

2.20

ARTICLE 1

2.21

GENERAL EDUCATION

2.22 Section 1. Minnesota Statutes 2018, section 16A.152, subdivision 1b, is amended to read:

2.23 Subd. 1b. **Budget reserve level.** (a) The commissioner of management and budget shall
2.24 calculate the budget reserve level by multiplying the current biennium's general fund
2.25 nondedicated revenues and the most recent budget reserve percentage under subdivision 8.

2.26 (b) If, on the basis of a November forecast of general fund revenues and expenditures,
2.27 the commissioner of management and budget determines that there will be a positive
2.28 unrestricted general fund balance at the close of the biennium and that the provisions of
2.29 subdivision 2, paragraph (a), ~~clauses (1), (2), (3), and (4),~~ are satisfied, the commissioner
2.30 shall transfer to the budget reserve account in the general fund the amount necessary to
2.31 increase the budget reserve to the budget reserve level determined under paragraph (a). The
2.32 amount of the transfer authorized in this paragraph shall not exceed 33 percent of the positive
2.33 unrestricted general fund balance determined in the forecast.

2.34 **EFFECTIVE DATE.** This section is effective July 1, 2019.

2.35 Sec. 2. Minnesota Statutes 2018, section 16A.152, subdivision 2, is amended to read:

2.36 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
2.37 revenues and expenditures, the commissioner of management and budget determines that
2.38 there will be a positive unrestricted budgetary general fund balance at the close of the
3.1 biennium, the commissioner of management and budget must allocate money to the following
3.2 accounts and purposes in priority order:

3.3 (1) the cash flow account established in subdivision 1 until that account reaches
3.4 \$350,000,000;

3.5 (2) the budget reserve account established in subdivision 1a until that account reaches
3.6 \$1,596,522,000;

3.7 (3) the amount necessary to increase the aid payment schedule for school district aids
3.8 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
3.9 tenth of a percent without exceeding the amount available and with any remaining funds
3.10 deposited in the budget reserve;

3.11 (4) the amount necessary to restore all or a portion of the net aid reductions under section
3.12 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
3.13 subdivision 5, by the same amount; ~~and~~

3.14 (5) ~~the clean water fund established in section 114D.50 until \$22,000,000 has been~~
3.15 ~~transferred into the fund.~~ the amount necessary to increase the special education aid payment

2.7

ARTICLE 1

2.8

GENERAL EDUCATION

3.16 percentage under section 127A.45, subdivision 13, paragraph (b), to not more than 100
3.17 percent; and

3.18 (6) the permanent school fund compensation aid until \$50,000,000 has been transferred
3.19 to the commissioner of education for payment of school aids under section 41.

3.20 (b) The amounts necessary to meet the requirements of this section are appropriated
3.21 from the general fund within two weeks after the forecast is released or, in the case of
3.22 transfers under paragraph (a), clauses (3) and (4), and (5), as necessary to meet the
3.23 appropriations schedules otherwise established in statute.

3.24 (c) The commissioner of management and budget shall certify the total dollar amount
3.25 of the reductions under paragraph (a), clauses (3) and (4), and (5), to the commissioner of
3.26 education. The commissioner of education shall increase the aid payment percentage and
3.27 reduce the property tax shift percentage, and increase the special education aid payment
3.28 percentage by these amounts and apply those reductions to the current fiscal year and
3.29 thereafter.

3.30 (d) Paragraph (a), clause (5), expires after the entire amount of the transfer has been
3.31 made.

3.32 **EFFECTIVE DATE.** This section is effective July 1, 2019.

4.1 Sec. 3. Minnesota Statutes 2018, section 120A.20, subdivision 2, is amended to read:

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

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

4.15 (c) Except as provided in paragraph (d), the serving district is responsible for transporting
4.16 a homeless pupil to and from the pupil's district of residence. The district may transport
4.17 from a permanent home in another district but only through the end of the academic school
4.18 year. When a pupil is enrolled in a charter school, the district or school that provides
4.19 transportation for other pupils enrolled in the charter school is responsible for providing
4.20 transportation. When a homeless student pupil with or without an individualized education

2.9 Section 1. Minnesota Statutes 2018, section 120A.20, subdivision 2, is amended to read:

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

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

2.23 (c) Except as provided in paragraph (d), the serving district is responsible for transporting
2.24 a homeless pupil to and from the pupil's district of residence. The district may transport
2.25 from a permanent home in another district but only through the end of the academic school
2.26 year. When a pupil is enrolled in a charter school, the district or school that provides
2.27 transportation for other pupils enrolled in the charter school is responsible for providing
2.28 transportation. When a homeless student with or without an individualized education program

- 4.21 program attends a public school other than an independent or special school district or
4.22 charter school, the district of residence is responsible for transportation.
- 4.23 (d) For a homeless pupil with an individualized education plan enrolled in a program
4.24 authorized by an intermediate school district, special education cooperative, service
4.25 cooperative, or education district, the serving district at the time of the pupil's enrollment
4.26 in the program remains responsible for transporting that pupil for the remainder of the school
4.27 year, unless the initial serving district and the current serving district mutually agree that
4.28 the current serving district is responsible for transporting the homeless pupil.
- 4.29 **EFFECTIVE DATE.** This section is effective July 1, 2019.
- 4.30 Sec. 4. **[120A.21] ENROLLMENT OF A STUDENT IN FOSTER CARE.**
- 4.31 A student placed in foster care must remain enrolled in the student's prior school unless
4.32 it is determined that remaining enrolled in the prior school is not in the student's best interests.
4.33 The best interests of the student must not be influenced by the preferences of the prior or
5.1 current enrolling school and the best interests of the student must not be influenced by the
5.2 educational costs associated with the placement of the foster student. If the student does
5.3 not remain enrolled in the prior school, the student must be enrolled in a new school within
5.4 seven school days.
- 5.5 **EFFECTIVE DATE.** This section is effective July 1, 2019.
- 5.6 Sec. 5. Minnesota Statutes 2018, section 120A.35, is amended to read:
5.7 **120A.35 ABSENCE FROM SCHOOL FOR RELIGIOUS OBSERVANCE.**
- 5.8 Reasonable efforts must be made by a school district to accommodate any pupil who
5.9 wishes to be excused from a curricular activity for a religious observance. A school board
5.10 must provide annual notice to parents of the school district's policy relating to a pupil's
5.11 absence from school for a religious observance. A school board may satisfy the notice
5.12 requirement by including the notice in a student handbook containing school policies or by
5.13 posting the notice on the district website.
- 5.14 **EFFECTIVE DATE.** This section is effective for the 2019-2020 school year and later.
- 5.15 Sec. 6. Minnesota Statutes 2018, section 120A.40, is amended to read:
5.16 **120A.40 SCHOOL CALENDAR.**
- 5.17 (a) Except for learning programs during summer, flexible learning year programs
5.18 authorized under sections 124D.12 to 124D.127, and learning year programs under section
5.19 124D.128, a district must not commence an elementary or secondary school year before
5.20 Labor Day, except as provided under paragraph (b). Days devoted to teachers' workshops
5.21 may be held before Labor Day. Districts that enter into cooperative agreements are
5.22 encouraged to adopt similar school calendars.
- 5.23 (b) A district may begin the school year on any day before Labor Day.

- 2.29 attends a public school other than an independent or special school district or charter school,
2.30 the district of residence is responsible for transportation.
- 2.31 (d) For a homeless pupil with an individualized education program enrolled in a program
2.32 authorized by an intermediate school district, special education cooperative, service
2.33 cooperative, or education district, the serving district at the time of the pupil's enrollment
2.34 in the program remains responsible for transporting that pupil for the remainder of the school
3.1 year, unless the initial serving district and the current serving district mutually agree that
3.2 the current serving district is responsible for transporting the homeless pupil.
- 3.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

- 5.24 (1) to accommodate a construction or remodeling project of \$400,000 or more affecting
5.25 a district school facility;
- 5.26 (2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35 with a
5.27 district that qualifies under clause (1); or
- 5.28 (3) if the district agrees to the same schedule with a school district in an adjoining state.
- 5.29 (c) A school board may consider the community's religious observances when adopting
5.30 an annual school calendar.
- 5.31 **EFFECTIVE DATE.** This section is effective for the 2019-2020 school year and later.
- 6.1 Sec. 7. Minnesota Statutes 2018, section 123A.64, is amended to read:
6.2 123A.64 DUTY TO MAINTAIN ELEMENTARY AND SECONDARY SCHOOLS.
- 6.3 Each district must maintain classified elementary and secondary schools, ~~grades 1~~
6.4 ~~kindergarten~~ through grade 12, unless the district is exempt according to section 123A.61
6.5 or 123A.62, has made an agreement with another district or districts as provided in sections
6.6 123A.30, 123A.32, or sections 123A.35 to 123A.43, or 123A.17, subdivision 7, has received
6.7 a grant under sections 123A.441 to 123A.445, or has formed a cooperative under section
6.8 123A.482. A district that has an agreement according to sections 123A.35 to 123A.43 or
6.9 123A.32 must operate a school with the number of grades required by those sections. A
6.10 district that has an agreement according to section 123A.30 or 123A.17, subdivision 7, or
6.11 has received a grant under sections 123A.441 to 123A.445 must operate a school for the
6.12 grades not included in the agreement, but not fewer than three grades.
- 6.13 **EFFECTIVE DATE.** This section is effective for the 2020-2021 school year and later.
- 6.14 Sec. 8. Minnesota Statutes 2018, section 123B.02, subdivision 14, is amended to read:
- 6.15 Subd. 14. **Employees; contracts for services.** (a) The board may employ and discharge
6.16 necessary employees and may contract for other services.
- 6.17 (b) The board must, before making an offer of employment to a person, request a copy
6.18 of the person's personnel file from the previous employing district or charter school.
- 6.19 Sec. 9. Minnesota Statutes 2018, section 123B.143, subdivision 1, is amended to read:
- 6.20 Subdivision 1. **Contract; duties.** (a) All districts maintaining a classified secondary
6.21 school must employ a superintendent who ~~shall be~~ must serve as an ex officio nonvoting
6.22 member of the school board. The authority for selection and employment of a superintendent
6.23 must be vested in the board in all cases.
- 6.24 (b) An individual employed by a board as a superintendent ~~shall~~ must have an initial
6.25 employment contract for a period of time no longer than three years from the date of
6.26 employment. Any subsequent employment contract must not exceed a period of three years.
6.27 A board, at its discretion, may or may not renew an employment contract. A board must
6.28 not, by action or inaction, extend the duration of an existing employment contract. Beginning

6.29 365 days prior to the expiration date of an existing employment contract, a board may
6.30 negotiate and enter into a subsequent employment contract to take effect upon the expiration
6.31 of the existing contract. A subsequent contract must be contingent upon the employee
6.32 completing the terms of an existing contract. If a contract between a board and a
7.1 superintendent is terminated prior to the date specified in the contract, the board may not
7.2 enter into another superintendent contract with that same individual that has a term that
7.3 extends beyond the date specified in the terminated contract.

7.4 (c) A board may terminate a superintendent during the term of an employment contract
7.5 for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent
7.6 shall not rely upon an employment contract with a board to assert any other continuing
7.7 contract rights in the position of superintendent under section 122A.40. Notwithstanding
7.8 the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other
7.9 law to the contrary, no individual shall have a right to employment as a superintendent
7.10 based on order of employment in any district.

7.11 (d) If two or more districts enter into an agreement for the purchase or sharing of the
7.12 services of a superintendent, the contracting districts have the absolute right to select one
7.13 of the individuals employed to serve as superintendent in one of the contracting districts
7.14 and no individual has a right to employment as the superintendent to provide all or part of
7.15 the services based on order of employment in a contracting district.

7.16 (e) The superintendent of a district shall perform the following:

7.17 (1) visit and supervise the schools in the district, report and make recommendations
7.18 about their condition when advisable or on request by the board;

7.19 (2) recommend to the board employment and dismissal of teachers;

7.20 (3) annually evaluate each school principal assigned responsibility for supervising a
7.21 school building within the district, consistent with section 123B.147, subdivision 3, paragraph
7.22 (b);

7.23 (4) superintend school grading practices and examinations for promotions;

7.24 (5) make reports required by the commissioner; and

7.25 (6) perform other duties prescribed by the board.

7.26 Sec. 10. Minnesota Statutes 2018, section 123B.41, subdivision 2, is amended to read:

7.27 Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including
7.28 electronic books as well as other printed materials delivered electronically, which a pupil
7.29 uses as a text or text substitute in a particular class or program in the school regularly
7.30 attended and a copy of which is expected to be available for the individual use of each pupil
7.31 in this class or program. Textbook includes an online book with an annual subscription cost.
7.32 Textbook includes a teacher's edition, teacher's guide, or other materials that accompany a

3.4 Sec. 2. Minnesota Statutes 2018, section 123B.41, subdivision 2, is amended to read:

3.5 Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including
3.6 electronic books as well as other printed materials delivered electronically, which a pupil
3.7 uses as a text or text substitute in a particular class or program in the school regularly
3.8 attended and a copy of which is expected to be available for the individual use of each pupil
3.9 in this class or program. Textbook includes an online book with an annual subscription cost.
3.10 Textbook includes a teacher's edition, teacher's guide, or other materials that accompany a

8.1 textbook that a pupil uses when the teacher's edition, teacher's guide, or other teacher
8.2 materials are packaged physically or electronically with textbooks for student use.

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

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

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

8.12 Sec. 11. Minnesota Statutes 2018, section 123B.41, subdivision 5, is amended to read:

8.13 Subd. 5. **Individualized instructional or cooperative learning materials.** (a)
8.14 "Individualized instructional or cooperative learning materials" means educational materials
8.15 which:

8.16 ~~(a)~~ (1) are designed primarily for individual pupil use or use by pupils in a cooperative
8.17 learning group in a particular class or program in the school the pupil regularly attends,
8.18 including teacher materials that accompany materials that a pupil uses;

8.19 ~~(b)~~ (2) are secular, neutral, nonideological and not capable of diversion for religious
8.20 use; and

8.21 ~~(c)~~ (3) are available, used by, or of benefit to Minnesota public school pupils.

8.22 (b) Subject to the requirements in ~~clauses (a), (b), and (c)~~ paragraph (a), "individualized
8.23 instructional or cooperative learning materials" include, but are not limited to, the following
8.24 if they do not fall within the definition of "textbook" in subdivision 2: published materials;
8.25 periodicals; documents; pamphlets; photographs; reproductions; pictorial or graphic works;
8.26 prerecorded video programs; prerecorded tapes, cassettes and other sound recordings;
8.27 manipulative materials; desk charts; games; study prints and pictures; desk maps; models;
8.28 learning kits; blocks or cubes; flash cards; individualized multimedia systems; prepared
8.29 instructional computer software programs; choral and band sheet music; electronic books
8.30 and other printed materials delivered electronically; and CD-Rom.

9.1 (c) "Individualized instructional or cooperative learning materials" do not include
9.2 instructional equipment, instructional hardware, or ordinary daily consumable classroom
9.3 supplies.

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

9.5 Sec. 12. Minnesota Statutes 2018, section 123B.42, subdivision 3, is amended to read:

3.11 textbook that a pupil uses when the teacher's edition, teacher's guide, or other teacher
3.12 materials are packaged physically or electronically with textbooks for student use.

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

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

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

3.22 Sec. 3. Minnesota Statutes 2018, section 123B.41, subdivision 5, is amended to read:

3.23 Subd. 5. **Individualized instructional or cooperative learning materials.** (a)
3.24 "Individualized instructional or cooperative learning materials" means educational materials
3.25 which:

3.26 ~~(a)~~ (1) are designed primarily for individual pupil use or use by pupils in a cooperative
3.27 learning group in a particular class or program in the school the pupil regularly attends,
3.28 including teacher materials that accompany materials that a pupil uses;

3.29 ~~(b)~~ (2) are secular, neutral, nonideological and not capable of diversion for religious
3.30 use; and

3.31 ~~(c)~~ (3) are available, used by, or of benefit to Minnesota public school pupils.

4.1 (b) Subject to the requirements in ~~clauses (a), (b), and (c)~~ paragraph (a), "individualized
4.2 instructional or cooperative learning materials" include, but are not limited to, the following
4.3 if they do not fall within the definition of "textbook" in subdivision 2: published materials;
4.4 periodicals; documents; pamphlets; photographs; reproductions; pictorial or graphic works;
4.5 prerecorded video programs; prerecorded tapes, cassettes and other sound recordings;
4.6 manipulative materials; desk charts; games; study prints and pictures; desk maps; models;
4.7 learning kits; blocks or cubes; flash cards; individualized multimedia systems; prepared
4.8 instructional computer software programs; choral and band sheet music; electronic books
4.9 and other printed materials delivered electronically; and CD-Rom.

4.10 (c) "Individualized instructional or cooperative learning materials" do not include
4.11 instructional equipment, instructional hardware, or ordinary daily consumable classroom
4.12 supplies.

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

4.14 Sec. 4. Minnesota Statutes 2018, section 123B.42, subdivision 3, is amended to read:

9.6 Subd. 3. **Cost; limitation.** (a) The cost per pupil of the textbooks, individualized
9.7 instructional or cooperative learning materials, software or other educational technology,
9.8 and standardized tests provided for in this section for each school year must not exceed the
9.9 statewide average expenditure per pupil, adjusted pursuant to ~~clause paragraph~~ (b), by the
9.10 Minnesota public elementary and secondary schools for textbooks, individualized
9.11 instructional materials and standardized tests as computed and established by the department
9.12 by February 1 of the preceding school year from the most recent public school year data
9.13 then available.

9.14 (b) The cost computed in ~~clause paragraph~~ (a) shall be increased by an inflation
9.15 adjustment equal to the percent of increase in the formula allowance, pursuant to section
9.16 126C.10, subdivision 2, from the second preceding school year to the current school year.
9.17 ~~Notwithstanding the amount of the formula allowance for fiscal years 2015 and 2016 in~~
9.18 ~~section 126C.10, subdivision 2, the commissioner shall use the amount of the formula~~
9.19 ~~allowance for the current year minus \$414 in determining the inflation adjustment for fiscal~~
9.20 ~~years 2015 and 2016.~~

9.21 (c) The commissioner shall allot to the districts or intermediary service areas the total
9.22 cost for each school year of providing or loaning the textbooks, individualized instructional
9.23 or cooperative learning materials, software or other educational technology, and standardized
9.24 tests for the pupils in each nonpublic school. The allotment shall not exceed the product of
9.25 the statewide average expenditure per pupil, according to ~~clause paragraph~~ (a), adjusted
9.26 pursuant to ~~clause paragraph~~ (b), multiplied by the number of nonpublic school pupils who
9.27 make requests pursuant to this section and who are enrolled as of September 15 of the current
9.28 school year.

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

4.15 Subd. 3. **Cost; limitation.** (a) The cost per pupil of the textbooks, individualized
4.16 instructional or cooperative learning materials, software or other educational technology,
4.17 and standardized tests provided for in this section for each school year must not exceed the
4.18 statewide average expenditure per pupil, adjusted pursuant to ~~clause paragraph~~ (b), by the
4.19 Minnesota public elementary and secondary schools for textbooks, individualized
4.20 instructional materials and standardized tests as computed and established by the department
4.21 by February 1 of the preceding school year from the most recent public school year data
4.22 then available.

4.23 (b) The cost computed in ~~clause paragraph~~ (a) shall be increased by an inflation
4.24 adjustment equal to the percent of increase in the formula allowance, pursuant to section
4.25 126C.10, subdivision 2, from the second preceding school year to the current school year.
4.26 ~~Notwithstanding the amount of the formula allowance for fiscal years 2015 and 2016 in~~
4.27 ~~section 126C.10, subdivision 2, the commissioner shall use the amount of the formula~~
4.28 ~~allowance for the current year minus \$414 in determining the inflation adjustment for fiscal~~
4.29 ~~years 2015 and 2016.~~

4.30 (c) The commissioner shall allot to the districts or intermediary service areas the total
4.31 cost for each school year of providing or loaning the textbooks, individualized instructional
4.32 or cooperative learning materials, software or other educational technology, and standardized
4.33 tests for the pupils in each nonpublic school. The allotment shall not exceed the product of
4.34 the statewide average expenditure per pupil, according to ~~clause paragraph~~ (a), adjusted
5.1 pursuant to ~~clause paragraph~~ (b), multiplied by the number of nonpublic school pupils who
5.2 make requests pursuant to this section and who are enrolled as of September 15 of the current
5.3 school year.

5.4 Sec. 5. Minnesota Statutes 2018, section 123B.44, subdivision 1, is amended to read:

5.5 Subdivision 1. **Provided services.** The commissioner of education shall promulgate
5.6 rules under the provisions of chapter 14 requiring each district or other intermediary service
5.7 area: (a) to provide each year upon formal request by a specific date by or on behalf of a
5.8 nonpublic school pupil enrolled in a nonpublic school located in that district or area, the
5.9 same specific health services as are provided for public school pupils by the district where
5.10 the nonpublic school is located; and (b) to provide guidance and counseling services each
5.11 year upon formal request by a specific date by or on behalf of a nonpublic school secondary
5.12 pupil enrolled in a nonpublic school located in that district or area, the same specific guidance
5.13 and counseling services as are provided for public school secondary pupils by the district
5.14 where the nonpublic school is located or an elementary or secondary pupil enrolled in an
5.15 American-Indian-controlled tribal contract or grant school. The district where the nonpublic
5.16 school is located must provide the necessary transportation within the district boundaries
5.17 between the nonpublic school and a public school or neutral site for nonpublic school pupils
5.18 who are provided pupil support services under this section if the district elects to provide

9.30 Sec. 13. Minnesota Statutes 2018, section 123B.49, subdivision 4, is amended to read:
9.31 Subd. 4. **Board control of extracurricular activities.** (a) The board ~~may~~ must take
9.32 charge of and control all extracurricular activities of the teachers and children of the public
10.1 schools in the district. Extracurricular activities means all direct and personal services for
10.2 pupils for their enjoyment that are managed and operated under the guidance of an adult or

5.19 pupil support services at a site other than the nonpublic school. Each request for pupil
5.20 support services must set forth the guidance and counseling or health services requested by
5.21 or on behalf of all eligible nonpublic school pupils enrolled in a given nonpublic school.
5.22 No district or intermediary service area must not expend an amount for these pupil support
5.23 services which exceeds the amount allotted to it under this section.
5.24 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2020 and later.
5.25 Sec. 6. Minnesota Statutes 2018, section 123B.44, subdivision 5, is amended to read:
5.26 Subd. 5. **Guidance and counseling services; allotment.** Each school year the
5.27 commissioner shall allot to the school districts or intermediary service areas for the provision
5.28 of guidance and counseling services pursuant to this section the actual cost of the services
5.29 provided for the pupils in each respective nonpublic school for that school year. The allotment
5.30 for guidance and counseling services for the elementary pupils enrolled in an
5.31 American-Indian-controlled tribal contract or grant school must not exceed the average
5.32 expenditure per public school elementary pupil for these services by those Minnesota public
5.33 schools that provide these services to their elementary pupils, multiplied by the number of
6.1 elementary pupils in that particular American-Indian-controlled tribal contract or grant
6.2 school who request these services and who are enrolled as of September 15 of the current
6.3 school year. The allotment for guidance and counseling services for the secondary pupils
6.4 in each nonpublic school and American-Indian-controlled tribal contract or grant school
6.5 must not exceed the average expenditure per public school secondary pupil for these services
6.6 by those Minnesota public schools ~~which~~ that provide these services to their secondary
6.7 pupils, multiplied by the number of secondary pupils in that particular nonpublic school
6.8 and American-Indian-controlled tribal contract or grant school who request these services
6.9 and who are enrolled as of September 15 of the current school year.
6.10 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2020 and later.
6.11 Sec. 7. Minnesota Statutes 2018, section 123B.44, subdivision 6, is amended to read:
6.12 Subd. 6. **Computation of maximum allotments.** For purposes of computing maximum
6.13 allotments for each school year pursuant to this section, the average public school expenditure
6.14 per pupil for health services and the average public school expenditure per elementary and
6.15 secondary pupil for guidance and counseling services shall be computed and established
6.16 by the department by February 1 of the preceding school year from the most recent public
6.17 school year data then available.
6.18 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2020 and later.
6.19 Sec. 8. Minnesota Statutes 2018, section 123B.49, subdivision 4, is amended to read:
6.20 Subd. 4. **Board control of extracurricular activities.** (a) The board ~~may~~ must take
6.21 charge of and control all extracurricular activities of the teachers and children of the public
6.22 schools in the district. Extracurricular activities means all direct and personal services for
6.23 pupils for their enjoyment that are managed and operated under the guidance of an adult or

10.3 staff member. The board shall allow all resident pupils receiving instruction in a home
10.4 school as defined in section 123B.36, subdivision 1, paragraph (a), to be eligible to fully
10.5 participate in extracurricular activities on the same basis as public school students.

10.6 (b) Extracurricular activities have all of the following characteristics:

10.7 (1) they are not offered for school credit nor required for graduation;

10.8 (2) they are generally conducted outside school hours, or if partly during school hours,
10.9 at times agreed by the participants, and approved by school authorities;

10.10 (3) the content of the activities is determined primarily by the pupil participants under
10.11 the guidance of a staff member or other adult.

10.12 ~~(e) If the board does not take charge of and control extracurricular activities, these~~
10.13 ~~activities shall be self-sustaining with all expenses, except direct salary costs and indirect~~
10.14 ~~costs of the use of school facilities, met by dues, admissions, or other student fund-raising~~
10.15 ~~events. The general fund must reflect only those salaries directly related to and readily~~
10.16 ~~identified with the activity and paid by public funds. Other revenues and expenditures for~~
10.17 ~~extra curricular activities must be recorded according to the Manual for Activity Fund~~
10.18 ~~Accounting. Extracurricular activities not under board control must have an annual financial~~
10.19 ~~audit and must also be audited annually for compliance with this section.~~

10.20 ~~(d) If the board takes charge of and controls extracurricular activities, (c) Any or all~~
10.21 ~~costs of these activities may be provided from school revenues and all revenues and~~
10.22 ~~expenditures for these activities shall be recorded in the same manner as other revenues and~~
10.23 ~~expenditures of the district.~~

10.24 ~~(e) If the board takes charge of and controls extracurricular activities, (d) The teachers~~
10.25 ~~or pupils in the district must not participate in such activity, nor shall the school name or~~
10.26 ~~any allied name be used in connection therewith, except by consent and direction of the~~
10.27 ~~board.~~

10.28 (e) A school district must reserve revenue raised for extracurricular activities and spend
10.29 the revenue only for extracurricular activities.

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

11.1 Sec. 14. Minnesota Statutes 2018, section 123B.92, subdivision 1, is amended to read:

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

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

11.6 (1) the sum of:

6.24 staff member. The board shall allow all resident pupils receiving instruction in a home
6.25 school as defined in section 123B.36, subdivision 1, paragraph (a), to be eligible to fully
6.26 participate in extracurricular activities on the same basis as public school students.

6.27 (b) Extracurricular activities have all of the following characteristics:

6.28 (1) they are not offered for school credit nor required for graduation;

6.29 (2) they are generally conducted outside school hours, or if partly during school hours,
6.30 at times agreed by the participants, and approved by school authorities;

6.31 (3) the content of the activities is determined primarily by the pupil participants under
6.32 the guidance of a staff member or other adult.

7.1 ~~(e) If the board does not take charge of and control extracurricular activities, these~~
7.2 ~~activities shall be self-sustaining with all expenses, except direct salary costs and indirect~~
7.3 ~~costs of the use of school facilities, met by dues, admissions, or other student fund-raising~~
7.4 ~~events. The general fund must reflect only those salaries directly related to and readily~~
7.5 ~~identified with the activity and paid by public funds. Other revenues and expenditures for~~
7.6 ~~extra curricular activities must be recorded according to the Manual for Activity Fund~~
7.7 ~~Accounting. Extracurricular activities not under board control must have an annual financial~~
7.8 ~~audit and must also be audited annually for compliance with this section.~~

7.9 ~~(d) If the board takes charge of and controls extracurricular activities, (c) Any or all~~
7.10 ~~costs of these activities may be provided from school revenues and all revenues and~~
7.11 ~~expenditures for these activities shall be recorded in the same manner as other revenues and~~
7.12 ~~expenditures of the district.~~

7.13 ~~(e) If the board takes charge of and controls extracurricular activities, (d) The teachers~~
7.14 ~~or pupils in the district must not participate in such activity, nor shall the school name or~~
7.15 ~~any allied name be used in connection therewith, except by consent and direction of the~~
7.16 ~~board.~~

7.17 (e) A school district must reserve revenue raised for extracurricular activities and spend
7.18 the revenue only for extracurricular activities.

- 11.7 (i) all expenditures for transportation in the regular category, as defined in paragraph
11.8 (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus
- 11.9 (ii) an amount equal to one year's depreciation on the district's school bus fleet and
11.10 mobile units computed on a straight line basis at the rate of 15 percent per year for districts
11.11 operating a program under section 124D.128 for grades 1 to 12 for all students in the district
11.12 and 12-1/2 percent per year for other districts of the cost of the fleet, plus
- 11.13 (iii) an amount equal to one year's depreciation on the district's type III vehicles, as
11.14 defined in section 169.011, subdivision 71, which must be used a majority of the time for
11.15 pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per
11.16 year of the cost of the type three school buses by:
- 11.17 (2) the number of pupils eligible for transportation in the regular category, as defined
11.18 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause
11.19 (2).
- 11.20 (b) "Transportation category" means a category of transportation service provided to
11.21 pupils as follows:
- 11.22 (1) Regular transportation is:
- 11.23 (i) transportation to and from school during the regular school year for resident elementary
11.24 pupils residing one mile or more from the public or nonpublic school they attend, and
11.25 resident secondary pupils residing two miles or more from the public or nonpublic school
11.26 they attend, excluding desegregation transportation and noon kindergarten transportation;
11.27 but with respect to transportation of pupils to and from nonpublic schools, only to the extent
11.28 permitted by sections 123B.84 to 123B.87;
- 11.29 (ii) transportation of resident pupils to and from language immersion programs;
- 11.30 (iii) transportation of a pupil who is a custodial parent and that pupil's child between the
11.31 pupil's home and the child care provider and between the provider and the school, if the
11.32 home and provider are within the attendance area of the school;
- 12.1 (iv) transportation to and from or board and lodging in another district, of resident pupils
12.2 of a district without a secondary school; ~~and~~
- 12.3 (v) transportation to and from school during the regular school year required under
12.4 subdivision 3 for nonresident elementary pupils when the distance from the attendance area
12.5 border to the public school is one mile or more, and for nonresident secondary pupils when
12.6 the distance from the attendance area border to the public school is two miles or more,
12.7 excluding desegregation transportation and noon kindergarten transportation; and
- 12.8 (vi) transportation of pregnant or parenting pupils to and from a program that was
12.9 established on or before January 1, 2018, or that is in operation on or after July 1, 2021,
12.10 that provides:

- 12.11 (A) academic instruction;
- 12.12 (B) at least four hours per week of parenting instruction; and
- 12.13 (C) high-quality child care on site during the education day with the capacity to serve
- 12.14 all children of enrolled pupils.
- 12.15 For the purposes of this paragraph, a district may designate a licensed day care facility,
- 12.16 school day care facility, respite care facility, the residence of a relative, or the residence of
- 12.17 a person or other location chosen by the pupil's parent or guardian, or an after-school program
- 12.18 for children operated by a political subdivision of the state, as the home of a pupil for part
- 12.19 or all of the day, if requested by the pupil's parent or guardian, and if that facility, residence,
- 12.20 or program is within the attendance area of the school the pupil attends.
- 12.21 (2) Excess transportation is:
- 12.22 (i) transportation to and from school during the regular school year for resident secondary
- 12.23 pupils residing at least one mile but less than two miles from the public or nonpublic school
- 12.24 they attend, and transportation to and from school for resident pupils residing less than one
- 12.25 mile from school who are transported because of full-service school zones, extraordinary
- 12.26 traffic, drug, or crime hazards; and
- 12.27 (ii) transportation to and from school during the regular school year required under
- 12.28 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
- 12.29 border to the school is at least one mile but less than two miles from the public school they
- 12.30 attend, and for nonresident pupils when the distance from the attendance area border to the
- 12.31 school is less than one mile from the school and who are transported because of full-service
- 12.32 school zones, extraordinary traffic, drug, or crime hazards.
- 13.1 (3) Desegregation transportation is transportation within and outside of the district during
- 13.2 the regular school year of pupils to and from schools located outside their normal attendance
- 13.3 areas under a plan for desegregation mandated by the commissioner or under court order.
- 13.4 (4) "Transportation services for pupils with disabilities" is:
- 13.5 (i) transportation of pupils with disabilities who cannot be transported on a regular school
- 13.6 bus between home or a respite care facility and school;
- 13.7 (ii) necessary transportation of pupils with disabilities from home or from school to
- 13.8 other buildings, including centers such as developmental achievement centers, hospitals,
- 13.9 and treatment centers where special instruction or services required by sections 125A.03 to
- 13.10 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
- 13.11 where services are provided;
- 13.12 (iii) necessary transportation for resident pupils with disabilities required by sections
- 13.13 125A.12, and 125A.26 to 125A.48;
- 13.14 (iv) board and lodging for pupils with disabilities in a district maintaining special classes;

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

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

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

13.27 (viii) services described in clauses (i) to (vii), when provided for pupils with disabilities
13.28 in conjunction with a summer instructional program that relates to the pupil's individualized
13.29 education program or in conjunction with a learning year program established under section
13.30 124D.128.

13.31 For purposes of computing special education initial aid under section 125A.76, the cost
13.32 of providing transportation for children with disabilities includes (A) the additional cost of
13.33 transporting a student in a shelter care facility as defined in section 260C.007, subdivision
14.1 30, a homeless student in another district to the school of origin, or a formerly homeless
14.2 student from a permanent home in another district to the school of origin but only through
14.3 the end of the academic year; and (B) depreciation on district-owned school buses purchased
14.4 after July 1, 2005, and used primarily for transportation of pupils with disabilities, calculated
14.5 according to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled
14.6 transportation category must be excluded in calculating the actual expenditure per pupil
14.7 transported in the regular and excess transportation categories according to paragraph (a).
14.8 For purposes of subitem (A), a school district may transport a child who does not have a
14.9 school of origin to the same school attended by that child's sibling, if the siblings are homeless
14.10 or in a shelter care facility.

14.11 (5) "Nonpublic nonregular transportation" is:

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

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

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

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

14.24 **EFFECTIVE DATE.** This section is effective July 1, 2019.

7.19 Sec. 9. Minnesota Statutes 2018, section 124D.09, subdivision 4, is amended to read:

7.20 Subd. 4. **Alternative pupil.** (a) "Alternative pupil" means ~~an~~ a 10th, 11th, or 12th grade
7.21 student, subject to paragraph (b), who is not enrolled in a public school district, ~~and includes.~~
7.22 Alternative pupil includes students attending nonpublic schools and students who are home
7.23 schooled. An alternative pupil is considered a pupil for purposes of this section only. An
7.24 alternative pupil must register with the commissioner of education before participating in
7.25 the postsecondary enrollment options program. The commissioner ~~shall~~ must prescribe the
7.26 form and manner of the registration, in consultation with the Nonpublic Education Council
7.27 under section 123B.445, and may request any necessary information from the alternative
7.28 pupil.

7.29 (b) A 10th grade student qualifies as an alternative pupil if the student: (1) is enrolled
7.30 in a career or technical education course offered by an eligible institution; and (2) received
7.31 a passing score on the 8th grade Minnesota Comprehensive Assessment, or another reading
7.32 assessment accepted by the enrolling postsecondary institution. A career or technical
7.33 education course must meet the requirements under subdivision 5a. If an alternative pupil
7.34 in 10th grade receives a grade of "C" or better in the career or technical education course
8.1 taken under this subdivision, the postsecondary institution must allow the student to take
8.2 additional postsecondary courses for credit at that institution, not to exceed the limits in
8.3 subdivision 8.

8.4 **EFFECTIVE DATE.** This section is effective for applications submitted on or after
8.5 July 1, 2019.

NOTE: SECTIONS 10 AND 11 MOVED TO ARTICLE 2; SECTION 12 MOVED TO ARTICLE 3

10.5 Sec. 13. Minnesota Statutes 2018, section 124D.09, subdivision 22, is amended to read:

10.6 Subd. 22. **Transportation.** (a) A parent or guardian of a pupil enrolled in a course for
10.7 secondary credit may apply to the pupil's district of residence for reimbursement for
10.8 transporting the pupil between the secondary school in which the pupil is enrolled or the
10.9 pupil's home and the postsecondary institution that the pupil attends. The state shall provide
10.10 state aid to a district in an amount sufficient to reimburse the parent or guardian for the
10.11 necessary transportation costs when the ~~family's or guardian's income is at or below the~~
10.12 poverty level, as determined by the federal government pupil is eligible for a free or
10.13 reduced-price meal. The reimbursement shall be the pupil's actual cost of transportation or

14.25 Sec. 15. Minnesota Statutes 2018, section 124D.4531, is amended to read:
14.26 124D.4531 CAREER AND TECHNICAL REVENUE.

14.27 Subdivision 1. **Career and technical revenue.** (a) A district with a career and technical
14.28 program approved under this section for the fiscal year in which the levy is certified is
14.29 eligible for career and technical revenue equal to ~~35~~ 50 percent of approved expenditures
14.30 in the fiscal year in which the levy is certified for the following:

14.31 (1) salaries paid to essential, licensed personnel providing direct instructional services
14.32 to students in that fiscal year, including extended contracts, for services rendered in the
15.1 district's approved career and technical education programs, excluding salaries reimbursed
15.2 by another school district under clause (2);

15.3 (2) amounts paid to another Minnesota school district for salaries of essential, licensed
15.4 personnel providing direct instructional services to students in that fiscal year for services
15.5 rendered in the district's approved career and technical education programs;

15.6 (3) contracted services provided by a public or private agency other than a Minnesota
15.7 school district or cooperative center under chapter 123A or 136D;

15.8 (4) necessary travel between instructional sites by licensed career and technical education
15.9 personnel;

15.10 (5) necessary travel by licensed career and technical education personnel for vocational
15.11 student organization activities held within the state for instructional purposes;

10.14 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than
10.15 250 miles per week. However, if the nearest postsecondary institution is more than 25 miles
10.16 from the pupil's resident secondary school, the weekly reimbursement may not exceed the
10.17 reimbursement rate per mile times the actual distance between the secondary school or the
10.18 pupil's home and the nearest postsecondary institution times ten. The state must pay aid to
10.19 the district according to this subdivision.

10.20 (b) A parent or guardian of an alternative pupil enrolled in a course for secondary credit
10.21 may apply to the pupil's postsecondary institution for reimbursement for transporting the
10.22 pupil between the secondary school in which the pupil is enrolled or the pupil's home and
10.23 the postsecondary institution in an amount sufficient to reimburse the parent or guardian
10.24 for the necessary transportation costs when the ~~family's or guardian's income is at or below~~
10.25 ~~the poverty level, as determined by the federal government~~ pupil is eligible for a free or
10.26 reduced-price meal. The amount of the reimbursement shall be determined as in paragraph
10.27 (a). The state must pay aid to the postsecondary institution according to this subdivision.

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

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

- 15.12 (6) curriculum development activities that are part of a five-year plan for improvement
15.13 based on program assessment;
- 15.14 (7) necessary travel by licensed career and technical education personnel for noncollegiate
15.15 credit-bearing professional development; and
- 15.16 (8) specialized vocational instructional supplies.
- 15.17 (b) The district must recognize the full amount of this levy as revenue for the fiscal year
15.18 in which it is certified.
- 15.19 (c) The amount of the revenue calculated under this subdivision may not exceed
15.20 \$17,850,000 for taxes payable in 2012, \$15,520,000 for taxes payable in 2013, and
15.21 \$20,657,000 for taxes payable in 2014.
- 15.22 (d) If the estimated revenue exceeds the amount in paragraph (c), the commissioner must
15.23 reduce the percentage in paragraph (a) until the estimated revenue no longer exceeds the
15.24 limit in paragraph (c).
- 15.25 Subd. 1a. **Career and technical levy.** (a) For fiscal year 2014 only, a district may levy
15.26 an amount not more than the product of its career and technical revenue times the lesser of
15.27 one or the ratio of its adjusted net tax capacity per adjusted pupil unit in the fiscal year in
15.28 which the levy is certified to the career and technical revenue equalizing factor. The career
15.29 and technical revenue equalizing factor for fiscal year 2014 equals \$7,612.
- 15.30 (b) For fiscal year 2015 and later, A district may levy an amount not more than the
15.31 product of its career and technical revenue times the lesser of one or the ratio of its adjusted
15.32 net tax capacity per adjusted pupil unit in the fiscal year in which the levy is certified to the
16.1 career and technical revenue equalizing factor. The career and technical revenue equalizing
16.2 factor for fiscal year 2015 and later equals ~~\$7,612~~ \$13,575.
- 16.3 Subd. 1b. **Career and technical aid.** For fiscal year 2014 and later, A district's career
16.4 and technical aid equals its career and technical revenue less its career and technical levy.
16.5 If the district levy is less than the permitted levy, the district's career and technical aid shall
16.6 be reduced proportionately.
- 16.7 Subd. 2. **Allocation from cooperative centers and intermediate districts.** For purposes
16.8 of this section, a cooperative center or an intermediate district must allocate its approved
16.9 expenditures for career and technical education programs among participating districts.
- 16.10 Subd. 3. **Revenue guarantee.** Notwithstanding subdivision 1, paragraph (a), the career
16.11 and technical education revenue for a district is not less than the lesser of:
- 16.12 (1) the district's career and technical education revenue for the previous fiscal year; or
16.13 (2) 100 percent of the approved expenditures for career and technical programs included
16.14 in subdivision 1, paragraph (a), for the fiscal year in which the levy is certified.

16.15 Subd. 3a. **Revenue adjustments.** Notwithstanding subdivisions 1, 1a, and 3, for taxes
16.16 payable in 2012 to 2014 only, the department must calculate the career and technical revenue
16.17 for each district according to Minnesota Statutes 2010, section 124D.4531, and adjust the
16.18 revenue for each district proportionately to meet the statewide revenue target under
16.19 subdivision 1, paragraph (c). For purposes of calculating the revenue guarantee under
16.20 subdivision 3, the career and technical education revenue for the previous fiscal year is the
16.21 revenue according to Minnesota Statutes 2010, section 124D.4531, before adjustments to
16.22 meet the statewide revenue target.

16.23 Subd. 4. **District reports.** Each district or cooperative center must report data to the
16.24 department for all career and technical education programs as required by the department
16.25 to implement the career and technical revenue formula.

16.26 Subd. 5. **Allocation from districts participating in agreements for secondary**
16.27 **education or interdistrict cooperation.** For purposes of this section, a district with a career
16.28 and technical program approved under this section that participates in an agreement under
16.29 section 123A.30 or 123A.32 must allocate its revenue authority under this section among
16.30 participating districts.

16.31 **EFFECTIVE DATE.** This section is effective for fiscal year 2021 and later.

17.1 Sec. 16. Minnesota Statutes 2018, section 124D.65, subdivision 5, is amended to read:

17.2 Subd. 5. **School district ~~EL~~ English learner program revenue.** (a) A district's English
17.3 learner programs revenue equals the product of (1) ~~\$704~~ \$740 times (2) the greater of 20
17.4 or the adjusted average daily membership of eligible English learners enrolled in the district
17.5 during the current fiscal year.

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

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

17.10 Sec. 17. Minnesota Statutes 2018, section 124E.12, is amended by adding a subdivision
17.11 to read:

17.12 Subd. 7. **Prospective employees.** A charter school must, before making an offer of
17.13 employment to a person, request a copy of the person's personnel file from the previous
17.14 employing district or charter school.

17.15 Sec. 18. Minnesota Statutes 2018, section 124E.20, subdivision 1, is amended to read:

17.16 Subdivision 1. **Revenue calculation.** (a) General education revenue must be paid to a
17.17 charter school as though it were a district. The general education revenue for each adjusted
17.18 pupil unit is the state average general education revenue per pupil unit, plus the referendum
17.19 equalization aid allowance and first tier local optional aid allowance in the pupil's district
17.20 of residence, minus an amount equal to the product of the formula allowance according to

10.31 Sec. 14. Minnesota Statutes 2018, section 124E.20, subdivision 1, is amended to read:

10.32 Subdivision 1. **Revenue calculation.** (a) General education revenue must be paid to a
10.33 charter school as though it were a district. The general education revenue for each adjusted
11.1 pupil unit is the state average general education revenue per pupil unit, plus the referendum
11.2 equalization aid allowance and first tier local optional aid allowance in the pupil's district
11.3 of residence, minus an amount equal to the product of the formula allowance according to

17.21 section 126C.10, subdivision 2, times .0466, calculated without declining enrollment revenue,
17.22 local optional revenue, basic skills revenue, extended time revenue, pension adjustment
17.23 revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment
17.24 revenue, basic skills revenue, pension adjustment revenue, and transition revenue as though
17.25 the school were a school district.

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

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

18.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

18.4 Sec. 19. Minnesota Statutes 2018, section 126C.10, subdivision 2, is amended to read:

18.5 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
18.6 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
18.7 ~~2017 is \$6,067. The formula allowance for fiscal year 2018 is \$6,188. The formula allowance~~
18.8 ~~for fiscal year 2019 and later is \$6,312. The formula allowance for fiscal year 2020 is \$6,501.~~
18.9 The formula allowance for fiscal year 2021 and later is \$6,631.

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

18.11 Sec. 20. Minnesota Statutes 2018, section 126C.10, subdivision 2d, is amended to read:

18.12 Subd. 2d. **Declining enrollment revenue.** (a) A school district's declining enrollment
18.13 revenue equals the greater of zero or the product of: (1) 28 percent of the formula allowance
18.14 for that year and (2) the difference between the adjusted pupil units for the preceding year
18.15 and the adjusted pupil units for the current year.

18.16 (b) Notwithstanding paragraph (a), for fiscal years 2015, 2016, and 2017 only, a pupil
18.17 enrolled at the Crosswinds school shall not generate declining enrollment revenue for the
18.18 district or charter school in which the pupil was last counted in average daily membership.

18.19 (c) Notwithstanding paragraph (a), for fiscal years 2017, 2018, and 2019 only,
18.20 prekindergarten pupil units under section 126C.05, subdivision 1, paragraph (c), must
18.21 be excluded from the calculation of declining enrollment revenue.

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

18.23 Sec. 21. Minnesota Statutes 2018, section 126C.10, subdivision 2e, is amended to read:

18.24 Subd. 2e. **Local optional revenue.** (a) For fiscal year 2020, local optional revenue for
18.25 a school district equals \$424 times the adjusted pupil units of the district for that school

11.4 section 126C.10, subdivision 2, times .0466, calculated without declining enrollment revenue,
11.5 local optional revenue, basic skills revenue, extended time revenue, pension adjustment
11.6 revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment
11.7 revenue, basic skills revenue, pension adjustment revenue, and transition revenue as though
11.8 the school were a school district.

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

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

11.17 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

11.18 Sec. 15. Minnesota Statutes 2018, section 126C.10, subdivision 2, is amended to read:

11.19 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
11.20 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
11.21 ~~2017 is \$6,067. The formula allowance for fiscal year 2018 is \$6,188. The formula allowance~~
11.22 ~~for fiscal year 2019 and later is \$6,312. The formula allowance for fiscal year 2020 is \$6,343~~
11.23 The formula allowance for fiscal year 2021 and later is \$6,375.

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

11.25 Sec. 16. Minnesota Statutes 2018, section 126C.10, subdivision 2e, is amended to read:

11.26 Subd. 2e. **Local optional revenue.** (a) For fiscal year 2020, local optional revenue for
11.27 a school district equals \$424 times the adjusted pupil units of the district for that school

18.26 year. For fiscal year 2021 and later, local optional revenue for a school district equals the
18.27 sum of the district's first tier local optional revenue and second tier local optional revenue.
18.28 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
18.29 district for that school year. A district's second tier local optional revenue equals \$424 times
18.30 the adjusted pupil units of the district for that school year.

19.1 (b) For fiscal year 2020, a district's local optional levy equals its local optional revenue
19.2 times the lesser of one or the ratio of its referendum market value per resident pupil unit to
19.3 \$510,000. For fiscal year 2021 and later, a district's local optional levy equals the sum of
19.4 the first tier local optional levy and the second tier local optional levy. A district's first tier
19.5 local optional levy equals the district's first tier local optional revenue times the lesser of
19.6 one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.
19.7 A district's second tier local optional levy equals the district's second tier local optional
19.8 revenue times the lesser of one or the ratio of the district's referendum market value per
19.9 resident pupil unit to \$510,000. The local optional ~~revenue~~ levy must be spread on referendum
19.10 market value. A district may levy less than the permitted amount.

19.11 (c) A district's local optional aid equals its local optional revenue ~~less~~ minus its local
19.12 optional levy, ~~times the ratio of the actual amount levied to the permitted levy.~~ If a district's
19.13 actual levy for first or second tier local optional revenue is less than its maximum levy limit
19.14 for that tier, its aid must be proportionately reduced.

19.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

19.16 Sec. 22. Minnesota Statutes 2018, section 126C.10, subdivision 3, is amended to read:

19.17 Subd. 3. **Compensatory education revenue.** (a) The compensatory education revenue
19.18 for each building in the district equals the formula allowance minus \$839 times the
19.19 compensation revenue pupil units computed according to section 126C.05, subdivision 3.
19.20 A district's compensatory revenue equals the sum of its compensatory revenue for each
19.21 building in the district and the amounts designated under Laws 2015, First Special Session
19.22 chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017. Revenue shall be paid
19.23 to the district and must be allocated according to section 126C.15, subdivision 2.

19.24 (b) When the district contracting with an alternative program under section 124D.69
19.25 changes prior to the start of a school year, the compensatory revenue generated by pupils
19.26 attending the program shall be paid to the district contracting with the alternative program
19.27 for the current school year, and shall not be paid to the district contracting with the alternative
19.28 program for the prior school year.

19.29 (c) When the fiscal agent district for an area learning center changes prior to the start of
19.30 a school year, the compensatory revenue shall be paid to the fiscal agent district for the
19.31 current school year, and shall not be paid to the fiscal agent district for the prior school year.

19.32 (d) Of the amount of revenue under this subdivision, 1.7 percent for fiscal year 2018,
19.33 3.5 percent for fiscal year 2019, and for fiscal year 2020 and later, 3.5 percent plus the

11.28 year. For fiscal year 2021 and later, local optional revenue for a school district equals the
11.29 sum of the district's first tier local optional revenue and second tier local optional revenue.
11.30 A district's first tier local optional revenue equals \$300 times the adjusted pupil units of the
11.31 district for that school year. A district's second tier local optional revenue equals \$424 times
11.32 the adjusted pupil units of the district for that school year.

12.1 (b) For fiscal year 2020, a district's local optional levy equals its local optional revenue
12.2 times the lesser of one or the ratio of its referendum market value per resident pupil unit to
12.3 \$510,000. For fiscal year 2021 and later, a district's local optional levy equals the sum of
12.4 the first tier local optional levy and the second tier local optional levy. A district's first tier
12.5 local optional levy equals the district's first tier local optional revenue times the lesser of
12.6 one or the ratio of the district's referendum market value per resident pupil unit to \$880,000.
12.7 A district's second tier local optional levy equals the district's second tier local optional
12.8 revenue times the lesser of one or the ratio of the district's referendum market value per
12.9 resident pupil unit to \$510,000. The local optional ~~revenue~~ levy must be spread on referendum
12.10 market value. A district may levy less than the permitted amount.

12.11 (c) A district's local optional aid equals its local optional revenue ~~less~~ minus its local
12.12 optional levy, ~~times the ratio of the actual amount levied to the permitted levy.~~ If a district's
12.13 actual levy for first or second tier local optional revenue is less than its maximum levy limit
12.14 for that tier, its aid must be proportionately reduced.

12.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

20.1 ~~percentage change in the formula allowance from fiscal year 2019, must be used for extended~~
20.2 ~~time activities under subdivision 2a, paragraph (e).~~

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

20.4 Sec. 23. Minnesota Statutes 2018, section 126C.10, subdivision 13a, is amended to read:

20.5 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
20.6 levy an amount not more than the product of its operating capital revenue for the fiscal year
20.7 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
20.8 the operating capital equalizing factor. The operating capital equalizing factor equals ~~\$15,740~~
20.9 ~~for fiscal year 2017, \$20,548 for fiscal year 2018, \$24,241 for fiscal year 2019, and \$22,912~~
20.10 ~~\$23,902 for fiscal year 2020, \$23,885 for fiscal year 2021, \$23,895 for fiscal year 2022,~~
20.11 ~~and \$23,974 for fiscal year 2023 and later.~~

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

20.13 Sec. 24. Minnesota Statutes 2018, section 126C.10, subdivision 18a, is amended to read:

20.14 Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special
20.15 school district's transportation sparsity revenue under subdivision 18 is increased by the
20.16 greater of zero or 18.2 percent of the difference between:

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

20.20 (2) the sum of:

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

20.22 (ii) transportation sparsity revenue under subdivision 18 for the previous fiscal year;

20.23 ~~and~~

20.24 (iii) the district's charter school transportation adjustment for the previous fiscal year;

20.25 ~~and~~

20.26 (iv) the district's reimbursement for transportation provided under section 123B.92,
20.27 subdivision 1, paragraph (b), clause (1), item (vi).

20.28 (b) A charter school's pupil transportation adjustment equals the school district per pupil
20.29 adjustment under paragraph (a).

20.30 **EFFECTIVE DATE.** This section is effective July 1, 2019.

21.1 Sec. 25. Minnesota Statutes 2018, section 126C.10, subdivision 24, is amended to read:

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

21.3 (1) the school district's adjusted pupil unit amount of basic revenue, transition revenue,
21.4 first tier local optional revenue, and referendum revenue is less than the value of the school

12.16 Sec. 17. Minnesota Statutes 2018, section 126C.10, subdivision 24, is amended to read:

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

12.18 (1) the school district's adjusted pupil unit amount of basic revenue, transition revenue,
12.19 first tier local optional revenue, and referendum revenue is less than the value of the school

21.5 district at or immediately above the 95th percentile of school districts in its equity region
21.6 for those revenue categories; and

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

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

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

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

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

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

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

21.31 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

22.1 Sec. 26. Minnesota Statutes 2018, section 126C.126, is amended to read:
22.2 **126C.126 USE OF GENERAL EDUCATION REVENUE FOR ALL-DAY**
22.3 **KINDERGARTEN AND PREKINDERGARTEN.**

22.4 A school district may spend general education revenue on extended time kindergarten
22.5 and prekindergarten programs. At the school board's discretion, the district may use revenue
22.6 generated by the ~~all-day~~ kindergarten pupil count under section 126C.05, subdivision 1,
22.7 paragraph (d), to meet the needs of three- and four-year-olds in the district. ~~A school district~~
22.8 ~~may not use these funds on programs for three- and four-year-old children while maintaining~~
22.9 ~~a fee-based all-day kindergarten program.~~

12.20 district at or immediately above the 95th percentile of school districts in its equity region
12.21 for those revenue categories; and

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

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

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

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

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

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

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

13.13 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

22.10 **EFFECTIVE DATE.** This section is effective for the 2020-2021 school year and later.

22.11 Sec. 27. Minnesota Statutes 2018, section 126C.17, subdivision 1, is amended to read:

22.12 Subdivision 1. **Referendum allowance.** (a) A district's initial referendum allowance for

22.13 fiscal year 2021 and later equals the result of the following calculations:

22.14 (1) ~~multiply the referendum allowance the district would have received for fiscal year~~

22.15 ~~2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on elections~~

22.16 ~~held before July 1, 2013, by the resident marginal cost pupil units the district would have~~

22.17 ~~counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;~~

22.18 (2) ~~add to the result of clause (1) the adjustment the district would have received under~~

22.19 ~~Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based~~

22.20 ~~on elections held before July 1, 2013;~~

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

22.22 ~~2015;~~

22.23 (4) ~~add to the result of clause (3) any additional referendum allowance per adjusted pupil~~

22.24 ~~unit authorized by elections held between July 1, 2013, and December 31, 2013;~~

22.25 (5) ~~add to the result in clause (4) any additional referendum allowance resulting from~~

22.26 ~~inflation adjustments approved by the voters prior to January 1, 2014;~~

22.27 (6) ~~subtract from the result of clause (5), the sum of a district's actual local optional levy~~

22.28 ~~and local optional aid under section 126C.10, subdivision 2e, divided by the adjusted pupil~~

22.29 ~~units of the district for that school year; and~~

22.30 (1) subtract \$424 from the district's allowance under Minnesota Statutes 2018, section

22.31 126C.17, subdivision 1, paragraph (a), clause (5);

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

23.2 (3) add to the result in clause (2) any new referendum allowance authorized between

23.3 July 1, 2013, and December 31, 2013, under Minnesota Statutes 2013, section 126C.17,

23.4 subdivision 9a;

23.5 (4) add to the result in clause (3) any additional referendum allowance per adjusted pupil

23.6 unit authorized between January 1, 2014, and June 30, 2019;

23.7 (5) subtract from the result in clause (4) any allowances expiring in fiscal year 2016,

23.8 2017, 2018, 2019, or 2020;

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

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

23.11 (b) A district's referendum allowance equals the sum of the district's initial referendum

23.12 allowance, plus any new referendum allowance authorized ~~between July 1, 2013, and~~

13.14 Sec. 18. Minnesota Statutes 2018, section 126C.17, subdivision 1, is amended to read:

13.15 Subdivision 1. **Referendum allowance.** (a) A district's initial referendum allowance for

13.16 fiscal year 2021 and later equals the result of the following calculations:

13.17 (1) ~~multiply the referendum allowance the district would have received for fiscal year~~

13.18 ~~2015 under Minnesota Statutes 2012, section 126C.17, subdivision 1, based on elections~~

13.19 ~~held before July 1, 2013, by the resident marginal cost pupil units the district would have~~

13.20 ~~counted for fiscal year 2015 under Minnesota Statutes 2012, section 126C.05;~~

13.21 (2) ~~add to the result of clause (1) the adjustment the district would have received under~~

13.22 ~~Minnesota Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based~~

13.23 ~~on elections held before July 1, 2013;~~

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

13.25 ~~2015;~~

13.26 (4) ~~add to the result of clause (3) any additional referendum allowance per adjusted pupil~~

13.27 ~~unit authorized by elections held between July 1, 2013, and December 31, 2013;~~

13.28 (5) ~~add to the result in clause (4) any additional referendum allowance resulting from~~

13.29 ~~inflation adjustments approved by the voters prior to January 1, 2014;~~

13.30 (6) ~~subtract from the result of clause (5), the sum of a district's actual local optional levy~~

13.31 ~~and local optional aid under section 126C.10, subdivision 2e, divided by the adjusted pupil~~

13.32 ~~units of the district for that school year; and~~

14.1 (1) subtract \$424 from the district's allowance under Minnesota Statutes 2018, section

14.2 126C.17, subdivision 1, paragraph (a), clause (5);

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

14.4 (3) add to the result in clause (2) any new referendum allowance authorized between

14.5 July 1, 2013, and December 31, 2013, under Minnesota Statutes 2013, section 126C.17,

14.6 subdivision 9a;

14.7 (4) add to the result in clause (3) any additional referendum allowance per adjusted pupil

14.8 unit authorized between January 1, 2014, and June 30, 2019;

14.9 (5) subtract from the result in clause (4) any allowances expiring in fiscal year 2016,

14.10 2017, 2018, 2019, or 2020;

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

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

14.13 (b) A district's referendum allowance equals the sum of the district's initial referendum

14.14 allowance, plus any new referendum allowance authorized ~~between July 1, 2013, and~~

23.13 ~~December 31, 2013, under subdivision 9a, plus any additional referendum allowance per~~
23.14 ~~adjusted pupil unit authorized after December 31, 2013 after July 1, 2019, minus any~~
23.15 ~~allowances expiring in fiscal year ~~2016~~ 2021 or later, plus any inflation adjustments for~~
23.16 ~~fiscal year 2021 and later approved by the voters prior to July 1, 2019, provided that the~~
23.17 ~~allowance may not be less than zero. For a district with more than one referendum allowance~~
23.18 ~~for fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, the allowance calculated~~
23.19 ~~under paragraph (a), clause (3), must be divided into components such that the same~~
23.20 ~~percentage of the district's allowance expires at the same time as the old allowances would~~
23.21 ~~have expired under Minnesota Statutes 2012, section 126C.17. For a district with more than~~
23.22 ~~one allowance for fiscal year 2015 that expires in the same year, the reduction under~~
23.23 ~~paragraph (a), ~~clause~~ clauses (1) and (6), to offset local optional revenue shall be made first~~
23.24 ~~from any allowances that do not have an inflation adjustment approved by the voters.~~

23.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

23.26 Sec. 28. Minnesota Statutes 2018, section 126C.17, subdivision 2, is amended to read:

23.27 Subd. 2. **Referendum allowance limit.** (a) Notwithstanding subdivision 1, for fiscal
23.28 year ~~2015~~ 2021 and later, a district's referendum allowance must not exceed ~~the annual~~
23.29 ~~inflationary increase as calculated under paragraph (b) times the greatest greater of:~~

23.30 (1) ~~\$1,845~~ the product of the annual inflationary increase as calculated under paragraph
23.31 (b), and \$2,079.50, minus \$300;

24.1 (2) ~~the product of the annual inflationary increase as calculated under paragraph (b),~~
24.2 ~~and the sum of the referendum revenue the district would have received for fiscal year 2015~~
24.3 ~~under Minnesota Statutes 2012, section 126C.17, subdivision 4, based on elections held~~
24.4 ~~before July 1, 2013, and the adjustment the district would have received under Minnesota~~
24.5 ~~Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based on elections~~
24.6 ~~held before July 1, 2013, divided by the district's adjusted pupil units for fiscal year 2015,~~
24.7 ~~minus \$300;~~

24.8 (3) ~~the product of the referendum allowance limit the district would have received for~~
24.9 ~~fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 2, and the~~
24.10 ~~resident marginal cost pupil units the district would have received for fiscal year 2015 under~~
24.11 ~~Minnesota Statutes 2012, section 126C.05, subdivision 6, plus the adjustment the district~~
24.12 ~~would have received under Minnesota Statutes 2012, section 127A.47, subdivision 7,~~
24.13 ~~paragraphs (a), (b), and (c), based on elections held before July 1, 2013, divided by the~~
24.14 ~~district's adjusted pupil units for fiscal year 2015; minus \$424 for a newly reorganized~~
24.15 ~~district created on July 1, 2020, the referendum revenue authority for each reorganizing~~
24.16 ~~district in the year preceding reorganization divided by its adjusted pupil units for the year~~
24.17 ~~preceding reorganization, minus \$300; or~~

24.18 (4) for a newly reorganized district created after July 1, ~~2013~~ 2021, the referendum
24.19 revenue authority for each reorganizing district in the year preceding reorganization divided
24.20 by its adjusted pupil units for the year preceding reorganization.

14.15 ~~December 31, 2013, under subdivision 9a, plus any additional referendum allowance per~~
14.16 ~~adjusted pupil unit authorized after December 31, 2013 after July 1, 2019, minus any~~
14.17 ~~allowances expiring in fiscal year ~~2016~~ 2021 or later, plus any inflation adjustments for~~
14.18 ~~fiscal year 2021 and later approved by the voters prior to July 1, 2019, provided that the~~
14.19 ~~allowance may not be less than zero. For a district with more than one referendum allowance~~
14.20 ~~for fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, the allowance calculated~~
14.21 ~~under paragraph (a), clause (3), must be divided into components such that the same~~
14.22 ~~percentage of the district's allowance expires at the same time as the old allowances would~~
14.23 ~~have expired under Minnesota Statutes 2012, section 126C.17. For a district with more than~~
14.24 ~~one allowance for fiscal year 2015 that expires in the same year, the reduction under~~
14.25 ~~paragraph (a), ~~clause~~ clauses (1) and (6), to offset local optional revenue shall be made first~~
14.26 ~~from any allowances that do not have an inflation adjustment approved by the voters.~~

14.27 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

14.28 Sec. 19. Minnesota Statutes 2018, section 126C.17, subdivision 2, is amended to read:

14.29 Subd. 2. **Referendum allowance limit.** (a) Notwithstanding subdivision 1, for fiscal
14.30 year ~~2015~~ 2021 and later, a district's referendum allowance must not exceed ~~the annual~~
14.31 ~~inflationary increase as calculated under paragraph (b) times the greatest greater of:~~

15.1 (1) ~~\$1,845~~ the product of the annual inflationary increase as calculated under paragraph
15.2 (b), and \$2,079.50, minus \$300;

15.3 (2) ~~the product of the annual inflationary increase as calculated under paragraph (b),~~
15.4 ~~and the sum of the referendum revenue the district would have received for fiscal year 2015~~
15.5 ~~under Minnesota Statutes 2012, section 126C.17, subdivision 4, based on elections held~~
15.6 ~~before July 1, 2013, and the adjustment the district would have received under Minnesota~~
15.7 ~~Statutes 2012, section 127A.47, subdivision 7, paragraphs (a), (b), and (c), based on elections~~
15.8 ~~held before July 1, 2013, divided by the district's adjusted pupil units for fiscal year 2015,~~
15.9 ~~minus \$300;~~

15.10 (3) ~~the product of the referendum allowance limit the district would have received for~~
15.11 ~~fiscal year 2015 under Minnesota Statutes 2012, section 126C.17, subdivision 2, and the~~
15.12 ~~resident marginal cost pupil units the district would have received for fiscal year 2015 under~~
15.13 ~~Minnesota Statutes 2012, section 126C.05, subdivision 6, plus the adjustment the district~~
15.14 ~~would have received under Minnesota Statutes 2012, section 127A.47, subdivision 7,~~
15.15 ~~paragraphs (a), (b), and (c), based on elections held before July 1, 2013, divided by the~~
15.16 ~~district's adjusted pupil units for fiscal year 2015; minus \$424 for a newly reorganized~~
15.17 ~~district created on July 1, 2020, the referendum revenue authority for each reorganizing~~
15.18 ~~district in the year preceding reorganization divided by its adjusted pupil units for the year~~
15.19 ~~preceding reorganization, minus \$300; or~~

15.20 (4) for a newly reorganized district created after July 1, ~~2013~~ 2021, the referendum
15.21 revenue authority for each reorganizing district in the year preceding reorganization divided
15.22 by its adjusted pupil units for the year preceding reorganization.

24.21 (b) For purposes of this subdivision, for fiscal year ~~2016~~ 2022 and later, "inflationary
24.22 increase" means one plus the percentage change in the Consumer Price Index for urban
24.23 consumers, as prepared by the United States Bureau of Labor ~~Standards~~ Statistics, for the
24.24 current fiscal year to fiscal year ~~2015~~. For fiscal year ~~2016~~ and later, for purposes of
24.25 paragraph (a), clause (3), the inflationary increase equals one-fourth of the percentage
24.26 increase in the formula allowance for that year compared with the formula allowance for
24.27 fiscal year ~~2015~~ 2021.

24.28 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

24.29 Sec. 29. Minnesota Statutes 2018, section 126C.17, subdivision 5, is amended to read:

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

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

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

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

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

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

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

25.16 (h) (f) Notwithstanding paragraph (g) (c), the ~~third~~ second tier referendum allowance
25.17 for a district qualifying for secondary sparsity revenue under section 126C.10, subdivision
25.18 7, or elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
25.19 referendum allowance under subdivision 1 minus the sum of the district's first tier referendum
25.20 equalization allowance ~~and second tier referendum equalization allowance.~~

25.21 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

25.22 Sec. 30. Minnesota Statutes 2018, section 126C.17, subdivision 6, is amended to read:

15.23 (b) For purposes of this subdivision, for fiscal year ~~2016~~ 2022 and later, "inflationary
15.24 increase" means one plus the percentage change in the Consumer Price Index for urban
15.25 consumers, as prepared by the United States Bureau of Labor ~~Standards~~ Statistics, for the
15.26 current fiscal year to fiscal year ~~2015~~. For fiscal year ~~2016~~ and later, for purposes of
15.27 paragraph (a), clause (3), the inflationary increase equals one-fourth of the percentage
15.28 increase in the formula allowance for that year compared with the formula allowance for
15.29 fiscal year ~~2015~~ 2021.

15.30 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

16.1 Sec. 20. Minnesota Statutes 2018, section 126C.17, subdivision 5, is amended to read:

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

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

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

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

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

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

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

16.20 (h) (f) Notwithstanding paragraph (g) (c), the ~~third~~ second tier referendum allowance
16.21 for a district qualifying for secondary sparsity revenue under section 126C.10, subdivision
16.22 7, or elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
16.23 referendum allowance under subdivision 1 minus the sum of the district's first tier referendum
16.24 equalization allowance ~~and second tier referendum equalization allowance.~~

16.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

16.26 Sec. 21. Minnesota Statutes 2018, section 126C.17, subdivision 6, is amended to read:

25.23 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
25.24 equals the sum of the first tier referendum equalization levy; ~~and the second tier referendum~~
25.25 equalization levy; ~~and the third tier referendum equalization levy.~~

25.26 (b) A district's first tier referendum equalization levy equals the district's first tier
25.27 referendum equalization revenue times the lesser of one or the ratio of the district's
25.28 referendum market value per resident pupil unit to ~~\$880,000~~ \$650,000.

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

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

26.4 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

26.5 Sec. 31. Minnesota Statutes 2018, section 126C.17, subdivision 7, is amended to read:

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

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

26.10 (c) Notwithstanding paragraph (a), the referendum equalization aid for a district, ~~where~~
26.11 ~~the referendum equalization aid under paragraph (a) exceeds 90 percent of the referendum~~
26.12 ~~revenue; must not exceed: (1) 25 percent of the formula allowance minus \$300; times (2)~~
26.13 ~~the district's adjusted pupil units. A district's referendum levy is increased by the amount~~
26.14 ~~of any reduction in referendum aid under this paragraph.~~

26.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

26.16 Sec. 32. Minnesota Statutes 2018, section 126C.17, subdivision 7a, is amended to read:

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

16.27 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
16.28 equals the sum of the first tier referendum equalization levy; ~~and the second tier referendum~~
16.29 equalization levy; ~~and the third tier referendum equalization levy.~~

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

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

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

17.7 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

17.8 Sec. 22. Minnesota Statutes 2018, section 126C.17, subdivision 7, is amended to read:

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

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

17.13 (c) Notwithstanding paragraph (a), the referendum equalization aid for a district, ~~where~~
17.14 ~~the referendum equalization aid under paragraph (a) exceeds 90 percent of the referendum~~
17.15 ~~revenue; must not exceed: (1) 25 percent of the formula allowance minus \$300; times (2)~~
17.16 ~~the district's adjusted pupil units. A district's referendum levy is increased by the amount~~
17.17 ~~of any reduction in referendum aid under this paragraph.~~

17.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

17.19 Sec. 23. Minnesota Statutes 2018, section 126C.17, subdivision 7a, is amended to read:

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

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

26.31 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

27.1 Sec. 33. Minnesota Statutes 2018, section 126C.17, subdivision 9, is amended to read:

27.2 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,
27.3 subdivision 1, may be increased in the amount approved by the voters of the district at a
27.4 referendum called for the purpose. The referendum may be called by the board. The
27.5 referendum must be conducted one or two calendar years before the increased levy authority,
27.6 if approved, first becomes payable. Only one election to approve an increase may be held
27.7 in a calendar year. Unless the referendum is conducted by mail under subdivision 11,
27.8 paragraph (a), the referendum must be held on the first Tuesday after the first Monday in
27.9 November. The ballot must state the maximum amount of the increased revenue per adjusted
27.10 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue
27.11 per adjusted pupil unit that differs from year to year over the number of years for which the
27.12 increased revenue is authorized or may state that the amount shall increase annually by the
27.13 rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase
27.14 calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum
27.15 levy authority is expiring. In this case, the ballot may also compare the proposed levy
27.16 authority to the existing expiring levy authority, and express the proposed increase as the
27.17 amount, if any, over the expiring referendum levy authority. The ballot must designate the
27.18 specific number of years, not to exceed ten, for which the referendum authorization applies,
27.19 and may state that the referendum may be renewed by school board resolution subject to a
27.20 reverse referendum. The ballot, including a ballot on the question to revoke or reduce the
27.21 increased revenue amount under paragraph (c), must abbreviate the term "per adjusted pupil
27.22 unit" as "per pupil." The notice required under section 275.60 may be modified to read, in
27.23 cases of renewing existing levies at the same amount per pupil as in the previous year:

27.24 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO
27.25 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED
27.26 TO EXPIRE."

27.27 The ballot may contain a textual portion with the information required in this subdivision
27.28 and a question stating substantially the following:

27.29 "Shall the increase in the revenue proposed by (petition to) the board of, School
27.30 District No. ..., be approved?"

27.31 If approved, an amount equal to the approved revenue per adjusted pupil unit times the
27.32 adjusted pupil units for the school year beginning in the year after the levy is certified shall
27.33 be authorized for certification for the number of years approved, if applicable, or until
27.34 revoked or reduced by the voters of the district at a subsequent referendum.

28.1 (b) The board must deliver by mail at least 15 days but no more than **30** days before the
28.2 day of the referendum or the day of the meeting required under subdivision 9b, paragraph

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

18.3 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2021 and later.

18.4 Sec. 24. Minnesota Statutes 2018, section 126C.17, subdivision 9, is amended to read:

18.5 Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10,
18.6 subdivision 1, may be increased in the amount approved by the voters of the district at a
18.7 referendum called for the purpose. The referendum may be called by the board. The
18.8 referendum must be conducted one or two calendar years before the increased levy authority,
18.9 if approved, first becomes payable. Only one election to approve an increase may be held
18.10 in a calendar year. Unless the referendum is conducted by mail under subdivision 11,
18.11 paragraph (a), the referendum must be held on the first Tuesday after the first Monday in
18.12 November. The ballot must state the maximum amount of the increased revenue per adjusted
18.13 pupil unit. The ballot may state a schedule, determined by the board, of increased revenue
18.14 per adjusted pupil unit that differs from year to year over the number of years for which the
18.15 increased revenue is authorized or may state that the amount shall increase annually by the
18.16 rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase
18.17 calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum
18.18 levy authority is expiring. In this case, the ballot may also compare the proposed levy
18.19 authority to the existing expiring levy authority, and express the proposed increase as the
18.20 amount, if any, over the expiring referendum levy authority. The ballot must designate the
18.21 specific number of years, not to exceed ten, for which the referendum authorization applies.
18.22 The ballot, including a ballot on the question to revoke or reduce the increased revenue
18.23 amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per
18.24 pupil." The notice required under section 275.60 may be modified to read, in cases of
18.25 renewing existing levies at the same amount per pupil as in the previous year:

18.26 "BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING TO
18.27 EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED
18.28 TO EXPIRE."

18.29 The ballot may contain a textual portion with the information required in this subdivision
18.30 and a question stating substantially the following:

18.31 "Shall the increase in the revenue proposed by (petition to) the board of, School
18.32 District No. ..., be approved?"

19.1 If approved, an amount equal to the approved revenue per adjusted pupil unit times the
19.2 adjusted pupil units for the school year beginning in the year after the levy is certified shall
19.3 be authorized for certification for the number of years approved, if applicable, or until
19.4 revoked or reduced by the voters of the district at a subsequent referendum.

19.5 (b) The board must deliver by mail at least 15 days but no more than ~~30~~ **45** days before
19.6 the day of the referendum to each taxpayer a notice of the referendum and the proposed

28.3 (a), clause (4), to each taxpayer a notice of the referendum and the proposed revenue increase.
28.4 The board need not mail more than one notice to any taxpayer. For the purpose of giving
28.5 mailed notice under this subdivision, owners must be those shown to be owners on the
28.6 records of the county auditor or, in any county where tax statements are mailed by the county
28.7 treasurer, on the records of the county treasurer. Every property owner whose name does
28.8 not appear on the records of the county auditor or the county treasurer is deemed to have
28.9 waived this mailed notice unless the owner has requested in writing that the county auditor
28.10 or county treasurer, as the case may be, include the name on the records for this purpose.
28.11 The notice must project the anticipated amount of tax increase in annual dollars for typical
28.12 residential homesteads, agricultural homesteads, apartments, and commercial-industrial
28.13 property within the school district.

28.14 The notice for a referendum may state that an existing referendum levy is expiring and
28.15 project the anticipated amount of increase over the existing referendum levy in the first
28.16 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,
28.17 apartments, and commercial-industrial property within the district.

28.18 The notice must include the following statement: "Passage of this referendum will result
28.19 in an increase in your property taxes." However, in cases of renewing existing levies, whether
28.20 by board action or by an election, the notice may include the following statement: "Passage
28.21 of this referendum extends an existing operating referendum at the same amount per pupil
28.22 as in the previous year."

28.23 (c) A referendum on the question of revoking or reducing the increased revenue amount
28.24 authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke
28.25 or reduce the revenue amount must state the amount per adjusted pupil unit by which the
28.26 authority is to be reduced. Revenue authority approved by the voters of the district pursuant
28.27 to paragraph (a) must be available to the school district at least once before it is subject to
28.28 a referendum on its revocation or reduction for subsequent years. Only one revocation or
28.29 reduction referendum may be held to revoke or reduce referendum revenue for any specific
28.30 year and for years thereafter.

28.31 (d) The approval of 50 percent plus one of those voting on the question is required to
28.32 pass a referendum authorized by this subdivision.

28.33 (e) At least 15 days before the day of the referendum, the district must submit a copy of
28.34 the notice required under paragraph (b) to the commissioner and to the county auditor of
29.1 each county in which the district is located. Within 15 days after the results of the referendum
29.2 have been certified by the board, or in the case of a recount, the certification of the results
29.3 of the recount by the canvassing board, the district must notify the commissioner of the
29.4 results of the referendum.

19.7 revenue increase. The board need not mail more than one notice to any taxpayer. For the
19.8 purpose of giving mailed notice under this subdivision, owners must be those shown to be
19.9 owners on the records of the county auditor or, in any county where tax statements are
19.10 mailed by the county treasurer, on the records of the county treasurer. Every property owner
19.11 whose name does not appear on the records of the county auditor or the county treasurer is
19.12 deemed to have waived this mailed notice unless the owner has requested in writing that
19.13 the county auditor or county treasurer, as the case may be, include the name on the records
19.14 for this purpose. The notice must project the anticipated amount of tax increase in annual
19.15 dollars for typical residential homesteads, agricultural homesteads, apartments, and
19.16 commercial-industrial property within the school district.

19.17 The notice for a referendum may state that an existing referendum levy is expiring and
19.18 project the anticipated amount of increase over the existing referendum levy in the first
19.19 year, if any, in annual dollars for typical residential homesteads, agricultural homesteads,
19.20 apartments, and commercial-industrial property within the district.

19.21 The notice must include the following statement: "Passage of this referendum will result
19.22 in an increase in your property taxes." However, in cases of renewing existing levies, the
19.23 notice may include the following statement: "Passage of this referendum extends an existing
19.24 operating referendum at the same amount per pupil as in the previous year."

19.25 The notice, or any other school communication, must not advocate in favor of or against
19.26 passage of the referendum.

19.27 (c) A referendum on the question of revoking or reducing the increased revenue amount
19.28 authorized pursuant to paragraph (a) may be called by the board. A referendum to revoke
19.29 or reduce the revenue amount must state the amount per adjusted pupil unit by which the
19.30 authority is to be reduced. Revenue authority approved by the voters of the district pursuant
19.31 to paragraph (a) must be available to the school district at least once before it is subject to
19.32 a referendum on its revocation or reduction for subsequent years. Only one revocation or
19.33 reduction referendum may be held to revoke or reduce referendum revenue for any specific
19.34 year and for years thereafter.

20.1 (d) The approval of 50 percent plus one of those voting on the question is required to
20.2 pass a referendum authorized by this subdivision.

20.3 (e) At least 15 days before the day of the referendum, the district must submit a copy of
20.4 the notice required under paragraph (b) to the commissioner and to the county auditor of
20.5 each county in which the district is located. Within 15 days after the results of the referendum
20.6 have been certified by the board, or in the case of a recount, the certification of the results
20.7 of the recount by the canvassing board, the district must notify the commissioner of the
20.8 results of the referendum.

20.9 **EFFECTIVE DATE.** This section is effective for referendum elections held on or after
20.10 July 1, 2019.

29.5 Sec. 34. Minnesota Statutes 2018, section 126C.17, is amended by adding a subdivision
29.6 to read:

29.7 Subd. 9b. **Renewal by school board.** (a) Notwithstanding the election requirements of
29.8 subdivision 9, a school board may renew an expiring referendum approved by the voters
29.9 after July 1, 2019, by board action if:

29.10 (1) the ballot for the expiring referendum included a statement that the referendum may
29.11 be renewed by school board resolution subject to a reverse referendum;

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

29.16 (3) the term of the renewed referendum is no longer than the initial term approved by
29.17 the voters; and

29.18 (4) the school board has adopted a written resolution authorizing the renewal after holding
29.19 a meeting and allowing public testimony on the proposed renewal.

29.20 (b) The resolution must be adopted by the school board by June 15 and becomes effective
29.21 60 days after its adoption.

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

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

29.28 Sec. 35. Minnesota Statutes 2018, section 126C.17, is amended by adding a subdivision
29.29 to read:

29.30 Subd. 14. **Reverse referendum.** (a) For purposes of this subdivision, "board-renewed
29.31 referendum authority" means referendum authority renewed by the school board.

30.1 (b) A referendum on the question of revoking board-renewed referendum authority under
30.2 subdivision 9b shall be called by the board upon written petition of qualified voters of the
30.3 district. A referendum to revoke a district's board-renewed referendum authority must state
30.4 the authority to be revoked in total and per pupil unit. A revocation referendum may be held
30.5 to revoke board-renewed referendum authority for the subsequent fiscal year and for years
30.6 thereafter.

- 30.7 (c) A petition authorized by this subdivision is effective if:
30.8 (1) signed by more than 25 percent of the registered voters of the district on the day the
30.9 petition is filed with the board; and
30.10 (2) filed with the board by June 1 of that year.
30.11 A referendum invoked by petition must be held on the date required in subdivision 9.
30.12 (d) The approval of more than 50 percent of those voting on the question is required to
30.13 revoke board-renewed referendum authority.

- 30.14 Sec. 36. [127A.20] EVIDENCE-BASED EDUCATION GRANTS.
30.15 Subdivision 1. **Purpose and applicability.** The purpose of this section is to create a
30.16 process to describe, measure, and report on the effectiveness of any prekindergarten through
30.17 grade 12 grant programs funded in whole or in part through funds appropriated by the
30.18 legislature to the commissioner of education for grants to organizations. The evidence-based
30.19 evaluation required by this section applies to all grants awarded by the commissioner of
30.20 education on or after July 1, 2019.
30.21 Subd. 2. **Goals.** Each applicant for a grant awarded by the commissioner of education
30.22 must include in the grant application a statement of the goals of the grant. To the extent

- 20.11 Sec. 25. Minnesota Statutes 2018, section 126C.19, subdivision 4, is amended to read:
20.12 Subd. 4. **Location of services.** (a) Public school programs that provide instruction in
20.13 core curriculum may be provided to shared time pupils only at a public school building
20.14 except that digital learning as defined in section 124D.095, subdivision 2, paragraph (a),
20.15 may be provided to shared time pupils at any suitable location. Public school programs,
20.16 excluding programs that provide instruction in core curriculum, may be provided to shared
20.17 time pupils at a public school building, a neutral site, the nonpublic school, or any other
20.18 suitable location. Guidance and counseling and diagnostic and health services required
20.19 under sections 125A.03 to 125A.24 and 125A.65 may be provided at a nonpublic school
20.20 building. As used in this subdivision, "diagnostic services" means speech, hearing, vision,
20.21 psychological, medical and dental diagnostic services and "health services" means physician,
20.22 nursing or optometric services provided to pupils in the field of physical and mental health.
20.23 (b) For those children with a disability under sections 125A.03 to 125A.24 who attend
20.24 nonpublic school at their parent's choice, a school district may provide special instruction
20.25 and services at the nonpublic school building, a public school, or at a neutral site other than
20.26 a nonpublic school as defined in section 123B.41, subdivision 13. The school district shall
20.27 determine the location at which to provide services on a student-by-student basis, consistent
20.28 with federal law.
20.29 **EFFECTIVE DATE.** This section is effective for the 2019-2020 school year and later.

30.23 practicable, the goals must be aligned to the state's world's best workforce and the federally
30.24 required Every Student Succeeds Act accountability systems.

30.25 Subd. 3. **Strategies and data.** Each applicant must include in the grant application a
30.26 description of the strategies that will be used to meet the goals specified in the application.
30.27 The applicant must also include a plan to collect data to measure the effectiveness of the
30.28 strategies outlined in the grant application.

30.29 Subd. 4. **Reporting.** Within 180 days of the end of the grant period, each grant recipient
30.30 must compile a report that describes the data that was collected and evaluate the effectiveness
30.31 of the strategies. The evidence-based report may identify or propose alternative strategies
30.32 based on the results of the data. The report must be submitted to the commissioner of
31.1 education and to the chairs and ranking minority members of the legislative committees
31.2 with jurisdiction over prekindergarten through grade 12 education. The report must be filed
31.3 with the Legislative Reference Library according to section 3.195.

31.4 Subd. 5. **Grant defined.** For purposes of this section, a grant means money appropriated
31.5 from the state general fund to the commissioner of education for distribution to the grant
31.6 recipients.

31.7 **EFFECTIVE DATE.** This section is effective July 1, 2019.

31.8 Sec. 37. Minnesota Statutes 2018, section 127A.45, subdivision 13, is amended to read:

31.9 Subd. 13. **Aid payment percentage.** (a) Except as provided in subdivisions 11, 12, 12a,
31.10 and 14, each fiscal year, all education aids and credits in this chapter and chapters 120A,
31.11 120B, 121A, 122A, 123A, 123B, 124D, 124E, 125A, 125B, 126C, 134, and section 273.1392,
31.12 shall be paid at the current year aid payment percentage of the estimated entitlement during
31.13 the fiscal year of the entitlement.

31.14 (b) For the purposes of this subdivision, a district's estimated entitlement for special
31.15 education aid under section 125A.76 for fiscal year 2014 and later equals 97.4 percent of
31.16 the district's entitlement for the current fiscal year.

20.30 Sec. 26. Minnesota Statutes 2018, section 127A.45, subdivision 11, is amended to read:

20.31 Subd. 11. **Payment percentage for reimbursement aids.** One hundred percent of the
20.32 aid for the previous fiscal year must be paid in the current year for the following aids:
21.1 telecommunications/Internet access equity ~~and aid~~ according to section 125B.26, special
21.2 education special pupil aid according to section 125A.75, subdivision 3, ~~aid for litigation~~
21.3 ~~costs according to section 125A.75, subdivision 9,~~ aid for court-placed special education
21.4 expenses according to section 125A.79, subdivision 4, and aid for special education
21.5 out-of-state tuition according to section 125A.79, subdivision 8, and shared time aid
21.6 according to section 126C.01, subdivision 7.

31.17 (c) The final adjustment payment, according to subdivision 9, must be the amount of
31.18 the actual entitlement, after adjustment for actual data, minus the payments made during
31.19 the fiscal year of the entitlement.

31.20 **EFFECTIVE DATE.** This section is effective July 1, 2019.

NOTE: SECTION 27 MOVED TO ARTICLE 2

31.21 Sec. 38. Minnesota Statutes 2018, section 127A.49, subdivision 2, is amended to read:

31.22 Subd. 2. **Abatements.** Whenever by virtue of chapter 278, sections 270C.86, 375.192,
31.23 or otherwise, the net tax capacity or referendum market value of any district for any taxable
31.24 year is changed after the taxes for that year have been spread by the county auditor and the
31.25 local tax rate as determined by the county auditor based upon the original net tax capacity
31.26 is applied upon the changed net tax capacities, the county auditor ~~shall~~ must, prior to February
31.27 1 of each year, certify to the commissioner of education the amount of any resulting net
31.28 revenue loss that accrued to the district during the preceding year. Each year, the
31.29 commissioner ~~shall~~ must pay an abatement adjustment to the district in an amount calculated
31.30 according to the provisions of this subdivision. This amount ~~shall~~ must be deducted from
31.31 the amount of the levy authorized by section 126C.46. The amount of the abatement
31.32 adjustment must be the product of:

32.1 (1) the net revenue loss as certified by the county auditor, times

32.2 (2) the ratio of:

32.3 (i) the sum of the amounts of the district's certified levy in the third preceding year
32.4 according to the following:

32.5 (A) ~~section 123B.57~~ 123B.595, if the district received ~~health and safety~~ long-term
32.6 facilities maintenance aid according to that section for the second preceding year;

32.7 (B) section 124D.20, if the district received aid for community education programs
32.8 according to that section for the second preceding year;

32.9 (C) section 124D.135, subdivision 3, if the district received early childhood family
32.10 education aid according to section 124D.135 for the second preceding year;

32.11 (D) section 126C.17, subdivision 6, if the district received referendum equalization aid
32.12 according to that section for the second preceding year;

32.13 (E) section 126C.10, subdivision 13a, if the district received operating capital aid
32.14 according to section 126C.10, subdivision 13b, in the second preceding year;

32.15 (F) section 126C.10, subdivision 29, if the district received equity aid according to
32.16 section 126C.10, subdivision 30, in the second preceding year;

- 32.17 (G) section 126C.10, subdivision 32, if the district received transition aid according to
32.18 section 126C.10, subdivision 33, in the second preceding year;
- 32.19 (H) section 123B.53, subdivision 5, if the district received debt service equalization aid
32.20 according to section 123B.53, subdivision 6, in the second preceding year;
- 32.21 (I) section 123B.535, subdivision 4, if the district received natural disaster debt service
32.22 equalization aid according to section 123B.535, subdivision 5, in the second preceding year;
- 32.23 (J) section 124D.22, subdivision 3, if the district received school-age care aid according
32.24 to section 124D.22, subdivision 4, in the second preceding year;
- 32.25 (K) section ~~123B.591, subdivision 3~~ 126C.10, subdivision 2e, paragraph (b), if the district
32.26 received ~~deferred maintenance~~ local optional aid according to section ~~123B.591, subdivision~~
32.27 ~~4~~ 126C.10, subdivision 2e, paragraph (c), in the second preceding year; and
- 32.28 (L) section 122A.415, subdivision 5, if the district received alternative teacher
32.29 compensation equalization aid according to section 122A.415, subdivision 6, paragraph (a),
32.30 in the second preceding year; to
- 33.1 (ii) the total amount of the district's certified levy in the third preceding December, plus
33.2 or minus auditor's adjustments.
- 33.3 Sec. 39. Minnesota Statutes 2018, section 257.0725, is amended to read:
33.4 **257.0725 ANNUAL REPORT.**
- 33.5 The commissioner of human services shall publish an annual report on child maltreatment
33.6 and on children in out-of-home placement. The commissioner shall confer with counties,
33.7 child welfare organizations, child advocacy organizations, the courts, and other groups on
33.8 how to improve the content and utility of the department's annual report. In regard to child
33.9 maltreatment, the report shall include the number and kinds of maltreatment reports received
33.10 and any other data that the commissioner determines is appropriate to include in a report
33.11 on child maltreatment. In regard to children in out-of-home placement, the report shall
33.12 include, by county and statewide, information on legal status, living arrangement, age, sex,
33.13 race, accumulated length of time in placement, reason for most recent placement, race of
33.14 family with whom placed, school enrollments within seven days of placement pursuant to
33.15 section 120A.21, and other information deemed appropriate on all children in out-of-home
33.16 placement. Out-of-home placement includes placement in any facility by an authorized
33.17 child-placing agency.

NOTE: SECTION 28 MOVED TO ARTICLE 2

- 21.23 Sec. 29. **KARLSTAD ELEMENTARY SCHOOL; SPARSITY AID.**
- 21.24 Notwithstanding the distance requirements of Minnesota Statutes, section 126C.10,
21.25 subdivision 6, paragraph (f), Karlstad Elementary School in Independent School District

33.18 Sec. 40. **PUPIL TRANSPORTATION WORKING GROUP.**

33.19 Subdivision 1. **Duties.** (a) A working group on pupil transportation is created to review
33.20 pupil transportation and transportation efficiencies in Minnesota, to consult with stakeholders,
33.21 and to submit a written report to the legislature recommending policy and formula changes.
33.22 The pupil transportation working group must examine and consider:

33.23 (1) how school districts, charter schools, intermediate school districts, special education
33.24 cooperatives, education districts, and service cooperatives deliver pupil transportation
33.25 services and the costs associated with each model;

33.26 (2) relevant state laws and rules;

33.27 (3) trends in pupil transportation services;

33.28 (4) strategies or programs that would be effective in funding necessary pupil
33.29 transportation services; and

33.30 (5) the effect of the elimination of categorical funding for pupil transportation services.

34.1 (b) In making its recommendations, the pupil transportation working group must consider
34.2 a ten-year strategic plan informed by the policy findings in paragraph (a) to help make pupil
34.3 transportation funding more fair.

34.4 Subd. 2. **Members.** (a) By June 1, 2019, the executive director of each of the following
34.5 organizations must appoint one representative of that organization to serve as a member of
34.6 the working group:

34.7 (1) Minnesota School Boards Association;

34.8 (2) Minnesota Association of Charter Schools;

34.9 (3) Education Minnesota;

34.10 (4) Minnesota Rural Education Association;

34.11 (5) Association of Metropolitan School Districts;

34.12 (6) Minnesota Association for Pupil Transportation;

34.13 (7) Minnesota School Bus Operators Association;

34.14 (8) Minnesota Association of School Administrators;

34.15 (9) Minnesota Association of School Business Officials;

34.16 (10) Schools for Equity in Education;

21.26 No. 2358, Tri-County, is eligible to generate elementary sparsity aid for fiscal year 2020
21.27 and 2021 only.

21.28 Sec. 30. **PUPIL TRANSPORTATION WORKING GROUP.**

21.29 Subdivision 1. **Duties.** (a) A working group on pupil transportation shall review pupil
21.30 transportation and transportation efficiencies in Minnesota, consult with stakeholders, and
22.1 submit a written report to the legislature recommending policy and formula changes. The
22.2 pupil transportation working group must examine and consider:

22.3 (1) how school districts, charter schools, intermediate school districts, special education
22.4 cooperatives, education districts, and service cooperatives deliver pupil transportation
22.5 services and the costs associated with each model;

22.6 (2) relevant state laws and rules;

22.7 (3) trends in pupil transportation services;

22.8 (4) strategies or programs that would be effective in funding necessary pupil
22.9 transportation services; and

22.10 (5) the effect of the elimination of categorical funding for pupil transportation services.

22.11 (b) In making its recommendations, the pupil transportation working group must consider
22.12 a ten-year strategic plan informed by the policy findings in paragraph (a) to help make pupil
22.13 transportation funding more fair.

22.14 Subd. 2. **Members.** (a) By June 1, 2019, the executive director of each of the following
22.15 organizations must appoint one representative of that organization to serve as a member of
22.16 the working group:

22.17 (1) the Minnesota School Boards Association;

22.18 (2) the Minnesota Association of Charter Schools;

22.19 (3) Education Minnesota;

22.20 (4) the Minnesota Rural Education Association;

22.21 (5) the Association of Metropolitan School Districts;

22.22 (6) the Minnesota Association for Pupil Transportation;

22.23 (7) the Minnesota School Bus Operators Association;

22.24 (8) the Minnesota Association of School Administrators;

22.25 (9) the Minnesota Association of School Business Officials;

22.26 (10) Schools for Equity in Education;

34.17 (11) Service Employees International Union Local 284;
34.18 (12) Minnesota Association of Secondary School Principals;
34.19 (13) Minnesota Administrators of Special Education; and
34.20 (14) Minnesota Transportation Alliance.
34.21 (b) The commissioner of education must solicit applications for membership in the
34.22 working group. By June 25, 2019, the commissioner must designate from the applicants
34.23 the following to serve as members of the working group:
34.24 (1) a representative from an intermediate school district;
34.25 (2) a representative from a special education cooperative, education district, or service
34.26 cooperative;
34.27 (3) a representative from a school district in a city of the first class;
34.28 (4) a representative from a school district in a first tier suburb;
34.29 (5) a representative from a rural school district; and
35.1 (6) a representative from a statewide nonprofit advocacy organization serving students
35.2 with disabilities and their parents.
35.3 Subd. 3. **Meetings.** The commissioner of education, or the commissioner's designee,
35.4 must convene the first meeting of the working group no later than July 15, 2019. The working
35.5 group must select a chair or cochairs from among its members at the first meeting. The
35.6 working group must meet periodically. Meetings of the working group are subject to
35.7 Minnesota Statutes, chapter 13D.
35.8 Subd. 4. **Compensation.** Working group members are not eligible to receive expenses
35.9 or per diem payments for serving on the working group.
35.10 Subd. 5. **Administrative support.** The commissioner of education must provide technical
35.11 and administrative assistance to the working group upon request.
35.12 Subd. 6. **Report.** (a) By January 15, 2020, the working group must submit a report
35.13 providing its findings and recommendations to the chairs and ranking minority members
35.14 of the legislative committees with jurisdiction over kindergarten through grade 12 education.
35.15 (b) At its 2020 annual session, the legislature is encouraged to convene a legislative
35.16 study group to review the recommendations and ten-year strategic plan to develop its own
35.17 recommendations for legislative changes, as necessary.
35.18 Subd. 7. **Expiration.** The working group expires upon submission of the report required
35.19 in subdivision 6.
35.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.27 (11) Service Employees International Union Local 284;
22.28 (12) the Minnesota Association of Secondary School Principals;
22.29 (13) the Minnesota Administrators of Special Education; and
23.1 (14) the Minnesota Transportation Alliance.
23.2 (b) The commissioner of education must solicit applications for membership in the
23.3 working group. By June 25, 2019, the commissioner must designate from the applicants
23.4 the following to serve as members of the working group:
23.5 (1) a representative from an intermediate school district;
23.6 (2) a representative from a special education cooperative, education district, or service
23.7 cooperative;
23.8 (3) a representative from a school district in a city of the first class;
23.9 (4) a representative from a school district in a first tier suburb;
23.10 (5) a representative from a rural school district; and
23.11 (6) a representative from a statewide nonprofit advocacy organization serving students
23.12 with disabilities and their parents.
23.13 Subd. 3. **Meetings.** The commissioner of education, or the commissioner's designee,
23.14 must convene the first meeting of the working group no later than July 15, 2019. The working
23.15 group must select a chair or cochairs from among its members at the first meeting. The
23.16 working group must meet periodically. Meetings of the working group must be open to the
23.17 public.
23.18 Subd. 4. **Compensation.** Working group members shall not be reimbursed for expenses
23.19 or receive per diem payments for serving on the working group.
23.20 Subd. 5. **Administrative support.** The commissioner of education must provide technical
23.21 and administrative assistance and meeting space to the working group upon request.
23.22 Subd. 6. **Report.** (a) By January 15, 2020, the working group must submit a report
23.23 providing its findings and recommendations to the chairs and ranking minority members
23.24 of the legislative committees with jurisdiction over kindergarten through grade 12 education.
23.25 (b) The legislature convening in January 2020 is encouraged to convene a legislative
23.26 study group to review the recommendations and ten-year strategic plan to develop its own
23.27 recommendations for legislative changes, as necessary.
23.28 Subd. 7. **Expiration.** The working group expires on January 16, 2020, unless extended
23.29 by law.
23.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

35.21 Sec. 41. **PERMANENT SCHOOL FUND COMPENSATION AID.**

35.22 Subdivision 1. **Transfer.** The commissioner must pay permanent school fund
35.23 compensation aid to school districts with the money transferred from the state budget surplus
35.24 under Minnesota Statutes, section 16A.152, subdivision 2, paragraph (a), clause (6).

35.25 Subd. 2. **Student and school safety aid.** (a) Concurrent with the September and March
35.26 apportionments from the school endowment fund to each school district and charter school
35.27 under Minnesota Statutes, section 127A.33, the commissioner must distribute student and
35.28 school safety aid equal to a total of \$57.08 times each district's adjusted average daily
35.29 membership for fiscal year 2019. This amount may be apportioned over one or more years.

35.30 (b) The state aid received under this section may be used for student and staff safety
35.31 activities consistent with Minnesota Statutes, section 126C.44, or for any other school-related
35.32 purpose as deemed appropriate by the board.

36.1 Sec. 42. **APPROPRIATIONS.**

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

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

36.7 \$ 7,446,529,000 2020

36.8 \$ 7,660,500,000 2021

36.9 The 2020 appropriation includes \$700,383,000 for 2019 and \$6,746,146,000 for 2020.

36.10 The 2021 appropriation includes \$749,571,000 for 2020 and \$6,910,929,000 for 2021.

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

36.14 \$ 24,000 2020

36.15 \$ 26,000 2021

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

36.17 \$ 2,897,000 2020

36.18 \$ 2,971,000 2021

24.1 Sec. 31. **APPROPRIATIONS.**

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

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

24.7 \$ 7,274,565,000 2020

24.8 \$ 7,344,480,000 2021

24.9 The 2020 appropriation includes \$700,383,000 for 2019 and \$6,574,182,000 for 2020.

24.10 The 2021 appropriation includes \$703,176,000 for 2020 and \$6,641,304,000 for 2021.

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

24.14 \$ 1,775,000 2020

24.15 \$ 1,815,000 2021

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

24.17 \$ 2,897,000 2020

24.18 \$ 2,971,000 2021

36.19 The 2020 appropriation includes \$274,000 for 2019 and \$2,623,000 for 2020.
36.20 The 2021 appropriation includes \$291,000 for 2020 and \$2,680,000 for 2021.
36.21 Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota
36.22 Statutes, section 123A.485:
36.23 \$ 0 2020
36.24 \$ 270,000 2021
36.25 The 2020 appropriation includes \$0 for 2019 and \$0 for 2020.
36.26 The 2021 appropriation includes \$0 for 2020 and \$270,000 for 2021.
36.27 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
36.28 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:
36.29 \$ 18,135,000 2020
36.30 \$ 18,728,000 2021
37.1 The 2020 appropriation includes \$1,806,000 for 2019 and \$16,509,000 for 2020.
37.2 The 2021 appropriation includes \$1,834,000 for 2020 and \$16,894,000 for 2021.
37.3 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
37.4 Minnesota Statutes, section 123B.92, subdivision 9:
37.5 \$ 19,649,000 2020
37.6 \$ 19,920,000 2021
37.7 The 2020 appropriation includes \$1,961,000 for 2019 and \$17,688,000 for 2020.
37.8 The 2021 appropriation includes \$1,965,000 for 2020 and \$17,955,000 for 2021.
37.9 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,
37.10 Warroad, to operate the Angle Inlet School:
37.11 \$ 65,000 2020
37.12 \$ 65,000 2021
37.13 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
37.14 Statutes, section 124D.4531, subdivision 1b:

24.19 The 2020 appropriation includes \$274,000 for 2019 and \$2,623,000 for 2020.
24.20 The 2021 appropriation includes \$291,000 for 2020 and \$2,680,000 for 2021.
24.21 Subd. 5. **Consolidation transition aid.** For districts consolidating under Minnesota
24.22 Statutes, section 123A.485:
24.23 \$ 0 2020
24.24 \$ 270,000 2021
24.25 The 2020 appropriation includes \$0 for 2019 and \$0 for 2020.
24.26 The 2021 appropriation includes \$0 for 2020 and \$270,000 for 2021.
24.27 Subd. 6. **Nonpublic pupil education aid.** For nonpublic pupil education aid under
24.28 Minnesota Statutes, sections 123B.40 to 123B.43 and 123B.87:
24.29 \$ 18,150,000 2020
24.30 \$ 18,729,000 2021
25.1 The 2020 appropriation includes \$1,806,000 for 2019 and \$16,344,000 for 2020.
25.2 The 2021 appropriation includes \$1,816,000 for 2020 and \$16,913,000 for 2021.
25.3 Subd. 7. **Nonpublic pupil transportation.** For nonpublic pupil transportation aid under
25.4 Minnesota Statutes, section 123B.92, subdivision 9:
25.5 \$ 19,220,000 2020
25.6 \$ 19,179,000 2021
25.7 The 2020 appropriation includes \$1,961,000 for 2019 and \$17,259,000 for 2020.
25.8 The 2021 appropriation includes \$1,917,000 for 2020 and \$17,262,000 for 2021.
25.9 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,
25.10 Warroad, to operate the Angle Inlet School:
25.11 \$ 65,000 2020
25.12 \$ 65,000 2021
25.13 Subd. 9. **Career and technical aid.** For career and technical aid under Minnesota
25.14 Statutes, section 124D.4531, subdivision 1b:

37.15 \$ 3,751,000 2020

37.16 \$ 15,471,000 2021

37.17 The 2020 appropriation includes \$422,000 for 2019 and \$3,329,000 for 2020.

37.18 The 2021 appropriation includes \$369,000 for 2020 and \$15,102,000 for 2021.

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

37.22 \$ 56,000 2020

37.23 \$ 56,000 2021

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

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

37.28 Sec. 43. **REPEALER.**

37.29 Minnesota Statutes 2018, sections 126C.17, subdivision 9a; and 127A.14, are repealed.

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

25.15 \$ 3,751,000 2020

25.16 \$ 3,321,000 2021

25.17 The 2020 appropriation includes \$422,000 for 2019 and \$3,329,000 for 2020.

25.18 The 2021 appropriation includes \$369,000 for 2020 and \$2,952,000 for 2021.

25.19 Sec. 32. **REPEALER.**

25.20 Minnesota Statutes 2018, sections 123A.26, subdivision 3; 125A.75, subdivision 9;
25.21 126C.16, subdivisions 1 and 3; 126C.17, subdivision 9a; and 127A.14, are repealed.