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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 924

02/25/2013 Authored by Davnie, Moran, Mariani, Allen, Mullery and others
The bill was read for the first time and referred to the Committee on Education Policy
03/13/2013 By motion, recalled and re-referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; increasing the state aid for developmental
1.3 screening; authorizing certain students over the age of 21 who attend a contract
1.4 alternative program to continue to receive instruction at that school until
1.5 graduation; modifying pupil transportation options in certain circumstances;
1.6 extending certain school district bonding authority; amending Minnesota Statutes
1.7 2012, sections 121A.19; 123B.88, subdivision 22; 123B.92, subdivision 1;
1.8 124D.68, subdivisions 2, 3; 125A.51; 128D.11, subdivision 3; Laws 2007,
1.9 chapter 146, article 4, section 12.

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

1.11 Section 1. Minnesota Statutes 2012, section 121A.19, is amended to read:

1.12 **121A.19 DEVELOPMENTAL SCREENING AID.**

1.13 Each school year, the state must pay a district for each child or student screened by
1.14 the district according to the requirements of section 121A.17. The amount of state aid for
1.15 each child or student screened shall be: (1) ~~\$75~~ \$150 for a child screened at age three; (2)
1.16 ~~\$50~~ \$100 for a child screened at age four; (3) ~~\$40~~ \$80 for a child screened at age five or
1.17 six prior to kindergarten; and (4) ~~\$30~~ \$60 for a student screened within 30 days after first
1.18 enrolling in a public school kindergarten if the student has not previously been screened
1.19 according to the requirements of section 121A.17. If this amount of aid is insufficient,
1.20 the district may permanently transfer from the general fund an amount that, when added
1.21 to the aid, is sufficient. Developmental screening aid shall not be paid for any student
1.22 who is screened more than 30 days after the first day of attendance at a public school
1.23 kindergarten, except if a student transfers to another public school kindergarten within
1.24 30 days after first enrolling in a Minnesota public school kindergarten program. In this
1.25 case, if the student has not been screened, the district to which the student transfers may

2.1 receive developmental screening aid for screening that student when the screening is
 2.2 performed within 30 days of the transfer date.

2.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
 2.4 and later.

2.5 Sec. 2. Minnesota Statutes 2012, section 123B.88, subdivision 22, is amended to read:

2.6 Subd. 22. **Postsecondary enrollment options pupils.** Districts may provide bus
 2.7 transportation along school bus routes when space is available, for pupils attending
 2.8 programs at a postsecondary institution under the postsecondary enrollment options
 2.9 program. ~~The transportation is permitted only if it does not increase the district's~~
 2.10 ~~expenditures for transportation.~~ Fees collected for this service under section 123B.36,
 2.11 subdivision 1, paragraph (13), shall be subtracted from the authorized cost for ~~nonregular~~
 2.12 transportation for the purpose of section 123B.92. A school district may provide
 2.13 transportation for a pupil participating in an articulated program operated under an
 2.14 agreement between the school district and the postsecondary institution.

2.15 **EFFECTIVE DATE.** This section is effective July 1, 2013.

2.16 Sec. 3. Minnesota Statutes 2012, section 123B.92, subdivision 1, is amended to read:

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

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

2.21 (1) the sum of:

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

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

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

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

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

3.3 (1) Regular transportation is:

3.4 (i) transportation to and from school during the regular school year for resident
3.5 elementary pupils residing one mile or more from the public or nonpublic school they
3.6 attend, and resident secondary pupils residing two miles or more from the public
3.7 or nonpublic school they attend, excluding desegregation transportation and noon
3.8 kindergarten transportation; but with respect to transportation of pupils to and from
3.9 nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

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

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

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

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

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

3.27 (2) Excess transportation is:

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

3.33 (ii) transportation to and from school during the regular school year required under
3.34 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
3.35 border to the school is at least one mile but less than two miles from the public school
3.36 they attend, and for nonresident pupils when the distance from the attendance area border

4.1 to the school is less than one mile from the school and who are transported because of
4.2 full-service school zones, extraordinary traffic, drug, or crime hazards.

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

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

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

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

4.15 (iii) necessary transportation for resident pupils with disabilities required by sections
4.16 125A.12, and 125A.26 to 125A.48;

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

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

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

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

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

4.35 For purposes of computing special education initial aid under section 125A.76,
4.36 subdivision 2, the cost of providing transportation for children with disabilities includes

5.1 (A) the additional cost of transporting a homeless student from a temporary nonshelter
 5.2 home in another district to the school of origin, or a formerly homeless student from a
 5.3 permanent home in another district to the school of origin but only through the end of the
 5.4 academic year; and (B) depreciation on district-owned school buses purchased after July 1,
 5.5 2005, and used primarily for transportation of pupils with disabilities, calculated according
 5.6 to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled
 5.7 transportation category must be excluded in calculating the actual expenditure per pupil
 5.8 transported in the regular and excess transportation categories according to paragraph (a).
 5.9 For purposes of subitem (A), a school district may provide transportation to a sibling of a
 5.10 homeless student transported under this section if that sibling attends the same school.

5.11 (5) "Nonpublic nonregular transportation" is:

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

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

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

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

5.24 **EFFECTIVE DATE.** This section is effective July 1, 2013.

5.25 Sec. 4. Minnesota Statutes 2012, section 124D.68, subdivision 2, is amended to read:

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

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

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

5.33 (3) is pregnant or is a parent;

5.34 (4) has been assessed as chemically dependent;

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

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

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

6.4 (8) has experienced mental health problems;

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

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

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

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

6.13 (b) Any person who is between 21 and 22 years of age during fiscal years 2014 and
6.14 2015, and any person who is between 21 and 23 years of age for fiscal years 2016 and
6.15 later, may participate in the graduation incentives program if that person:

6.16 (1) speaks English as a second language or has limited English proficiency;

6.17 (2) has received less than eight years of public education or nonpublic education,
6.18 beginning at age five;

6.19 (3) has not completed the requirements for a high school diploma; and

6.20 (4) can be expected to complete the requirements for graduation by the end of the
6.21 school year in which they turn age 23.

6.22 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
6.23 and later.

6.24 Sec. 5. Minnesota Statutes 2012, section 124D.68, subdivision 3, is amended to read:

6.25 Subd. 3. **Eligible programs.** (a) A pupil who is eligible according to subdivision
6.26 2, paragraph (a), may enroll in a state-approved alternative program under sections
6.27 123A.05 to 123A.08.

6.28 (b) A pupil who is eligible according to subdivision 2 and who is a high school
6.29 junior or senior may enroll in postsecondary courses under section 124D.09.

6.30 (c) A pupil who is eligible under subdivision 2, paragraph (a), may enroll in any
6.31 public elementary or secondary education program.

6.32 (d) A pupil who is eligible under subdivision 2, may enroll in any nonpublic,
6.33 nonsectarian school that has contracted with the serving school district to provide
6.34 educational services. However, notwithstanding other provisions of this section, only a
6.35 pupil who is eligible under subdivision 2, paragraph (a), clause (12), may enroll in a

7.1 contract alternative school that is specifically structured to provide educational services
7.2 to such a pupil.

7.3 (e) A pupil who is between the ages of 16 and 21 may enroll in any adult basic
7.4 education programs approved under section 124D.52 and operated under the community
7.5 education program contained in section 124D.19.

7.6 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014
7.7 and later.

7.8 Sec. 6. Minnesota Statutes 2012, section 125A.51, is amended to read:

7.9 **125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES;**
7.10 **EDUCATION AND TRANSPORTATION.**

7.11 The responsibility for providing instruction and transportation for a pupil without a
7.12 disability who has a short-term or temporary physical or emotional illness or disability, as
7.13 determined by the standards of the commissioner, and who is temporarily placed for care
7.14 and treatment for that illness or disability, must be determined as provided in this section.

7.15 (a) The school district of residence of the pupil is the district in which the pupil's
7.16 parent or guardian resides. If there is a dispute between school districts regarding
7.17 residency, the district of residence is the district designated by the commissioner.

7.18 (b) When parental rights have been terminated by court order, the legal residence
7.19 of a child placed in a residential or foster facility for care and treatment is the district in
7.20 which the child resides.

7.21 (c) Before the placement of a pupil for care and treatment, the district of residence
7.22 must be notified and provided an opportunity to participate in the placement decision.
7.23 When an immediate emergency placement is necessary and time does not permit
7.24 resident district participation in the placement decision, the district in which the pupil is
7.25 temporarily placed, if different from the district of residence, must notify the district
7.26 of residence of the emergency placement within 15 days of the placement. When a
7.27 nonresident district makes an emergency placement without first consulting with the
7.28 resident district, the resident district has up to five business days after receiving notice
7.29 of the emergency placement to request an opportunity to participate in the placement
7.30 decision, which the placing district must then provide.

7.31 (d) When a pupil without a disability is temporarily placed for care and treatment
7.32 in a day program and the pupil continues to live within the district of residence during
7.33 the care and treatment, the district of residence must provide instruction and necessary
7.34 transportation to and from the care and treatment program for the pupil. The resident

8.1 district may establish reasonable restrictions on transportation, except if a Minnesota court
8.2 or agency orders the child placed at a day care and treatment program and the resident
8.3 district receives a copy of the order, then the resident district must provide transportation
8.4 to and from the program unless the court or agency orders otherwise. Transportation shall
8.5 only be provided by the resident district during regular operating hours of the resident
8.6 district. The resident district may provide the instruction at a school within the district of
8.7 residence, at the pupil's residence, or in the case of a placement outside of the resident
8.8 district, in the district in which the day treatment program is located by paying tuition to
8.9 that district. The district of placement may contract with a facility to provide instruction
8.10 by teachers licensed by the state Board of Teaching.

8.11 (e) When a pupil without a disability is temporarily placed in a residential program
8.12 for care and treatment, the district in which the pupil is placed must provide instruction
8.13 for the pupil and necessary transportation while the pupil is receiving instruction, and in
8.14 the case of a placement outside of the district of residence, the nonresident district must
8.15 bill the district of residence for the actual cost of providing the instruction for the regular
8.16 school year and for summer school, excluding transportation costs.

8.17 (f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or
8.18 private homeless shelter, then the district that enrolls the pupil under section 127A.47,
8.19 subdivision 2, shall provide the transportation, unless the district that enrolls the pupil
8.20 and the district in which the pupil is temporarily placed agree that the district in which
8.21 the pupil is temporarily placed shall provide transportation. When a pupil without a
8.22 disability is temporarily placed in a residential program outside the district of residence,
8.23 the administrator of the court placing the pupil must send timely written notice of the
8.24 placement to the district of residence. The district of placement may contract with a
8.25 residential facility to provide instruction by teachers licensed by the state Board of
8.26 Teaching. For purposes of this section, the state correctional facilities operated on a
8.27 fee-for-service basis are considered to be residential programs for care and treatment and a
8.28 school district may provide transportation to a sibling of a homeless student transported
8.29 under this section who attends the same school.

8.30 (g) The district of residence must include the pupil in its residence count of pupil
8.31 units and pay tuition as provided in section 123A.488 to the district providing the
8.32 instruction. Transportation costs must be paid by the district providing the transportation
8.33 and the state must pay transportation aid to that district. For purposes of computing state
8.34 transportation aid, pupils governed by this subdivision must be included in the disabled
8.35 transportation category if the pupils cannot be transported on a regular school bus route
8.36 without special accommodations.

9.1 **EFFECTIVE DATE.** This section is effective July 1, 2013.

9.2 Sec. 7. Minnesota Statutes 2012, section 128D.11, subdivision 3, is amended to read:

9.3 Subd. 3. **No election.** Subject to the provisions of subdivisions 7 to 10, the school
 9.4 district may also by a two-thirds majority vote of all the members of its board of education
 9.5 and without any election by the voters of the district, issue and sell in each calendar year
 9.6 general obligation bonds of the district in an amount not to exceed 5-1/10 per cent of the
 9.7 net tax capacity of the taxable property in the district (plus, for calendar years 1990 to
 9.8 2003, an amount not to exceed \$7,500,000, and for calendar ~~years~~ year 2004 ~~to 2016~~ and
 9.9 later, an amount not to exceed \$15,000,000; with an additional provision that any amount
 9.10 of bonds so authorized for sale in a specific year and not sold can be carried forward and
 9.11 sold in the year immediately following).

9.12 **EFFECTIVE DATE.** This section is effective July 1, 2013.

9.13 Sec. 8. Laws 2007, chapter 146, article 4, section 12, is amended to read:

9.14 Sec. 12. **BONDING AUTHORIZATION.**

9.15 To provide funds for the acquisition or betterment of school facilities, Independent
 9.16 School District No. 625, St. Paul, may by two-thirds majority vote of all the members of
 9.17 the board of directors issue general obligation bonds in one or more series ~~for calendar~~
 9.18 ~~years 2008 through 2016~~, as provided in this section. The aggregate principal amount of
 9.19 any bonds issued under this section for each calendar year must not exceed \$15,000,000.
 9.20 Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59.
 9.21 The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475.
 9.22 The authority to issue bonds under this section is in addition to any bonding authority
 9.23 authorized by Minnesota Statutes, chapter 123B, or other law. The amount of bonding
 9.24 authority authorized under this section must be disregarded in calculating the bonding
 9.25 limit of Minnesota Statutes, chapter 123B, or any other law other than Minnesota Statutes,
 9.26 section 475.53, subdivision 4.

9.27 **EFFECTIVE DATE.** This section is effective July 1, 2013.