies adopted by school districts and
 26.14 charter schools for compliance with the requirements of Minnesota Statutes, section 120B.25,
 26.15 and may make recommendations to the legislative committees having jurisdiction over early
 26.16 childhood through grade 12 education by January 18, 2019, regarding any necessary statutory
 26.17 changes.

26.18 (c) This is a onetime appropriation.

26.19 **Sec. 14. REVISOR'S INSTRUCTION.**

26.20 The revisor of statutes shall codify Laws 2017, First Special Session chapter 5, article
 26.21 2, section 57, subdivision 23, as amended, in the next publication of Minnesota Statutes.

26.22 **Sec. 15. REPEALER.**

26.23 (a) Minnesota Statutes 2016, section 122A.63, subdivisions 7 and 8, are repealed.

26.24 (b) Laws 2016, chapter 189, article 25, section 62, subdivision 16, is repealed.

26.25 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2018. Paragraph (b) is effective
 26.26 June 30, 2018.

26.27 **ARTICLE 4**

26.28 **TEACHERS**

26.29 **Section 1.** Minnesota Statutes 2017 Supplement, section 122A.187, is amended by adding
 26.30 a subdivision to read:

27.1 Subd. 7. **Background check.** The Professional Educator Licensing and Standards Board
27.2 must request a criminal history background check from the superintendent of the Bureau
27.3 of Criminal Apprehension on a licensed teacher applying for a renewal license who has not
27.4 had a background check within the preceding five years. The board may request payment
27.5 from the teacher renewing their license in an amount equal to \$15.

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

27.7 Sec. 2. Minnesota Statutes 2017 Supplement, section 123B.03, subdivision 1, is amended
27.8 to read:

27.9 Subdivision 1. **Background check required.** (a) A school hiring authority ~~shall~~ must
27.10 request a criminal history background check from the superintendent of the Bureau of
27.11 Criminal Apprehension on all individuals who are offered employment in a school and on
27.12 all individuals, except enrolled student volunteers, who are offered the opportunity to provide
27.13 athletic coaching services or other extracurricular academic coaching services to a school,
27.14 regardless of whether any compensation is paid. In order for an individual to be eligible for
27.15 employment or to provide the services, the individual must provide an executed criminal
27.16 history consent form and a money order or check payable to either the Bureau of Criminal
27.17 Apprehension or the school hiring authority, at the discretion of the school hiring authority,
27.18 in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school
27.19 district of conducting the criminal history background check. A school hiring authority
27.20 deciding to receive payment may, at its discretion, accept payment in the form of a negotiable
27.21 instrument other than a money order or check and shall pay the superintendent of the Bureau
27.22 of Criminal Apprehension directly to conduct the background check. The superintendent
27.23 of the Bureau of Criminal Apprehension shall conduct the background check by retrieving
27.24 criminal history data as defined in section 13.87. A school hiring authority, at its discretion,
27.25 may decide not to request a criminal history background check on an individual who holds
27.26 an initial entrance license issued by the Professional Educator Licensing and Standards
27.27 Board or the commissioner of education within the 12 months preceding an offer of
27.28 employment.

27.29 (b) A school hiring authority may use the results of a criminal background check
27.30 conducted at the request of another school hiring authority if:

27.31 (1) the results of the criminal background check are on file with the other school hiring
27.32 authority or otherwise accessible;

27.33 (2) the other school hiring authority conducted a criminal background check within the
27.34 previous 12 months;

28.1 (3) the individual who is the subject of the criminal background check executes a written
28.2 consent form giving a school hiring authority access to the results of the check; and

28.3 (4) there is no reason to believe that the individual has committed an act subsequent to
28.4 the check that would disqualify the individual for employment.

28.5 (c) A school hiring authority may, at its discretion, request a criminal history background
28.6 check from the superintendent of the Bureau of Criminal Apprehension on any individual
28.7 who seeks to enter a school or its grounds for the purpose of serving as a school volunteer
28.8 or working as an independent contractor or student employee. In order for an individual to
28.9 enter a school or its grounds under this paragraph when the school hiring authority decides
28.10 to request a criminal history background check on the individual, the individual first must
28.11 provide an executed criminal history consent form and a money order, check, or other
28.12 negotiable instrument payable to the school district in an amount equal to the actual cost to
28.13 the Bureau of Criminal Apprehension and the school district of conducting the criminal
28.14 history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the
28.15 criminal history background check under this paragraph is the responsibility of the individual
28.16 unless a school hiring authority decides to pay the costs of conducting a background check
28.17 under this paragraph. If the school hiring authority pays the costs, the individual who is the
28.18 subject of the background check need not pay for it.

28.19 (d) In addition to the initial background check required for all individuals offered
28.20 employment in accordance with paragraph (a), a school hiring authority must request a new
28.21 criminal history background check from the superintendent of the Bureau of Criminal
28.22 Apprehension on all employees every three years. Notwithstanding any law to the contrary,
28.23 in order for an individual to be eligible for continued employment, an individual must
28.24 provide an executed criminal history consent form and a money order or check payable to
28.25 the Professional Educator Licensing and Standards Board in an amount equal to \$15. For
28.26 employees licensed by the Professional Educator Licensing and Standards Board, the consent
28.27 form must include authorization for the school hiring authority to share the results of the
28.28 criminal history background check with the Professional Educator Licensing and Standards
28.29 Board. A school hiring authority deciding to receive payment may, at its discretion, accept
28.30 payment in the form of a negotiable instrument other than a money order or check and shall
28.31 send payment to the Professional Educator Licensing and Standards Board for deposit into
28.32 the educator licensure background check account in the special revenue fund to conduct the
28.33 background check. The school hiring authority must submit the results of the criminal history
28.34 background check of a licensed teacher to the Professional Educator Licensing and Standards
28.35 Board. A school bus driver, who has had a criminal history background check under section

29.1 171.3215 and has had their existing bus driver's endorsement renewed, is exempt from this
 29.2 requirement. A school hiring authority, at its discretion, may decide not to request a criminal
 29.3 history background check on an employee who provides the hiring authority with a copy
 29.4 of the results of a criminal history background check conducted within the previous 36
 29.5 months. A school hiring authority may, at its discretion, decide to pay the costs of conducting
 29.6 a background check under this paragraph.

29.7 ~~(d)~~ (e) For all nonstate residents who are offered employment in a school, a school hiring
 29.8 authority shall request a criminal history background check on such individuals from the
 29.9 superintendent of the Bureau of Criminal Apprehension and from the government agency
 29.10 performing the same function in the resident state or, if no government entity performs the
 29.11 same function in the resident state, from the Federal Bureau of Investigation. Such individuals
 29.12 must provide an executed criminal history consent form and a money order, check, or other
 29.13 negotiable instrument payable to the school hiring authority in an amount equal to the actual
 29.14 cost to the government agencies and the school district of conducting the criminal history
 29.15 background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal
 29.16 history background check under this paragraph is the responsibility of the individual.

29.17 ~~(e)~~ (f) At the beginning of each school year or when a student enrolls, a school hiring
 29.18 authority must notify parents and guardians about the school hiring authority's policy
 29.19 requiring a criminal history background check on employees and other individuals who
 29.20 provide services to the school, and identify those positions subject to a background check
 29.21 and the extent of the hiring authority's discretion in requiring a background check. The
 29.22 school hiring authority may include the notice in the student handbook, a school policy
 29.23 guide, or other similar communication. Nothing in this paragraph affects a school hiring
 29.24 authority's ability to request a criminal history background check on an individual under
 29.25 paragraph (c).

29.26 **Sec. 3. TRANSFER OF UNSPENT BACKGROUND CHECK FEES IN EDUCATOR**
 29.27 **LICENSURE BACKGROUND CHECK ACCOUNT.**

29.28 Notwithstanding Minnesota Statutes, section 299C.10, subdivision 4, for background
 29.29 check fees collected under Minnesota Statutes, sections 122A.87, subdivision 7, and 123B.03
 29.30 subdivision 1, paragraph (d), the commissioner of education must provide payment as
 29.31 authorized in Minnesota Statutes, section 122A.175, subdivision 2, for the actual processing
 29.32 costs incurred, including up to one additional full-time equivalent staff at the Professional
 29.33 Educator Licensing and Standards Board and up to three additional full-time equivalent
 29.34 staff at the Bureau of Criminal Apprehension. By June 30 of each year, all unspent funds,

30.1 estimated at \$452,000, must be transferred by the commissioner of management and budget
 30.2 from the educator licensure background check account in the special revenue fund to the
 30.3 general fund. This transfer is only for fiscal year 2019 through fiscal year 2021.

30.4 **ARTICLE 5**

30.5 **SPECIAL EDUCATION**

30.6 Section 1. Minnesota Statutes 2016, section 120A.20, subdivision 2, is amended to read:

30.7 Subd. 2. **Education, residence, and transportation of homeless.** (a) Notwithstanding
 30.8 subdivision 1, a district must not deny free admission to a homeless pupil solely because
 30.9 the district cannot determine that the pupil is a resident of the district.

30.10 (b) The school district of residence for a homeless pupil shall be the school district in
 30.11 which the parent or legal guardian resides, unless: (1) parental rights have been terminated
 30.12 by court order; (2) the parent or guardian is not living within the state; or (3) the parent or
 30.13 guardian having legal custody of the child is an inmate of a Minnesota correctional facility
 30.14 or is a resident of a halfway house under the supervision of the commissioner of corrections.
 30.15 If any of clauses (1) to (3) apply, the school district of residence shall be the school district
 30.16 in which the pupil resided when the qualifying event occurred. If no other district of residence
 30.17 can be established, the school district of residence shall be the school district in which the
 30.18 pupil currently resides. If there is a dispute between school districts regarding residency,
 30.19 the district of residence is the district designated by the commissioner of education.

30.20 (c) Except as provided in paragraph (d), the serving district is responsible for transporting
 30.21 a homeless pupil to and from the pupil's district of residence. The district may transport
 30.22 from a permanent home in another district but only through the end of the academic school
 30.23 year. When a pupil is enrolled in a charter school, the district or school that provides
 30.24 transportation for other pupils enrolled in the charter school is responsible for providing
 30.25 transportation. When a homeless student with or without an individualized education program
 30.26 attends a public school other than an independent or special school district or charter school,
 30.27 the district of residence is responsible for transportation.

30.28 (d) For a homeless pupil with an individualized education plan enrolled in a program
 30.29 authorized by an intermediate school district, special education cooperative, service
 30.30 cooperative, or education district, the serving district at the time of the pupil's enrollment
 30.31 in the program remains responsible for transporting that pupil for the remainder of the school
 30.32 year, unless the initial serving district and the current serving district mutually agree that
 30.33 the current serving district is responsible for transporting the homeless pupil.

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

31.2 Sec. 2. Laws 2017, First Special Session chapter 5, article 2, section 56, is amended to
31.3 read:

31.4 **Sec. 56. INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH**
31.5 **INNOVATION GRANT PROGRAM; APPROPRIATION.**

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

31.10 (b) A "qualifying school unit" means an intermediate district organized under Minnesota
31.11 Statutes, section 136D.01, or a service cooperative organized under Minnesota Statutes,
31.12 section 123A.21, subdivision 1, paragraph (a), clause (2), that provides instruction to students
31.13 in a setting of federal instructional level 4 or higher. Grants under paragraph (a) must be
31.14 awarded to eligible applicants such that the services are proportionately provided among
31.15 qualifying school units. The commissioner shall calculate the share of the appropriation to
31.16 be used in each qualifying school unit by dividing the qualifying school unit's average daily
31.17 membership in a setting of federal instructional level 4 or higher for fiscal year 2016 by the
31.18 total average daily membership in a setting of federal instructional level 4 or higher for the
31.19 same year for all qualifying school units.

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

31.22 (1) certified under Minnesota Rules, parts 9520.0750 to 9520.0870;

31.23 (2) a community mental health center under Minnesota Statutes, section 256B.0625,
31.24 subdivision 5;

31.25 (3) an Indian health service facility or facility owned and operated by a tribe or tribal
31.26 organization operating under United States Code, title 25, section 5321; ~~or~~

31.27 (4) a provider of children's therapeutic services and supports as defined in Minnesota
31.28 Statutes, section 256B.0943; or

31.29 (5) enrolled in medical assistance as a mental health or substance use disorder provider
31.30 agency and must employ at least two full-time equivalent mental health professionals as
31.31 defined in section 245.4871, subdivision 27, clauses (1) to (6), or alcohol and drug counselors

32.1 licensed or exempt from licensure under chapter 148F who are qualified to provide clinical
 32.2 services to children and families.

32.3 (d) An eligible applicant must employ or contract with at least two licensed mental health
 32.4 professionals as defined in Minnesota Statutes, section 245.4871, subdivision 27, clauses
 32.5 (1) to (6), who have formal training in evidence-based practices.

32.6 (e) A qualifying school unit must submit an application to the commissioner in the form
 32.7 and manner specified by the commissioner. The commissioner may approve an application
 32.8 that describes models for innovative projects to serve the needs of the schools and students.
 32.9 The commissioner may provide technical assistance to the qualifying school unit. The
 32.10 commissioner shall then solicit grant project proposals and award grant funding to the
 32.11 eligible applicants whose project proposals best meet the requirements of this section and
 32.12 most closely adhere to the models created by the intermediate districts and service
 32.13 cooperatives.

32.14 (f) To receive grant funding, an eligible applicant must obtain a letter of support for the
 32.15 applicant's grant project proposal from each qualifying school unit the eligible applicant is
 32.16 proposing to serve. An eligible applicant must also demonstrate the following:

32.17 (1) the ability to seek third-party reimbursement for services;

32.18 (2) the ability to report data and outcomes as required by the commissioner; and

32.19 (3) the existence of partnerships with counties, tribes, substance use disorder providers,
 32.20 and mental health service providers, including providers of mobile crisis services.

32.21 (g) Grantees shall obtain all available third-party reimbursement sources as a condition
 32.22 of receiving grant funds. For purposes of this grant program, a third-party reimbursement
 32.23 source does not include a public school as defined in Minnesota Statutes, section 120A.20,
 32.24 subdivision 1.

32.25 (h) The base budget for this program is \$0. This appropriation is available until June 30,
 32.26 2020.

32.27 **EFFECTIVE DATE.** This section is effective June 30, 2018.

32.28 **Sec. 3. TRANSFER OF UNSPENT DEPARTMENT OF EDUCATION LITIGATION**
 32.29 **FUNDS FOR MONTICELLO SPECIAL EDUCATION AID.**

32.30 The commissioner of education must transfer any funds remaining unspent as of June
 32.31 30, 2018, estimated at \$800,000, from the amount appropriated for fiscal year 2018 to the
 32.32 Department of Education for legal fees and costs associated with litigation under Laws

33.1 2017, First Special Session chapter 5, article 11, section 9, subdivision 2, paragraph (a),
 33.2 clause (8), to increase special education aid payments to Independent School District No.
 33.3 882, Monticello, in an equal amount for fiscal year 2019. This is a onetime transfer.

33.4 **EFFECTIVE DATE.** This section is effective June 30, 2018.

33.5 **ARTICLE 6**

33.6 **FACILITIES, TECHNOLOGY, AND LIBRARIES**

33.7 Section 1. Minnesota Statutes 2016, section 123B.595, is amended by adding a subdivision
 33.8 to read:

33.9 Subd. 13. **Allocation from districts participating in agreements for secondary**
 33.10 **education or interdistrict cooperation.** For purposes of this section, a district with revenue
 33.11 authority under subdivision 1 for indoor air quality, fire alarm and suppression, and asbestos
 33.12 abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000
 33.13 or more per site and that participates in an agreement under section 123A.30 or 123A.32
 33.14 may allocate the revenue authority among participating districts.

33.15 Sec. 2. Minnesota Statutes 2016, section 125B.26, subdivision 4, is amended to read:

33.16 Subd. 4. **District aid.** ~~For fiscal year 2006 and later,~~ A district, charter school, or
 33.17 intermediate school district's Internet access equity aid equals the district, charter school,
 33.18 or intermediate school district's approved cost for the previous fiscal year according to
 33.19 subdivision 1 ~~exceeding \$16 times the district's adjusted pupil units for the previous fiscal~~
 33.20 ~~year or no reduction if the district is part of an organized telecommunications access cluster.~~
 33.21 Equity aid must be distributed to the telecommunications access cluster for districts, charter
 33.22 schools, or intermediate school districts that are members of the cluster or to individual
 33.23 districts, charter schools, or intermediate school districts not part of a telecommunications
 33.24 access cluster.

33.25 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2019 and later.

33.26 Sec. 3. Minnesota Statutes 2016, section 125B.26, is amended by adding a subdivision to
 33.27 read:

33.28 Subd. 4a. **Additional telecommunications equity access aid.** A school district or charter
 33.29 school is eligible for additional telecommunications equity access aid equal to the greater
 33.30 of zero or:

34.1 (1) the district's approved costs under subdivision 1 minus the district's aid under
 34.2 subdivision 4; minus

34.3 (2) \$7 times the adjusted pupil units.

34.4 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2019 and later.

34.5 Sec. 4. Minnesota Statutes 2016, section 126C.40, subdivision 1, is amended to read:

34.6 Subdivision 1. **To lease building or land.** (a) When an independent or a special school
 34.7 district or a group of independent or special school districts finds it economically
 34.8 advantageous to rent or lease a building or land for any instructional purposes or for school
 34.9 storage or furniture repair, and it determines that the operating capital revenue authorized
 34.10 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
 34.11 commissioner for permission to make an additional capital expenditure levy for this purpose.
 34.12 An application for permission to levy under this subdivision must contain financial
 34.13 justification for the proposed levy, the terms and conditions of the proposed lease, and a
 34.14 description of the space to be leased and its proposed use.

34.15 (b) The criteria for approval of applications to levy under this subdivision must include:
 34.16 the reasonableness of the price, the appropriateness of the space to the proposed activity,
 34.17 the feasibility of transporting pupils to the leased building or land, conformity of the lease
 34.18 to the laws and rules of the state of Minnesota, and the appropriateness of the proposed
 34.19 lease to the space needs and the financial condition of the district. The commissioner must
 34.20 not authorize a levy under this subdivision in an amount greater than the cost to the district
 34.21 of renting or leasing a building or land for approved purposes. The proceeds of this levy
 34.22 must not be used for custodial or other maintenance services. A district may not levy under
 34.23 this subdivision for the purpose of leasing or renting a district-owned building or site to
 34.24 itself.

34.25 (c) For agreements finalized after July 1, 1997, a district may not levy under this
 34.26 subdivision for the purpose of leasing: (1) a newly constructed building used primarily for
 34.27 regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
 34.28 building addition or additions used primarily for regular kindergarten, elementary, or
 34.29 secondary instruction that contains more than 20 percent of the square footage of the
 34.30 previously existing building.

34.31 (d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
 34.32 purpose of leasing or renting a district-owned building or site to itself only if the amount is
 34.33 needed by the district to make payments required by a lease purchase agreement, installment

35.1 purchase agreement, or other deferred payments agreement authorized by law, and the levy
 35.2 meets the requirements of paragraph (c). A levy authorized for a district by the commissioner
 35.3 under this paragraph may be in the amount needed by the district to make payments required
 35.4 by a lease purchase agreement, installment purchase agreement, or other deferred payments
 35.5 agreement authorized by law, provided that any agreement include a provision giving the
 35.6 school districts the right to terminate the agreement annually without penalty.

35.7 (e) The total levy under this subdivision for a district for any year must not exceed \$212
 35.8 times the adjusted pupil units for the fiscal year to which the levy is attributable.

35.9 (f) For agreements for which a review and comment have been submitted to the
 35.10 Department of Education after April 1, 1998, the term "instructional purpose" as used in
 35.11 this subdivision excludes expenditures on stadiums.

35.12 (g) The commissioner of education may authorize a school district to exceed the limit
 35.13 in paragraph (e) if the school district petitions the commissioner for approval. The
 35.14 commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
 35.15 for not more than five years if the district meets the following criteria:

35.16 (1) the school district has been experiencing pupil enrollment growth in the preceding
 35.17 five years;

35.18 (2) the purpose of the increased levy is in the long-term public interest;

35.19 (3) the purpose of the increased levy promotes colocation of government services; and

35.20 (4) the purpose of the increased levy is in the long-term interest of the district by avoiding
 35.21 over construction of school facilities.

35.22 (h) A school district that is a member of an intermediate school district may include in
 35.23 its authority under this section the costs associated with leases of administrative and
 35.24 classroom space for intermediate school district programs. This authority must not exceed
 35.25 \$65 times the adjusted pupil units of the member districts. This authority is in addition to
 35.26 any other authority authorized under this section.

35.27 (i) In addition to the allowable capital levies in paragraph (a), for taxes payable in ~~2012~~
 35.28 2019 to 2023, a school district that is was a member of the "Technology and Information
 35.29 Education Systems Educational Services" data processing joint board, ~~that finds it~~
 35.30 ~~economically advantageous to enter into a lease agreement to finance improvements to a~~
 35.31 ~~building and land for a group of school districts or special school districts for staff~~
 35.32 ~~development purposes, during any period of time from when the building lease purchase~~
 35.33 ~~agreement was entered into in calendar year 2012 through the dissolution of the Technology~~

36.1 and Information Educational Services joint powers board may levy for its portion of lease
 36.2 costs attributed to the district within the total levy limit in paragraph (e). The total annual
 36.3 levy authority under this paragraph shall not exceed the lesser of \$632,000 or the remaining
 36.4 lease purchase amounts owed on the facility.

36.5 (j) Notwithstanding paragraph (a), a district may levy under this subdivision for the
 36.6 purpose of leasing administrative space if the district can demonstrate to the satisfaction of
 36.7 the commissioner that the lease cost for the administrative space is no greater than the lease
 36.8 cost for instructional space that the district would otherwise lease. The commissioner must
 36.9 deny this levy authority unless the district passes a resolution stating its intent to lease
 36.10 instructional space under this section if the commissioner does not grant authority under
 36.11 this paragraph. The resolution must also certify that the lease cost for administrative space
 36.12 under this paragraph is no greater than the lease cost for the district's proposed instructional
 36.13 lease.

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

36.15 Sec. 5. Minnesota Statutes 2016, section 205A.07, subdivision 2, is amended to read:

36.16 Subd. 2. **Sample ballot, posting.** (a) For every school district primary, general, or special
 36.17 election, the school district clerk shall at least four days before the primary, general, or
 36.18 special election, post a sample ballot in the administrative offices of the school district for
 36.19 public inspection, and shall post a sample ballot in each polling place on election day.

36.20 (b) For a school district general or special election to issue bonds to finance a capital
 36.21 project requiring review and comment under section 123B.71, the summary of the
 36.22 commissioner's review and comment and supplemental information required under section
 36.23 123B.71, subdivision 12, paragraph (a), shall be posted in the same manner as the sample
 36.24 ballot under paragraph (a).

36.25 **EFFECTIVE DATE.** This section is effective for elections held on or after August 1,
 36.26 2018.

36.27 Sec. 6. Minnesota Statutes 2016, section 475.58, subdivision 4, is amended to read:

36.28 Subd. 4. **Proper use of bond proceeds.** The proceeds of obligations issued after approval
 36.29 of the electors under this section ~~may~~ must only be spent: (1) for the purposes stated in the
 36.30 ballot language; or (2) to pay, redeem, or defease obligations and interest, penalties,
 36.31 premiums, and costs of issuance of the obligations. The proceeds ~~may~~ must not be spent
 36.32 for a different purpose or for an expansion of the original purpose without the approval by

37.1 a majority of the electors voting on the question of changing or expanding the purpose of
37.2 the obligations.

37.3 Sec. 7. Minnesota Statutes 2017 Supplement, section 475.59, subdivision 1, is amended
37.4 to read:

37.5 Subdivision 1. **Generally; notice.** (a) When the governing body of a municipality resolves
37.6 to issue bonds for any purpose requiring the approval of the electors, it shall provide for
37.7 submission of the proposition of their issuance at a general or special election or town or
37.8 school district meeting. Notice of such election or meeting shall be given in the manner
37.9 required by law and shall state the maximum amount and the purpose of the proposed issue.

37.10 (b) In any school district, the school board or board of education may, according to its
37.11 judgment and discretion, submit as a single ballot question or as two or more separate
37.12 questions in the notice of election and ballots the proposition of their issuance for any one
37.13 or more of the following, stated conjunctively or in the alternative: acquisition or enlargement
37.14 of sites, acquisition, betterment, erection, furnishing, equipping of one or more new
37.15 schoolhouses, remodeling, repairing, improving, adding to, betterment, furnishing, equipping
37.16 of one or more existing schoolhouses. The ballot question or questions submitted by a school
37.17 board must state the name of the plan or plans being proposed by the district as submitted
37.18 to the commissioner of education for review and comment under section 123B.71.

37.19 (c) In any city, town, or county, the governing body may, according to its judgment and
37.20 discretion, submit as a single ballot question or as two or more separate questions in the
37.21 notice of election and ballots the proposition of their issuance, stated conjunctively or in
37.22 the alternative, for the acquisition, construction, or improvement of any facilities at one or
37.23 more locations.

37.24 **EFFECTIVE DATE.** This section is effective for elections held on or after August 1,
37.25 2018.

37.26 Sec. 8. Laws 2017, First Special Session chapter 5, article 5, section 14, subdivision 4, is
37.27 amended to read:

37.28 Subd. 4. **Equity in telecommunications access aid.** For equity in telecommunications
37.29 access aid under Minnesota Statutes, section 125B.26, subdivision 4:

37.30	\$	3,750,000	.....	2018
37.31		3,750,000		
37.32	\$	<u>3,950,000</u>	.....	2019

38.1 If the appropriation amount is insufficient, the commissioner shall reduce the
 38.2 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
 38.3 revenue for fiscal years 2018 and 2019 shall be prorated.

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

38.5 **Sec. 9. CANCELLATION OF UNSPENT REGIONAL LIBRARIES**
 38.6 **TELECOMMUNICATIONS AID.**

38.7 The commissioner of education must cancel any unspent regional libraries
 38.8 telecommunications aid for fiscal years 2018 and 2019, estimated at \$350,000, to the general
 38.9 fund on June 30, 2019. Any amount reduced under this section must be reduced from the
 38.10 fiscal year 2019 current year aid payment under Minnesota Statutes, section 127A.45,
 38.11 subdivision 2.

38.12 **EFFECTIVE DATE.** This section is effective June 30, 2018.

38.13 **Sec. 10. APPROPRIATIONS.**

38.14 Subdivision 1. **Department of Education.** The sum indicated in this section is
 38.15 appropriated from the general fund to the Department of Education for the fiscal year
 38.16 designated.

38.17 Subd. 2. **Additional telecommunications equity access aid.** For additional
 38.18 telecommunications equity access aid under Minnesota Statutes, section 125B.26, subdivision
 38.19 4a:

38.20 \$ 240,000 2019

38.21 If the appropriation amount is insufficient, the commissioner shall reduce the reimbursement
 38.22 rate in Minnesota Statutes, section 125B.26, subdivision 4a, and the revenue for fiscal year
 38.23 2019 shall be prorated.

38.24 **ARTICLE 7**

38.25 **EARLY EDUCATION**

38.26 Section 1. Minnesota Statutes 2016, section 124D.151, subdivision 2, is amended to read:

38.27 **Subd. 2. Program requirements.** (a) A voluntary prekindergarten program provider
 38.28 must:

38.29 (1) provide instruction through play-based learning to foster children's social and
 38.30 emotional development, cognitive development, physical and motor development, and

39.1 language and literacy skills, including the native language and literacy skills of English
39.2 learners, to the extent practicable;

39.3 (2) measure each child's cognitive and social skills using a formative measure aligned
39.4 to the state's early learning standards when the child enters and again before the child leaves
39.5 the program, screening and progress monitoring measures, and ~~others~~ other age-appropriate
39.6 versions from the state-approved menu of kindergarten entry profile measures;

39.7 (3) provide comprehensive program content including the implementation of curriculum,
39.8 assessment, and instructional strategies aligned with the state early learning standards, and
39.9 kindergarten through grade 3 academic standards;

39.10 (4) provide instructional content and activities that are of sufficient length and intensity
39.11 to address learning needs including offering a program with at least 350 hours of instruction
39.12 per school year for a prekindergarten student;

39.13 (5) provide voluntary prekindergarten instructional staff salaries comparable to the
39.14 salaries of local kindergarten through grade 12 instructional staff;

39.15 (6) coordinate appropriate kindergarten transition with families, community-based
39.16 prekindergarten programs, and school district kindergarten programs;

39.17 (7) involve parents in program planning and transition planning by implementing parent
39.18 engagement strategies that include culturally and linguistically responsive activities in
39.19 prekindergarten through third grade that are aligned with early childhood family education
39.20 under section 124D.13;

39.21 (8) coordinate with relevant community-based services, including health and social
39.22 service agencies, to ensure children have access to comprehensive services;

39.23 (9) coordinate with all relevant school district programs and services including early
39.24 childhood special education, homeless students, and English learners;

39.25 (10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

39.26 (11) provide high-quality coordinated professional development, training, and coaching
39.27 for both school district and community-based early learning providers that is informed by
39.28 a measure of adult-child interactions and enables teachers to be highly knowledgeable in
39.29 early childhood curriculum content, assessment, native and English language development
39.30 programs, and instruction; and

39.31 (12) implement strategies that support the alignment of professional development,
39.32 instruction, assessments, and prekindergarten through grade 3 curricula.

40.1 (b) A voluntary prekindergarten program must have teachers knowledgeable in early
 40.2 childhood curriculum content, assessment, native and English language programs, and
 40.3 instruction.

40.4 (c) Districts and charter schools must include their strategy for implementing and
 40.5 measuring the impact of their voluntary prekindergarten program under section 120B.11
 40.6 and provide results in their world's best workforce annual summary to the commissioner of
 40.7 education.

40.8 Sec. 2. Minnesota Statutes 2016, section 124D.151, subdivision 3, is amended to read:

40.9 Subd. 3. **Mixed delivery of services.** (a) A district or charter school may contract with
 40.10 a charter school, Head Start or child care centers, family child care programs licensed under
 40.11 section 245A.03, or a community-based organization to provide eligible children with
 40.12 developmentally appropriate services that meet the program requirements in subdivision 2.
 40.13 Components of a mixed-delivery plan include strategies for recruitment, contracting, and
 40.14 monitoring of fiscal compliance and program quality.

40.15 (b) For fiscal year 2020 and later, for any district or charter school serving more children
 40.16 under this section than in fiscal year 2019, the district or charter school must contract with
 40.17 a three- or four-star Parent Aware rated program operated by a charter school, Head Start,
 40.18 child care center, licensed family child care, or community-based organization for at least
 40.19 40 percent of the spaces for the additional eligible children.

40.20 Sec. 3. Minnesota Statutes 2017 Supplement, section 124D.151, subdivision 5, is amended
 40.21 to read:

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

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

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

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

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

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

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

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

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

42.1 (d) The limit on participation for the programs as specified in subdivision 6 must initially
42.2 be allocated among the four groups based on each group's percentage share of the statewide
42.3 kindergarten enrollment on October 1 of the previous school year. Within each group, the
42.4 participation limit for fiscal years 2018 and 2019 must first be allocated to school sites
42.5 approved for aid in the previous year to ensure that those sites are funded for the same
42.6 number of participants as approved for the previous year. The remainder of the participation
42.7 limit for each group must be allocated among school sites in priority order until that region's
42.8 share of the participation limit is reached. If the participation limit is not reached for all
42.9 groups, the remaining amount must be allocated to the highest priority school sites, as
42.10 designated under this section, not funded in the initial allocation on a statewide basis. For
42.11 fiscal year 2020 and later, the participation limit must first be allocated to school sites
42.12 approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year
42.13 2018 based on the statewide rankings under paragraph (c).

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

42.18 (f) If the total number of participants approved based on applications submitted under
42.19 paragraph (a) is less than the participation limit under subdivision 6, the commissioner must
42.20 notify all school districts and charter schools of the amount that remains available within
42.21 30 days of the initial application deadline under paragraph (a), and complete a second round
42.22 of allocations based on applications received within 60 days of the initial application deadline.

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

42.26 (h) For fiscal year 2020 and later, the commissioner may waive the mixed-delivery
42.27 requirements under subdivisions 3 and 6 for an otherwise qualified applicant that provides
42.28 documented evidence that the school district or charter school was unable to provide a
42.29 mixed-delivery program because of the unavailability of providers willing to contract with
42.30 the school district or charter school or other factors beyond their control.

42.31 Sec. 4. Minnesota Statutes 2017 Supplement, section 124D.151, subdivision 6, is amended
42.32 to read:

42.33 Subd. 6. **Participation limits.** (a) Notwithstanding section 126C.05, subdivision 1,
42.34 paragraph (d), the pupil units for a voluntary prekindergarten program for an eligible school

43.1 district or charter school must not exceed 60 percent of the kindergarten pupil units for that
 43.2 school district or charter school under section 126C.05, subdivision 1, paragraph (e).

43.3 ~~(b) In reviewing applications under subdivision 5, the commissioner must limit the~~
 43.4 ~~estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year~~
 43.5 ~~2017. If the actual state aid entitlement based on final data exceeds the limit in any year,~~
 43.6 ~~the aid of the participating districts must be prorated so as not to exceed the limit.~~

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

43.9 ~~(d)~~ (c) Notwithstanding paragraph ~~(e)~~ (b), the commissioner must limit the total number
 43.10 of participants in the voluntary prekindergarten and school readiness plus programs to not
 43.11 more than 6,160 participants for fiscal year 2018 and 7,160 participants for fiscal year 2019.

43.12 (d) For fiscal year 2020 and later, at least 40 percent of the number of program
 43.13 participants served under this section in excess of 3,160 participants must be served through
 43.14 a mixed delivery of services according to subdivision 3.

43.15 Sec. 5. Laws 2017, First Special Session chapter 5, article 8, section 9, subdivision 6, is
 43.16 amended to read:

43.17 Subd. 6. **No supplanting.** For a site first qualifying in fiscal year 2018 or ~~2019~~ later,
 43.18 ~~mixed delivery revenue, including~~ voluntary prekindergarten and school readiness plus
 43.19 program revenue, must be used to supplement not supplant existing state, federal, and local
 43.20 revenue for prekindergarten activities.

43.21 ARTICLE 8

43.22 STATE AGENCIES

43.23 Section 1. Laws 2017, First Special Session chapter 5, article 11, section 9, subdivision
 43.24 2, is amended to read:

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

43.26 \$ 27,158,000 2018

43.27 ~~24,874,000~~

43.28 \$ 24,488,000 2019

43.29 Of these amounts:

43.30 (1) \$231,000 each year is for the Board of School Administrators, and beginning in fiscal
 43.31 year 2020, the amount indicated is from the educator licensure account in the special revenue
 43.32 fund;

44.1 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
44.2 section 120B.115;

44.3 (3) \$500,000 each year is for the school safety technical assistance center under Minnesota
44.4 Statutes, section 127A.052;

44.5 (4) \$250,000 each year is for the School Finance Division to enhance financial data
44.6 analysis;

44.7 (5) \$720,000 each year is for implementing Minnesota's Learning for English Academic
44.8 Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

44.9 (6) \$2,750,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are for the Department
44.10 of Education's mainframe update;

44.11 (7) \$123,000 each year is for a dyslexia specialist; and

44.12 (8) \$2,000,000 each year is for legal fees and costs associated with litigation.

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

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

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

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

44.23 (f) The agency's base is ~~\$22,054,000~~ \$22,014,000 for fiscal year 2020 and \$21,965,000
44.24 for 2021.

44.25 Sec. 2. Laws 2017, First Special Session chapter 5, article 11, section 12, is amended to
44.26 read:

44.27 **Sec. 12. APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

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

45.1 ~~8,173,000~~
 45.2 \$ 7,573,000 2018
 45.3 ~~6,973,000~~
 45.4 \$ 6,848,000 2019

45.5 (b) Of the amounts appropriated in paragraph (a), \$370,000 is for fiscal ~~years~~ year 2018
 45.6 or 2019 only for arts integration and Turnaround Arts programs.

45.7 (c) ~~\$1,200,000~~ \$600,000 in fiscal year 2018 is for severance payments related to the
 45.8 closure of Crosswinds school and is available until June 30, 2019.

45.9 (d) The base in fiscal year 2020 is \$6,973,000.

45.10 ARTICLE 9

45.11 FORECAST ADJUSTMENTS

45.12 A. GENERAL EDUCATION

45.13 Section 1. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision
 45.14 4, is amended to read:

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

45.16 ~~2,374,000~~
 45.17 \$ 2,584,000 2018
 45.18 ~~2,163,000~~
 45.19 \$ 3,218,000 2019

45.20 The 2018 appropriation includes \$262,000 for 2017 and ~~\$2,112,000~~ \$2,322,000 for
 45.21 2018.

45.22 The 2019 appropriation includes ~~\$234,000~~ \$258,000 for 2018 and ~~\$1,929,000~~ \$2,960,000
 45.23 for 2019.

45.24 **EFFECTIVE DATE.** This section is effective June 30, 2018.

45.25 Sec. 2. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 5, is
 45.26 amended to read:

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

45.29 ~~185,000~~
 45.30 \$ 0 2018
 45.31 ~~382,000~~
 45.32 \$ 270,000 2019

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

46.1 The 2019 appropriation includes ~~\$20,000~~ \$0 for 2018 and ~~\$362,000~~ \$270,000 for 2019.

46.2 **EFFECTIVE DATE.** This section is effective June 30, 2018.

46.3 Sec. 3. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 6, is
46.4 amended to read:

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

46.7 ~~18,197,000~~
46.8 \$ 17,779,000 2018

46.9 ~~19,225,000~~
46.10 \$ 17,910,000 2019

46.11 The 2018 appropriation includes \$1,687,000 for 2017 and ~~\$16,510,000~~ \$16,092,000 for
46.12 2018.

46.13 The 2019 appropriation includes ~~\$1,834,000~~ \$1,787,000 for 2018 and ~~\$17,391,000~~
46.14 \$16,123,000 for 2019.

46.15 **EFFECTIVE DATE.** This section is effective June 30, 2018.

46.16 Sec. 4. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 7, is
46.17 amended to read:

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

46.20 ~~18,372,000~~
46.21 \$ 17,549,000 2018

46.22 ~~18,541,000~~
46.23 \$ 18,309,000 2019

46.24 The 2018 appropriation includes \$1,835,000 for 2017 and ~~\$16,537,000~~ \$15,714,000 for
46.25 2018.

46.26 The 2019 appropriation includes ~~\$1,837,000~~ \$1,745,000 for 2018 and ~~\$16,704,000~~
46.27 \$16,564,000 for 2019.

46.28 **EFFECTIVE DATE.** This section is effective June 30, 2018.

46.29 Sec. 5. Laws 2017, First Special Session chapter 5, article 1, section 19, subdivision 9, is
46.30 amended to read:

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

47.1 ~~4,561,000~~
 47.2 \$ 4,757,000 2018
 47.3 ~~4,125,000~~
 47.4 \$ 4,384,000 2019

47.5 The 2018 appropriation includes \$476,000 for 2017 and ~~\$4,085,000~~ \$4,281,000 for
 47.6 2018.

47.7 The 2019 appropriation includes ~~\$453,000~~ \$475,000 for 2018 and ~~\$3,672,000~~ \$3,909,000
 47.8 for 2019.

47.9 **EFFECTIVE DATE.** This section is effective June 30, 2018.

47.10 **B. EDUCATION EXCELLENCE**

47.11 Sec. 6. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 2, is
 47.12 amended to read:

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

47.15 ~~71,249,000~~
 47.16 \$ 71,693,000 2018
 47.17 ~~73,267,000~~
 47.18 \$ 73,926,000 2019

47.19 The 2018 appropriation includes \$6,725,000 for 2017 and ~~\$64,524,000~~ \$64,968,000 for
 47.20 2018.

47.21 The 2019 appropriation includes ~~\$7,169,000~~ \$7,218,000 for 2018 and ~~\$66,098,000~~
 47.22 \$66,708,000 for 2019.

47.23 **EFFECTIVE DATE.** This section is effective June 30, 2018.

47.24 Sec. 7. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 3, is
 47.25 amended to read:

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

47.28 ~~47,264,000~~
 47.29 \$ 46,517,000 2018
 47.30 ~~47,763,000~~
 47.31 \$ 46,188,000 2019

47.32 The 2018 appropriation includes \$4,597,000 for 2017 and ~~\$42,667,000~~ \$41,920,000 for
 47.33 2018.

48.1 The 2019 appropriation includes ~~\$4,740,000~~ \$4,657,000 for 2018 and ~~\$43,023,000~~
 48.2 \$41,531,000 for 2019.

48.3 **EFFECTIVE DATE.** This section is effective June 30, 2018.

48.4 Sec. 8. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 4, is
 48.5 amended to read:

48.6 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
 48.7 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 48.8 section 124D.87:

48.9		13,337,000		
48.10	\$	<u>14,328,000</u>	.....	2018
48.11		14,075,000		
48.12	\$	<u>15,065,000</u>	.....	2019

48.13 **EFFECTIVE DATE.** This section is effective June 30, 2018.

48.14 Sec. 9. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 5, is
 48.15 amended to read:

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

48.18		3,623,000		
48.19	\$	<u>2,954,000</u>	.....	2018
48.20		4,018,000		
48.21	\$	<u>3,381,000</u>	.....	2019

48.22 The 2018 appropriation includes \$323,000 for 2017 and ~~\$3,300,000~~ \$2,631,000 for
 48.23 2018.

48.24 The 2019 appropriation includes ~~\$366,000~~ \$292,000 for 2018 and ~~\$3,652,000~~ \$3,089,000
 48.25 for 2019.

48.26 **EFFECTIVE DATE.** This section is effective June 30, 2018.

48.27 Sec. 10. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 6,
 48.28 is amended to read:

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

48.31	\$	9,244,000	.....	2018
48.32		9,464,000		
48.33	\$	<u>9,409,000</u>	.....	2019

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

49.2 The 2019 appropriation includes \$928,000 for 2018 and ~~\$8,536,000~~ \$8,481,000 for
49.3 2019.

49.4 **EFFECTIVE DATE.** This section is effective June 30, 2018.

49.5 Sec. 11. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 21,
49.6 is amended to read:

49.7 Subd. 21. **Charter school building lease aid.** For building lease aid under Minnesota
49.8 Statutes, section 124E.22:

49.9		73,341,000		
49.10	\$	<u>73,334,000</u>	.....	2018
49.11		78,802,000		
49.12	\$	<u>79,098,000</u>	.....	2019

49.13 The 2018 appropriation includes \$6,850,000 for 2017 and ~~\$66,491,000~~ \$66,484,000 for
49.14 2018.

49.15 The 2019 appropriation includes \$7,387,000 for 2018 and ~~\$71,415,000~~ \$71,711,000 for
49.16 2019.

49.17 **EFFECTIVE DATE.** This section is effective June 30, 2018.

49.18 Sec. 12. Laws 2017, First Special Session chapter 5, article 2, section 57, subdivision 26,
49.19 is amended to read:

49.20 Subd. 26. **Alternative teacher compensation aid.** For alternative teacher compensation
49.21 aid under Minnesota Statutes, section 122A.415, subdivision 4:

49.22		89,863,000		
49.23	\$	<u>90,131,000</u>	.....	2018
49.24		89,623,000		
49.25	\$	<u>89,789,000</u>	.....	2019

49.26 The 2018 appropriation includes \$8,917,000 for 2017 and ~~\$80,946,000~~ \$81,214,000 for
49.27 2018.

49.28 The 2019 appropriation includes ~~\$8,994,000~~ \$9,023,000 for 2018 and ~~\$80,629,000~~
49.29 \$80,766,000 for 2019.

49.30 **EFFECTIVE DATE.** This section is effective June 30, 2018.

50.1

C. SPECIAL EDUCATION

50.2 Sec. 13. Laws 2017, First Special Session chapter 5, article 4, section 12, subdivision 2,
50.3 as amended by Laws 2017, First Special Session chapter 7, section 12, is amended to read:

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

50.6		1,341,161,000		
50.7	\$	<u>1,366,903,000</u>	.....	2018
50.8		1,426,827,000		
50.9	\$	<u>1,467,921,000</u>	.....	2019

50.10 The 2018 appropriation includes \$156,403,000 for 2017 and ~~\$1,184,758,000~~
50.11 \$1,210,500,000 for 2018.

50.12 The 2019 appropriation includes ~~\$166,667,000~~ \$170,291,000 for 2018 and
50.13 ~~\$1,260,160,000~~ \$1,297,630,000 for 2019.

50.14 **EFFECTIVE DATE.** This section is effective June 30, 2018.

50.15 Sec. 14. Laws 2017, First Special Session chapter 5, article 4, section 12, subdivision 3,
50.16 is amended to read:

50.17 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
50.18 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
50.19 the district boundaries for whom no district of residence can be determined:

50.20		1,597,000		
50.21	\$	<u>1,022,000</u>	.....	2018
50.22		1,830,000		
50.23	\$	<u>1,204,000</u>	.....	2019

50.24 If the appropriation for either year is insufficient, the appropriation for the other year is
50.25 available.

50.26 **EFFECTIVE DATE.** This section is effective June 30, 2018.

50.27 Sec. 15. Laws 2017, First Special Session chapter 5, article 4, section 12, subdivision 4,
50.28 is amended to read:

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

51.1 ~~508,000~~
 51.2 \$ 412,000 2018
 51.3 ~~532,000~~
 51.4 \$ 421,000 2019

51.5 The 2018 appropriation includes \$48,000 for 2017 and ~~\$460,000~~ \$364,000 for 2018.

51.6 The 2019 appropriation includes ~~\$51,000~~ \$40,000 for 2018 and ~~\$481,000~~ \$381,000 for
 51.7 2019.

51.8 **EFFECTIVE DATE.** This section is effective June 30, 2018.

51.9 Sec. 16. Laws 2017, First Special Session chapter 5, article 4, section 12, subdivision 5,
 51.10 is amended to read:

51.11 Subd. 5. **Court-placed special education revenue.** For reimbursing serving school
 51.12 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 51.13 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

51.14 ~~46,000~~
 51.15 \$ 40,000 2018
 51.16 ~~47,000~~
 51.17 \$ 41,000 2019

51.18 **EFFECTIVE DATE.** This section is effective June 30, 2018.

51.19 **D. FACILITIES AND TECHNOLOGY**

51.20 Sec. 17. Laws 2017, First Special Session chapter 5, article 5, section 14, subdivision 2,
 51.21 is amended to read:

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

51.24 \$ 24,908,000 2018
 51.25 ~~22,360,000~~
 51.26 \$ 23,137,000 2019

51.27 The 2018 appropriation includes \$2,324,000 for 2017 and \$22,584,000 for 2018.

51.28 The 2019 appropriation includes \$2,509,000 for 2018 and ~~\$19,851,000~~ \$20,628,000 for
 51.29 2019.

51.30 **EFFECTIVE DATE.** This section is effective June 30, 2018.

52.1 Sec. 18. Laws 2017, First Special Session chapter 5, article 5, section 14, subdivision 3,
52.2 is amended to read:

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

52.5		80,179,000		
52.6	\$	<u>81,053,000</u>	.....	2018
52.7		103,460,000		
52.8	\$	<u>102,374,000</u>	.....	2019

52.9 The 2018 appropriation includes \$5,815,000 for 2017 and ~~\$74,364,000~~ \$75,238,000 for
52.10 2018.

52.11 The 2019 appropriation includes ~~\$8,262,000~~ \$8,359,000 for 2018 and ~~\$95,198,000~~
52.12 \$94,015,000 for 2019.

52.13 **EFFECTIVE DATE.** This section is effective June 30, 2018.

52.14 E. NUTRITION

52.15 Sec. 19. Laws 2017, First Special Session chapter 5, article 6, section 3, subdivision 2, is
52.16 amended to read:

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

52.19		16,721,000		
52.20	\$	<u>16,143,000</u>	.....	2018
52.21		17,223,000		
52.22	\$	<u>16,477,000</u>	.....	2019

52.23 **EFFECTIVE DATE.** This section is effective June 30, 2018.

52.24 Sec. 20. Laws 2017, First Special Session chapter 5, article 6, section 3, subdivision 3, is
52.25 amended to read:

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

52.28		10,601,000		
52.29	\$	<u>10,474,000</u>	.....	2018
52.30		11,359,000		
52.31	\$	<u>11,282,000</u>	.....	2019

52.32 **EFFECTIVE DATE.** This section is effective June 30, 2018.

53.1 Sec. 21. Laws 2017, First Special Session chapter 5, article 6, section 3, subdivision 4, is
53.2 amended to read:

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

53.5		758,000		
53.6	\$	<u>734,000</u>	.....	2018
53.7		758,000		
53.8	\$	<u>734,000</u>	.....	2019

53.9 **EFFECTIVE DATE.** This section is effective June 30, 2018.

53.10 **F. EARLY CHILDHOOD AND FAMILY SUPPORT**

53.11 Sec. 22. Laws 2017, First Special Session chapter 5, article 8, section 10, subdivision 5a,
53.12 is amended to read:

53.13 Subd. 5a. **Early childhood family education aid.** For early childhood family education
53.14 aid under Minnesota Statutes, section 124D.135:

53.15		30,405,000		
53.16	\$	<u>29,760,000</u>	.....	2018
53.17		31,977,000		
53.18	\$	<u>30,870,000</u>	.....	2019

53.19 The 2018 appropriation includes \$2,904,000 for 2017 and ~~\$27,501,000~~ \$26,856,000 for
53.20 2018.

53.21 The 2019 appropriation includes ~~\$3,055,000~~ \$2,983,000 for 2018 and ~~\$28,922,000~~
53.22 \$27,887,000 for 2019.

53.23 **EFFECTIVE DATE.** This section is effective June 30, 2018.

53.24 Sec. 23. Laws 2017, First Special Session chapter 5, article 8, section 10, subdivision 6,
53.25 is amended to read:

53.26 Subd. 6. **Developmental screening aid.** For developmental screening aid under
53.27 Minnesota Statutes, sections 121A.17 and 121A.19:

53.28		3,606,000		
53.29	\$	<u>3,663,000</u>	.....	2018
53.30		3,629,000		
53.31	\$	<u>3,688,000</u>	.....	2019

53.32 The 2018 appropriation includes \$358,000 for 2017 and ~~\$3,248,000~~ \$3,305,000 for
53.33 2018.

54.1 The 2019 appropriation includes ~~\$360,000~~ \$367,000 for 2018 and ~~\$3,269,000~~ \$3,321,000
 54.2 for 2019.

54.3 **EFFECTIVE DATE.** This section is effective June 30, 2018.

54.4 Sec. 24. Laws 2017, First Special Session chapter 5, article 8, section 10, subdivision 12,
 54.5 is amended to read:

54.6 Subd. 12. **Home visiting aid.** For home visiting aid under Minnesota Statutes, section
 54.7 124D.135:

54.8 ~~527,000~~
 54.9 \$ 503,000 2018

54.10 ~~571,000~~
 54.11 \$ 525,000 2019

54.12 The 2018 appropriation includes \$0 for 2017 and ~~\$527,000~~ \$503,000 for 2018.

54.13 The 2019 appropriation includes ~~\$58,000~~ \$55,000 for 2018 and ~~\$513,000~~ \$470,000 for
 54.14 2019.

54.15 **EFFECTIVE DATE.** This section is effective June 30, 2018.

54.16 **G. COMMUNITY EDUCATION AND PREVENTION**

54.17 Sec. 25. Laws 2017, First Special Session chapter 5, article 9, section 2, subdivision 2, is
 54.18 amended to read:

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

54.21 ~~483,000~~
 54.22 \$ 477,000 2018

54.23 ~~393,000~~
 54.24 \$ 410,000 2019

54.25 The 2018 appropriation includes \$53,000 for 2017 and ~~\$430,000~~ \$424,000 for 2018.

54.26 The 2019 appropriation includes \$47,000 for 2018 and ~~\$346,000~~ \$363,000 for 2019.

54.27 **EFFECTIVE DATE.** This section is effective June 30, 2018.

55.1 **H. SELF-SUFFICIENCY AND LIFELONG LEARNING**

55.2 Sec. 26. Laws 2017, First Special Session chapter 5, article 10, section 6, subdivision 2,
55.3 is amended to read:

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

55.6		50,010,000		
55.7	\$	<u>48,708,000</u>	.....	2018
55.8		51,497,000		
55.9	\$	<u>50,109,000</u>	.....	2019

55.10 The 2018 appropriation includes \$4,881,000 for 2017 and ~~\$45,129,000~~ \$43,827,000 for
55.11 2018.

55.12 The 2019 appropriation includes ~~\$5,014,000~~ \$4,869,000 for 2018 and ~~\$46,483,000~~
55.13 \$45,240,000 for 2019.

55.14 **EFFECTIVE DATE.** This section is effective June 30, 2018.