

1.1 moves to amend H.F. No. 890 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**

1.4 **GENERAL EDUCATION**

1.5 Section 1. Minnesota Statutes 2016, section 121A.22, subdivision 2, is amended to read:

1.6 Subd. 2. **Exclusions.** In addition, this section does not apply to drugs or medicine that
1.7 are:

1.8 (1) purchased without a prescription;

1.9 (2) used by a pupil who is 18 years old or older;

1.10 (3) used in connection with services for which a minor may give effective consent,
1.11 including section 144.343, subdivision 1, and any other law;

1.12 (4) used in situations in which, in the judgment of the school personnel who are present
1.13 or available, the risk to the pupil's life or health is of such a nature that drugs or medicine
1.14 should be given without delay;

1.15 (5) used off the school grounds;

1.16 (6) used in connection with athletics or extra curricular activities;

1.17 (7) used in connection with activities that occur before or after the regular school day;

1.18 (8) provided or administered by a public health agency to prevent or control an illness
1.19 or a disease outbreak as provided for in sections 144.05 and 144.12;

1.20 (9) prescription asthma or reactive airway disease medications self-administered by a
1.21 pupil with an asthma inhaler, consistent with section 121A.221, if the district has received
1.22 a written authorization from the pupil's parent permitting the pupil to self-administer the

2.1 medication, the inhaler is properly labeled for that student, and the parent has not requested
2.2 school personnel to administer the medication to the pupil. The parent must submit written
2.3 authorization for the pupil to self-administer the medication each school year; or

2.4 (10) epinephrine auto-injectors, consistent with section 121A.2205, if the parent and
2.5 prescribing medical professional annually inform the pupil's school in writing that (i) the
2.6 pupil may possess the epinephrine or (ii) the pupil is unable to possess the epinephrine and
2.7 requires immediate access to epinephrine auto-injectors that the parent provides properly
2.8 labeled to the school for the pupil as needed.

2.9 Sec. 2. Minnesota Statutes 2016, section 121A.221, is amended to read:

2.10 **121A.221 POSSESSION AND USE OF ASTHMA INHALERS BY ASTHMATIC**
2.11 **STUDENTS.**

2.12 (a) Consistent with section 121A.22, subdivision 2, clause (9), in a school district that
2.13 employs a school nurse or provides school nursing services under another arrangement, the
2.14 school nurse or other appropriate party must assess the student's knowledge and skills to
2.15 safely possess and use an asthma inhaler in a school setting and enter into the student's
2.16 school health record a plan to implement safe possession and use of asthma inhalers.

2.17 (b) Consistent with section 121A.22, subdivision 2, clause (9), in a school that does not
2.18 have a school nurse or school nursing services, the student's parent or guardian must submit
2.19 written verification from the prescribing professional that documents an assessment of the
2.20 student's knowledge and skills to safely possess and use an asthma inhaler in a school setting
2.21 has been completed.

2.22 Sec. 3. Minnesota Statutes 2016, section 123B.41, subdivision 2, is amended to read:

2.23 Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including
2.24 electronic books as well as other printed materials delivered electronically, which a pupil
2.25 uses as a text or text substitute in a particular class or program in the school regularly
2.26 attended and a copy of which is expected to be available for the individual use of each pupil
2.27 in this class or program. Textbook includes an online book with an annual subscription cost.

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

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

3.4 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

3.5 Sec. 4. Minnesota Statutes 2016, section 123B.41, subdivision 5a, is amended to read:

3.6 Subd. 5a. **Software or other educational technology.** For purposes of sections 123B.42
3.7 and 123B.43, "software or other educational technology" includes software, programs,
3.8 applications, hardware, and any other electronic educational technology. Software or other
3.9 educational technology includes course registration fees for advanced placement courses
3.10 delivered online.

3.11 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

3.12 Sec. 5. Minnesota Statutes 2016, section 123B.42, subdivision 3, is amended to read:

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

3.20 ~~(b) The cost computed in clause (a) shall be increased by an inflation adjustment equal~~
3.21 ~~to the percent of increase in the formula allowance, pursuant to section 126C.10, subdivision~~
3.22 ~~2, from the second preceding school year to the current school year. Notwithstanding the~~
3.23 ~~amount of the formula allowance for fiscal years 2015 and 2016 in section 126C.10,~~
3.24 ~~subdivision 2, the commissioner shall use the amount of the formula allowance for the~~
3.25 ~~current year minus \$414 in determining the inflation adjustment for fiscal years 2015 and~~
3.26 ~~2016.~~

3.27 ~~(e)~~ (b) The commissioner shall allot to the districts or intermediary service areas the
3.28 total cost for each school year of providing or loaning the textbooks, individualized
3.29 instructional or cooperative learning materials, software or other educational technology,
3.30 and standardized tests for the pupils in each nonpublic school. The allotment shall not exceed
3.31 the product of the statewide average expenditure per pupil, ~~according to clause (a), adjusted~~
3.32 ~~pursuant to clause (b)~~, multiplied by the number of nonpublic school pupils who make

4.1 requests pursuant to this section and who are enrolled as of September 15 of the current
4.2 school year.

4.3 **EFFECTIVE DATE.** This section is effective for fiscal year 2018 and later.

4.4 Sec. 6. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

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

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

4.9 (1) the sum of:

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

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

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

4.20 (2) the number of pupils eligible for transportation in the regular category, as defined
4.21 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause
4.22 (2).

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

4.25 (1) Regular transportation is:

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

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

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

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

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

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

5.18 (2) Excess transportation is:

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

5.24 (ii) transportation to and from school during the regular school year required under
5.25 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
5.26 border to the school is at least one mile but less than two miles from the public school they
5.27 attend, and for nonresident pupils when the distance from the attendance area border to the
5.28 school is less than one mile from the school and who are transported because of full-service
5.29 school zones, extraordinary traffic, drug, or crime hazards.

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

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

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

6.3 (ii) necessary transportation of pupils with disabilities from home or from school to
6.4 other buildings, including centers such as developmental achievement centers, hospitals,
6.5 and treatment centers where special instruction or services required by sections 125A.03 to
6.6 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
6.7 where services are provided;

6.8 (iii) necessary transportation for resident pupils with disabilities required by sections
6.9 125A.12, and 125A.26 to 125A.48;

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

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

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

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

6.23 (viii) services described in clauses (i) to (vii), when provided for pupils with disabilities
6.24 in conjunction with a summer instructional program that relates to the pupil's individualized
6.25 education program or in conjunction with a learning year program established under section
6.26 124D.128.

6.27 For purposes of computing special education initial aid under section 125A.76, the cost
6.28 of providing transportation for children with disabilities includes (A) the additional cost of
6.29 transporting a student in a shelter care facility as defined in section 260C.007, subdivision
6.30 30, a homeless student ~~from a temporary nonshelter home~~ in another district to the school
6.31 of origin, or a formerly homeless student from a permanent home in another district to the
6.32 school of origin but only through the end of the academic year; and (B) depreciation on
6.33 district-owned school buses purchased after July 1, 2005, and used primarily for

7.1 transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii)
 7.2 and (iii). Depreciation costs included in the disabled transportation category must be excluded
 7.3 in calculating the actual expenditure per pupil transported in the regular and excess
 7.4 transportation categories according to paragraph (a). For purposes of subitem (A), a school
 7.5 district may transport a child who does not have a school of origin to the same school
 7.6 attended by that child's sibling, if the siblings are homeless or in a shelter care facility.

7.7 (5) "Nonpublic nonregular transportation" is:

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

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

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

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

7.20 **EFFECTIVE DATE.** This section is effective retroactively from December 10, 2016.

7.21 Sec. 7. Minnesota Statutes 2016, section 123B.92, subdivision 9, is amended to read:

7.22 Subd. 9. **Nonpublic pupil transportation aid.** (a) A district's nonpublic pupil
 7.23 transportation aid ~~for the 1996-1997 and later school years~~ for transportation services for
 7.24 nonpublic school pupils according to sections 123B.88, 123B.84 to 123B.86, and this section,
 7.25 equals the sum of the amounts computed in paragraphs (b) and (c). This aid does not limit
 7.26 the obligation to transport pupils under sections 123B.84 to 123B.87.

7.27 (b) For regular and excess transportation according to subdivision 1, paragraph (b),
 7.28 clauses (1) and (2), an amount equal to the product of:

7.29 (1) the district's actual expenditure per pupil transported in the regular and excess
 7.30 transportation categories during the second preceding school year; ~~times~~ and

7.31 (2) the number of nonpublic school pupils residing in the district who receive regular
 7.32 or excess transportation service or reimbursement for the current school year; ~~times~~.

8.1 ~~(3) the ratio of the formula allowance pursuant to section 126C.10, subdivision 2, for~~
 8.2 ~~the current school year to the formula allowance pursuant to section 126C.10, subdivision~~
 8.3 ~~2, for the second preceding school year.~~

8.4 (c) For nonpublic nonregular transportation according to subdivision 1, paragraph (b),
 8.5 clause (5), an amount equal to the product of:

8.6 ~~(1) the district's actual expenditure for nonpublic nonregular transportation during the~~
 8.7 ~~second preceding school year; times~~

8.8 ~~(2) the ratio of the formula allowance pursuant to section 126C.10, subdivision 2, for~~
 8.9 ~~the current school year to the formula allowance pursuant to section 126C.10, subdivision~~
 8.10 ~~2, for the second preceding school year.~~

8.11 ~~(d) Notwithstanding the amount of the formula allowance for fiscal years 2015 and 2016~~
 8.12 ~~in section 126C.10, subdivision 2, the commissioner shall use the amount of the formula~~
 8.13 ~~allowance for the current year minus \$414 in determining the nonpublic pupil transportation~~
 8.14 ~~revenue in paragraphs (b) and (c) for fiscal years 2015 and 2016.~~

8.15 **EFFECTIVE DATE.** This section is effective for fiscal year 2018 and later.

8.16 Sec. 8. Minnesota Statutes 2016, section 126C.05, subdivision 8, is amended to read:

8.17 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
 8.18 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
 8.19 on the current roll of the school, counted from the date of entry until withdrawal. The date
 8.20 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
 8.21 officially known that the pupil has left or has been legally excused. However, a pupil,
 8.22 regardless of age, who has been absent from school for 15 consecutive school days during
 8.23 the regular school year or for five consecutive school days during summer school or
 8.24 intersession classes of flexible school year programs without receiving instruction in the
 8.25 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this
 8.26 section shall be construed as waiving the compulsory attendance provisions cited in section
 8.27 120A.22. Average daily membership equals the sum for all pupils of the number of days
 8.28 of the school year each pupil is enrolled in the district's schools divided by the number of
 8.29 days the schools are in session. Days of summer school or intersession classes of flexible
 8.30 school year programs are only included in the computation of membership for pupils with
 8.31 a disability not appropriately served primarily in the regular classroom. A student must not
 8.32 be counted as more than 1.2 pupils in average daily membership under this section and
 8.33 section 126C.10, subdivision 2a, paragraph (b). When the initial total average daily

9.1 membership exceeds 1.2 for a pupil enrolled in more than one school district during the
9.2 fiscal year, each district's average daily membership must be reduced proportionately.

9.3 (b) A student must not be counted as more than one pupil in average daily membership
9.4 except for purposes of section 126C.10, subdivision 2a.

9.5 Sec. 9. Minnesota Statutes 2016, section 126C.10, subdivision 2, is amended to read:

9.6 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
9.7 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
9.8 ~~2015 is \$5,831. The formula allowance for fiscal year 2016 is \$5,948.~~ The formula allowance
9.9 for fiscal year 2017 ~~and later~~ is \$6,067. The formula allowance for fiscal year 2018 is \$6,158.
9.10 The formula allowance for fiscal year 2019 and later is \$6,249.

9.11 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

9.12 Sec. 10. Minnesota Statutes 2016, section 126C.10, subdivision 2a, is amended to read:

9.13 Subd. 2a. **Extended time revenue.** (a) A school district's extended time revenue is equal
9.14 to the product of \$5,117 and the sum of the adjusted pupil units of the district for each pupil
9.15 in average daily membership in excess of 1.0 and less than 1.2 according to section 126C.05,
9.16 subdivision 8.

9.17 (b) Extended time revenue for pupils placed in an on-site education program at the Prairie
9.18 Lakes Education Center or the Lake Park School, located within the borders of Independent
9.19 School District No. 347, Willmar, for instruction provided after the end of the preceding
9.20 regular school year and before the beginning of the following regular school year equals
9.21 membership hours divided by the minimum annual instructional hours in section 126C.05,
9.22 subdivision 15, not to exceed 0.20, times the pupil unit weighting in section 126C.05,
9.23 subdivision 1, times \$5,117.

9.24 (c) A school district's extended time revenue may be used for extended day programs,
9.25 extended week programs, summer school, vacation break academies such as spring break
9.26 academies and summer term academies, and other programming authorized under the
9.27 learning year program.

9.28 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

9.29 Sec. 11. Minnesota Statutes 2016, section 126C.10, subdivision 3, is amended to read:

9.30 Subd. 3. **Compensatory education revenue.** (a) ~~For fiscal year 2014, the compensatory~~
9.31 ~~education revenue for each building in the district equals the formula allowance minus \$415~~

10.1 ~~times the compensation revenue pupil units computed according to section 126C.05,~~
 10.2 ~~subdivision 3. For fiscal year 2015 and later,~~ The compensatory education revenue for each
 10.3 building in the district equals the formula allowance for fiscal year 2017 minus \$839 times
 10.4 the compensation revenue pupil units computed according to section 126C.05, subdivision
 10.5 3. A district's compensatory revenue equals:

10.6 (1) the sum of its compensatory revenue for each building in the district;

10.7 (2) the amounts computed under paragraph (b); and

10.8 (3) the amounts computed under section 126C.131.

10.9 (b) A district's additional compensatory revenue equals the amount designated under
 10.10 Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 8, for fiscal
 10.11 year 2018. Revenue shall be paid to the district and must be allocated according to section
 10.12 126C.15, subdivision 2.

10.13 ~~(b)~~ (c) When the district contracting with an alternative program under section 124D.69
 10.14 changes prior to the start of a school year, the compensatory revenue generated by pupils
 10.15 attending the program shall be paid to the district contracting with the alternative program
 10.16 for the current school year, and shall not be paid to the district contracting with the alternative
 10.17 program for the prior school year.

10.18 ~~(c)~~ (d) When the fiscal agent district for an area learning center changes prior to the start
 10.19 of a school year, the compensatory revenue shall be paid to the fiscal agent district for the
 10.20 current school year, and shall not be paid to the fiscal agent district for the prior school year.

10.21 (e) For fiscal years 2018 to 2022 only, the amount in paragraph (b) is increased by 75
 10.22 percent of the difference between the amounts calculated under Laws 2015, First Special
 10.23 Session chapter 3, article 2, section 70, subdivision 8, for fiscal years 2017 and 2018.

10.24 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

10.25 Sec. 12. Minnesota Statutes 2016, section 126C.10, subdivision 13a, is amended to read:

10.26 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
 10.27 levy an amount not more than the product of its operating capital revenue for the fiscal year
 10.28 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
 10.29 the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740
 10.30 for fiscal year 2017, ~~\$19,972~~ \$..... for fiscal year 2018, ~~and \$22,912~~ \$..... for fiscal year
 10.31 2019, \$..... for fiscal year 2020, and \$..... for fiscal year 2021 and later.

11.1 Sec. 13. [126C.131] TARGETED COMPENSATORY REVENUE.

11.2 Subdivision 1. Policy and purpose. The policy and purpose of this section are to close
11.3 the opportunity gap by increasing student performance growth rates and proficiency rates
11.4 by targeting compensatory revenue to the most productive instructional activities.

11.5 Subd. 2. Eligibility. A school site qualifies for targeted compensatory revenue under
11.6 this section if the school site receives compensatory revenue under section 126C.10,
11.7 subdivision 3.

11.8 Subd. 3. Statewide revenue amount. For fiscal year 2018, the total amount available
11.9 for targeted compensatory revenue under this section is \$11,000,000. The total amount
11.10 available for targeted compensatory revenue for fiscal year 2019 and thereafter is
11.11 \$15,000,000.

11.12 Subd. 4. Targeted compensatory revenue. Each school site's initial targeted
11.13 compensatory revenue equals:

11.14 (1) the statewide revenue amount for that year under subdivision 3, divided by the
11.15 statewide sum of the number of pupils eligible to receive free lunch and 0.5 times the sum
11.16 of the pupils eligible to receive reduced-price lunch on October 1 of the previous year; and

11.17 (2) the sum of the number of pupils enrolled in the building eligible to receive free lunch
11.18 and 0.5 times the number of pupils eligible to receive reduced-price lunch on October 1 of
11.19 the previous year.

11.20 Subd. 5. Participation on Minnesota Comprehensive Assessments. For fiscal years
11.21 2018 and later, each school site's targeted compensatory revenue equals its initial revenue
11.22 under subdivision 4 multiplied by:

11.23 (1) the lesser of one; or

11.24 (2) the ratio of the school site's average student participation percentage rate on all of
11.25 the Minnesota Comprehensive Assessments administered at that site during the previous
11.26 fiscal year to 95 percent.

11.27 Subd. 6. Revenue uses. (a) Targeted compensatory revenue must be used for extended
11.28 time activities according to section 126C.10, subdivision 2a, paragraph (b).

11.29 (b) Targeted compensatory revenue generated at a school site under this section may be
11.30 used at any school site, provided the services are provided to the students enrolled at the
11.31 site generating the revenue.

12.1 Sec. 14. Minnesota Statutes 2016, section 127A.41, subdivision 3, is amended to read:

12.2 Subd. 3. **Audits.** The commissioner shall establish procedures for conducting and shall
 12.3 conduct audits of district records and files for the purpose of verifying district pupil counts,
 12.4 levy limitations, and aid entitlements. The commissioner shall establish procedures for
 12.5 selecting and shall select districts to be audited. Disparities, if any, between pupil counts,
 12.6 levy limitations, or aid entitlements determined by audit of district records and files and
 12.7 data reported by districts in reports, claims and other documents shall be reviewed by the
 12.8 commissioner who shall order increases or decreases accordingly. Whenever possible, the
 12.9 commissioner shall audit at least 25 districts each year pursuant to this subdivision.

12.10 Procedures adopted under this subdivision are not subject to chapter 14, including section
 12.11 14.386, and may differ from the procedures under section 127A.42.

12.12 **EFFECTIVE DATE.** This section is effective July 1, 2017.

12.13 Sec. 15. Minnesota Statutes 2016, section 127A.45, subdivision 10, is amended to read:

12.14 Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general fund
 12.15 payments for a district nonoperating fund must be made at the current year aid payment
 12.16 percentage of the estimated entitlement during the fiscal year of the entitlement. This amount
 12.17 shall be paid in ~~12~~ six equal monthly installments from July through December. The amount
 12.18 of the actual entitlement, after adjustment for actual data, minus the payments made during
 12.19 the fiscal year of the entitlement must be paid prior to October 31 of the following school
 12.20 year. The commissioner may make advance payments of debt service equalization aid and
 12.21 state-paid tax credits for a district's debt service fund earlier than would occur under the
 12.22 preceding schedule if the district submits evidence showing a serious cash flow problem in
 12.23 the fund. The commissioner may make earlier payments during the year and, if necessary,
 12.24 increase the percent of the entitlement paid to reduce the cash flow problem.

12.25 Sec. 16. **LEGISLATIVE STUDY GROUP ON SCHOOL FINANCE.**

12.26 (a) A 12-member legislative study group on school finance is created to review
 12.27 Minnesota's school finance system and recommend changes to make it more equitable and
 12.28 efficient. The study group must submit a written report by February 1, 2018, to the legislature
 12.29 recommending how to restructure Minnesota's school finance system. The study group must
 12.30 publicly adopt goals for Minnesota's school funding system and identify specific formula
 12.31 changes to implement those goals. The study group must examine compensatory revenue
 12.32 and funding for regular instruction, special education, and facilities. The study group may
 12.33 also examine other areas of Minnesota's school finance system. In developing its

13.1 recommendations, the study group must identify and include in its report any statutory
 13.2 changes needed to implement the study group's recommendations.

13.3 (b) The legislative study group on school finance includes:

13.4 (1) six duly elected and currently serving members of the house of representatives, three
 13.5 appointed by the speaker of the house and three appointed by the house minority leader,
 13.6 and one of whom must be the current chair of the house of representatives Education Finance
 13.7 Committee or the chair's designee; and

13.8 (2) six duly elected and currently serving senators, three appointed by the senate majority
 13.9 leader and three appointed by the senate minority leader, one of whom must be the current
 13.10 chair of the senate Education Finance Committee or the chair's designee.

13.11 Only duly elected and currently serving members of the house of representatives or senate
 13.12 may be study group members.

13.13 (c) The appointments must be made by June 1, 2017, and expire February 2, 2018. If a
 13.14 vacancy occurs, the leader of the caucus in the house of representatives or senate to which
 13.15 the vacating study group member belonged must fill the vacancy. The chair of the house of
 13.16 representatives Education Finance Committee shall convene the first meeting of the study
 13.17 group. The study group shall elect a chair or cochair from among the members at the first
 13.18 meeting. The study group must meet periodically. The Legislative Coordinating Commission
 13.19 shall provide technical and administrative assistance upon request.

13.20 (d) In performing its tasks, the study group must consult with interested and affected
 13.21 stakeholders.

13.22 (e) The study group expires February 2, 2018, unless extended by law.

13.23 **Sec. 17. NEVIS SCHOOL DISTRICT; LEVY ADJUSTMENT.**

13.24 Notwithstanding Minnesota Statutes, section 126C.48, Independent School District No.
 13.25 308, Nevis, at the discretion of its school board, may spread any levy adjustment remaining
 13.26 from the conversion of its operating referendum revenue over three or fewer years beginning
 13.27 with school property taxes for taxes payable in 2018.

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

14.1 Sec. 18. **APPROPRIATIONS.**

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

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

14.7 \$ 2018

14.8 \$ 2019

14.9 The 2018 appropriation includes \$686,828,000 for 2017 and \$..... for 2018.

14.10 The 2019 appropriation includes \$..... for 2018 and \$..... for 2019.

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

14.14 \$ 29,000 2018

14.15 \$ 31,000 2019

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

14.17 \$ 2,374,000 2018

14.18 \$ 2,163,000 2019

14.19 The 2018 appropriation includes \$262,000 for 2017 and \$2,112,000 for 2018.

14.20 The 2019 appropriation includes \$234,000 for 2018 and \$1,929,000 for 2019.

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

14.23 \$ 185,000 2018

14.24 \$ 382,000 2019

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

14.26 The 2019 appropriation includes \$20,000 for 2018 and \$362,000 for 2019.

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

14.29 \$ 18,138,000 2018

14.30 \$ 18,987,000 2019

14.31 The 2018 appropriation includes \$1,687,000 for 2017 and \$16,451,000 for 2018.

15.1 The 2019 appropriation includes \$1,827,000 for 2018 and \$17,160,000 for 2019.

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

15.4 \$ 18,049,000 2018

15.5 \$ 17,857,000 2019

15.6 The 2018 appropriation includes \$1,835,000 for 2017 and \$16,214,000 for 2018.

15.7 The 2019 appropriation includes \$1,801,000 for 2018 and \$16,056,000 for 2019.

15.8 Subd. 8. **One-room schoolhouse.** For a grant to Independent School District No. 690,
 15.9 Warroad, to operate the Angle Inlet School:

15.10 \$ 65,000 2018

15.11 \$ 65,000 2019

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

15.14 \$ 4,561,000 2018

15.15 \$ 4,125,000 2019

15.16 The 2018 appropriation includes \$476,000 for 2017 and \$4,085,000 for 2018.

15.17 The 2019 appropriation includes \$453,000 for 2018 and \$3,672,000 for 2019.

15.18 **Sec. 19. REPEALER.**

15.19 Minnesota Statutes 2016, section 124D.73, subdivision 2, is repealed.

15.20 **ARTICLE 2**

15.21 **EDUCATION EXCELLENCE**

15.22 Section 1. Minnesota Statutes 2016, section 120A.22, subdivision 9, is amended to read:

15.23 Subd. 9. ~~Curriculum~~ **Knowledge and skills.** Instruction must be provided in at least
 15.24 the following subject areas:

15.25 (1) basic communication skills including reading and writing, literature, and fine arts;

15.26 (2) mathematics and science;

15.27 (3) social studies including history, geography, ~~and~~ economics, government, and
 15.28 citizenship; and

15.29 (4) health and physical education.

16.1 Instruction, textbooks, and materials must be in the English language. Another language
16.2 may be used pursuant to sections 124D.59 to 124D.61.

16.3 Sec. 2. Minnesota Statutes 2016, section 120A.41, is amended to read:

16.4 **120A.41 LENGTH OF SCHOOL YEAR; HOURS OF INSTRUCTION.**

16.5 (a) A school board's annual school calendar must include at least 425 hours of instruction
16.6 for a kindergarten student without a disability, 935 hours of instruction for a student in
16.7 grades 1 through 6, and 1,020 hours of instruction for a student in grades 7 through 12, not
16.8 including summer school. The school calendar for all-day kindergarten must include at least
16.9 850 hours of instruction for the school year. The school calendar for a prekindergarten
16.10 student under section 124D.151, if offered by the district, must include at least 350 hours
16.11 of instruction for the school year. A school board's annual calendar must include at least
16.12 165 days of instruction for a student in grades 1 through 11 unless a four-day week schedule
16.13 has been approved by the commissioner under section 124D.126.

16.14 (b) A school board's annual school calendar may include plans for up to five days of
16.15 instruction provided through online instruction due to inclement weather. The inclement
16.16 weather plans must be developed according to section 120A.414.

16.17 **Sec. 3. [120A.414] E-LEARNING DAYS.**

16.18 Subdivision 1. **Days.** "E-learning day" means a school day where a school offers full
16.19 access to online instruction provided by students' individual teachers due to inclement
16.20 weather. A school district or charter school that chooses to have e-learning days may have
16.21 up to five e-learning days in one school year. An e-learning day is counted as a day of
16.22 instruction and included in the hours of instruction under section 120A.41.

16.23 Subd. 2. **Plan.** A school board may adopt an e-learning day plan after consulting with
16.24 the exclusive representative of the teachers. A charter school may adopt an e-learning day
16.25 plan after consulting with its teachers. The plan must include accommodations for students
16.26 without Internet access at home and for digital device access for families without the
16.27 technology or an insufficient amount of technology for the number of children in the
16.28 household. A school's e-learning day plan must provide accessible options for students with
16.29 disabilities under chapter 125A.

16.30 Subd. 3. **Annual notice.** A school district or charter school must notify parents and
16.31 students of the e-learning day plan at the beginning of the school year.

17.1 Subd. 4. **Daily notice.** On an e-learning day declared by the school, a school district or
 17.2 charter school must notify parents and students at least two hours prior to the normal school
 17.3 start time that students need to follow the e-learning day plan for that day.

17.4 Subd. 5. **Teacher access.** Each student's teacher must be accessible both online and by
 17.5 telephone during normal school hours on an e-learning day to assist students and parents.

17.6 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

17.7 Sec. 4. Minnesota Statutes 2016, section 120B.021, subdivision 1, is amended to read:

17.8 Subdivision 1. **Required academic standards.** (a) The following subject areas are
 17.9 required for statewide accountability:

17.10 (1) language arts;

17.11 (2) mathematics;

17.12 (3) science;

17.13 (4) social studies, including history, geography, economics, and government and
 17.14 citizenship that includes civics consistent with section 120B.02, subdivision 3;

17.15 (5) physical education;

17.16 (6) health, for which locally developed academic standards apply; and

17.17 (7) the arts, for which statewide or locally developed academic standards apply, as
 17.18 determined by the school district. Public elementary and middle schools must offer at least
 17.19 three and require at least two of the following four arts areas: dance; music; theater; and
 17.20 visual arts. Public high schools must offer at least three and require at least one of the
 17.21 following five arts areas: media arts; dance; music; theater; and visual arts.

17.22 (b) For purposes of applicable federal law, the academic standards for language arts,
 17.23 mathematics, and science apply to all public school students, except the very few students
 17.24 with extreme cognitive or physical impairments for whom an individualized education
 17.25 program team has determined that the required academic standards are inappropriate. An
 17.26 individualized education program team that makes this determination must establish
 17.27 alternative standards.

17.28 (c) ~~Beginning in the 2016-2017 school year,~~ The department must adopt the most recent
 17.29 ~~National Association of Sport and Physical Education~~ SHAPE America (Society of Health
 17.30 and Physical Educators) kindergarten through grade 12 standards and benchmarks for
 17.31 physical education as the required physical education academic standards. The department

18.1 may modify and adapt the national standards to accommodate state interest. The modification
 18.2 and adaptations must maintain the purpose and integrity of the national standards. The
 18.3 department must make available sample assessments, which school districts may use as an
 18.4 alternative to local assessments, to assess students' mastery of the physical education
 18.5 standards beginning in the 2018-2019 school year.

18.6 (d) A school district may include child sexual abuse prevention instruction in a health
 18.7 curriculum, consistent with paragraph (a), clause (6). Child sexual abuse prevention
 18.8 instruction may include age-appropriate instruction on recognizing sexual abuse and assault,
 18.9 boundary violations and unwanted forms of touching or contact, and ways offenders groom
 18.10 or desensitize victims, as well as strategies to promote disclosure, reduce self-blame, and
 18.11 mobilize bystanders. A school district may provide instruction under this paragraph in a
 18.12 variety of ways, including at an annual assembly or classroom presentation. A school district
 18.13 may also provide parents information on the warning signs of child sexual abuse and available
 18.14 resources.

18.15 ~~(d)~~ (e) District efforts to develop, implement, or improve instruction or curriculum as a
 18.16 result of the provisions of this section must be consistent with sections 120B.10, 120B.11,
 18.17 and 120B.20.

18.18 Sec. 5. Minnesota Statutes 2016, section 120B.021, subdivision 3, is amended to read:

18.19 Subd. 3. **Rulemaking.** The commissioner, consistent with the requirements of this section
 18.20 and section 120B.022, must adopt statewide rules under section 14.389 for implementing
 18.21 statewide rigorous core academic standards in language arts, mathematics, science, social
 18.22 studies, physical education, and the arts. After the rules authorized under this subdivision
 18.23 are initially adopted, the commissioner may not amend or repeal these rules nor adopt new
 18.24 rules on the same topic without specific legislative authorization. ~~The academic standards~~
 18.25 ~~for language arts, mathematics, and the arts must be implemented for all students beginning~~
 18.26 ~~in the 2003-2004 school year. The academic standards for science and social studies must~~
 18.27 ~~be implemented for all students beginning in the 2005-2006 school year.~~

18.28 Sec. 6. Minnesota Statutes 2016, section 120B.022, subdivision 1b, is amended to read:

18.29 Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive
 18.30 for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph
 18.31 (i), and close the academic achievement and opportunity gap under sections 124D.861 and
 18.32 124D.862, voluntary state bilingual and multilingual seals are established to recognize high
 18.33 school students in any school district, charter school, or nonpublic school who demonstrate

19.1 an advanced-low level or an intermediate high level of functional proficiency in listening,
19.2 speaking, reading, and writing on either assessments aligned with American Council on the
19.3 Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid
19.4 and reliable assessments in one or more languages in addition to English. American Sign
19.5 Language is a language other than English for purposes of this subdivision and a world
19.6 language for purposes of subdivision 1a.

19.7 (b) In addition to paragraph (a), to be eligible to receive a seal:

19.8 (1) students must satisfactorily complete all required English language arts credits; and

19.9 (2) students must demonstrate mastery of Minnesota's English language proficiency
19.10 standards.

19.11 (c) Consistent with this subdivision, a high school student who demonstrates an
19.12 intermediate high ACTFL level of functional proficiency in one language in addition to
19.13 English is eligible to receive the state bilingual gold seal. A high school student who
19.14 demonstrates an intermediate high ACTFL level of functional native proficiency in more
19.15 than one language in addition to English is eligible to receive the state multilingual gold
19.16 seal. A high school student who demonstrates an advanced-low ACTFL level of functional
19.17 proficiency in one language in addition to English is eligible to receive the state bilingual
19.18 platinum seal. A high school student who demonstrates an advanced-low ACTFL level of
19.19 functional proficiency in more than one language in addition to English is eligible to receive
19.20 the state multilingual platinum seal.

19.21 (d) School districts and charter schools may give students periodic opportunities to
19.22 demonstrate their level of proficiency in listening, speaking, reading, and writing in a
19.23 language in addition to English. Where valid and reliable assessments are unavailable, a
19.24 school district or charter school may rely on evaluators trained in assessing under ACTFL
19.25 proficiency guidelines to assess a student's level of foreign, heritage, or indigenous language
19.26 proficiency under this section. School districts and charter schools must maintain appropriate
19.27 records to identify high school students eligible to receive the state bilingual or multilingual
19.28 gold and platinum seals. The school district or charter school must affix the appropriate seal
19.29 to the transcript of each high school student who meets the requirements of this subdivision
19.30 and may affix the seal to the student's diploma. A school district or charter school must not
19.31 charge the high school student a fee for this seal.

19.32 (e) A school district or charter school may award elective course credits in world
19.33 languages to a student who demonstrates the requisite proficiency in a language other than
19.34 English under this section.

20.1 (f) A school district or charter school may award community service credit to a student
 20.2 who demonstrates an intermediate high or advanced-low ACTFL level of functional
 20.3 proficiency in listening, speaking, reading, and writing in a language other than English
 20.4 and who participates in community service activities that are integrated into the curriculum,
 20.5 involve the participation of teachers, and support biliteracy in the school or local community.

20.6 (g) The commissioner must list on the Web page those assessments that are aligned to
 20.7 ACTFL proficiency guidelines.

20.8 (h) By August 1, 2015, the colleges and universities of the Minnesota State Colleges
 20.9 and Universities system must establish criteria to translate the seals into college credits
 20.10 based on the world language course equivalencies identified by the Minnesota State Colleges
 20.11 and Universities faculty and staff and, upon request from an enrolled student, the Minnesota
 20.12 State Colleges and Universities may award foreign language credits to a student who receives
 20.13 a Minnesota World Language Proficiency Certificate under subdivision 1a. A student who
 20.14 demonstrated the requisite level of language proficiency in grade 10, 11, or 12 to receive a
 20.15 seal or certificate and is enrolled in a Minnesota State Colleges and Universities institution
 20.16 must request college credits for the student's seal or proficiency certificate within three
 20.17 academic years after graduating from high school. The University of Minnesota is encouraged
 20.18 to award students foreign language academic credits consistent with this paragraph.

20.19 Sec. 7. Minnesota Statutes 2016, section 120B.12, subdivision 2, is amended to read:

20.20 Subd. 2. **Identification; report.** (a) Each school district shall identify before the end of
 20.21 kindergarten, grade 1, and grade 2 students who are not reading at grade level before the
 20.22 end of the current school year and shall identify students in grade 3 or higher who
 20.23 demonstrate a reading difficulty to a classroom teacher. Reading assessments in English,
 20.24 and in the predominant languages of district students where practicable, must identify and
 20.25 evaluate students' areas of academic need related to literacy. The district also must monitor
 20.26 the progress and provide reading instruction appropriate to the specific needs of English
 20.27 learners. The district must use a locally adopted, developmentally appropriate, and culturally
 20.28 responsive assessment and annually report summary assessment results to the commissioner
 20.29 by July 1. The district also must annually report to the commissioner by July 1 a summary
 20.30 of the district's efforts to screen and identify students with:

20.31 (1) dyslexia, using screening tools such as those recommended by the department's
 20.32 dyslexia and literacy specialist; or

20.33 (2) convergence insufficiency disorder to the commissioner by July 1.

21.1 (b) A student identified under this subdivision must be provided with alternate instruction
21.2 under section 125A.56, subdivision 1.

21.3 Sec. 8. Minnesota Statutes 2016, section 120B.12, subdivision 3, is amended to read:

21.4 Subd. 3. **Intervention.** For each student identified under subdivision 2, the district shall
21.5 provide reading intervention to accelerate student growth and reach the goal of reading at
21.6 or above grade level by the end of the current grade and school year. District intervention
21.7 methods shall encourage family engagement and, where possible, collaboration with
21.8 appropriate school and community programs. Intervention methods may include, but are
21.9 not limited to, requiring attendance in summer school, intensified reading instruction that
21.10 may require that the student be removed from the regular classroom for part of the school
21.11 day, extended-day programs, or programs that strengthen students' cultural connections.
21.12 Intervention must continue after grade 3 until the student is reading at grade level.

21.13 Sec. 9. [120B.122] DYSLEXIA AND LITERACY SPECIALIST.

21.14 Subdivision 1. Purpose. The department must employ a dyslexia and literacy specialist
21.15 to provide technical assistance for dyslexia and related disorders and to serve as the primary
21.16 source of information and support for schools in addressing the needs of students with
21.17 dyslexia and related disorders. The dyslexia and literacy specialist shall also act to increase
21.18 professional awareness and instructional competencies to meet the educational needs of
21.19 students with dyslexia or identified with risk characteristics associated with dyslexia and
21.20 shall develop program guidelines consistent with section 122A.06, subdivision 4, to be used
21.21 to assist general education teachers and special education teachers to recognize educational
21.22 needs and to improve literacy outcomes for students with dyslexia or identified with risk
21.23 characteristics associated with dyslexia.

21.24 Subd. 2. Definition. For purposes of this section, a "dyslexia and literacy specialist"
21.25 means a dyslexia therapist, licensed psychologist, certified psychometrist, licensed
21.26 speech-language pathologist, or certified dyslexia training specialist who has a minimum
21.27 of three years of field experience in screening, identifying, and treating dyslexia and related
21.28 disorders.

21.29 Subd. 3. Requirements. A dyslexia and literacy specialist shall be highly trained in
21.30 dyslexia and related disorders and in using interventions and treatments that are
21.31 evidence-based, multisensory, direct, explicit, structured, and sequential in the areas of
21.32 phonics, phonemic awareness, vocabulary, fluency, and comprehension.

22.1 Sec. 10. Minnesota Statutes 2016, section 120B.22, subdivision 2, is amended to read:

22.2 Subd. 2. **In-service training.** Each district is encouraged to provide training for district
22.3 staff and school board members ~~to help~~ on the following:

22.4 (1) helping students identify violence in the family and the community so that students
22.5 may learn to resolve conflicts in effective, nonviolent ways;

22.6 (2) responding to a disclosure of child sexual abuse in a supportive, appropriate manner;
22.7 and

22.8 (3) complying with mandatory reporting requirements under section 626.556.

22.9 The in-service training must be ongoing and involve experts familiar with sexual abuse,
22.10 domestic violence, and personal safety issues.

22.11 Sec. 11. Minnesota Statutes 2016, section 120B.23, subdivision 3, is amended to read:

22.12 Subd. 3. **Grant awards.** (a) The commissioner may award grants for a violence
22.13 prevention education program to eligible applicants as defined in subdivision 2. Grant
22.14 amounts may not exceed \$3 per resident pupil unit in the district or group of districts in the
22.15 prior school year. Grant recipients should be geographically distributed throughout the state.

22.16 (b) School districts and charter schools may accept funds from private and other public
22.17 sources for child sexual abuse prevention programs developed and implemented under
22.18 sections 120B.021, subdivision 1, paragraph (d), and 120B.234, including federal funding
22.19 under the Every Student Succeeds Act.

22.20 Sec. 12. Minnesota Statutes 2016, section 120B.232, subdivision 1, is amended to read:

22.21 Subdivision 1. **Character development education.** (a) Character education is the shared
22.22 responsibility of parents, teachers, and members of the community. The legislature
22.23 encourages districts to integrate or offer instruction on character education including, but
22.24 not limited to, character qualities such as attentiveness, truthfulness, respect for authority,
22.25 diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking,
22.26 and resourcefulness. Instruction should be integrated into a district's existing programs,
22.27 curriculum, or the general school environment. To the extent practicable, instruction should
22.28 be integrated into positive behavioral intervention strategies, under section 122A.627. The
22.29 commissioner shall provide assistance at the request of a district to develop character
22.30 education curriculum and programs.

23.1 (b) Character development education under paragraph (a) may include a voluntary
 23.2 elementary, middle, and high school program that incorporates the history and values of
 23.3 Congressional Medal of Honor recipients and may be offered as part of the social studies,
 23.4 English language arts, or other curriculum, as a schoolwide character building and veteran
 23.5 awareness initiative, or as an after-school program, among other possibilities.

23.6 Sec. 13. **[120B.234] CHILD SEXUAL ABUSE PREVENTION EDUCATION.**

23.7 Subdivision 1. **Purpose.** The purpose of this section, which may be cited as "Erin's
 23.8 Law," is to encourage districts to integrate or offer instruction on child sexual abuse
 23.9 prevention to students and training to all school personnel on recognizing and preventing
 23.10 sexual abuse and sexual violence.

23.11 Subd. 2. **Curriculum.** School districts may consult with other federal, state, or local
 23.12 agencies and community-based organizations, including the Child Information Gateway
 23.13 Web site maintained by the United States Department of Health and Human Services, to
 23.14 identify research-based tools, curricula, and programs to prevent child sexual abuse for use
 23.15 under section 120B.021, subdivision 1, paragraph (d).

23.16 Subd. 3. **Other state programs.** The child sexual abuse prevention instruction provided
 23.17 under this section is part of preventing sexual violence against children, which includes,
 23.18 but is not limited to, the following activities:

23.19 (1) training on mandated reporting requirements provided on the Department of
 23.20 Education's Web site;

23.21 (2) the Code of Ethics for Minnesota Teachers; and

23.22 (3) consultation by the commissioner of education with the commissioners of health,
 23.23 human services, and public safety, and other state agencies to prevent violence against
 23.24 children.

23.25 Subd. 4. **Report.** The commissioner of education must submit a report by November 1,
 23.26 2019, to the chairs and ranking minority members of the legislative committees with
 23.27 jurisdiction over kindergarten through grade 12 education, providing information regarding
 23.28 child sexual abuse prevention programs developed and implemented by school districts and
 23.29 charter schools. The report must include information regarding the students and personnel
 23.30 served, program activities, and program revenue sources and expenditures.

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

24.1 Sec. 14. Minnesota Statutes 2016, section 120B.30, subdivision 1, is amended to read:

24.2 Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with
24.3 appropriate technical qualifications and experience and stakeholders, consistent with
24.4 subdivision 1a, shall include in the comprehensive assessment system, for each grade level
24.5 to be tested, state-constructed tests developed as computer-adaptive reading and mathematics
24.6 assessments for students that are aligned with the state's required academic standards under
24.7 section 120B.021, include multiple choice questions, and are administered annually to all
24.8 students in grades 3 through 8. State-developed high school tests aligned with the state's
24.9 required academic standards under section 120B.021 and administered to all high school
24.10 students in a subject other than writing must include multiple choice questions. The
24.11 commissioner shall establish one or more months during which schools shall administer
24.12 the tests to students each school year.

24.13 (1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be
24.14 assessed under (i) the graduation-required assessment for diploma in reading, mathematics,
24.15 or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c),
24.16 clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass
24.17 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
24.18 recognized armed services vocational aptitude test.

24.19 (2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible
24.20 to be assessed under (i) the graduation-required assessment for diploma in reading,
24.21 mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1,
24.22 paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the Compass
24.23 college placement test, (iv) the ACT assessment for college admission, (v) a nationally
24.24 recognized armed services vocational aptitude test.

24.25 (3) For students under clause (1) or (2), a school district may substitute a score from an
24.26 alternative, equivalent assessment to satisfy the requirements of this paragraph.

24.27 (b) The state assessment system must be aligned to the most recent revision of academic
24.28 standards as described in section 120B.023 in the following manner:

24.29 (1) mathematics;

24.30 (i) grades 3 through 8 beginning in the 2010-2011 school year; and

24.31 (ii) high school level beginning in the 2013-2014 school year;

24.32 (2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012
24.33 school year; and

25.1 (3) language arts and reading; grades 3 through 8 and high school level beginning in the
25.2 2012-2013 school year.

25.3 (c) For students enrolled in grade 8 in the 2012-2013 school year and later, students'
25.4 state graduation requirements, based on a longitudinal, systematic approach to student
25.5 education and career planning, assessment, instructional support, and evaluation, include
25.6 the following:

25.7 (1) ~~an opportunity to participate on a nationally normed college entrance exam, in grade~~
25.8 ~~11 or grade 12;~~

25.9 ~~(2)~~ achievement and career and college readiness in mathematics, reading, and writing,
25.10 consistent with paragraph (k) and to the extent available, to monitor students' continuous
25.11 development of and growth in requisite knowledge and skills; analyze students' progress
25.12 and performance levels, identifying students' academic strengths and diagnosing areas where
25.13 students require curriculum or instructional adjustments, targeted interventions, or
25.14 remediation; and, based on analysis of students' progress and performance data, determine
25.15 students' learning and instructional needs and the instructional tools and best practices that
25.16 support academic rigor for the student; and

25.17 ~~(3)~~ (2) consistent with this paragraph and section 120B.125, age-appropriate exploration
25.18 and planning activities and career assessments to encourage students to identify personally
25.19 relevant career interests and aptitudes and help students and their families develop a regularly
25.20 reexamined transition plan for postsecondary education or employment without need for
25.21 postsecondary remediation.

25.22 Based on appropriate state guidelines, students with an individualized education program
25.23 may satisfy state graduation requirements by achieving an individual score on the
25.24 state-identified alternative assessments.

25.25 (d) Expectations of schools, districts, and the state for career or college readiness under
25.26 this subdivision must be comparable in rigor, clarity of purpose, and rates of student
25.27 completion.

25.28 A student under paragraph (c), clause ~~(2)~~ (1), must receive targeted, relevant, academically
25.29 rigorous, and resourced instruction, which may include a targeted instruction and intervention
25.30 plan focused on improving the student's knowledge and skills in core subjects so that the
25.31 student has a reasonable chance to succeed in a career or college without need for
25.32 postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49,
25.33 and related sections, an enrolling school or district must actively encourage a student in
25.34 grade 11 or 12 who is identified as academically ready for a career or college to participate

26.1 in courses and programs awarding college credit to high school students. Students are not
 26.2 required to achieve a specified score or level of proficiency on an assessment under this
 26.3 subdivision to graduate from high school.

26.4 (e) Though not a high school graduation requirement, students are encouraged to
 26.5 participate in a nationally recognized college entrance exam. To the extent state funding
 26.6 for college entrance exam fees is available, a district must ~~pay the cost~~ reimburse a student
 26.7 in grade 11 or 12 who is eligible for a free or reduced-price meal, one time, ~~for an interested~~
 26.8 ~~student in grade 11 or 12 to take~~ for the registration fees associated with a nationally
 26.9 recognized college entrance exam before graduating. ~~A student must be able to take the~~
 26.10 ~~exam under this paragraph at the student's high school during the school day and at any one~~
 26.11 ~~of the multiple exam administrations available to students in the district.~~ In order to comply
 26.12 with this subdivision, a district may administer the ACT or SAT or both the ACT and SAT
 26.13 ~~to comply with this paragraph~~ at the student's high school or arrange for the student to take
 26.14 the exam at another location. ~~If the district administers only one of these two tests and a~~
 26.15 ~~student opts not to take that test and chooses instead to take the other of the two tests, the~~
 26.16 A free or reduced-price meal eligible student may take the ~~other test~~ exam at a different
 26.17 time or location and remains eligible for the examination fee reimbursement.

26.18 (f) The commissioner and the chancellor of the Minnesota State Colleges and Universities
 26.19 must collaborate in aligning instruction and assessments for adult basic education students
 26.20 and English learners to provide the students with diagnostic information about any targeted
 26.21 interventions, accommodations, modifications, and supports they need so that assessments
 26.22 and other performance measures are accessible to them and they may seek postsecondary
 26.23 education or employment without need for postsecondary remediation. When administering
 26.24 formative or summative assessments used to measure the academic progress, including the
 26.25 oral academic development, of English learners and inform their instruction, schools must
 26.26 ensure that the assessments are accessible to the students and students have the modifications
 26.27 and supports they need to sufficiently understand the assessments.

26.28 (g) Districts and schools, on an annual basis, must use career exploration elements to
 26.29 help students, beginning no later than grade 9, and their families explore and plan for
 26.30 postsecondary education or careers based on the students' interests, aptitudes, and aspirations.
 26.31 Districts and schools must use timely regional labor market information and partnerships,
 26.32 among other resources, to help students and their families successfully develop, pursue,
 26.33 review, and revise an individualized plan for postsecondary education or a career. This
 26.34 process must help increase students' engagement in and connection to school, improve
 26.35 students' knowledge and skills, and deepen students' understanding of career pathways as

27.1 a sequence of academic and career courses that lead to an industry-recognized credential,
27.2 an associate's degree, or a bachelor's degree and are available to all students, whatever their
27.3 interests and career goals.

27.4 (h) A student who demonstrates attainment of required state academic standards, which
27.5 include career and college readiness benchmarks, on high school assessments under
27.6 subdivision 1a is academically ready for a career or college and is encouraged to participate
27.7 in courses awarding college credit to high school students. Such courses and programs may
27.8 include sequential courses of study within broad career areas and technical skill assessments
27.9 that extend beyond course grades.

27.10 (i) As appropriate, students through grade 12 must continue to participate in targeted
27.11 instruction, intervention, or remediation and be encouraged to participate in courses awarding
27.12 college credit to high school students.

27.13 (j) In developing, supporting, and improving students' academic readiness for a career
27.14 or college, schools, districts, and the state must have a continuum of empirically derived,
27.15 clearly defined benchmarks focused on students' attainment of knowledge and skills so that
27.16 students, their parents, and teachers know how well students must perform to have a
27.17 reasonable chance to succeed in a career or college without need for postsecondary
27.18 remediation. The commissioner, in consultation with local school officials and educators,
27.19 and Minnesota's public postsecondary institutions must ensure that the foundational
27.20 knowledge and skills for students' successful performance in postsecondary employment
27.21 or education and an articulated series of possible targeted interventions are clearly identified
27.22 and satisfy Minnesota's postsecondary admissions requirements.

27.23 (k) For students in grade 8 in the 2012-2013 school year and later, a school, district, or
27.24 charter school must record on the high school transcript a student's progress toward career
27.25 and college readiness, and for other students as soon as practicable.

27.26 (l) The school board granting students their diplomas may formally decide to include a
27.27 notation of high achievement on the high school diplomas of those graduating seniors who,
27.28 according to established school board criteria, demonstrate exemplary academic achievement
27.29 during high school.

27.30 (m) The 3rd through 8th grade computer-adaptive assessment results and high school
27.31 test results shall be available to districts for diagnostic purposes affecting student learning
27.32 and district instruction and curriculum, and for establishing educational accountability. The
27.33 commissioner must establish empirically derived benchmarks on adaptive assessments in
27.34 grades 3 through 8. The commissioner, in consultation with the chancellor of the Minnesota

28.1 State Colleges and Universities, must establish empirically derived benchmarks on the high
28.2 school tests that reveal a trajectory toward career and college readiness consistent with
28.3 section 136F.302, subdivision 1a. The commissioner must disseminate to the public the
28.4 computer-adaptive assessments and high school test results upon receiving those results.

28.5 (n) The grades 3 through 8 computer-adaptive assessments and high school tests must
28.6 be aligned with state academic standards. The commissioner shall determine the testing
28.7 process and the order of administration. The statewide results shall be aggregated at the site
28.8 and district level, consistent with subdivision 1a.

28.9 (o) The commissioner shall include the following components in the statewide public
28.10 reporting system:

28.11 (1) uniform statewide computer-adaptive assessments of all students in grades 3 through
28.12 8 and testing at the high school levels that provides appropriate, technically sound
28.13 accommodations or alternate assessments;

28.14 (2) educational indicators that can be aggregated and compared across school districts
28.15 and across time on a statewide basis, including average daily attendance, high school
28.16 graduation rates, and high school drop-out rates by age and grade level;

28.17 (3) state results on the American College Test; and

28.18 (4) state results from participation in the National Assessment of Educational Progress
28.19 so that the state can benchmark its performance against the nation and other states, and,
28.20 where possible, against other countries, and contribute to the national effort to monitor
28.21 achievement.

28.22 (p) For purposes of statewide accountability, "career and college ready" means a high
28.23 school graduate has the knowledge, skills, and competencies to successfully pursue a career
28.24 pathway, including postsecondary credit leading to a degree, diploma, certificate, or
28.25 industry-recognized credential and employment. Students who are career and college ready
28.26 are able to successfully complete credit-bearing coursework at a two- or four-year college
28.27 or university or other credit-bearing postsecondary program without need for remediation.

28.28 (q) For purposes of statewide accountability, "cultural competence," "cultural
28.29 competency," or "culturally competent" means the ability ~~and will~~ of families and educators
28.30 to interact effectively with people of different cultures, native languages, and socioeconomic
28.31 backgrounds.

29.1 Sec. 15. Minnesota Statutes 2016, section 120B.31, subdivision 4, is amended to read:

29.2 Subd. 4. **Student performance data.** In developing policies and assessment processes
 29.3 to hold schools and districts accountable for high levels of academic standards under section
 29.4 120B.021, the commissioner shall aggregate and disaggregate student data over time to
 29.5 report summary student performance and growth levels and, under section 120B.11,
 29.6 subdivision 2, clause (2), student learning and outcome data measured at the school, school
 29.7 district, and statewide level. The commissioner shall use the student categories identified
 29.8 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
 29.9 and student categories of:

29.10 (1) homelessness;₂

29.11 (2) ethnicity; under section 120B.35, subdivision 3, paragraph (a), clause (2);

29.12 (3) race; under section 120B.35, subdivision 3, paragraph (a), clause (2);

29.13 (4) home language; ~~immigrant, refugee status;~~₂

29.14 (5) English learners under section 124D.59;₂

29.15 (6) free or reduced-price lunch;₂ and

29.16 (7) other categories designated by federal law to organize and report the data so that
 29.17 state and local policy makers can understand the educational implications of changes in
 29.18 districts' demographic profiles over time as data are available.

29.19 Any report the commissioner disseminates containing summary data on student performance
 29.20 must integrate student performance and the demographic factors that strongly correlate with
 29.21 that performance.

29.22 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

29.23 Sec. 16. Minnesota Statutes 2016, section 120B.35, subdivision 3, is amended to read:

29.24 Subd. 3. **State growth target; other state measures.** (a)(1) The state's educational
 29.25 assessment system measuring individual students' educational growth is based on indicators
 29.26 of achievement growth that show an individual student's prior achievement. Indicators of
 29.27 achievement and prior achievement must be based on highly reliable statewide or districtwide
 29.28 assessments.

29.29 (2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and
 29.30 report separate categories of information using the student categories identified under the
 29.31 federal Elementary and Secondary Education Act, as most recently reauthorized, and, in

30.1 addition to "other" for each race and ethnicity, and the Karen community, other student
 30.2 categories as determined by the total Minnesota population at or above the 1,000-person
 30.3 threshold based on the most recent decennial census, including ethnicity; race; refugee status
 30.4 seven of the most populous Asian and Pacific Islander groups, three of the most populous
 30.5 Native groups, seven of the most populous Hispanic/Latino groups, and five of the most
 30.6 populous Black and African Heritage groups as determined by the total Minnesota population
 30.7 based on the most recent state demographer's report; English learners under section 124D.59;
 30.8 home language; free or reduced-price lunch; immigrant; and all students enrolled in a
 30.9 Minnesota public school who are currently or were previously in foster care, except that
 30.10 such disaggregation and cross tabulation is not required if the number of students in a
 30.11 category is insufficient to yield statistically reliable information or the results would reveal
 30.12 personally identifiable information about an individual student.

30.13 (b) The commissioner, in consultation with a stakeholder group that includes assessment
 30.14 and evaluation directors, district staff, experts in culturally responsive teaching, and
 30.15 researchers, must implement a model that uses a value-added growth indicator and includes
 30.16 criteria for identifying schools and school districts that demonstrate medium and high growth
 30.17 under section 120B.299, subdivisions 8 and 9, and may recommend other value-added
 30.18 measures under section 120B.299, subdivision 3. The model may be used to advance
 30.19 educators' professional development and replicate programs that succeed in meeting students'
 30.20 diverse learning needs. Data on individual teachers generated under the model are personnel
 30.21 data under section 13.43. The model must allow users to:

30.22 (1) report student growth consistent with this paragraph; and

30.23 (2) for all student categories, report and compare aggregated and disaggregated state
 30.24 student growth and, under section 120B.11, subdivision 2, clause (2), student learning and
 30.25 outcome data using the student categories identified under the federal Elementary and
 30.26 Secondary Education Act, as most recently reauthorized, and other student categories under
 30.27 paragraph (a), clause (2).

30.28 The commissioner must report measures of student growth and, under section 120B.11,
 30.29 subdivision 2, clause (2), student learning and outcome data, consistent with this paragraph,
 30.30 including the English language development, academic progress, and oral academic
 30.31 development of English learners and their native language development if the native language
 30.32 is used as a language of instruction, and include data on all pupils enrolled in a Minnesota
 30.33 public school course or program who are currently or were previously counted as an English
 30.34 learner under section 124D.59.

31.1 (c) When reporting student performance under section 120B.36, subdivision 1, the
31.2 commissioner annually, beginning July 1, 2011, must report two core measures indicating
31.3 the extent to which current high school graduates are being prepared for postsecondary
31.4 academic and career opportunities:

31.5 (1) a preparation measure indicating the number and percentage of high school graduates
31.6 in the most recent school year who completed course work important to preparing them for
31.7 postsecondary academic and career opportunities, consistent with the core academic subjects
31.8 required for admission to Minnesota's public colleges and universities as determined by the
31.9 Office of Higher Education under chapter 136A; and

31.10 (2) a rigorous coursework measure indicating the number and percentage of high school
31.11 graduates in the most recent school year who successfully completed one or more
31.12 college-level advanced placement, international baccalaureate, postsecondary enrollment
31.13 options including concurrent enrollment, other rigorous courses of study under section
31.14 120B.021, subdivision 1a, or industry certification courses or programs.

31.15 When reporting the core measures under clauses (1) and (2), the commissioner must also
31.16 analyze and report separate categories of information using the student categories identified
31.17 under the federal Elementary and Secondary Education Act, as most recently reauthorized,
31.18 and other student categories under paragraph (a), clause (2).

31.19 (d) When reporting student performance under section 120B.36, subdivision 1, the
31.20 commissioner annually, beginning July 1, 2014, must report summary data on school safety
31.21 and students' engagement and connection at school, consistent with the student categories
31.22 identified under paragraph (a), clause (2). The summary data under this paragraph are
31.23 separate from and must not be used for any purpose related to measuring or evaluating the
31.24 performance of classroom teachers. The commissioner, in consultation with qualified experts
31.25 on student engagement and connection and classroom teachers, must identify highly reliable
31.26 variables that generate summary data under this paragraph. The summary data may be used
31.27 at school, district, and state levels only. Any data on individuals received, collected, or
31.28 created that are used to generate the summary data under this paragraph are nonpublic data
31.29 under section 13.02, subdivision 9.

31.30 (e) For purposes of statewide educational accountability, the commissioner must identify
31.31 and report measures that demonstrate the success of learning year program providers under
31.32 sections 123A.05 and 124D.68, among other such providers, in improving students'
31.33 graduation outcomes. The commissioner, beginning July 1, 2015, must annually report
31.34 summary data on:

- 32.1 (1) the four- and six-year graduation rates of students under this paragraph;
- 32.2 (2) the percent of students under this paragraph whose progress and performance levels
- 32.3 are meeting career and college readiness benchmarks under section 120B.30, subdivision
- 32.4 1; and
- 32.5 (3) the success that learning year program providers experience in:
- 32.6 (i) identifying at-risk and off-track student populations by grade;
- 32.7 (ii) providing successful prevention and intervention strategies for at-risk students;
- 32.8 (iii) providing successful recuperative and recovery or reenrollment strategies for off-track
- 32.9 students; and
- 32.10 (iv) improving the graduation outcomes of at-risk and off-track students.

32.11 The commissioner may include in the annual report summary data on other education

32.12 providers serving a majority of students eligible to participate in a learning year program.

32.13 (f) The commissioner, in consultation with recognized experts with knowledge and

32.14 experience in assessing the language proficiency and academic performance of all English

32.15 learners enrolled in a Minnesota public school course or program who are currently or were

32.16 previously counted as an English learner under section 124D.59, must identify and report

32.17 appropriate and effective measures to improve current categories of language difficulty and

32.18 assessments, and monitor and report data on students' English proficiency levels, program

32.19 placement, and academic language development, including oral academic language.

32.20 (g) When reporting four- and six-year graduation rates, the commissioner or school

32.21 district must disaggregate the data by student categories according to paragraph (a), clause

32.22 (2).

32.23 (h) A school district must inform parents and guardians that volunteering information

32.24 on student categories not required by the most recent reauthorization of the Elementary and

32.25 Secondary Education Act is optional and will not violate the privacy of students or their

32.26 families, parents, or guardians. The notice must state the purpose for collecting the student

32.27 data.

32.28 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

32.29 Sec. 17. Minnesota Statutes 2016, section 120B.36, subdivision 1, is amended to read:

32.30 Subdivision 1. **School performance reports and public reporting.** (a) The commissioner

32.31 shall report student academic performance data under section 120B.35, subdivisions 2 and

33.1 3; the percentages of students showing low, medium, and high growth under section 120B.35,
 33.2 subdivision 3, paragraph (b); school safety and student engagement and connection under
 33.3 section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section 120B.35,
 33.4 subdivision 3, paragraph (c); the percentage of students under section 120B.35, subdivision
 33.5 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and
 33.6 college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35,
 33.7 subdivision 3, paragraph (e); longitudinal data on the progress of eligible districts in reducing
 33.8 disparities in students' academic achievement and realizing racial and economic integration
 33.9 under section 124D.861; the acquisition of English, and where practicable, native language
 33.10 academic literacy, including oral academic language, and the academic progress of all
 33.11 English learners enrolled in a Minnesota public school course or program who are currently
 33.12 or were previously counted as English learners under section 124D.59; two separate
 33.13 student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections
 33.14 122A.06 and 122A.15 for purposes of determining these ratios; staff characteristics excluding
 33.15 salaries; student enrollment demographics; foster care status, including all students enrolled
 33.16 in a Minnesota public school course or program who are currently or were previously in
 33.17 foster care, student homelessness, and district mobility; and extracurricular activities. ~~The~~
 33.18 ~~report also must indicate a school's status under applicable federal law.~~

33.19 (b) The school performance report for a school site and a school district must include
 33.20 school performance reporting information and calculate proficiency rates as required by the
 33.21 most recently reauthorized Elementary and Secondary Education Act.

33.22 (c) The commissioner shall develop, annually update, and post on the department Web
 33.23 site school performance reports consistent with paragraph (a) and section 120B.11.

33.24 ~~(e)~~ (d) The commissioner must make available performance reports by the beginning of
 33.25 each school year.

33.26 ~~(d)~~ (e) A school or district may appeal its results in a form and manner determined by
 33.27 the commissioner and consistent with federal law. The commissioner's decision to uphold
 33.28 or deny an appeal is final.

33.29 ~~(e)~~ (f) School performance data are nonpublic data under section 13.02, subdivision 9,
 33.30 until the commissioner publicly releases the data. The commissioner shall annually post
 33.31 school performance reports to the department's public Web site no later than September 1,
 33.32 except that in years when the reports reflect new performance standards, the commissioner
 33.33 shall post the school performance reports no later than October 1.

33.34 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

34.1 Sec. 18. Minnesota Statutes 2016, section 124D.03, subdivision 5a, is amended to read:

34.2 Subd. 5a. **Lotteries.** If a school district has more applications than available seats at a
 34.3 specific grade level, it must hold an impartial lottery following the January 15 deadline to
 34.4 determine which students will receive seats. The district must give priority to enrolling
 34.5 siblings of currently enrolled students, students whose applications are related to an approved
 34.6 integration and achievement plan, and children of the school district's staff must receive
 34.7 priority in the lottery, and students residing in that part of a municipality, defined under
 34.8 section 469.1812, subdivision 3, where:

34.9 (1) the student's resident district does not operate a school building;

34.10 (2) the nonresident district in which the student seeks to enroll operates one or more
 34.11 school buildings within the municipality; and

34.12 (3) no other nonresident district operates a school building within the municipality.

34.13 The process for the school district lottery must be established in school district policy,
 34.14 approved by the school board, and posted on the school district's Web site.

34.15 **EFFECTIVE DATE.** This section is effective for lotteries conducted beginning July
 34.16 1, 2017.

34.17 Sec. 19. Minnesota Statutes 2016, section 124D.09, subdivision 3, is amended to read:

34.18 Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings
 34.19 given to them.

34.20 (a) "Eligible institution" means a Minnesota public postsecondary institution, a private,
 34.21 nonprofit two-year trade and technical school granting associate degrees, an opportunities
 34.22 industrialization center accredited by the North Central Association of Colleges and Schools,
 34.23 or a private, residential, two-year or four-year, liberal arts, degree-granting college or
 34.24 university located in Minnesota.

34.25 (b) "Course" means a course or program.

34.26 (c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under
 34.27 subdivision 5 or 5b enrolls to earn both secondary and postsecondary credits, are taught by
 34.28 a secondary teacher or a postsecondary faculty member, and are offered at a high school
 34.29 for which the district is eligible to receive concurrent enrollment program aid under section
 34.30 124D.091.

35.1 Sec. 20. Minnesota Statutes 2016, section 124D.09, subdivision 5, is amended to read:

35.2 Subd. 5. **Authorization; notification.** Notwithstanding any other law to the contrary,
 35.3 an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled tribal
 35.4 contract or grant school eligible for aid under section 124D.83, except a foreign exchange
 35.5 pupil enrolled in a district under a cultural exchange program, may apply to an eligible
 35.6 institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that
 35.7 postsecondary institution. ~~Notwithstanding any other law to the contrary, a 9th or 10th grade~~
 35.8 ~~pupil enrolled in a district or an American Indian-controlled tribal contract or grant school~~
 35.9 ~~eligible for aid under section 124D.83, except a foreign exchange pupil enrolled in a district~~
 35.10 ~~under a cultural exchange program, may apply to enroll in nonsectarian courses offered~~
 35.11 ~~under subdivision 10, if (1) the school district and the eligible postsecondary institution~~
 35.12 ~~providing the course agree to the student's enrollment or (2) the course is a world language~~
 35.13 ~~course currently available to 11th and 12th grade students, and consistent with section~~
 35.14 ~~120B.022 governing world language standards, certificates, and seals.~~ If an institution
 35.15 accepts a secondary pupil for enrollment under this section, the institution shall send written
 35.16 notice to the pupil, the pupil's school or school district, and the commissioner ~~within ten~~
 35.17 ~~days of acceptance.~~ The notice must indicate the course and hours of enrollment of that
 35.18 pupil. If the pupil enrolls in a course for postsecondary credit, the institution must notify
 35.19 the pupil about payment in the customary manner used by the institution.

35.20 Sec. 21. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
 35.21 to read:

35.22 Subd. 5b. **Authorization; 9th or 10th grade pupil.** Notwithstanding any other law to
 35.23 the contrary, a 9th or 10th grade pupil enrolled in a district or an American Indian-controlled
 35.24 tribal contract or grant school eligible for aid under section 124D.83, except a foreign
 35.25 exchange pupil enrolled in a district under a cultural exchange program, may apply to enroll
 35.26 in nonsectarian courses offered under subdivision 10, if:

35.27 (1) the school district and the eligible postsecondary institution providing the course
 35.28 agree to the student's enrollment; or

35.29 (2) the course is a world language course currently available to 11th and 12th grade
 35.30 students, and consistent with section 120B.022 governing world language standards,
 35.31 certificates, and seals.

36.1 Sec. 22. Minnesota Statutes 2016, section 124D.09, subdivision 9, is amended to read:

36.2 Subd. 9. **Enrollment priority.** (a) A postsecondary institution shall give priority to its
 36.3 postsecondary students when enrolling 10th, 11th, and 12th grade pupils in its courses. A
 36.4 postsecondary institution may provide information about its programs to a secondary school
 36.5 or to a pupil or parent ~~and it may advertise or otherwise recruit or solicit a secondary pupil~~
 36.6 ~~to enroll in its programs on educational and programmatic grounds only except,~~
 36.7 ~~notwithstanding other law to the contrary, and for the 2014-2015 through 2019-2020 school~~
 36.8 ~~years only, an eligible postsecondary institution may advertise or otherwise recruit or solicit~~
 36.9 ~~a secondary pupil residing in a school district with 700 students or more in grades 10, 11,~~
 36.10 ~~and 12, to enroll in its programs on educational, programmatic, or financial grounds.~~

36.11 (b) An institution must not enroll secondary pupils, for postsecondary enrollment options
 36.12 purposes, in remedial, developmental, or other courses that are not college level except
 36.13 when a student eligible to participate and enrolled in the graduation incentives program
 36.14 under section 124D.68 enrolls full time in a middle or early college program. A middle or
 36.15 early college program must be specifically designed to allow the student to earn dual high
 36.16 school and college credit with a well-defined pathway to allow the student to earn a
 36.17 postsecondary degree or credential. In this case, the student shall receive developmental
 36.18 college credit and not college credit for completing remedial or developmental courses.

36.19 (c) Once a pupil has been enrolled in any postsecondary course under this section, the
 36.20 pupil shall not be displaced by another student.

36.21 (d) If a postsecondary institution enrolls a secondary school pupil in a course under this
 36.22 section, the postsecondary institution also must enroll in the same course an otherwise
 36.23 enrolled and qualified postsecondary student who qualifies as a veteran under section
 36.24 197.447, and demonstrates to the postsecondary institution's satisfaction that the institution's
 36.25 established enrollment timelines were not practicable for that student.

36.26 Sec. 23. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision
 36.27 to read:

36.28 Subd. 11a. **Access to building and technology.** (a) A school district must allow a student
 36.29 enrolled in a course under this section to remain at the school site during regular school
 36.30 hours.

36.31 (b) A school district must adopt a policy that provides a student enrolled in a course
 36.32 under this section with reasonable access during regular school hours to a computer and

37.1 other technology resources that the student needs to complete coursework for a postsecondary
37.2 enrollment course.

37.3 Sec. 24. Minnesota Statutes 2016, section 124D.09, subdivision 12, is amended to read:

37.4 Subd. 12. **Credits; grade point average weighting policy.** (a) A pupil must not audit
37.5 a course under this section.

37.6 (b) A district shall grant academic credit to a pupil enrolled in a course for secondary
37.7 credit if the pupil successfully completes the course. Seven quarter or four semester college
37.8 credits equal at least one full year of high school credit. Fewer college credits may be
37.9 prorated. A district must also grant academic credit to a pupil enrolled in a course for
37.10 postsecondary credit if secondary credit is requested by a pupil. If no comparable course is
37.11 offered by the district, the district must, as soon as possible, notify the commissioner, who
37.12 shall determine the number of credits that shall be granted to a pupil who successfully
37.13 completes a course. If a comparable course is offered by the district, the school board shall
37.14 grant a comparable number of credits to the pupil. If there is a dispute between the district
37.15 and the pupil regarding the number of credits granted for a particular course, the pupil may
37.16 appeal the board's decision to the commissioner. The commissioner's decision regarding
37.17 the number of credits shall be final.

37.18 (c) A school board must adopt a policy regarding weighted grade point averages for any
37.19 high school or dual enrollment course. The policy must state whether the district offers
37.20 weighted grades. A school board must annually publish on its Web site a list of courses for
37.21 which a student may earn a weighted grade.

37.22 (d) The secondary credits granted to a pupil must be counted toward the graduation
37.23 requirements and subject area requirements of the district. Evidence of successful completion
37.24 of each course and secondary credits granted must be included in the pupil's secondary
37.25 school record. A pupil shall provide the school with a copy of the pupil's grade in each
37.26 course taken for secondary credit under this section. Upon the request of a pupil, the pupil's
37.27 secondary school record must also include evidence of successful completion and credits
37.28 granted for a course taken for postsecondary credit. In either case, the record must indicate
37.29 that the credits were earned at a postsecondary institution.

37.30 (e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the
37.31 postsecondary institution must award postsecondary credit for any course successfully
37.32 completed for secondary credit at that institution. Other postsecondary institutions may
37.33 award, after a pupil leaves secondary school, postsecondary credit for any courses

38.1 successfully completed under this section. An institution may not charge a pupil for the
38.2 award of credit.

38.3 (f) The Board of Trustees of the Minnesota State Colleges and Universities and the
38.4 Board of Regents of the University of Minnesota must, and private nonprofit and proprietary
38.5 postsecondary institutions should, award postsecondary credit for any successfully completed
38.6 courses in a program certified by the National Alliance of Concurrent Enrollment Partnerships
38.7 offered according to an agreement under subdivision 10. Consistent with section 135A.101,
38.8 subdivision 3, all MnSCU institutions must give full credit to a secondary pupil who
38.9 completes for postsecondary credit a postsecondary course or program that is part or all of
38.10 a goal area or a transfer curriculum at a MnSCU institution when the pupil enrolls in a
38.11 MnSCU institution after leaving secondary school. Once one MnSCU institution certifies
38.12 as completed a secondary student's postsecondary course or program that is part or all of a
38.13 goal area or a transfer curriculum, every MnSCU institution must consider the student's
38.14 course or program for that goal area or the transfer curriculum as completed.

38.15 Sec. 25. Minnesota Statutes 2016, section 124D.09, subdivision 13, is amended to read:

38.16 Subd. 13. **Financial arrangements.** For a pupil enrolled in a course under this section,
38.17 the department must make payments according to this subdivision for courses that were
38.18 taken for secondary credit.

38.19 The department must not make payments to a school district or postsecondary institution
38.20 for a course taken for postsecondary credit only. The department must not make payments
38.21 to a postsecondary institution for a course from which a student officially withdraws during
38.22 the first 14 days of the quarter or semester or who has been absent from the postsecondary
38.23 institution for the first 15 consecutive school days of the quarter or semester and is not
38.24 receiving instruction in the home or hospital.

38.25 A postsecondary institution shall receive the following:

38.26 (1) for an institution granting quarter credit, the reimbursement per credit hour shall be
38.27 an amount equal to 88 percent of the product of the formula allowance minus \$425, multiplied
38.28 by 1.2, and divided by 45; or

38.29 (2) for an institution granting semester credit, the reimbursement per credit hour shall
38.30 be an amount equal to 88 percent of the product of the general revenue formula allowance
38.31 minus \$425, multiplied by 1.2, and divided by 30.

38.32 The department must pay to each postsecondary institution 100 percent of the amount
38.33 in clause (1) or (2) within ~~30~~ 45 days of receiving initial enrollment information each quarter

39.1 or semester. If changes in enrollment occur during a quarter or semester, the change shall
39.2 be reported by the postsecondary institution at the time the enrollment information for the
39.3 succeeding quarter or semester is submitted. At any time the department notifies a
39.4 postsecondary institution that an overpayment has been made, the institution shall promptly
39.5 remit the amount due.

39.6 Sec. 26. Minnesota Statutes 2016, section 124D.095, subdivision 3, is amended to read:

39.7 Subd. 3. **Authorization; notice; limitations on enrollment.** (a) A student may apply
39.8 for full-time enrollment in an approved online learning program under section 124D.03 or
39.9 124D.08 or chapter 124E. Notwithstanding sections 124D.03 and 124D.08 and chapter
39.10 124E, procedures for enrolling in supplemental online learning are as provided in this
39.11 subdivision. A student age 17 or younger must have the written consent of a parent or
39.12 guardian to apply. No school district or charter school may prohibit a student from applying
39.13 to enroll in online learning. In order to enroll in online learning, the student and the student's
39.14 parents must submit an application to the online learning provider and identify the student's
39.15 reason for enrolling. An online learning provider that accepts a student under this section
39.16 must notify the student and the enrolling district in writing within ten days if the enrolling
39.17 district is not the online learning provider. The student and the student's parent must notify
39.18 the online learning provider of the student's intent to enroll in online learning within ten
39.19 days of being accepted, at which time the student and the student's parent must sign a
39.20 statement indicating that they have reviewed the online course or program and understand
39.21 the expectations of enrolling in online learning. The online learning provider must use a
39.22 form provided by the department to notify the enrolling district of the student's application
39.23 to enroll in online learning.

39.24 (b) The supplemental online learning notice to the enrolling district when a student
39.25 applies to the online learning provider will include the courses or program, credits to be
39.26 awarded, and the start date of the online course or program. An online learning provider
39.27 must make available the supplemental online course syllabus to the enrolling district. Within
39.28 15 days after the online learning provider makes information in this paragraph available to
39.29 the enrolling district, the enrolling district must notify the online provider whether the
39.30 student, the student's parent, and the enrolling district agree or disagree that the course meets
39.31 the enrolling district's graduation requirements. A student may enroll in a supplemental
39.32 online learning course up to the midpoint of the enrolling district's term. The enrolling
39.33 district may waive this requirement for special circumstances and with the agreement of
39.34 the online provider. An online learning course or program that meets or exceeds a graduation
39.35 standard or the grade progression requirement of the enrolling district as described in the

40.1 provider's online course syllabus meets the corresponding graduation requirements applicable
 40.2 to the student in the enrolling district. If the enrolling district does not agree that the course
 40.3 or program meets its graduation requirements, then:

40.4 (1) the enrolling district must make available an explanation of its decision to the student,
 40.5 the student's parent, and the online provider; and

40.6 (2) the online provider may make available a response to the enrolling district, showing
 40.7 how the course or program meets the graduation requirements of the enrolling district.

40.8 (c) An online learning provider must notify the commissioner that it is delivering online
 40.9 learning and report the number of online learning students it accepts and the online learning
 40.10 courses and programs it delivers.

40.11 (d) An online learning provider may limit enrollment if the provider's school board or
 40.12 board of directors adopts by resolution specific standards for accepting and rejecting students'
 40.13 applications. Limits to enrollment must not discriminate against any group under chapter
 40.14 363A.

40.15 (e) An enrolling district may reduce an online learning student's regular classroom
 40.16 instructional membership in proportion to the student's membership in online learning
 40.17 courses.

40.18 (f) The online provider must report or make available information on an individual
 40.19 student's progress and accumulated credit to the student, the student's parent, and the enrolling
 40.20 district in a manner specified by the commissioner unless the enrolling district and the online
 40.21 provider agree to a different form of notice and notify the commissioner. The enrolling
 40.22 district must designate a contact person to help facilitate and monitor the student's academic
 40.23 progress and accumulated credits towards graduation.

40.24 Sec. 27. [124D.4535] INNOVATIVE DELIVERY OF CAREER AND TECHNICAL
 40.25 EDUCATION PROGRAMS; SHARING OF DISTRICT RESOURCES.

40.26 Subdivision 1. Establishment; requirements for participation. (a) A program is
 40.27 established to improve student, career and college readiness, and school outcomes by
 40.28 allowing groups of school districts to work together in partnership with local and regional
 40.29 postsecondary institutions and programs, community institutions, and other private, public,
 40.30 for-profit, and nonprofit workplace partners, to:

40.31 (1) provide innovative education programs and activities that integrate core academic
 40.32 and career and technical subjects in students' programs of study through coordinated

41.1 secondary and postsecondary career and technical programs leading to an industry
 41.2 certification or other credential;

41.3 (2) provide embedded professional development for program participants;

41.4 (3) use performance assessments in authentic settings to measure students' technical
 41.5 skills and progress toward attaining an industry certification or other credential; and

41.6 (4) efficiently share district, institution, and workplace resources.

41.7 (b) To participate in this program to improve student, career and college readiness, and
 41.8 school outcomes, a group of two or more school districts must collaborate with school staff
 41.9 and project partners and receive formal school board approval to form a partnership. The
 41.10 partnership must develop a plan to provide challenging programmatic options for students
 41.11 under paragraph (a); create professional development opportunities for educators and other
 41.12 program participants; increase student engagement and connection and challenging learning
 41.13 opportunities for diverse populations of students that are focused on employability skills
 41.14 and technical, job-specific skills related to a specific career pathway; or demonstrate
 41.15 efficiencies in delivering financial and other services needed to realize plan goals and
 41.16 objectives. The plan must include:

41.17 (1) collaborative education goals and objectives;

41.18 (2) strategies and processes to implement those goals and objectives, including a budget
 41.19 process with periodic expenditure reviews;

41.20 (3) valid and reliable measures including performance assessments in authentic settings
 41.21 and progress toward attaining an industry certification or other credential, among other
 41.22 measures, to evaluate progress in realizing plan goals and objectives;

41.23 (4) an implementation timeline; and

41.24 (5) other applicable conditions, regulations, responsibilities, duties, provisions, fee
 41.25 schedules, and legal considerations needed to fully implement the plan.

41.26 A partnership may invite additional districts or other participants under paragraph (a) to
 41.27 join the partnership after notifying the commissioner.

41.28 (c) A partnership of interested districts must submit an application to the commissioner
 41.29 of education in the form and manner the commissioner determines, consistent with the
 41.30 requirements of this section. The application must contain the formal approval adopted by
 41.31 the school board in each district to participate in the plan.

42.1 (d) Notwithstanding any other law to the contrary, a participating school district under
 42.2 this section continues to: receive revenue and maintain its taxation authority; be organized
 42.3 and governed by an elected school board with general powers under section 123B.02; and
 42.4 be subject to employment agreements under chapter 122A, and section 179A.20; and district
 42.5 employees continue to remain employees of the employing school district.

42.6 (e) Participating districts must submit a biennial report by February 1 in each
 42.7 odd-numbered year to the education committees of the legislature and the commissioner of
 42.8 education that includes performance assessment, high school graduation, and career and
 42.9 technical certification data to show the success of the partnership in preparing diverse
 42.10 populations of students for careers and jobs.

42.11 Subd. 2. **Commissioner's role.** The commissioner of education must convene an advisory
 42.12 panel to advise the commissioner on applicants' qualifications to participate in this program.
 42.13 The commissioner must ensure an equitable geographical distribution of program participants
 42.14 to the extent practicable. The commissioner must select only those applicants that fully
 42.15 complies with subdivision 1. The commissioner may terminate a program participant that
 42.16 fails to effectively implement the goals and objectives contained in its application and
 42.17 according to its stated timeline.

42.18 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment
 42.19 and applies to those applications submitted after that date.

42.20 (b) Districts already approved for an innovation zone pilot project under Laws 2012,
 42.21 chapter 263, section 1, as amended by Laws 2014, chapter 312, article 15, section 24, may
 42.22 continue to operate.

42.23 Sec. 28. Minnesota Statutes 2016, section 124D.68, subdivision 2, is amended to read:

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

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

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

42.30 (3) is pregnant or is a parent;

42.31 (4) has been assessed as chemically dependent;

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

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

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

43.4 (8) has experienced mental health problems;

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

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

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

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

43.13 (b) ~~For the 2016-2017 school year only,~~ A pupil otherwise qualifying under paragraph
43.14 (a) who is at least 21 years of age and not yet 22 years of age, is an English learner with an
43.15 interrupted formal education according to section 124D.59, subdivision 2a, and was in an
43.16 early middle college program during the previous school year is eligible to participate in
43.17 the graduation incentives program under section 124D.68 and in concurrent enrollment
43.18 courses offered under section 124D.09, subdivision 10, and is funded in the same manner
43.19 as other pupils under this section.

43.20 Sec. 29. Minnesota Statutes 2016, section 124E.03, subdivision 2, is amended to read:

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

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

43.25 (c) A charter school must comply with the Minnesota Public School Fee Law, sections
43.26 123B.34 to 123B.39.

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

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

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

44.1 (g) A charter school must comply with continuing truant notification under section
44.2 260A.03.

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

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

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

44.13 Sec. 30. Minnesota Statutes 2016, section 124E.11, is amended to read:

44.14 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

44.15 (a) A charter school, including its free preschool or prekindergarten program established
44.16 under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

44.17 (1) pupils within an age group or grade level;

44.18 (2) pupils who are eligible to participate in the graduation incentives program under
44.19 section 124D.68; or

44.20 (3) residents of a specific geographic area in which the school is located when the
44.21 majority of students served by the school are members of underserved populations.

44.22 (b) A charter school, including its free preschool or prekindergarten program established
44.23 under section 124E.06, subdivision 3, paragraph (b), shall enroll an eligible pupil who
44.24 submits a timely application, unless the number of applications exceeds the capacity of a
44.25 program, class, grade level, or building. In this case, pupils must be accepted by lot. The
44.26 charter school must develop and publish, including on its Web site, a lottery policy and
44.27 process that it must use when accepting pupils by lot.

44.28 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
44.29 and to a foster child of that pupil's parents and may give preference for enrolling children
44.30 of the school's staff before accepting other pupils by lot. A charter school that is located in
44.31 Duluth township in St. Louis County and admits students in kindergarten through grade 6
44.32 must give enrollment preference to students residing within a five-mile radius of the school

45.1 and to the siblings of enrolled children. A charter school may give enrollment preference
45.2 to children currently enrolled in the school's free preschool or prekindergarten program
45.3 under section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten
45.4 in the next school year.

45.5 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil, unless
45.6 the pupil is at least five years of age on September 1 of the calendar year in which the school
45.7 year for which the pupil seeks admission commences; or (2) as a first grade student, unless
45.8 the pupil is at least six years of age on September 1 of the calendar year in which the school
45.9 year for which the pupil seeks admission commences or has completed kindergarten; except
45.10 that a charter school may establish and publish on its Web site a policy for admission of
45.11 selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b)
45.12 and (c).

45.13 (e) Except as permitted in paragraph (d), a charter school, including its free preschool
45.14 or prekindergarten program established under section 124E.06, subdivision 3, paragraph
45.15 (b), may not limit admission to pupils on the basis of intellectual ability, measures of
45.16 achievement or aptitude, or athletic ability and may not establish any criteria or requirements
45.17 for admission that are inconsistent with this section.

45.18 (f) The charter school shall not distribute any services or goods of value to students,
45.19 parents, or guardians as an inducement, term, or condition of enrolling a student in a charter
45.20 school.

45.21 (g) Once a student is enrolled in the school, the student is considered enrolled in the
45.22 school until the student formally withdraws or is expelled under the Pupil Fair Dismissal
45.23 Act in sections 121A.40 to 121A.56. ~~A charter school is subject to and must comply with~~
45.24 ~~the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56.~~

45.25 (h) A charter school with at least 90 percent of enrolled students who are eligible for
45.26 special education services and have a primary disability of deaf or hard-of-hearing may
45.27 enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1,
45.28 paragraph (a), and must comply with the federal Individuals with Disabilities Education
45.29 Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause
45.30 (iv).

45.31 Sec. 31. Minnesota Statutes 2016, section 125A.56, subdivision 1, is amended to read:

45.32 Subdivision 1. **Requirement.** (a) Before a pupil is referred for a special education
45.33 evaluation, the district must conduct and document at least two instructional strategies,

46.1 alternatives, or interventions using a system of scientific, research-based instruction and
46.2 intervention in academics or behavior, based on the pupil's needs, while the pupil is in the
46.3 regular classroom. The pupil's teacher must document the results. A special education
46.4 evaluation team may waive this requirement when it determines the pupil's need for the
46.5 evaluation is urgent. This section may not be used to deny a pupil's right to a special
46.6 education evaluation.

46.7 (b) A school district shall use alternative intervention services, including the assurance
46.8 of mastery program under section 124D.66, or an early intervening services program under
46.9 subdivision 2 to serve at-risk pupils who demonstrate a need for alternative instructional
46.10 strategies or interventions.

46.11 (c) A student identified as being unable to read at grade level under section 120B.12,
46.12 subdivision 2, paragraph (a), must be provided with alternate instruction under this
46.13 subdivision that is multisensory, systematic, sequential, cumulative, and explicit.

46.14 Sec. 32. Minnesota Statutes 2016, section 126C.05, subdivision 8, is amended to read:

46.15 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
46.16 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
46.17 on the current roll of the school, counted from the date of entry until withdrawal. The date
46.18 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
46.19 officially known that the pupil has left or has been legally excused. However, a pupil,
46.20 regardless of age, who has been absent from school for 15 consecutive school days during
46.21 the regular school year or for five consecutive school days during summer school or
46.22 intersession classes of flexible school year programs without receiving instruction in the
46.23 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this
46.24 section shall be construed as waiving the compulsory attendance provisions cited in section
46.25 120A.22. Average daily membership equals the sum for all pupils of the number of days
46.26 of the school year each pupil is enrolled in the district's schools divided by the number of
46.27 days the schools are in session or are providing e-learning days due to inclement weather.
46.28 Days of summer school or intersession classes of flexible school year programs are only
46.29 included in the computation of membership for pupils with a disability not appropriately
46.30 served primarily in the regular classroom. A student must not be counted as more than 1.2
46.31 pupils in average daily membership under this section. When the initial total average daily
46.32 membership exceeds 1.2 for a pupil enrolled in more than one school district during the
46.33 fiscal year, each district's average daily membership must be reduced proportionately.

47.1 (b) A student must not be counted as more than one pupil in average daily membership
47.2 except for purposes of section 126C.10, subdivision 2a.

47.3 Sec. 33. Laws 2016, chapter 189, article 25, section 62, subdivision 7, is amended to read:

47.4 Subd. 7. **Education Innovation Partners Cooperative Center.** (a) For a matching
47.5 grant to Education Innovation Partners Cooperative Center, No. 6091-50, to provide
47.6 research-based professional development services, on-site training, and leadership coaching
47.7 to teachers and other school staff:

47.8		500,000		
47.9	\$	<u>90,000</u>	2017
47.10	\$	<u>310,000</u>	<u>2018</u>

47.11 (b) \$410,000 of the \$500,000 appropriation in Laws 2016, chapter 189, article 25, section
47.12 62, subdivision 7, is canceled to the state general fund on June 30, 2017.

47.13 (c) A grant under this subdivision must be matched with money or in-kind contributions
47.14 from nonstate sources. This is a onetime appropriation. This appropriation is available until
47.15 June 30, 2019.

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

47.17 Sec. 34. Laws 2016, chapter 189, article 25, section 62, subdivision 17, is amended to
47.18 read:

47.19 Subd. 17. **Southwest Minnesota State University special education teacher education**
47.20 **program.** (a) For the Southwest Minnesota State University special education teacher
47.21 education program to support Minnesota ~~resident~~ residents working toward licensure in an
47.22 online program, including persons currently employed as:

- 47.23 (1) special education paraprofessionals working toward licensure in an online program;
- 47.24 (2) teachers without a special education license working on a variance; or
- 47.25 (3) individuals teaching with a community expert license:

47.26		385,000		
47.27	\$	<u>132,000</u>	2017
47.28	\$	<u>253,000</u>	<u>2018</u>

47.29 (b) \$253,000 of the \$385,000 appropriation in Laws 2016, chapter 189, article 25, section
47.30 62, subdivision 17, is canceled to the state general fund on June 30, 2017.

47.31 ~~The base for this program in fiscal year 2018 is \$0.~~ (c) The 2018 appropriation is available
47.32 until June 30, 2019.

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

48.2 Sec. 35. **COMMISSIONER OF EDUCATION MUST SUBMIT ESSA PLAN TO**
48.3 **LEGISLATURE.**

48.4 The commissioner of education must submit the state plan developed pursuant to the
48.5 Elementary and Secondary Education Act of 1965, as amended by the Every Student
48.6 Succeeds Act, United States Code, title 20, section 6311, to the education policy and finance
48.7 committees of the legislature before submitting the plan to the United States Department
48.8 of Education. The commissioner of education must not implement the state plan until the
48.9 legislature has approved it.

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

48.11 Sec. 36. **APPROPRIATIONS.**

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

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

48.17 \$ 71,114,000 2018

48.18 \$ 73,117,000 2019

48.19 The 2018 appropriation includes \$6,725,000 for 2017 and \$64,389,000 for 2018.

48.20 The 2019 appropriation includes \$7,154,000 for 2018 and \$65,963,000 for 2019.

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

48.23 \$ 47,264,000 2018

48.24 \$ 47,763,000 2019

48.25 The 2018 appropriation includes \$4,597,000 for 2017 and \$42,667,000 for 2018.

48.26 The 2019 appropriation includes \$4,740,000 for 2018 and \$43,023,000 for 2019.

48.27 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
48.28 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
48.29 section 124D.87:

48.30 \$ 14,198,000 2018

48.31 \$ 14,936,000 2019

49.1 Subd. 5. Tribal contract schools. For tribal contract school aid under Minnesota Statutes,
49.2 section 124D.83:

49.3 \$ 1,983,000 2018

49.4 \$ 1,930,000 2019

49.5 The 2018 appropriation includes \$323,000 for 2017 and \$1,660,000 for 2018.

49.6 The 2019 appropriation includes \$184,000 for 2018 and \$1,746,000 for 2019.

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

49.9 \$ 9,244,000 2018

49.10 \$ 9,464,000 2019

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

49.12 The 2019 appropriation includes \$928,000 for 2018 and \$8,536,000 for 2019.

49.13 Subd. 7. Concurrent enrollment program. For concurrent enrollment programs under
49.14 Minnesota Statutes, section 124D.091:

49.15 \$ 4,000,000 2018

49.16 \$ 4,000,000 2019

49.17 If the appropriation is insufficient, the commissioner must proportionately reduce the
49.18 aid payment to each district.

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

49.20 Subd. 8. ServeMinnesota program. For funding ServeMinnesota programs under
49.21 Minnesota Statutes, sections 124D.37 to 124D.45:

49.22 \$ 900,000 2018

49.23 \$ 900,000 2019

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

49.27 Subd. 9. Student organizations. For student organizations:

49.28 \$ 725,000 2018

49.29 \$ 725,000 2019

49.30 (a) \$46,000 each year is for student organizations serving health occupations (HOSA).

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

50.3 (c) \$95,000 each year is for student organizations serving business occupations (BPA,
50.4 secondary and postsecondary).

50.5 (d) \$193,000 each year is for student organizations serving agriculture occupations (FFA,
50.6 PAS).

50.7 (e) \$142,000 each year is for student organizations serving family and consumer science
50.8 occupations (FCCLA).

50.9 (f) \$109,000 each year is for student organizations serving marketing occupations (DECA
50.10 and DECA collegiate).

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

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

50.13 Subd. 10. **Museums and education centers.** For grants to museums and education
50.14 centers:

50.15 \$ 451,000 2018

50.16 \$ 451,000 2019

50.17 (a) \$260,000 each year is for the Minnesota Children's Museum.

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

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

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

50.21 (e) \$50,000 for fiscal years 2018 and 2019 only is for the Children's Museum of Southern
50.22 Minnesota. This is a onetime appropriation.

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

50.24 (g) The budget base for this program is \$401,000 per year.

50.25 Subd. 11. **Recovery program grants.** For recovery program grants under Minnesota
50.26 Statutes, section 124D.695:

50.27 \$ 500,000 2018

50.28 \$ 500,000 2019

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

51.1 Subd. 12. Civic education grants. For grants to the Minnesota Civic Education Coalition,
 51.2 Kids Voting St. Paul, Learning Law and Democracy Foundation, and YMCA Youth in
 51.3 Government to provide civic education programs for Minnesota youth age 18 and younger.
 51.4 Civic education is the study of constitutional principles and the democratic foundation of
 51.5 our national, state, and local institutions, and the study of political processes and structures
 51.6 of government, grounded in the understanding of constitutional government under the rule
 51.7 of law.

51.8 \$ 125,000 2018

51.9 \$ 125,000 2019

51.10 Any balance in the first year does not cancel but is available in the second year. The
 51.11 budget base for this program is \$0.

51.12 Subd. 13. Charter school building lease aid. For building lease aid under Minnesota
 51.13 Statutes, section 124E.22:

51.14 \$ 73,036,000 2018

51.15 \$ 78,449,000 2019

51.16 The 2018 appropriation includes \$6,850,000 for 2017 and \$66,186,000 for 2018.

51.17 The 2019 appropriation includes \$7,353,000 for 2018 and \$71,096,000 for 2019.

51.18 Subd. 14. Statewide testing and reporting system. For the statewide testing and
 51.19 reporting system under Minnesota Statutes, section 120B.30:

51.20 \$ 10,892,000 2018

51.21 \$ 10,892,000 2019

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

51.23 Subd. 15. College entrance examination reimbursement. To reimburse districts for
 51.24 students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph
 51.25 (e), for payment of their college entrance examination fee:

51.26 \$ 1,511,000 2018

51.27 \$ 1,511,000 2019

51.28 The commissioner must reimburse school districts for their costs of one-time payments
 51.29 to free or reduced-price meal eligible students who take the ACT or SAT test under
 51.30 Minnesota Statutes, section 120B.30, subdivision 1.

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

52.1 Subd. 16. Examination fees; teacher training and support programs. (a) For students'
 52.2 advanced placement and international baccalaureate examination fees under Minnesota
 52.3 Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and
 52.4 other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

52.5 \$ 4,500,000 2018

52.6 \$ 4,500,000 2019

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

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

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

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

52.24 Subd. 17. Alternative teacher compensation aid. For alternative teacher compensation
 52.25 aid under Minnesota Statutes, section 122A.415, subdivision 4:

52.26 \$ 89,863,000 2018

52.27 \$ 89,623,000 2019

52.28 The 2018 appropriation includes \$8,917,000 for 2017 and \$80,946,000 for 2018.

52.29 The 2019 appropriation includes \$8,993,000 for 2018 and \$80,630,000 for 2019.

52.30 Subd. 18. American Indian teacher preparation grants. For joint grants to assist
 52.31 American Indian people to become teachers under Minnesota Statutes, section 122A.63:

52.32 \$ 460,000 2018

52.33 \$ 460,000 2019

53.1 Subd. 19. **Minnesota Center for the Book programming.** For grants to the entity
 53.2 designated by the Library of Congress as the Minnesota Center for the Book to provide
 53.3 statewide programming related to the Minnesota Book Awards and for additional
 53.4 programming throughout the state related to the Center for the Book designation:

53.5 \$ 50,000 2018

53.6 \$ 50,000 2019

53.7 The base for fiscal year 2020 is \$0.

53.8 Subd. 20. **Sanneh Foundation.** (a) For a grant to the Sanneh Foundation to provide
 53.9 all-day, in-school, and before- and after-school academic and behavioral interventions for
 53.10 low-performing and chronically absent students with a focus on low-income students and
 53.11 students of color throughout the school year and during the summer to decrease absenteeism,
 53.12 encourage school engagement, and improve grades and graduation rates.

53.13 \$ 1,000,000 2018

53.14 (b) Funds appropriated in this section must be used to establish and provide services in
 53.15 schools where the Sanneh Foundation does not currently operate, and must not be used for
 53.16 programs operating in schools as of June 30, 2017.

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

53.18 (d) The base for fiscal year 2020 is \$0.

53.19 Subd. 21. **Early childhood literacy programs.** For early childhood literacy programs
 53.20 under Minnesota Statutes, section 119A.50, subdivision 3:

53.21 \$ 6,125,000 2018

53.22 \$ 6,125,000 2019

53.23 Up to \$6,125,000 each year is for leveraging federal and private funding to support
 53.24 AmeriCorps members serving in the Minnesota reading corps program established by
 53.25 ServeMinnesota, including costs associated with training and teaching early literacy skills
 53.26 to children age three to grade 3 and evaluating the impact of the program under Minnesota
 53.27 Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

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

53.29 Subd. 22. **Minnesota math corps.** For the Minnesota math corps program under
 53.30 Minnesota Statutes, section 124D.42, subdivision 9:

53.31 \$ 500,000 2018

53.32 \$ 500,000 2019

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

54.2 Subd. 23. **Singing-based pilot program to improve student reading.** (a) For a grant
 54.3 to pilot a research-supported, computer-based educational program that uses singing to
 54.4 improve the reading ability of students in grades 2 through 5:

54.5 \$ 500,000 2018

54.6 \$ 0 2019

54.7 (b) The commissioner of education shall award a grant to the Rock 'n' Read Project to
 54.8 implement a research-supported, computer-based educational program that uses singing to
 54.9 improve the reading ability of students in grades 2 through 5. The grantee shall be responsible
 54.10 for selecting participating school sites; providing any required hardware and software,
 54.11 including software licenses, for the duration of the grant period; providing technical support,
 54.12 training, and staff to install required project hardware and software; providing on-site
 54.13 professional development and instructional monitoring and support for school staff and
 54.14 students; administering preintervention and postintervention reading assessments; evaluating
 54.15 the impact of the intervention; and other project management services as required. To the
 54.16 extent practicable, the grantee must select participating schools in urban, suburban, and
 54.17 greater Minnesota, and give priority to schools in which a high proportion of students do
 54.18 not read proficiently at grade level and are eligible for free or reduced-price lunch.

54.19 (c) By February 15, 2019, the grantee must submit a report detailing expenditures and
 54.20 outcomes of the grant to the commissioner of education and the chairs and ranking minority
 54.21 members of the legislative committees with primary jurisdiction over kindergarten through
 54.22 grade 12 education policy and finance.

54.23 (d) This is a onetime appropriation.

54.24 Subd. 24. **Starbase MN.** For a grant to Starbase MN for the operations and infrastructure
 54.25 for expanded, innovative, and academically rigorous science, technology, engineering, and
 54.26 math (STEM) programs in a hands-on and immersive technology-rich environment for
 54.27 students in grades 4 to 6:

54.28 \$ 1,398,000 2018

54.29 \$ -0- 2019

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

54.31 The base appropriation for fiscal year 2020 is \$500,000.

54.32 \$898,000 from the Starbase MN appropriation under Laws 2015, First Special Session
 54.33 chapter 3, article 2, section 70, subdivision 17, is canceled the day following final enactment.

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

55.2 Sec. 37. **INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH INNOVATION**
 55.3 **GRANT PROGRAM; APPROPRIATION.**

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

55.8 (b) A "qualifying school unit" means an intermediate district organized under Minnesota
 55.9 Statutes, section 136D.01, or a service cooperative organized under Minnesota Statutes,
 55.10 section 123A.21, that provides instruction to students in a setting of federal instructional
 55.11 level four or higher. Grants under paragraph (a) must be awarded to eligible applicants such
 55.12 that the services are proportionately provided among qualifying school units. The
 55.13 commissioner shall calculate the share of the appropriation to be used in each qualifying
 55.14 school unit by dividing the qualifying school unit's average daily membership in a setting
 55.15 of federal instructional level 4 or higher for fiscal year 2016 by the total average daily
 55.16 membership in a setting of federal instructional level 4 or higher for the same year for all
 55.17 qualifying school units.

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

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

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

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

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

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

55.30 (e) A qualifying school unit must submit an application to the commissioner in the form
 55.31 and manner specified by the commissioner. The commissioner may approve an application
 55.32 that describes models for innovative projects to serve the needs of the schools and students.

56.1 The commissioner may provide technical assistance to the qualifying school unit. The
 56.2 commissioner shall then solicit grant project proposals and award grant funding to the
 56.3 eligible applicants whose project proposals best meet the requirements of this section and
 56.4 most closely adhere to the models created by the intermediate districts and service
 56.5 cooperatives.

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

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

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

56.11 (3) partnerships with counties, tribes, substance use disorder providers, and mental health
 56.12 service providers, including providers of mobile crisis services.

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

56.17 (h) The base budget for this program is \$0.

56.18 Sec. 38. **REVISOR'S INSTRUCTION.**

56.19 In the next edition of Minnesota Statutes, the revisor of statutes shall codify Laws 2016,
 56.20 chapter 189, article 24, section 22, as amended by this act.

56.21 **ARTICLE 3**

56.22 **TEACHERS**

56.23 Section 1. Minnesota Statutes 2016, section 122A.09, subdivision 4a, is amended to read:

56.24 Subd. 4a. **Teacher and administrator preparation and performance data; report.**

56.25 (a) The Board of Teaching and the Board of School Administrators, in cooperation with the
 56.26 Minnesota Association of Colleges of Teacher Education and Minnesota colleges and
 56.27 universities offering board-adopted teacher or administrator preparation programs, annually
 56.28 must collect and report summary data on teacher and administrator preparation and
 56.29 performance outcomes, consistent with this subdivision. The Board of Teaching and the
 56.30 Board of School Administrators annually by June 1 must update and post the reported

57.1 summary preparation and performance data on teachers and administrators from the preceding
57.2 school years on a Web site hosted jointly by the boards.

57.3 (b) Publicly reported summary data on teacher preparation programs must include:
57.4 student entrance requirements for each Board of Teaching-approved program, including
57.5 grade point average for enrolling students in the preceding year; the average board-adopted
57.6 skills examination or ACT or SAT scores of students entering the program in the preceding
57.7 year; summary data on faculty qualifications, including at least the content areas of faculty
57.8 undergraduate and graduate degrees and their years of experience either as kindergarten
57.9 through grade 12 classroom teachers or school administrators; the average time resident
57.10 and nonresident program graduates in the preceding year needed to complete the program;
57.11 the current number and percent of students by program who graduated, received a standard
57.12 Minnesota teaching license, and were hired to teach full time in their licensure field in a
57.13 Minnesota district or school in the preceding year, disaggregated by race, except when such
57.14 disaggregation would not yield statistically reliable results or would reveal personally
57.15 identifiable information about an individual; the number of content area credits and other
57.16 credits by undergraduate program that students in the preceding school year needed to
57.17 complete to graduate; students' pass rates on skills and subject matter exams required for
57.18 graduation in each program and licensure area in the preceding school year; survey results
57.19 measuring student and graduate satisfaction with the program in the preceding school year,
57.20 disaggregated by race, except when such disaggregation would not yield statistically reliable
57.21 results or would reveal personally identifiable information about an individual; a standard
57.22 measure of the satisfaction of school principals or supervising teachers with the student
57.23 teachers assigned to a school or supervising teacher; and information under paragraphs (d)
57.24 and (e). Program reporting must be consistent with subdivision 11.

57.25 (c) Publicly reported summary data on administrator preparation programs approved by
57.26 the Board of School Administrators must include: summary data on faculty qualifications,
57.27 including at least the content areas of faculty undergraduate and graduate degrees and their
57.28 years of experience either as kindergarten through grade 12 classroom teachers or school
57.29 administrators; the average time program graduates in the preceding year needed to complete
57.30 the program; the current number and percent of students who graduated, received a standard
57.31 Minnesota administrator license, and were employed as an administrator in a Minnesota
57.32 school district or school in the preceding year, disaggregated by race, except when such
57.33 disaggregation would not yield statistically reliable results or would reveal personally
57.34 identifiable information about an individual; the number of credits by graduate program
57.35 that students in the preceding school year needed to complete to graduate; survey results

58.1 measuring student, graduate, and employer satisfaction with the program in the preceding
58.2 school year, disaggregated by race, except when such disaggregation would not yield
58.3 statistically reliable results or would reveal personally identifiable information about an
58.4 individual; and information under paragraphs (f) and (g). Program reporting must be
58.5 consistent with section 122A.14, subdivision 10.

58.6 (d) School districts annually by October 1 must report to the Board of Teaching the
58.7 following information for all teachers who finished the probationary period and accepted
58.8 a continuing contract position with the district from September 1 of the previous year through
58.9 August 31 of the current year: the effectiveness category or rating of the teacher on the
58.10 summative evaluation under section 122A.40, subdivision 8, or 122A.41, subdivision 5;
58.11 the licensure area in which the teacher primarily taught during the three-year evaluation
58.12 cycle; and the teacher preparation program preparing the teacher in the teacher's primary
58.13 areas of instruction and licensure.

58.14 (e) School districts annually by October 1 must report to the Board of Teaching the
58.15 following information for all probationary teachers in the district who were released or
58.16 whose contracts were not renewed from September 1 of the previous year through August
58.17 31 of the current year: the licensure areas in which the probationary teacher taught; and the
58.18 teacher preparation program preparing the teacher in the teacher's primary areas of instruction
58.19 and licensure.

58.20 (f) School districts annually by October 1 must report to the Board of School
58.21 Administrators the following information for all school principals and assistant principals
58.22 who finished the probationary period and accepted a continuing contract position with the
58.23 district from September 1 of the previous year through August 31 of the current year: the
58.24 effectiveness category or rating of the principal or assistant principal on the summative
58.25 evaluation under section 123B.147, subdivision 3; and the principal preparation program
58.26 providing instruction to the principal or assistant principal.

58.27 (g) School districts annually by October 1 must report to the Board of School
58.28 Administrators all probationary school principals and assistant principals in the district who
58.29 were released or whose contracts were not renewed from September 1 of the previous year
58.30 through August 31 of the current year.

58.31 (h) Data that must be disaggregated by race under this section must be reported in the
58.32 following categories:

58.33 (1) American Indian or Alaskan Native;

58.34 (2) Asian;

- 59.1 (3) Black or African American;
 59.2 (4) Hispanic or Latino;
 59.3 (5) Native Hawaiian or Other Pacific Islander;
 59.4 (6) White; and
 59.5 (7) two or more races.

59.6 Sec. 2. Minnesota Statutes 2016, section 122A.245, subdivision 1, is amended to read:

59.7 Subdivision 1. **Requirements.** (a) To improve academic excellence, improve ethnic and
 59.8 cultural diversity in the classroom, and close the academic achievement gap, the Board of
 59.9 Teaching must approve qualified teacher preparation programs under this section that are
 59.10 a means to acquire a two-year preliminary teacher license, which the board may renew one
 59.11 time for an additional one-year term, and to prepare for acquiring a professional five-year
 59.12 license. The following entities are eligible to participate and seek approval under this section:

59.13 (1) a school district;₂

59.14 (2) charter school;₂ or

59.15 (3) nonprofit corporation organized under chapter 317A for an education-related purpose
 59.16 ~~that forms a partnership with a college or university that has a board-approved alternative~~
 59.17 ~~teacher preparation program; or.~~

59.18 ~~(2) a school district or charter school, after consulting with a college or university with~~
 59.19 ~~a board-approved teacher preparation program, that forms a partnership with a nonprofit~~
 59.20 ~~corporation organized under chapter 317A for an education-related purpose that has a~~
 59.21 ~~board-approved teacher preparation program.~~

59.22 ~~(b) Before becoming a teacher of record, a candidate must:~~

59.23 ~~(1) have a bachelor's degree with a 3.0 or higher grade point average unless the board~~
 59.24 ~~waives the grade point average requirement based on board-adopted criteria adopted by~~
 59.25 ~~January 1, 2016;~~

59.26 ~~(2) demonstrate a passing score on a board-adopted reading, writing, and mathematics~~
 59.27 ~~skills examination under section 122A.09, subdivision 4, paragraph (b); and~~

59.28 ~~(3) obtain qualifying scores on applicable board-approved rigorous content area and~~
 59.29 ~~pedagogy examinations under section 122A.09, subdivision 4, paragraph (c).~~

59.30 ~~(e)~~ (b) The Board of Teaching must issue a two-year preliminary teacher license to a
 59.31 person who enrolls in an alternative teacher preparation program.

60.1 Sec. 3. Minnesota Statutes 2016, section 122A.245, subdivision 2, is amended to read:

60.2 Subd. 2. ~~Characteristics~~ **Approval criteria.** ~~An~~ The Board of Teaching must approve
 60.3 ~~alternative teacher preparation program under this section must include~~ programs that meet
 60.4 the following criteria:

60.5 (1) a minimum 200-hour instructional phase that provides intensive preparation and
 60.6 ~~student teaching~~ observed classroom experience before the teacher candidate assumes
 60.7 classroom responsibilities;

60.8 (2) a research-based and results-oriented approach focused on best teaching practices
 60.9 to increase student proficiency and growth measured against state academic standards;

60.10 (3) strategies to combine pedagogy and best teaching practices to better inform teacher
 60.11 candidates' classroom instruction;

60.12 (4) assessment, supervision, and evaluation of teacher candidates to determine their
 60.13 specific needs throughout the program and to support their efforts to successfully complete
 60.14 the program;

60.15 (5) intensive, ongoing, and multiyear professional learning opportunities that accelerate
 60.16 teacher candidates' professional growth, support student learning, and provide a workplace
 60.17 orientation, professional staff development, and mentoring and peer review focused on
 60.18 standards of professional practice and continuous professional growth; and

60.19 (6) a requirement that teacher candidates demonstrate to the local site team under
 60.20 subdivision 5 satisfactory progress toward acquiring professional five-year teaching licenses
 60.21 from the Board of Teaching.

60.22 Sec. 4. Minnesota Statutes 2016, section 122A.245, subdivision 3, is amended to read:

60.23 Subd. 3. **Program approval; disapproval.** ~~(a) The Board of Teaching must approve~~
 60.24 ~~alternative teacher preparation programs under this section based on board-adopted criteria~~
 60.25 ~~that reflect best practices for alternative teacher preparation programs, consistent with this~~
 60.26 ~~section.~~

60.27 ~~(b)~~ (a) The Board of Teaching must permit teacher candidates to demonstrate mastery
 60.28 of pedagogy and content standards in school-based settings and through other nontraditional
 60.29 means. "Nontraditional means" must include a portfolio of previous experiences, teaching
 60.30 experience, educator evaluations, certifications marking the completion of education training
 60.31 programs, and essentially equivalent demonstrations.

61.1 (e) ~~(b)~~ The board must use nontraditional criteria to determine the qualifications of
 61.2 program instructors.

61.3 ~~(d)~~ ~~(c)~~ The board may permit instructors to hold a baccalaureate degree only.

61.4 (e) ~~(d)~~ If the Board of Teaching determines that a teacher preparation program under
 61.5 this section does not meet the requirements of this section, it may revoke its approval of the
 61.6 program after it notifies the program provider of any deficiencies and gives the program
 61.7 provider an opportunity to remedy the deficiencies.

61.8 Sec. 5. Minnesota Statutes 2016, section 122A.245, subdivision 10, is amended to read:

61.9 Subd. 10. **Reports.** The Board of Teaching must submit ~~an interim~~ a biennial report on
 61.10 ~~the efficacy of~~ this program to the policy and finance committees of the legislature with
 61.11 jurisdiction over kindergarten through grade 12 education by ~~February~~ January 15, 2013,
 61.12 ~~and a final report by February 15, 2015~~ of each odd-numbered year.

61.13 Sec. 6. Minnesota Statutes 2016, section 122A.40, subdivision 10, is amended to read:

61.14 Subd. 10. **Negotiated unrequested leave of absence.** The school board and the exclusive
 61.15 bargaining representative of the teachers ~~may~~ must negotiate a plan providing for unrequested
 61.16 leave of absence without pay or fringe benefits for as many teachers as may be necessary
 61.17 because of discontinuance of position, lack of pupils, financial limitations, or merger of
 61.18 classes caused by consolidation of districts. ~~Failing to successfully negotiate such a plan,~~
 61.19 ~~the provisions of subdivision 11 shall apply. The negotiated plan must not include provisions~~
 61.20 ~~which would result in the exercise of seniority by a teacher holding a provisional license,~~
 61.21 ~~other than a vocational education license, contrary to the provisions of subdivision 11,~~
 61.22 ~~paragraph (c), or the reinstatement of a teacher holding a provisional license, other than a~~
 61.23 ~~vocational education license, contrary to the provisions of subdivision 11, paragraph (e).~~
 61.24 ~~The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

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

61.26 Sec. 7. Minnesota Statutes 2016, section 122A.41, is amended by adding a subdivision to
 61.27 read:

61.28 Subd. 14a. **Negotiated unrequested leave of absence.** The school board and the exclusive
 61.29 bargaining representative of the teachers must negotiate a plan providing for unrequested
 61.30 leave of absence without pay or fringe benefits for as many teachers as may be necessary
 61.31 because of discontinuance of position, lack of pupils, financial limitations, or merger of
 61.32 classes caused by consolidation of districts.

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

62.2 Sec. 8. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

62.3 Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher
62.4 compensation aid for a school with a plan approved under section 122A.414, subdivision
62.5 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
62.6 The basic alternative teacher compensation aid for a charter school with a plan approved
62.7 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
62.8 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
62.9 for a charter school in the first year of operation, times the ratio of the sum of the alternative
62.10 teacher compensation aid and alternative teacher compensation levy for all participating
62.11 school districts to the maximum alternative teacher compensation revenue for those districts
62.12 under subdivision 1.

62.13 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
62.14 teacher compensation aid entitlement must not exceed \$75,840,000 for fiscal year 2016 and
62.15 \$88,118,000 for fiscal year 2017 and later. The commissioner must limit the amount of
62.16 alternative teacher compensation aid approved under this section so as not to exceed these
62.17 limits by not approving new participants or by prorating the aid among participating districts,
62.18 intermediate school districts, school sites, and charter schools. The commissioner may also
62.19 reallocate a portion of the allowable aid for the biennium from the second year to the first
62.20 year to meet the needs of approved participants.

62.21 (c) Basic alternative teacher compensation aid for an intermediate district or other
62.22 cooperative unit equals \$3,000 times the number of licensed teachers employed by the
62.23 intermediate district or cooperative unit on October 1 of the previous school year.

62.24 Sec. 9. **[122A.417] ALTERNATIVE TEACHER COMPENSATION REVENUE**
62.25 **FOR ST. CROIX RIVER EDUCATION DISTRICT.**

62.26 Notwithstanding section 122A.415, subdivision 4, paragraph (c), the St. Croix River
62.27 Education District, No. 6009-61, is eligible to receive alternative teacher compensation
62.28 revenue based on its staffing as of October 1 of the previous fiscal year as reported to the
62.29 department in a manner determined by the commissioner. To qualify for alternative teacher
62.30 compensation revenue, the St. Croix River Education District must meet all the requirements
62.31 of sections 122A.414 and 122A.415 that apply to cooperative units, must report its staffing
62.32 as of October 1 of each year to the department in a manner determined by the commissioner,
62.33 and must annually report to the department by November 30 its expenditures for the

63.1 alternative teacher professional pay system consistent with the uniform financial accounting
 63.2 and reporting standards.

63.3 **Sec. 10. [122A.627] POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS.**

63.4 "Positive behavioral interventions and supports" or "PBIS" means an evidence-based
 63.5 framework for preventing problem behavior, providing instruction and support for positive
 63.6 and prosocial behaviors, and supporting social, emotional, and behavioral needs for all
 63.7 students. Schoolwide implementation of PBIS requires training, coaching, and evaluation
 63.8 for school staff to consistently implement the key components that make PBIS effective for
 63.9 all students, including:

63.10 (1) establishing, defining, teaching, and practicing three to five positively stated
 63.11 schoolwide behavioral expectations that are representative of the local community and
 63.12 cultures;

63.13 (2) developing and implementing a consistent system used by all staff to provide positive
 63.14 feedback and acknowledgment for students who display schoolwide behavioral expectations;

63.15 (3) developing and implementing a consistent and specialized support system for students
 63.16 who do not display behaviors representative of schoolwide positive expectations;

63.17 (4) developing a system to support decisions based on data related to student progress,
 63.18 effective implementation of behavioral practices, and screening for students requiring
 63.19 additional behavior supports;

63.20 (5) using a continuum of evidence-based interventions that is integrated and aligned to
 63.21 support academic and behavioral success for all students; and

63.22 (6) using a team-based approach to support effective implementation, monitor progress,
 63.23 and evaluate outcomes.

63.24 Consistent with section 120B.232, subdivision 1, character education curriculum and
 63.25 programs may be used to support implementation of the key components of PBIS.

63.26 **Sec. 11. [136A.1276] ALTERNATIVE TEACHER PREPARATION GRANT**
 63.27 **PROGRAM.**

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

64.1 (b) "Alternative teacher preparation program" means an alternative teacher preparation
 64.2 program under section 122A.245, subdivision 2, or an experimental teacher preparation
 64.3 program under section 122A.09, subdivision 10.

64.4 (c) "Commissioner" means the commissioner of the Office of Higher Education.

64.5 (d) "Program" means a teacher preparation curriculum leading to specific licensure areas.

64.6 (e) "Shortage area" means:

64.7 (1) licensure fields and economic development regions reported by the commissioner
 64.8 of education as experiencing a teacher shortage; and

64.9 (2) economic development regions where there is a shortage of licensed teachers who
 64.10 reflect the racial or ethnic diversity of students in the region.

64.11 (f) "Unit" means an institution or defined subdivision of the institution that has primary
 64.12 responsibility for overseeing and delivering teacher preparation programs.

64.13 Subd. 2. **Establishment; eligibility.** (a) The commissioner, in consultation with the
 64.14 Board of Teaching, must establish and administer a program annually awarding grants to
 64.15 eligible alternative teacher preparation programs consistent with this section.

64.16 (b) To be eligible to receive a grant, an alternative teacher preparation program must
 64.17 certify that it:

64.18 (1) is working to fill Minnesota's teacher shortage areas; and

64.19 (2) is a school district, charter school, or nonprofit corporation organized under chapter
 64.20 317A or under section 501(c)(3) of the Internal Revenue Code of 1986 for an
 64.21 education-related purpose that has been operating continuously for at least three years in
 64.22 Minnesota or any other state.

64.23 (c) The commissioner must give priority to applicants based in Minnesota when awarding
 64.24 grants under this section.

64.25 Subd. 3. **Use of grants.** (a) An alternative teacher preparation program receiving a grant
 64.26 under this section must use the grant to:

64.27 (1) establish initial unit approval to become an alternative teacher preparation program;

64.28 (2) expand alternative teacher preparation programs by expanding program approval to
 64.29 other licensure areas identified as shortage areas by the commissioner of education;

64.30 (3) recruit, select, and train teachers who reflect the racial or ethnic diversity of students
 64.31 in Minnesota; or

65.1 (4) establish professional development programs for teachers who have obtained teaching
 65.2 licenses through alternative teacher preparation programs.

65.3 An alternative teacher preparation program may expend grant funds on regional management
 65.4 and operations, development, and central support services, including financial support and
 65.5 support for technology and human services.

65.6 (b) An alternative teacher preparation program may use grant funds awarded under this
 65.7 section as a match for nonstate funds, subject to paragraph (a).

65.8 (c) Appropriations made to this program do not cancel and are available until expended.

65.9 Subd. 4. **Report.** An alternative teacher preparation program receiving a grant under
 65.10 this section must submit a report to the commissioner and the Board of Teaching on the
 65.11 grantee's ability to fill teacher shortage areas and positively impact student achievement
 65.12 where data are available and do not identify individual teachers. A grant recipient must
 65.13 submit the report required under this subdivision by January 31, 2018, and each
 65.14 even-numbered year thereafter. The report must include disaggregated data regarding:

65.15 (1) the racial and ethnic diversity of teachers and teacher candidates licensed through
 65.16 the program; and

65.17 (2) program participant placement.

65.18 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2018 and later.

65.19 Sec. 12. Minnesota Statutes 2016, section 136A.1791, subdivision 1, is amended to read:

65.20 Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given
 65.21 them in this subdivision.

65.22 (b) "Qualified educational loan" means a government, commercial, or foundation loan
 65.23 for actual costs paid for tuition and reasonable educational and living expenses related to a
 65.24 teacher's preparation or further education.

65.25 (c) "School district" means an independent school district, special school district,
 65.26 intermediate district, education district, special education cooperative, service cooperative,
 65.27 a cooperative center for vocational education, or a charter school located in Minnesota.

65.28 (d) "Teacher" means an individual holding a teaching license issued by the licensing
 65.29 division in the Department of Education on behalf of the Board of Teaching who is employed
 65.30 by a school district to provide classroom instruction ~~in a teacher shortage area.~~

65.31 (e) "Teacher shortage area" means:

66.1 (1) the licensure fields and economic development regions reported by the commissioner
 66.2 of education as experiencing a teacher shortage; and

66.3 (2) economic development regions where there is a shortage of licensed teachers who
 66.4 reflect the racial or ethnic diversity of students in the region as reported by the commissioner
 66.5 of education.

66.6 (f) "Commissioner" means the commissioner of the Office of Higher Education unless
 66.7 indicated otherwise.

66.8 **EFFECTIVE DATE.** This section is effective August 1, 2017.

66.9 Sec. 13. Minnesota Statutes 2016, section 136A.1791, subdivision 2, is amended to read:

66.10 Subd. 2. **Program established; administration.** The commissioner shall establish and
 66.11 administer a teacher shortage loan forgiveness program. A teacher is eligible for the program
 66.12 if the teacher is teaching in a licensure field and in an economic development region with
 66.13 an identified teacher shortage area under subdivision 3 and complies with the requirements
 66.14 of this section.

66.15 **EFFECTIVE DATE.** This section is effective August 1, 2017.

66.16 Sec. 14. Minnesota Statutes 2016, section 136A.1791, subdivision 9, is amended to read:

66.17 Subd. 9. **Annual reporting.** By February 1 of each year, the commissioner must report
 66.18 to the chairs of the ~~K-12~~ kindergarten through grade 12 and higher education committees
 66.19 of the legislature on the number of individuals who received loan forgiveness under this
 66.20 section, the race or ethnicity of the teachers participating in the program, the licensure areas
 66.21 and economic development regions in which the teachers taught, the average amount paid
 66.22 to a teacher participating in the program, and other summary data identified by the
 66.23 commissioner as outcome indicators.

66.24 **EFFECTIVE DATE.** This section is effective August 1, 2017.

66.25 Sec. 15. Laws 2016, chapter 189, article 25, section 58, is amended to read:

66.26 Sec. 58. ~~NORTHWEST REGIONAL PARTNERSHIP STATEWIDE~~
 66.27 **CONCURRENT ENROLLMENT TEACHER TRAINING PROGRAM.**

66.28 Subdivision 1. **Definition.** (a) For purposes of this section, the following terms have the
 66.29 meanings given them.

67.1 (b) "Northwest Regional Partnership" means a voluntary association of the Lakes Country
 67.2 Service Cooperative, the Northwest Service Cooperative, and Minnesota State
 67.3 University-Moorhead that works together to provide coordinated higher learning opportunities
 67.4 for teachers.

67.5 (c) "State Partnership" means a voluntary association of the Northwest Regional
 67.6 Partnership and the Metropolitan Educational Cooperative Service Unit.

67.7 (d) "Eligible postsecondary institution" means a public or private postsecondary institution
 67.8 that awards graduate credits.

67.9 (e) "Eligible teacher" means a licensed teacher of secondary school courses for
 67.10 postsecondary credit.

67.11 Subd. 2. **Establishment.** (a) Lakes Country Service Cooperative, in consultation with
 67.12 the Northwest Service Cooperative, may develop a continuing education program to allow
 67.13 eligible teachers to attain the requisite graduate credits necessary to be qualified to teach
 67.14 secondary school courses for postsecondary credit.

67.15 (b) If established, the State Partnership must contract with one or more eligible
 67.16 postsecondary institutions to establish a continuing education credit program to allow eligible
 67.17 teachers to attain sufficient graduate credits to qualify to teach secondary school courses
 67.18 for postsecondary credit. Members of the State Partnership must work to eliminate duplication
 67.19 of service and develop the continuing education credit program efficiently and
 67.20 cost-effectively.

67.21 Subd. 3. **Curriculum development.** ~~Minnesota State University-Moorhead may develop~~
 67.22 The continuing education program must use flexible delivery models, such as an online
 67.23 education curriculum to, that allow eligible secondary school teachers to attain graduate
 67.24 credit at a reduced credit rate. Information about the curriculum, including course length
 67.25 and course requirements, must be posted on the Web site of the eligible institution offering
 67.26 the course at least two weeks before eligible teachers are required to register for courses in
 67.27 the continuing education program.

67.28 Subd. 4. **Funding for course development; scholarships; stipends.** (a) Lakes Country
 67.29 Service Cooperative, in consultation with the other members of the Northwest Regional
 67.30 Partnership, shall:

67.31 (1) provide funding for course development for up to 18 credits in applicable
 67.32 postsecondary subject areas;

68.1 (2) provide scholarships for eligible teachers to enroll in the continuing education
68.2 program; and

68.3 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
68.4 participation in the continuing education program.

68.5 (b) If established, the State Partnership must:

68.6 (1) provide funding for course development for up to 18 credits in applicable
68.7 postsecondary subject areas;

68.8 (2) provide scholarships for eligible teachers to enroll in the continuing education
68.9 program; and

68.10 (3) develop criteria for awarding educator stipends on a per-credit basis to incentivize
68.11 participation in the continuing education program.

68.12 ~~Subd. 5. **Participant eligibility.** Participation in the continuing education program is~~
68.13 ~~reserved for teachers of secondary school courses for postsecondary credit. Priority must~~
68.14 ~~be given to teachers employed by a school district that is a member of the Lakes Country~~
68.15 ~~Service Cooperative or Northwest Service Cooperative. Teachers employed by a school~~
68.16 ~~district that is not a member of the Lakes Country Service Cooperative or Northwest Service~~
68.17 ~~Cooperative may participate in the continuing education program as space allows. A teacher~~
68.18 ~~participating in this program is ineligible to participate in other concurrent enrollment teacher~~
68.19 ~~training grant programs.~~

68.20 Subd. 6. **Private funding.** The ~~partnership~~ partnerships may receive private resources
68.21 to supplement the available public money. All money received in fiscal year 2017 shall be
68.22 administered by the Lakes Country Service Cooperative. All money received in fiscal year
68.23 2018 and later shall be administered by the State Partnership.

68.24 Subd. 7. **Report required.** (a) The Northwest Regional Partnership must submit an
68.25 ~~annual~~ a report by January 15 of each year, 2018, on the progress of its activities to the
68.26 legislature, commissioner of education, and Board of Trustees of the Minnesota State
68.27 Colleges and Universities. The ~~annual~~ report shall contain a financial report for the preceding
68.28 year. ~~The first report is due no later than January 15, 2018.~~

68.29 (b) If established, the State Partnership must submit an annual joint report to the
68.30 legislature and the Office of Higher Education by January 15 of each year on the progress
68.31 of its activities. The report must include the number of teachers participating in the program,
68.32 the geographic location of the teachers, the number of credits earned, and the subject areas

69.1 of the courses in which participants earned credit. The report must include a financial report
69.2 for the preceding year.

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

69.4 Sec. 16. **AGRICULTURAL EDUCATOR GRANTS.**

69.5 Subdivision 1. **Grant program established.** A grant program is established to support
69.6 school districts in paying agricultural education teachers for work over the summer with
69.7 high school students in extended programs.

69.8 Subd. 2. **Application.** The commissioner of education shall develop the form and method
69.9 for applying for the grants. The commissioner shall develop criteria for determining the
69.10 allocation of the grants, including appropriate goals for the use of the grants.

69.11 Subd. 3. **Grant awards.** Grant funding under this section must be matched by funding
69.12 from the school district for the agricultural education teacher's summer employment. Grant
69.13 funding for each teacher is limited to the one-half share of 40 working days.

69.14 Subd. 4. **Reports.** School districts that receive grant funds shall report to the
69.15 commissioner of education no later than December 31 of each year regarding the number
69.16 of teachers funded by the grant program and the outcomes compared to the goals established
69.17 in the grant application. The Department of Education shall develop the criteria necessary
69.18 for the reports.

69.19 Sec. 17. **APPROPRIATIONS.**

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

69.23 Subd. 2. **Paraprofessional pathway to teacher licensure.** (a) For grants to school
69.24 districts for Grow Your Own teacher preparation programs:

69.25 \$ 1,500,000 2018

69.26 \$ 1,500,000 2019

69.27 (b) The grants are for school districts with more than 40 percent minority students for
69.28 a Board of Teaching-approved nonconventional teacher residency pilot program. The
69.29 program must provide tuition scholarships or stipends to enable school district employees
69.30 or community members affiliated with a school district who seek an education license to
69.31 participate in a nonconventional teacher preparation program.

70.1 (c) A school district that receives a grant under this subdivision is ineligible to receive
 70.2 a grant for a Grow Your Own program in fiscal year 2020 and fiscal year 2021.

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

70.4 Subd. 3. **Alternative teacher preparation grant program.** (a) For transfer to the
 70.5 commissioner of the Office of Higher Education for alternative teacher preparation program
 70.6 grants under Minnesota Statutes, section 136A.1276:

70.7 \$ 1,000,000 2018

70.8 \$ 0 2019

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

70.10 Subd. 4. **Agricultural educator grants.** For agricultural educator grants under section
 70.11 16:

70.12 \$ 250,000 2018

70.13 \$ 0 2019

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

70.15 Subd. 5. **Collaborative urban educator.** (a) For the collaborative urban educator grant
 70.16 program:

70.17 \$ 1,000,000 2018

70.18 \$ 1,000,000 2019

70.19 (b) Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast
 70.20 Asian Teacher program at Concordia University, St. Paul; \$195,000 each year is for the
 70.21 Collaborative Urban Educator program at the University of St. Thomas; \$195,000 each year
 70.22 is for the Center for Excellence in Urban Teaching at Hamline University; and \$195,000
 70.23 each year is for the East Africa Student to Teacher program at Augsburg College.

70.24 (c) The commissioner must establish a competitive grant process to award \$220,000
 70.25 each year to Board of Teaching-approved teacher preparation programs, including alternative
 70.26 teacher preparation programs. The competitive process must award grants based on program
 70.27 benchmarks, including licensure rates, participation rates, and on-time graduation rates.

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

70.29 (e) Each institution shall prepare for the legislature by January 15 of each year a detailed
 70.30 report regarding the funds used. The report must include the number of teachers prepared
 70.31 as well as the diversity for each cohort of teachers produced.

71.1 (f) For fiscal year 2020 and later, the commissioner must award all collaborative urban
71.2 educator grants through the competitive grant program.

71.3 Subd. 6. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota
71.4 College of Education and Human Development for the operation of the Minnesota Principals
71.5 Academy:

71.6 \$ 200,000 2018

71.7 \$ 200,000 2019

71.8 (b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals
71.9 from schools designated as priority schools by the commissioner of education. To the extent
71.10 funds are available, the Department of Education must use up to \$200,000 of federal Title
71.11 II funds to support additional participation in the Principals Academy by principals from
71.12 priority schools.

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

71.14 Subd. 7. **Teacher shortage loan forgiveness.** (a) For transfer to the commissioner of
71.15 the Office of Higher Education for the loan forgiveness program under Minnesota Statutes,
71.16 section 136A.1791:

71.17 \$ 4,000,000 2018

71.18 \$ 0 2019

71.19 (b) The commissioner may use no more than three percent of this appropriation to
71.20 administer the program under this subdivision.

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

71.22 **Sec. 18. REPEALER.**

71.23 Minnesota Statutes 2016, sections 122A.40, subdivision 11; and 122A.41, subdivision
71.24 14, are repealed effective July 1, 2018.

71.25 **ARTICLE 4**

71.26 **SPECIAL EDUCATION**

71.27 Section 1. Minnesota Statutes 2016, section 125A.08, is amended to read:

71.28 **125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.**

71.29 (a) At the beginning of each school year, each school district shall have in effect, for
71.30 each child with a disability, an individualized education program.

72.1 (b) As defined in this section, every district must ensure the following:

72.2 (1) all students with disabilities are provided the special instruction and services which
72.3 are appropriate to their needs. Where the individualized education program team has
72.4 determined appropriate goals and objectives based on the student's needs, including the
72.5 extent to which the student can be included in the least restrictive environment, and where
72.6 there are essentially equivalent and effective instruction, related services, or assistive
72.7 technology devices available to meet the student's needs, cost to the district may be among
72.8 the factors considered by the team in choosing how to provide the appropriate services,
72.9 instruction, or devices that are to be made part of the student's individualized education
72.10 program. The individualized education program team shall consider and may authorize
72.11 services covered by medical assistance according to section 256B.0625, subdivision 26.
72.12 Before a school district evaluation team makes a determination of other health disability
72.13 under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation
72.14 team must seek written documentation of the student's medically diagnosed chronic or acute
72.15 health condition signed by a licensed physician or a licensed health care provider acting
72.16 within the scope of the provider's practice. The student's needs and the special education
72.17 instruction and services to be provided must be agreed upon through the development of
72.18 an individualized education program. The program must address the student's need to develop
72.19 skills to live and work as independently as possible within the community. The individualized
72.20 education program team must consider positive behavioral interventions, strategies, and
72.21 supports that address behavior needs for children. During grade 9, the program must address
72.22 the student's needs for transition from secondary services to postsecondary education and
72.23 training, employment, community participation, recreation, and leisure and home living. In
72.24 developing the program, districts must inform parents of the full range of transitional goals
72.25 and related services that should be considered. The program must include a statement of
72.26 the needed transition services, including a statement of the interagency responsibilities or
72.27 linkages or both before secondary services are concluded. If the individualized education
72.28 program meets the plan components in section 120B.125, the individualized education
72.29 program satisfies the requirement and no additional transition plan is needed;

72.30 (2) children with a disability under age five and their families are provided special
72.31 instruction and services appropriate to the child's level of functioning and needs;

72.32 (3) children with a disability and their parents or guardians are guaranteed procedural
72.33 safeguards and the right to participate in decisions involving identification, assessment
72.34 including assistive technology assessment, and educational placement of children with a
72.35 disability;

73.1 (4) eligibility and needs of children with a disability are determined by an initial
73.2 evaluation or reevaluation, which may be completed using existing data under United States
73.3 Code, title 20, section 33, et seq.;

73.4 (5) to the maximum extent appropriate, children with a disability, including those in
73.5 public or private institutions or other care facilities, are educated with children who are not
73.6 disabled, and that special classes, separate schooling, or other removal of children with a
73.7 disability from the regular educational environment occurs only when and to the extent that
73.8 the nature or severity of the disability is such that education in regular classes with the use
73.9 of supplementary services cannot be achieved satisfactorily;

73.10 (6) in accordance with recognized professional standards, testing and evaluation materials,
73.11 and procedures used for the purposes of classification and placement of children with a
73.12 disability are selected and administered so as not to be racially or culturally discriminatory;
73.13 and

73.14 (7) the rights of the child are protected when the parents or guardians are not known or
73.15 not available, or the child is a ward of the state.

73.16 (c) For all paraprofessionals employed to work in programs whose role in part is to
73.17 provide direct support to students with disabilities, the school board in each district shall
73.18 ensure that:

73.19 (1) before or beginning at the time of employment, each paraprofessional must develop
73.20 sufficient knowledge and skills in emergency procedures, building orientation, roles and
73.21 responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin
73.22 meeting the needs, especially disability-specific and behavioral needs, of the students with
73.23 whom the paraprofessional works;

73.24 (2) annual training opportunities are required to enable the paraprofessional to continue
73.25 to further develop the knowledge ~~and~~ skills, and cultural competency, consistent with
73.26 section 120B.30, subdivision 1, paragraph (q), that are specific to the students with whom
73.27 the paraprofessional works, including understanding disabilities, the unique and individual
73.28 needs of each student according to the student's disability and how the disability affects the
73.29 student's education and behavior, following lesson plans, and implementing follow-up
73.30 instructional procedures and activities; and

73.31 (3) a districtwide process obligates each paraprofessional to work under the ongoing
73.32 direction of a licensed teacher and, where appropriate and possible, the supervision of a
73.33 school nurse.

74.1 (d) The school board must make available annual training opportunities to enable a
 74.2 special education teacher serving on an individualized education program team to further
 74.3 develop the knowledge, skills, and cultural competency necessary to appropriately serve
 74.4 students. For purposes of this section, "cultural competency" means the ability to interact
 74.5 effectively with people of different cultures, native languages, and socioeconomic
 74.6 backgrounds.

74.7 **EFFECTIVE DATE.** This section is effective for the 2017-2018 school year and later.

74.8 Sec. 2. Minnesota Statutes 2016, section 125A.0941, is amended to read:

74.9 **125A.0941 DEFINITIONS.**

74.10 (a) The following terms have the meanings given them.

74.11 (b) "Emergency" means a situation where immediate intervention is needed to protect
 74.12 a child or other individual from physical injury. Emergency does not mean circumstances
 74.13 such as: a child who does not respond to a task or request and instead places his or her head
 74.14 on a desk or hides under a desk or table; a child who does not respond to a staff person's
 74.15 request unless failing to respond would result in physical injury to the child or other
 74.16 individual; or an emergency incident has already occurred and no threat of physical injury
 74.17 currently exists.

74.18 (c) "Physical holding" means physical intervention intended to hold a child immobile
 74.19 or limit a child's movement, where body contact is the only source of physical restraint, and
 74.20 where immobilization is used to effectively gain control of a child in order to protect a child
 74.21 or other individual from physical injury. The term physical holding does not mean physical
 74.22 contact that:

74.23 (1) helps a child respond or complete a task;

74.24 (2) assists a child without restricting the child's movement;

74.25 (3) is needed to administer an authorized health-related service or procedure; or

74.26 (4) is needed to physically escort a child when the child does not resist or the child's
 74.27 resistance is minimal.

74.28 (d) "Positive behavioral interventions and supports" means interventions and strategies
 74.29 to improve the school environment and teach children the skills to behave appropriately,
 74.30 including the key components under section 122A.627.

74.31 (e) "Prone restraint" means placing a child in a face down position.

75.1 (f) "Restrictive procedures" means the use of physical holding or seclusion in an
75.2 emergency. Restrictive procedures must not be used to punish or otherwise discipline a
75.3 child.

75.4 (g) "Seclusion" means confining a child alone in a room from which egress is barred.
75.5 Egress may be barred by an adult locking or closing the door in the room or preventing the
75.6 child from leaving the room. Removing a child from an activity to a location where the
75.7 child cannot participate in or observe the activity is not seclusion.

75.8 Sec. 3. Minnesota Statutes 2016, section 125A.11, subdivision 1, is amended to read:

75.9 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and later,
75.10 when a school district provides special instruction and services for a pupil with a disability
75.11 as defined in section 125A.02 outside the district of residence, excluding a pupil for whom
75.12 an adjustment to special education aid is calculated according to section 127A.47, subdivision
75.13 7, paragraphs (b) to (d), special education aid paid to the resident district must be reduced
75.14 by an amount equal to (1) the actual cost of providing special instruction and services to
75.15 the pupil, including a proportionate amount for special transportation, plus (2) the amount
75.16 of general education revenue, excluding local optional revenue, plus local optional aid and
75.17 referendum equalization aid attributable to that pupil, calculated using the resident district's
75.18 average general education revenue and referendum equalization aid per adjusted pupil unit
75.19 excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue,
75.20 minus (3) the amount of special education aid for children with a disability under section
75.21 125A.76 received on behalf of that child, minus (4) if the pupil receives special instruction
75.22 and services outside the regular classroom for more than 60 percent of the school day, the
75.23 amount of general education revenue and referendum equalization aid, excluding portions
75.24 attributable to district and school administration, district support services, operations and
75.25 maintenance, capital expenditures, and pupil transportation, attributable to that pupil for
75.26 the portion of time the pupil receives special instruction and services outside of the regular
75.27 classroom, calculated using the resident district's average general education revenue and
75.28 referendum equalization aid per adjusted pupil unit excluding basic skills revenue, elementary
75.29 sparsity revenue and secondary sparsity revenue and the serving district's basic skills revenue,
75.30 elementary sparsity revenue and secondary sparsity revenue per adjusted pupil unit.
75.31 Notwithstanding clauses (1) and (4), for pupils served by a cooperative unit without a fiscal
75.32 agent school district, the general education revenue and referendum equalization aid
75.33 attributable to a pupil must be calculated using the resident district's average general
75.34 education revenue and referendum equalization aid excluding compensatory revenue,
75.35 elementary sparsity revenue, and secondary sparsity revenue. Special education aid paid to

76.1 the district or cooperative providing special instruction and services for the pupil must be
76.2 increased by the amount of the reduction in the aid paid to the resident district. If the resident
76.3 district's special education aid is insufficient to make the full adjustment, the remaining
76.4 adjustment shall be made to other state aid due to the district.

76.5 (b) Notwithstanding paragraph (a), when a charter school receiving special education
76.6 aid under section 124E.21, subdivision 3, provides special instruction and services for a
76.7 pupil with a disability as defined in section 125A.02, excluding a pupil for whom an
76.8 adjustment to special education aid is calculated according to section 127A.47, subdivision
76.9 7, paragraphs (b) to (e), special education aid paid to the resident district must be reduced
76.10 by an amount equal to that calculated under paragraph (a) as if the charter school received
76.11 aid under section 124E.21, subdivision 1. Notwithstanding paragraph (a), special education
76.12 aid paid to the charter school providing special instruction and services for the pupil must
76.13 not be increased by the amount of the reduction in the aid paid to the resident district.

76.14 (c) Notwithstanding paragraph (a) and section 127A.47, subdivision 7, paragraphs (b)
76.15 to (d):

76.16 (1) an intermediate district or a special education cooperative may recover unreimbursed
76.17 costs of serving pupils with a disability, including building lease, debt service, and indirect
76.18 costs necessary for the general operation of the organization, by billing membership fees
76.19 and nonmember access fees to the resident district;

76.20 (2) a charter school where more than 30 percent of enrolled students receive special
76.21 education and related services, a site approved under section 125A.515, an intermediate
76.22 district, a site constructed according to Laws 1992, chapter 558, section 7, subdivision 7,
76.23 to meet the educational needs of court-placed adolescents, or a special education cooperative
76.24 may apply to the commissioner for authority to charge the resident district an additional
76.25 amount to recover any remaining unreimbursed costs of serving pupils with a disability;

76.26 (3) the billing under clause (1) or application under clause (2) must include a description
76.27 of the costs and the calculations used to determine the unreimbursed portion to be charged
76.28 to the resident district. Amounts approved by the commissioner under clause (2) must be
76.29 included in the aid adjustments under paragraph (a), or section 127A.47, subdivision 7,
76.30 paragraphs (b) to (d), as applicable.

76.31 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph (b),
76.32 "general education revenue and referendum equalization aid" means the sum of the general
76.33 education revenue according to section 126C.10, subdivision 1, excluding the local optional

77.1 levy according to section 126C.10, subdivision 2e, paragraph (c), plus the referendum
77.2 equalization aid according to section 126C.17, subdivision 7.

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

77.4 Sec. 4. Minnesota Statutes 2016, section 125A.21, subdivision 2, is amended to read:

77.5 Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts shall seek
77.6 reimbursement from insurers and similar third parties for the cost of services provided by
77.7 the district whenever the services provided by the district are otherwise covered by the
77.8 child's health coverage. Districts shall request, but may not require, the child's family to
77.9 provide information about the child's health coverage when a child with a disability begins
77.10 to receive services from the district of a type that may be reimbursable, and shall request,
77.11 but may not require, updated information after that as needed.

77.12 (b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare
77.13 under chapter 256L who have no other health coverage, a district shall provide an initial
77.14 and annual written notice to the enrolled child's parent or legal representative of its intent
77.15 to seek reimbursement from medical assistance or MinnesotaCare for:

77.16 (1) the evaluations required as part of the individualized education program process or
77.17 individualized family service plan process; and

77.18 (2) health-related services provided by the district according to the individualized
77.19 education program or individualized family service plan.

77.20 The initial notice must give the child's parent or legal representative the right to request a
77.21 copy of the child's education records on the health-related services that the district provided
77.22 to the child and disclosed to a third-party payer.

77.23 (c) The district shall give the parent or legal representative annual written notice of:

77.24 (1) the district's intent to seek reimbursement from medical assistance or MinnesotaCare
77.25 for evaluations required as part of the individualized education program process or
77.26 individualized family service plan process, and for health-related services provided by the
77.27 district according to the individualized education program or individualized family service
77.28 plan;

77.29 (2) the right of the parent or legal representative to request a copy of all records
77.30 concerning individualized education program or individualized family service plan
77.31 health-related services disclosed by the district to any third party; and

78.1 (3) the right of the parent or legal representative to withdraw consent for disclosure of
78.2 a child's records at any time without consequence.

78.3 The written notice shall be provided as part of the written notice required by Code of Federal
78.4 Regulations, title 34, section 300.504 or 303.520. The district must ensure that the parent
78.5 of a child with a disability is given notice, in understandable language, of federal and state
78.6 procedural safeguards available to the parent under this paragraph and paragraph (b).

78.7 (d) In order to access the private health care coverage of a child who is covered by private
78.8 health care coverage in whole or in part, a district must:

78.9 (1) obtain annual written informed consent from the parent or legal representative, in
78.10 compliance with subdivision 5; and

78.11 (2) inform the parent or legal representative that a refusal to permit the district or state
78.12 Medicaid agency to access their private health care coverage does not relieve the district of
78.13 its responsibility to provide all services necessary to provide free and appropriate public
78.14 education at no cost to the parent or legal representative.

78.15 (e) If the commissioner of human services obtains federal approval to exempt covered
78.16 individualized education program or individualized family service plan health-related
78.17 services from the requirement that private health care coverage refuse payment before
78.18 medical assistance may be billed, paragraphs (b), (c), and (d) shall also apply to students
78.19 with a combination of private health care coverage and health care coverage through medical
78.20 assistance or MinnesotaCare.

78.21 (f) In the event that Congress or any federal agency or the Minnesota legislature or any
78.22 state agency establishes lifetime limits, limits for any health care services, cost-sharing
78.23 provisions, or otherwise provides that individualized education program or individualized
78.24 family service plan health-related services impact benefits for persons enrolled in medical
78.25 assistance or MinnesotaCare, the amendments to this subdivision adopted in 2002 are
78.26 repealed on the effective date of any federal or state law or regulation that imposes the
78.27 limits. In that event, districts must obtain informed consent consistent with this subdivision
78.28 as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement
78.29 for children enrolled in medical assistance under chapter 256B or MinnesotaCare under
78.30 chapter 256L who have no other health care coverage.

78.31 **EFFECTIVE DATE.** This section is effective August 1, 2017.

79.1 Sec. 5. Minnesota Statutes 2016, section 125A.515, is amended to read:

79.2 **125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION**
 79.3 **PROGRAM.**

79.4 Subdivision 1. **Approval of on-site education programs.** The commissioner shall
 79.5 approve on-site education programs for placement of children and youth in residential
 79.6 facilities including detention centers, before being licensed by the Department of Human
 79.7 Services or the Department of Corrections. Education programs in these facilities shall
 79.8 conform to state and federal education laws including the Individuals with Disabilities
 79.9 Education Act (IDEA). This section applies only to placements in children's residential
 79.10 facilities licensed by the Department of Human Services or the Department of Corrections.
 79.11 For purposes of this section, "on-site education program" means the educational services
 79.12 provided directly on the grounds of the ~~care and treatment~~ children's residential facility to
 79.13 children and youth placed for care and treatment.

79.14 Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's
 79.15 residential facility is located must provide education services, including special education
 79.16 if eligible, to all students placed in a facility.

79.17 (b) For education programs operated by the Department of Corrections, the providing
 79.18 district shall be the Department of Corrections. For students remanded to the commissioner
 79.19 of corrections, the providing and resident district shall be the Department of Corrections.

79.20 Subd. 3a. **Students without a disability from other states.** A school district is not
 79.21 required to provide education services under this section to a student who:

79.22 (1) is not a resident of Minnesota;

79.23 (2) does not have an individualized education program; and

79.24 (3) does not have a tuition arrangement or agreement to pay the cost of education from
 79.25 the placing authority.

79.26 Subd. 4. **Education services required.** (a) Education services must be provided to a
 79.27 student beginning within three business days after the student enters the ~~care and treatment~~
 79.28 children's residential facility. The first four days of the student's placement may be used to
 79.29 screen the student for educational and safety issues.

79.30 (b) If the student does not meet the eligibility criteria for special education, regular
 79.31 education services must be provided to that student.

80.1 Subd. 5. **Education programs for students placed in children's residential facilities.**

80.2 (a) When a student is placed in a children's residential facility ~~approved~~ under this section
 80.3 that has an on-site education program, the providing district, upon notice from the ~~care and~~
 80.4 ~~treatment~~ children's residential facility, must contact the resident district within one business
 80.5 day to determine if a student has been identified as having a disability, and to request at
 80.6 least the student's transcript, and for students with disabilities, the most recent individualized
 80.7 education program (IEP) and evaluation report, ~~and to determine if the student has been~~
 80.8 ~~identified as a student with a disability~~. The resident district must send a facsimile copy to
 80.9 the providing district within two business days of receiving the request.

80.10 (b) If a student placed under this section has been identified as having a disability and
 80.11 has an individualized education program in the resident district:

80.12 (1) the providing agency must conduct an individualized education program meeting to
 80.13 reach an agreement about continuing or modifying special education services in accordance
 80.14 with the current individualized education program goals and objectives and to determine if
 80.15 additional evaluations are necessary; and

80.16 (2) at least the following people shall receive written notice or documented phone call
 80.17 to be followed with written notice to attend the individualized education program meeting:

80.18 (i) the person or agency placing the student;

80.19 (ii) the resident district;

80.20 (iii) the appropriate teachers and related services staff from the providing district;

80.21 (iv) appropriate staff from the children's residential facility;

80.22 (v) the parents or legal guardians of the student; and

80.23 (vi) when appropriate, the student.

80.24 (c) For a student who has not been identified as a student with a disability, a screening
 80.25 must be conducted by the providing districts as soon as possible to determine the student's
 80.26 educational and behavioral needs and must include a review of the student's educational
 80.27 records.

80.28 Subd. 6. **Exit report summarizing educational progress.** If a student has been placed
 80.29 in a facility under this section for 15 or more business days, the providing district must
 80.30 prepare an exit report summarizing the regular education, special education, evaluation,
 80.31 educational progress, and service information and must send the report to the resident district
 80.32 and the next providing district if different, the parent or legal guardian, and any appropriate

81.1 social service agency. For students with disabilities, this report must include the student's
81.2 IEP.

81.3 Subd. 7. **Minimum educational services required.** When a student is placed in a
81.4 children's residential facility ~~approved~~ under this section, at a minimum, the providing
81.5 district is responsible for:

81.6 (1) the education necessary, including summer school services, for a student who is not
81.7 performing at grade level as indicated in the education record or IEP; and

81.8 (2) a school day, of the same length as the school day of the providing district, unless
81.9 the unique needs of the student, as documented through the IEP or education record in
81.10 consultation with treatment providers, requires an alteration in the length of the school day.

81.11 Subd. 8. **Placement, services, and due process.** When a student's treatment and
81.12 educational needs allow, education shall be provided in a regular educational setting. The
81.13 determination of the amount and site of integrated services must be a joint decision between
81.14 the student's parents or legal guardians and the treatment and education staff. When
81.15 applicable, educational placement decisions must be made by the IEP team of the providing
81.16 district. Educational services shall be provided in conformance with the least restrictive
81.17 environment principle of the Individuals with Disabilities Education Act. The providing
81.18 district and ~~care and treatment~~ children's residential facility shall cooperatively develop
81.19 discipline and behavior management procedures to be used in emergency situations that
81.20 comply with the Minnesota Pupil Fair Dismissal Act and other relevant state and federal
81.21 laws and regulations.

81.22 Subd. 9. **Reimbursement for education services.** (a) Education services provided to
81.23 students who have been placed under this section are reimbursable in accordance with
81.24 special education and general education statutes.

81.25 (b) Indirect or consultative services provided in conjunction with regular education
81.26 prereferral interventions and assessment provided to regular education students suspected
81.27 of being disabled and who have demonstrated learning or behavioral problems in a screening
81.28 are reimbursable with special education categorical aids.

81.29 (c) Regular education, including screening, provided to students with or without
81.30 disabilities is not reimbursable with special education categorical aids.

81.31 Subd. 10. **Students unable to attend school but not covered under this section.**
81.32 Students who are absent from, or predicted to be absent from, school for 15 consecutive or
81.33 intermittent days, and placed at home or in facilities not licensed by the Departments of

82.1 Corrections or Human Services are entitled to regular and special education services
 82.2 consistent with this section or Minnesota Rules, part 3525.2325. These students include
 82.3 students with and without disabilities who are home due to accident or illness, in a hospital
 82.4 or other medical facility, or in a day treatment center.

82.5 Sec. 6. Minnesota Statutes 2016, section 125A.74, subdivision 1, is amended to read:

82.6 Subdivision 1. **Eligibility.** A district may enroll as a provider in the medical assistance
 82.7 program and receive medical assistance payments for covered evaluations and special
 82.8 education services provided to persons eligible for medical assistance under chapter 256B.
 82.9 To receive medical assistance payments, the district must pay the nonfederal share of medical
 82.10 assistance services provided according to section 256B.0625, subdivision 26, and comply
 82.11 with relevant provisions of state and federal statutes and regulations governing the medical
 82.12 assistance program.

82.13 **EFFECTIVE DATE.** This section is effective August 1, 2017.

82.14 Sec. 7. Minnesota Statutes 2016, section 256B.0625, subdivision 26, is amended to read:

82.15 Subd. 26. **Special education services.** (a) Medical assistance covers evaluations necessary
 82.16 in making a determination for eligibility for individualized education program and
 82.17 individualized family service plan services and for medical services identified in a recipient's
 82.18 individualized education program and individualized family service plan and covered under
 82.19 the medical assistance state plan. Covered services include occupational therapy, physical
 82.20 therapy, speech-language therapy, clinical psychological services, nursing services, school
 82.21 psychological services, school social work services, personal care assistants serving as
 82.22 management aides, assistive technology devices, transportation services, health assessments,
 82.23 and other services covered under the medical assistance state plan. Mental health services
 82.24 eligible for medical assistance reimbursement must be provided or coordinated through a
 82.25 children's mental health collaborative where a collaborative exists if the child is included
 82.26 in the collaborative operational target population. The provision or coordination of services
 82.27 does not require that the individualized education program be developed by the collaborative.

82.28 The services may be provided by a Minnesota school district that is enrolled as a medical
 82.29 assistance provider or its subcontractor, and only if the services meet all the requirements
 82.30 otherwise applicable if the service had been provided by a provider other than a school
 82.31 district, in the following areas: medical necessity, physician's orders, documentation,
 82.32 personnel qualifications, and prior authorization requirements. The nonfederal share of costs
 82.33 for services provided under this subdivision is the responsibility of the local school district

83.1 as provided in section 125A.74. Services listed in a child's individualized education program
83.2 are eligible for medical assistance reimbursement only if those services meet criteria for
83.3 federal financial participation under the Medicaid program.

83.4 (b) Approval of health-related services for inclusion in the individualized education
83.5 program does not require prior authorization for purposes of reimbursement under this
83.6 chapter. The commissioner may require physician review and approval of the plan not more
83.7 than once annually or upon any modification of the individualized education program that
83.8 reflects a change in health-related services.

83.9 (c) Services of a speech-language pathologist provided under this section are covered
83.10 notwithstanding Minnesota Rules, part 9505.0390, subpart 1, item L, if the person:

83.11 (1) holds a masters degree in speech-language pathology;

83.12 (2) is licensed by the Minnesota Board of Teaching as an educational speech-language
83.13 pathologist; and

83.14 (3) either has a certificate of clinical competence from the American Speech and Hearing
83.15 Association, has completed the equivalent educational requirements and work experience
83.16 necessary for the certificate or has completed the academic program and is acquiring
83.17 supervised work experience to qualify for the certificate.

83.18 (d) Medical assistance coverage for medically necessary services provided under other
83.19 subdivisions in this section may not be denied solely on the basis that the same or similar
83.20 services are covered under this subdivision.

83.21 (e) The commissioner shall develop and implement package rates, bundled rates, or per
83.22 diem rates for special education services under which separately covered services are grouped
83.23 together and billed as a unit in order to reduce administrative complexity.

83.24 (f) The commissioner shall develop a cost-based payment structure for payment of these
83.25 services. Only costs reported through the designated Minnesota Department of Education
83.26 data systems in distinct service categories qualify for inclusion in the cost-based payment
83.27 structure. The commissioner shall reimburse claims submitted based on an interim rate, and
83.28 shall settle at a final rate once the department has determined it. The commissioner shall
83.29 notify the school district of the final rate. The school district has 60 days to appeal the final
83.30 rate. To appeal the final rate, the school district shall file a written appeal request to the
83.31 commissioner within 60 days of the date the final rate determination was mailed. The appeal
83.32 request shall specify (1) the disputed items and (2) the name and address of the person to
83.33 contact regarding the appeal.

84.1 (g) Effective July 1, 2000, medical assistance services provided under an individualized
 84.2 education program or an individual family service plan by local school districts shall not
 84.3 count against medical assistance authorization thresholds for that child.

84.4 (h) Nursing services as defined in section 148.171, subdivision 15, and provided as an
 84.5 individualized education program health-related service, are eligible for medical assistance
 84.6 payment if they are otherwise a covered service under the medical assistance program.
 84.7 Medical assistance covers the administration of prescription medications by a licensed nurse
 84.8 who is employed by or under contract with a school district when the administration of
 84.9 medications is identified in the child's individualized education program. The simple
 84.10 administration of medications alone is not covered under medical assistance when
 84.11 administered by a provider other than a school district or when it is not identified in the
 84.12 child's individualized education program.

84.13 **EFFECTIVE DATE.** This section is effective August 1, 2017.

84.14 **Sec. 8. SPECIAL EDUCATION ASSISTIVE TECHNOLOGY STUDY.**

84.15 **Subdivision 1. Study.** The commissioner of education must examine the use of assistive
 84.16 technology in Minnesota school districts. The commissioner may examine financial data,
 84.17 survey school officials, and use other methods to collect data on the use of assistive
 84.18 technology by Minnesota's students. The commissioner must consult with the Minnesota
 84.19 Assistive Technology Advisory Council and other interested organizations to determine the
 84.20 scope and focus of the study.

84.21 **Subd. 2. Data reporting.** The commissioner must examine the federally required uniform
 84.22 financial accounting and reporting standards object codes and, if necessary, recommend
 84.23 changes to better capture school district spending on assistive technology. The commissioner
 84.24 must examine approaches to collecting additional student-level assistive technology data
 84.25 through the electronic data reporting system.

84.26 **Subd. 3. Assistive technology manual.** The commissioner must examine the department's
 84.27 assistive technology manual, and determine whether to prepare a revised manual.

84.28 **Subd. 4. Report.** The commissioner of education must report to the chairs and ranking
 84.29 minority members of the legislative committees with jurisdiction over kindergarten through
 84.30 grade 12 education by February 15, 2018, on the use of assistive technology by Minnesota's
 84.31 students and recommend statutory changes to encourage individualized education programs
 84.32 and individualized family services plans to incorporate a child-centered assistive technology
 84.33 plan.

85.1 Sec. 9. **APPROPRIATIONS.**

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

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

85.7 \$ 1,339,212,000 2018

85.8 \$ 1,426,317,000 2019

85.9 The 2018 appropriation includes \$156,403,000 for 2017 and \$1,182,809,000 for 2018.

85.10 The 2019 appropriation includes \$166,505,000 for 2018 and \$1,259,812,000 for 2019.

85.11 **Subd. 3. Aid for children with disabilities.** For aid under Minnesota Statutes, section
 85.12 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 85.13 the district boundaries for whom no district of residence can be determined:

85.14 \$ 1,597,000 2018

85.15 \$ 1,830,000 2019

85.16 If the appropriation for either year is insufficient, the appropriation for the other year is
 85.17 available.

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

85.20 \$ 508,000 2018

85.21 \$ 532,000 2019

85.22 The 2018 appropriation includes \$48,000 for 2017 and \$460,000 for 2018.

85.23 The 2019 appropriation includes \$51,000 for 2018 and \$481,000 for 2019.

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

85.27 \$ 46,000 2018

85.28 \$ 47,000 2019

85.29 **Subd. 6. Special education out-of-state tuition.** For special education out-of-state
 85.30 tuition under Minnesota Statutes, section 125A.79, subdivision 8:

85.31 \$ 250,000 2018

85.32 \$ 250,000 2019

86.1

ARTICLE 5

86.2

FACILITIES AND TECHNOLOGY

86.3 Section 1. Minnesota Statutes 2016, section 43A.08, subdivision 1, is amended to read:

86.4 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees
86.5 who are:

86.6 (1) chosen by election or appointed to fill an elective office;

86.7 (2) heads of agencies required by law to be appointed by the governor or other elective
86.8 officers, and the executive or administrative heads of departments, bureaus, divisions, and
86.9 institutions specifically established by law in the unclassified service;

86.10 (3) deputy and assistant agency heads and one confidential secretary in the agencies
86.11 listed in subdivision 1a and in the Office of Strategic and Long-Range Planning;

86.12 (4) the confidential secretary to each of the elective officers of this state and, for the
86.13 secretary of state and state auditor, an additional deputy, clerk, or employee;

86.14 (5) intermittent help employed by the commissioner of public safety to assist in the
86.15 issuance of vehicle licenses;

86.16 (6) employees in the offices of the governor and of the lieutenant governor and one
86.17 confidential employee for the governor in the Office of the Adjutant General;

86.18 (7) employees of the Washington, D.C., office of the state of Minnesota;

86.19 (8) employees of the legislature and of legislative committees or commissions; provided
86.20 that employees of the Legislative Audit Commission, except for the legislative auditor, the
86.21 deputy legislative auditors, and their confidential secretaries, shall be employees in the
86.22 classified service;

86.23 (9) presidents, vice-presidents, deans, other managers and professionals in academic
86.24 and academic support programs, administrative or service faculty, teachers, research
86.25 assistants, and student employees eligible under terms of the federal Economic Opportunity
86.26 Act work study program in the ~~Perpich Center for Arts Education~~ and the Minnesota State
86.27 Colleges and Universities, but not the custodial, clerical, or maintenance employees, or any
86.28 professional or managerial employee performing duties in connection with the business
86.29 administration of these institutions;

86.30 (10) officers and enlisted persons in the National Guard;

87.1 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney
87.2 general or employed with the attorney general's authorization;

87.3 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and
87.4 notaries public, except referees and adjusters employed by the Department of Labor and
87.5 Industry;

87.6 (13) members of the State Patrol; provided that selection and appointment of State Patrol
87.7 troopers must be made in accordance with applicable laws governing the classified service;

87.8 (14) examination monitors and intermittent training instructors employed by the
87.9 Departments of Management and Budget and Commerce and by professional examining
87.10 boards and intermittent staff employed by the technical colleges for the administration of
87.11 practical skills tests and for the staging of instructional demonstrations;

87.12 (15) student workers;

87.13 (16) executive directors or executive secretaries appointed by and reporting to any
87.14 policy-making board or commission established by statute;

87.15 (17) employees unclassified pursuant to other statutory authority;

87.16 (18) intermittent help employed by the commissioner of agriculture to perform duties
87.17 relating to pesticides, fertilizer, and seed regulation;

87.18 (19) the administrators and the deputy administrators at the State Academies for the
87.19 Deaf and the Blind; and

87.20 (20) chief executive officers in the Department of Human Services.

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

87.22 Sec. 2. Minnesota Statutes 2016, section 43A.08, subdivision 1a, is amended to read:

87.23 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
87.24 agencies may designate additional unclassified positions according to this subdivision: the
87.25 Departments of Administration; Agriculture; Commerce; Corrections; Education;
87.26 Employment and Economic Development; Explore Minnesota Tourism; Management and
87.27 Budget; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety;
87.28 Human Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and
87.29 Pollution Control Agencies; the State Lottery; the State Board of Investment; the Office of
87.30 Administrative Hearings; the Office of MN.IT Services; the Offices of the Attorney General,
87.31 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the

88.1 Minnesota Office of Higher Education; ~~the Perpich Center for Arts Education~~; and the
88.2 Minnesota Zoological Board.

88.3 A position designated by an appointing authority according to this subdivision must
88.4 meet the following standards and criteria:

88.5 (1) the designation of the position would not be contrary to other law relating specifically
88.6 to that agency;

88.7 (2) the person occupying the position would report directly to the agency head or deputy
88.8 agency head and would be designated as part of the agency head's management team;

88.9 (3) the duties of the position would involve significant discretion and substantial
88.10 involvement in the development, interpretation, and implementation of agency policy;

88.11 (4) the duties of the position would not require primarily personnel, accounting, or other
88.12 technical expertise where continuity in the position would be important;

88.13 (5) there would be a need for the person occupying the position to be accountable to,
88.14 loyal to, and compatible with, the governor and the agency head, the employing statutory
88.15 board or commission, or the employing constitutional officer;

88.16 (6) the position would be at the level of division or bureau director or assistant to the
88.17 agency head; and

88.18 (7) the commissioner has approved the designation as being consistent with the standards
88.19 and criteria in this subdivision.

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

88.21 Sec. 3. Minnesota Statutes 2016, section 122A.416, is amended to read:

88.22 **122A.416 ALTERNATIVE TEACHER COMPENSATION REVENUE FOR**
88.23 **~~PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT~~**
88.24 **INTEGRATION COLLABORATIVES.**

88.25 Notwithstanding sections 122A.414, 122A.415, and 126C.10, multidistrict integration
88.26 collaboratives ~~and the Perpich Center for Arts Education~~ are eligible to receive alternative
88.27 teacher compensation revenue as if they were intermediate school districts. To qualify for
88.28 alternative teacher compensation revenue, a multidistrict integration collaborative ~~or the~~
88.29 ~~Perpich Center for Arts Education~~ must meet all of the requirements of sections 122A.414
88.30 and 122A.415 that apply to intermediate school districts, must report its enrollment as of
88.31 October 1 of each year to the department, and must annually report its expenditures for the

89.1 alternative teacher professional pay system consistent with the uniform financial accounting
89.2 and reporting standards to the department by November 30 of each year.

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

89.4 Sec. 4. Minnesota Statutes 2016, section 123A.30, subdivision 6, is amended to read:

89.5 Subd. 6. **Severance pay.** A district must pay severance pay to a teacher who is placed
89.6 on unrequested leave of absence by the district as a result of the agreement. A teacher is
89.7 eligible under this subdivision if the teacher:

89.8 (1) is a teacher, but not a superintendent;

89.9 (2) has a continuing contract with the district according to section 122A.40, subdivision
89.10 7.

89.11 The amount of severance pay must be equal to the teacher's salary for the school year
89.12 during which the teacher was placed on unrequested leave of absence minus the gross
89.13 amount the teacher was paid during the 12 months following the teacher's termination of
89.14 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
89.15 license, and minus the amount a teacher receives as severance or other similar pay according
89.16 to a contract with the district or district policy. These entities requiring a valid Minnesota
89.17 teaching license include, but are not limited to, the district that placed the teacher on
89.18 unrequested leave of absence, another district in Minnesota, an education district, an
89.19 intermediate school district, a service cooperative, a board formed under section 471.59, a
89.20 state residential academy, ~~the Perpich Center for Arts Education~~, a vocational center, or a
89.21 special education cooperative. These entities do not include a district in another state, a
89.22 Minnesota public postsecondary institution, or a state agency. Only amounts earned by the
89.23 teacher as a substitute teacher or in a position requiring a valid Minnesota teaching license
89.24 shall be subtracted. A teacher may decline any offer of employment as a teacher without
89.25 loss of rights to severance pay.

89.26 To determine the amount of severance pay that is due for the first six months following
89.27 termination of the teacher's salary, the district may require the teacher to provide documented
89.28 evidence of the teacher's employers and gross earnings during that period. The district must
89.29 pay the teacher the amount of severance pay it determines to be due from the proceeds of
89.30 the levy for this purpose. To determine the amount of severance pay that is due for the
89.31 second six months of the 12 months following the termination of the teacher's salary, the
89.32 district may require the teacher to provide documented evidence of the teacher's employers

90.1 and gross earnings during that period. The district must pay the teacher the amount of
 90.2 severance pay it determines to be due from the proceeds of the levy for this purpose.

90.3 A teacher who receives severance pay under this subdivision waives all further
 90.4 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
 90.5 severance pay, the teacher shall not receive credit for any years of service in the district
 90.6 paying severance pay prior to the year in which the teacher becomes eligible to receive
 90.7 severance pay.

90.8 The severance pay is subject to section 465.72. The district may levy annually according
 90.9 to section 126C.43, for the severance pay.

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

90.11 Sec. 5. Minnesota Statutes 2016, section 124D.05, subdivision 3, is amended to read:

90.12 Subd. 3. **Severance pay.** A district must pay severance pay to a teacher who is placed
 90.13 on unrequested leave of absence by the district as a result of an agreement under this section.
 90.14 A teacher is eligible under this subdivision if the teacher:

90.15 (1) is a teacher, as defined in section 122A.40, subdivision 1, but not a superintendent;

90.16 (2) has a continuing contract with the district according to section 122A.40, subdivision
 90.17 7.

90.18 The amount of severance pay must be equal to the teacher's salary for the school year
 90.19 during which the teacher was placed on unrequested leave of absence minus the gross
 90.20 amount the teacher was paid during the 12 months following the teacher's termination of
 90.21 salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching
 90.22 license, and minus the amount a teacher receives as severance or other similar pay according
 90.23 to a contract with the district or district policy. These entities include, but are not limited
 90.24 to, the district that placed the teacher on unrequested leave of absence, another district in
 90.25 Minnesota, an education district, an intermediate school district, a service cooperative, a
 90.26 board formed under section 471.59, a state residential academy, ~~the Perpich Center for Arts~~
 90.27 ~~Education~~, a vocational center, or a special education cooperative. These entities do not
 90.28 include a district in another state, a Minnesota public postsecondary institution, or a state
 90.29 agency. Only amounts earned by the teacher as a substitute teacher or in a position requiring
 90.30 a valid Minnesota teaching license shall be subtracted. A teacher may decline any offer of
 90.31 employment as a teacher without loss of rights to severance pay.

90.32 To determine the amount of severance pay that is due for the first six months following
 90.33 termination of the teacher's salary, the district may require the teacher to provide documented

91.1 evidence of the teacher's employers and gross earnings during that period. The district must
 91.2 pay the teacher the amount of severance pay it determines to be due from the proceeds of
 91.3 the levy for this purpose. To determine the amount of severance pay that is due for the
 91.4 second six months of the 12 months following the termination of the teacher's salary, the
 91.5 district may require the teacher to provide documented evidence of the teacher's employers
 91.6 and gross earnings during that period. The district must pay the teacher the amount of
 91.7 severance pay it determines to be due from the proceeds of the levy for this purpose.

91.8 A teacher who receives severance pay under this subdivision waives all further
 91.9 reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives
 91.10 severance pay, the teacher must not receive credit for any years of service in the district
 91.11 paying severance pay prior to the year in which the teacher becomes eligible to receive
 91.12 severance pay.

91.13 The severance pay is subject to section 465.72. The district may levy annually according
 91.14 to section 126C.43 for the severance pay.

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

91.16 Sec. 6. **[127A.155] LOLA AND RUDY PERPICH ARTS EDUCATION DIVISION.**

91.17 **Subdivision 1. Establishment of arts education division.** The department must provide
 91.18 arts support services to school districts throughout Minnesota through the establishment of
 91.19 the Lola and Rudy Perpich arts education and outreach division.

91.20 **Subd. 2. Division responsibilities.** (a) The Perpich division must offer resources and
 91.21 outreach services statewide to enhance arts education opportunities for pupils in elementary
 91.22 and secondary school. The Perpich division must work with school districts across Minnesota
 91.23 to:

91.24 (1) gather and conduct research in arts education;

91.25 (2) develop exemplary curriculum, instructional practices, and assessments;

91.26 (3) disseminate information regarding arts education opportunities; and

91.27 (4) provide materials, training, and assistance to the arts education committees in school
 91.28 districts.

91.29 (b) The Perpich division must collaborate with the commissioner of education to develop
 91.30 arts standards and strengthen state policies related to arts education.

91.31 (c) The Perpich division must serve as liaison for the Department of Education to national
 91.32 organizations for arts education.

92.1 (d) The commissioner may, on behalf of the Perpich division, apply for funds from
 92.2 public and private sources.

92.3 **EFFECTIVE DATE.** This section is effective July 1, 2017.

92.4 Sec. 7. Minnesota Statutes 2016, section 297A.70, subdivision 2, is amended to read:

92.5 Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b), to the
 92.6 following governments and political subdivisions, or to the listed agencies or instrumentalities
 92.7 of governments and political subdivisions, are exempt:

92.8 (1) the United States and its agencies and instrumentalities;

92.9 (2) school districts, local governments, the University of Minnesota, state universities,
 92.10 community colleges, technical colleges, state academies, ~~the Perpich Minnesota Center for~~
 92.11 ~~Arts Education~~, and an instrumentality of a political subdivision that is accredited as an
 92.12 optional/special function school by the North Central Association of Colleges and Schools;

92.13 (3) hospitals and nursing homes owned and operated by political subdivisions of the
 92.14 state of tangible personal property and taxable services used at or by hospitals and nursing
 92.15 homes;

92.16 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council
 92.17 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt
 92.18 through December 31, 2016;

92.19 (5) other states or political subdivisions of other states, if the sale would be exempt from
 92.20 taxation if it occurred in that state; and

92.21 (6) public libraries, public library systems, multicounty, multitype library systems as
 92.22 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
 92.23 the state library under section 480.09, and the Legislative Reference Library.

92.24 (b) This exemption does not apply to the sales of the following products and services:

92.25 (1) building, construction, or reconstruction materials purchased by a contractor or a
 92.26 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
 92.27 maximum price covering both labor and materials for use in the construction, alteration, or
 92.28 repair of a building or facility;

92.29 (2) construction materials purchased by tax exempt entities or their contractors to be
 92.30 used in constructing buildings or facilities which will not be used principally by the tax
 92.31 exempt entities;

93.1 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except
93.2 for leases entered into by the United States or its agencies or instrumentalities;

93.3 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
93.4 and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
93.5 subdivision 2, except for lodging, prepared food, candy, soft drinks, and alcoholic beverages
93.6 purchased directly by the United States or its agencies or instrumentalities; or

93.7 (5) goods or services purchased by a local government as inputs to a liquor store, gas
93.8 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
93.9 course, marina, campground, cafe, or laundromat.

93.10 (c) As used in this subdivision, "school districts" means public school entities and districts
93.11 of every kind and nature organized under the laws of the state of Minnesota, and any
93.12 instrumentality of a school district, as defined in section 471.59.

93.13 (d) For purposes of the exemption granted under this subdivision, "local governments"
93.14 has the following meaning:

93.15 (1) for the period prior to January 1, 2017, local governments means statutory or home
93.16 rule charter cities, counties, and townships; and

93.17 (2) beginning January 1, 2017, local governments means statutory or home rule charter
93.18 cities, counties, and townships; special districts as defined under section 6.465; any
93.19 instrumentality of a statutory or home rule charter city, county, or township as defined in
93.20 section 471.59; and any joint powers board or organization created under section 471.59.

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

93.22 **Sec. 8. CROSSWINDS SCHOOL CONVEYANCE.**

93.23 Notwithstanding the appropriation of state general obligation bond proceeds in Laws
93.24 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3;
93.25 Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session
93.26 chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5,
93.27 subdivision 3, to acquire and better the Crosswinds school facilities by the Joint Powers
93.28 District No. 6067, East Metro Integration District, in Woodbury, the Crosswinds school
93.29 conveyed to the Perpich Center for Arts Education under Laws 2014, chapter 294, article
93.30 2, section 20, subdivision 2, may be conveyed for continued use as an east metropolitan
93.31 area integration magnet school.

93.32 **EFFECTIVE DATE.** This section is effective July 1, 2017.

94.1 **Sec. 9. PERPICH CENTER FOR ARTS EDUCATION CLOSURE.**

94.2 Subdivision 1. **Perpich Center for Arts Education abolished.** (a) The Perpich Center
94.3 for Arts Education (Perpich Center) is abolished effective June 30, 2018. Abolishment under
94.4 this section does not reduce or otherwise limit the powers and authority of the Perpich Center
94.5 during the concluding duration of its existence.

94.6 (b) Notwithstanding any other law, any unexpended and unencumbered appropriations
94.7 to the Perpich Center lapse to the fund or account from which they were appropriated on
94.8 June 30, 2018. All money in a dedicated fund or account of the Perpich Center on June 30,
94.9 2018, must be transferred to the general fund.

94.10 Subd. 2. **Library.** All property in the Perpich Arts Library is transferred to the State
94.11 Library Services Division of the Department of Education, in accordance with Minnesota
94.12 Statutes, section 15.039, subdivisions 5 and 8, effective June 1, 2018.

94.13 Subd. 3. **Student enrollment.** Students enrolled in the Perpich Arts High School or
94.14 Crosswinds Arts and Science School (Crosswinds school) during the 2016-2017 school
94.15 year may continue to enroll in those schools for the 2017-2018 school year. No student may
94.16 enroll in the Perpich Arts High School or Crosswinds school after the 2017-2018 school
94.17 year.

94.18 Subd. 4. **Education records.** The Perpich Center must transfer the education records
94.19 of each student of the Perpich Arts High School and Crosswinds school according to
94.20 Minnesota Statutes, section 120A.22, subdivision 7.

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

94.22 **Sec. 10. APPROPRIATIONS.**

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

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

94.28 \$ 24,908,000 2018

94.29 \$ 22,360,000 2019

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

94.31 The 2019 appropriation includes \$2,509,000 for 2018 and \$19,851,000 for 2019.

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

95.3 \$ 80,121,000 2018

95.4 \$ 103,397,000 2019

95.5 The 2018 appropriation includes \$5,815,000 for 2017 and \$74,306,000 for 2018.

95.6 The 2019 appropriation includes \$8,256,000 for 2018 and \$95,141,000 for 2019.

95.7 Subd. 4. Equity in telecommunications access. For equity in telecommunications
 95.8 access:

95.9 \$ 3,750,000 2018

95.10 \$ 3,750,000 2019

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

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

95.15 Subd. 5. Early repayment aid incentive. (a) For incentive grants for a district that
 95.16 repays the full outstanding original principal on its capital loan by November 30, 2016,
 95.17 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by Laws
 95.18 2016, chapter 189, article 30, section 22:

95.19 \$ 2,200,000 2018

95.20 \$ 2,200,000 2019

95.21 (b) Of this amount, \$140,000 is for a grant to Independent School District No. 36,
 95.22 Kelliher; \$169,000 is for a grant to Independent School District No. 95, Cromwell; \$463,000
 95.23 is for a grant to Independent School District No. 299, Caledonia; \$206,000 is for a grant to
 95.24 Independent School District No. 306, Laporte; \$140,000 is for a grant to Independent School
 95.25 District No. 362, Littlefork; \$609,000 is for a grant to Independent School District No. 682,
 95.26 Roseau; and \$473,000 is for a grant to Independent School District No. 2580, East Central.

95.27 (c) The grants may be used for any school-related purpose.

95.28 (d) The base appropriation for 2022 is \$0.

95.29 **Sec. 11. REPEALER.**

95.30 Minnesota Statutes 2016, sections 129C.10; 129C.105; 129C.15; 129C.20; 129C.25;
 95.31 129C.26; and 129C.30, and Minnesota Rules, parts 3600.0010, subparts 1, 2, 2a, 2b, 3, and

96.1 6; 3600.0020; 3600.0030, subparts 1, 2, 4, and 6; 3600.0045; 3600.0055; 3600.0065;
96.2 3600.0075; and 3600.0085, are repealed effective June 30, 2018.

96.3 **ARTICLE 6**

96.4 **NUTRITION**

96.5 Section 1. Minnesota Statutes 2016, section 123B.52, subdivision 1, is amended to read:

96.6 Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture,
96.7 fixtures, or other property, except books registered under the copyright laws and information
96.8 systems software, or for the construction or repair of school houses, the estimated cost or
96.9 value of which shall exceed that specified in section 471.345, subdivision 3, must not be
96.10 made by the school board without first advertising for bids or proposals by two weeks'
96.11 published notice in the official newspaper. This notice must state the time and place of
96.12 receiving bids and contain a brief description of the subject matter.

96.13 Additional publication in the official newspaper or elsewhere may be made as the board
96.14 shall deem necessary.

96.15 After taking into consideration conformity with the specifications, terms of delivery,
96.16 and other conditions imposed in the call for bids, every such contract for which a call for
96.17 bids has been issued must be awarded to the lowest responsible bidder, be duly executed
96.18 in writing, and be otherwise conditioned as required by law. The person to whom the contract
96.19 is awarded shall give a sufficient bond to the board for its faithful performance.

96.20 Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to
96.21 the purchase of a finished tangible product, a board may require, at its discretion, a
96.22 performance bond of a contractor in the amount the board considers necessary. A record
96.23 must be kept of all bids, with names of bidders and amount of bids, and with the successful
96.24 bid indicated thereon. A bid containing an alteration or erasure of any price contained in
96.25 the bid which is used in determining the lowest responsible bid must be rejected unless the
96.26 alteration or erasure is corrected as provided in this section. An alteration or erasure may
96.27 be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and
96.28 initialed in ink by the person signing the bid. In the case of identical low bids from two or
96.29 more bidders, the board may, at its discretion, utilize negotiated procurement methods with
96.30 the tied low bidders for that particular transaction, so long as the price paid does not exceed
96.31 the low tied bid price. In the case where only a single bid is received, the board may, at its
96.32 discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid
96.33 does not exceed the original bid. If no satisfactory bid is received, the board may readvertise.
96.34 Standard requirement price contracts established for supplies or services to be purchased

97.1 by the district must be established by competitive bids. Such standard requirement price
 97.2 contracts may contain escalation clauses and may provide for a negotiated price increase
 97.3 or decrease based upon a demonstrable industrywide or regional increase or decrease in the
 97.4 vendor's costs. Either party to the contract may request that the other party demonstrate
 97.5 such increase or decrease. The term of such contracts must not exceed two years with an
 97.6 option on the part of the district to renew for an additional two years, except as provided in
 97.7 subdivision 7. Contracts for the purchase of perishable food items, except milk for school
 97.8 lunches and vocational training programs, in any amount may be made by direct negotiation
 97.9 by obtaining two or more written quotations for the purchase or sale, when possible, without
 97.10 advertising for bids or otherwise complying with the requirements of this section or section
 97.11 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least
 97.12 one year after receipt.

97.13 Every contract made without compliance with the provisions of this section shall be
 97.14 void. Except in the case of the destruction of buildings or injury thereto, where the public
 97.15 interest would suffer by delay, contracts for repairs may be made without advertising for
 97.16 bids.

97.17 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
 97.18 1, 2017.

97.19 Sec. 2. Minnesota Statutes 2016, section 123B.52, is amended by adding a subdivision to
 97.20 read:

97.21 Subd. 7. **Food service contracts.** A contract between a school board and a food service
 97.22 management company that complies with Code of Federal Regulations, title 7, section
 97.23 210.16, may be renewed annually after its initial term for not more than four additional
 97.24 years.

97.25 **EFFECTIVE DATE.** This section is effective for contracts entered into on or after July
 97.26 1, 2017.

97.27 Sec. 3. **APPROPRIATIONS.**

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

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

99.1 Sec. 2. **APPROPRIATIONS.**

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

99.5 **Subd. 2. Basic system support.** For basic system support aid under Minnesota Statutes,
99.6 section 134.355:

99.7 \$ 13,570,000 2018

99.8 \$ 13,570,000 2019

99.9 The 2018 appropriation includes \$1,357,000 for 2017 and \$12,213,000 for 2018.

99.10 The 2019 appropriation includes \$1,357,000 for 2018 and \$12,213,000 for 2019.

99.11 **Subd. 3. Multicounty, multitype library systems.** For aid under Minnesota Statutes,
99.12 sections 134.353 and 134.354, to multicounty, multitype library systems:

99.13 \$ 1,300,000 2018

99.14 \$ 1,300,000 2019

99.15 The 2018 appropriation includes \$130,000 for 2017 and \$1,170,000 for 2018.

99.16 The 2019 appropriation includes \$130,000 for 2018 and \$1,170,000 for 2019.

99.17 **Subd. 4. Electronic library for Minnesota.** For statewide licenses to online databases
99.18 selected in cooperation with the Minnesota Office of Higher Education for school media
99.19 centers, public libraries, state government agency libraries, and public or private college or
99.20 university libraries:

99.21 \$ 900,000 2018

99.22 \$ 900,000 2019

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

99.24 **Subd. 5. Regional library telecommunications aid.** For regional library
99.25 telecommunications aid under Minnesota Statutes, section 134.355:

99.26 \$ 2,300,000 2018

99.27 \$ 2,300,000 2019

99.28 The 2018 appropriation includes \$230,000 for 2017 and \$2,070,000 for 2018.

99.29 The 2019 appropriation includes \$230,000 for 2018 and \$2,070,000 for 2019.

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

100.1

ARTICLE 8

100.2

EARLY CHILDHOOD AND FAMILY SUPPORT

100.3 Section 1. Minnesota Statutes 2016, section 13.321, is amended by adding a subdivision
100.4 to read:

100.5 Subd. 11. **Director of early education and development.** Access by the director of
100.6 early education and development to private data on individuals is provided under section
100.7 119C.03, subdivision 6.

100.8 Sec. 2. Minnesota Statutes 2016, section 13.461, is amended by adding a subdivision to
100.9 read:

100.10 Subd. 33. **Director of early education and development.** Access by the director of
100.11 early education and development to private data on individuals is provided under section
100.12 119C.03, subdivision 6.

100.13 Sec. 3. **[119C.01] DEFINITIONS.**

100.14 Subdivision 1. **Application.** The definitions in this section apply to this chapter.

100.15 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of administration.

100.16 Subd. 3. **Department.** "Department" means the Department of Administration.

100.17 Subd. 4. **Director.** "Director" means the director of early education and development.

100.18 Subd. 5. **Early education programs.** "Early education programs" include:

100.19 (1) the school readiness program under sections 124D.15 and 124D.16;

100.20 (2) the early learning scholarship program under section 124D.165; and

100.21 (3) the Head Start program under sections 119A.50 to 119A.545.

100.22 Sec. 4. **[119C.02] POLICY AND PURPOSE.**

100.23 (a) The purpose of this chapter is to establish an Office of Early Education and
100.24 Development to coordinate Minnesota's early education and development programs and
100.25 funding in accordance with state law.

100.26 (b) It is in the best interests of Minnesota families that early education and development
100.27 programs be coordinated to maximize quality, access, accountability, and cost-effectiveness.

101.1 **Sec. 5. [119C.03] DIRECTOR OF EARLY EDUCATION AND DEVELOPMENT.**

101.2 Subdivision 1. **Appointment.** The governor must appoint the director of early education
 101.3 and development, subject to the advice and consent of the senate. The director must report
 101.4 to the commissioner, who must provide necessary administrative support to the director.

101.5 Subd. 2. **Qualifications.** The governor must select the director on the basis of professional
 101.6 qualifications and knowledge of early childhood development, early childhood education,
 101.7 and related public policies. The director serves in the unclassified service for a term of four
 101.8 years. The first term must end on December 31, 2020. The governor may remove the director
 101.9 for cause. If a director resigns or is removed for cause, the governor must appoint a director
 101.10 for the remainder of the term.

101.11 Subd. 3. **Compensation.** Compensation of the director shall be established under chapter
 101.12 15A.

101.13 Subd. 4. **Duties; powers.** (a) The director must:

101.14 (1) develop early education program policies;

101.15 (2) coordinate outreach to eligible families to provide uniform notification about available
 101.16 program options;

101.17 (3) streamline the administration of each early education program;

101.18 (4) manage data collection to support and evaluate a coordinated system of early child
 101.19 care and education;

101.20 (5) coordinate internal and external evaluation of early child care and educational
 101.21 programs to measure and report on their effectiveness and efficiency;

101.22 (6) calculate the total aid to each child for the programs listed in section 119C.01,
 101.23 subdivision 5;

101.24 (7) establish the aid limit under section 119C.05;

101.25 (8) develop data-sharing agreements and memoranda of understanding, as necessary,
 101.26 with the commissioners of administration, education, health, and human services; and

101.27 (9) serve as executive director of the Children's Cabinet established in section 4.045.

101.28 (b) In carrying out the duties under paragraph (a), the director has the authority to:

101.29 (1) direct the commissioner of education to administer early education programs according
 101.30 to the director's plans developed under paragraph (a);

102.1 (2) direct the commissioner of human services to administer the quality rating and
 102.2 improvement system according to the director's plans developed under paragraph (a);

102.3 (3) direct and control money appropriated to the director; and

102.4 (4) enter into agreements with other state agencies to provide appropriate funding to
 102.5 early child care and education programs.

102.6 Subd. 5. **Coordination with other agencies.** (a) The commissioner of human services
 102.7 and the commissioner of education must provide the director data on early education and
 102.8 child care assistance program participants under subdivision 6.

102.9 (b) The director must coordinate early education program activities, including the quality
 102.10 rating and improvement system, with advice from the commissioner of education and the
 102.11 commissioner of human services.

102.12 (c) The director must coordinate with the commissioner of education and the
 102.13 commissioner of human services to develop a form by which the parent or guardian of a
 102.14 child participating in an applicable early child care and education program may consent to
 102.15 share private data with the director. The consent form must specify what data is being shared,
 102.16 what government entities will have access to the shared data, and the purpose for the data
 102.17 sharing. The consenting parent or guardian may withdraw consent, in writing, at any time.
 102.18 The ability of a parent or child to receive services is not affected by a refusal to give consent
 102.19 under this paragraph.

102.20 Subd. 6. **Data practices.** (a) Subject to the limitations in paragraphs (b) and (c), the
 102.21 director is authorized to access the following private data on individuals:

102.22 (1) educational data as defined in section 13.32, subdivision 1, paragraph (a); and

102.23 (2) data collected, maintained, used, or disseminated by the welfare system as defined
 102.24 in section 13.46, subdivision 1, paragraph (c).

102.25 (b) The director may only access private data relating to an individual's participation in
 102.26 the following programs:

102.27 (1) the school readiness program under sections 124D.15 and 124D.16;

102.28 (2) the early learning scholarship program under section 124D.165;

102.29 (3) the Head Start program under sections 119A.50 to 119A.545;

102.30 (4) a child care assistance program under chapter 119B; and

102.31 (5) the kindergarten readiness assessment under section 124D.162.

103.1 (c) The director may only access private data on an individual whose parent or guardian
 103.2 has consented to share data with the director under subdivision 5, paragraph (c).

103.3 Subd. 7. **Annual report.** The director must submit an annual report to the chairs and
 103.4 ranking minority members of the legislative committees having jurisdiction over education
 103.5 in accordance with section 3.195. The report must include data relating to the number of
 103.6 children participating in each program, the participating families' income levels, aid received
 103.7 per child per program, total aid received per child per family, and the number of waivers
 103.8 to the aid limit granted. The director must submit the report by January 15, 2020, and
 103.9 annually thereafter.

103.10 **EFFECTIVE DATE.** This section is effective July 1, 2017.

103.11 Sec. 6. **[119C.04] PROGRAM ADMINISTRATION.**

103.12 Subdivision 1. **Other funds.** The director may direct the commissioner of education
 103.13 and commissioner of human services to:

103.14 (1) apply for and receive federal funds made available to the state by federal law or rule
 103.15 for any purpose related to the administration of early education funds; and

103.16 (2) apply for and receive donations or grants from a public or private concern.

103.17 Subd. 2. **Sliding fee.** The director may charge a fee on a sliding scale for a program
 103.18 under this chapter with consideration for program quality, program schedule, or family
 103.19 income.

103.20 Subd. 3. **Accountability.** Each child enrolled in a program under this chapter must
 103.21 receive a kindergarten readiness assessment consistent with section 124D.162.

103.22 Subd. 4. **Program aid guarantee.** The director must administer program and child
 103.23 eligibility and program aid amounts for each early education program under this chapter
 103.24 consistent with statutory provisions for each early education program under this chapter.
 103.25 An early education program under this chapter must receive aid in fiscal year 2018 and later
 103.26 that is equal to or greater than the aid the program received in fiscal year 2017.

103.27 **EFFECTIVE DATE.** This section is effective July 1, 2017.

103.28 Sec. 7. **[119C.05] AID LIMITS.**

103.29 Subdivision 1. **Director to establish limits.** (a) Notwithstanding any law to the contrary,
 103.30 the director must establish the maximum annual aid a child three or four years of age may
 103.31 generate from any combination of programs under this chapter based on family income

104.1 level. The director must establish the aid limits by January 15, 2019, and implement the aid
 104.2 limits by July 1, 2019.

104.3 (b) The aid limit under this section must be based on the director's review of the market
 104.4 rate survey under section 119B.02 and information provided by the commissioner of
 104.5 education and commissioner of human services regarding aid generated to a child through
 104.6 multiple programs.

104.7 Subd. 2. **Aid limit effect.** If the total aid to a child enrolled in a combination of programs
 104.8 would exceed the aid limit, the director must reduce the aid to the child participating in the
 104.9 programs.

104.10 Subd. 3. **Programs included in limit.** For the purposes of the limit under this subdivision,
 104.11 the director must include any federal Head Start aids attributable to a child.

104.12 Subd. 4. **Limit waiver.** Notwithstanding subdivision 1, the director may waive the aid
 104.13 limit for children facing extreme hardship or urgent need. The director must waive the aid
 104.14 limit for families: experiencing homelessness, with children in foster care or awaiting foster
 104.15 care placement, or involved with the child protection system. For purposes of this section,
 104.16 the director must find that a family is experiencing homelessness if the family includes
 104.17 "homeless children or youths" as defined in the McKinney-Vento Homeless Assistance Act,
 104.18 United States Code, title 42, section 11434a.

104.19 **EFFECTIVE DATE.** This section is effective January 1, 2019.

104.20 Sec. 8. **[119C.06] EARLY EDUCATION RESOURCE HUBS.**

104.21 (a) The director may establish early education resource hubs throughout the state. The
 104.22 director shall contract with appropriate organizations to serve as resource hubs.

104.23 (b) Early education resource hubs must, in consultation with a regionally representative
 104.24 group of program participant parents, develop strategies to support outreach to families,
 104.25 connection to resources, and program choice.

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

104.27 Sec. 9. Minnesota Statutes 2016, section 123B.595, subdivision 1, is amended to read:

104.28 Subdivision 1. **Long-term facilities maintenance revenue.** (a) For fiscal year 2017
 104.29 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$193
 104.30 times the district's adjusted pupil units times the lesser of one or the ratio of the district's
 104.31 average building age to 35 years, plus the cost approved by the commissioner for indoor

105.1 air quality, fire alarm and suppression, and asbestos abatement projects under section
 105.2 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (ii) for a
 105.3 school district with an approved voluntary prekindergarten program under section 124D.151,
 105.4 the cost approved by the commissioner for remodeling existing instructional space to
 105.5 accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would
 105.6 have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes
 105.7 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school
 105.8 district with an approved voluntary prekindergarten program under section 124D.151, the
 105.9 cost approved by the commissioner for remodeling existing instructional space to
 105.10 accommodate prekindergarten instruction.

105.11 (b) For fiscal year 2018 only, long-term facilities maintenance revenue equals the greater
 105.12 of (1) the sum of (i) \$292 times the district's adjusted pupil units times the lesser of one or
 105.13 the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the
 105.14 commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement
 105.15 projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more
 105.16 per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten program~~
 105.17 ~~under section 124D.151, the cost approved by the commissioner for remodeling existing~~
 105.18 ~~instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the~~
 105.19 amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57,
 105.20 Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591,
 105.21 ~~and (ii) for a school district with an approved voluntary prekindergarten program under~~
 105.22 ~~section 124D.151, the cost approved by the commissioner for remodeling existing~~
 105.23 ~~instructional space to accommodate prekindergarten instruction.~~

105.24 (c) For fiscal year 2019 and later, long-term facilities maintenance revenue equals the
 105.25 greater of (1) the sum of (i) \$380 times the district's adjusted pupil units times the lesser of
 105.26 one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved
 105.27 by the commissioner for indoor air quality, fire alarm and suppression, and asbestos
 105.28 abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000
 105.29 or more per site, ~~plus (iii) for a school district with an approved voluntary prekindergarten~~
 105.30 ~~program under section 124D.151, the cost approved by the commissioner for remodeling~~
 105.31 ~~existing instructional space to accommodate prekindergarten instruction, or (2) the sum of~~
 105.32 ~~(i) the amount the district would have qualified for under Minnesota Statutes 2014, section~~
 105.33 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section
 105.34 123B.591, ~~and (ii) for a school district with an approved voluntary prekindergarten program~~

106.1 ~~under section 124D.151, the cost approved by the commissioner for remodeling existing~~
 106.2 ~~instructional space to accommodate prekindergarten instruction.~~

106.3 (d) Notwithstanding paragraphs (a), (b), and (c), a school district that qualified for
 106.4 eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a),
 106.5 for fiscal year 2010 remains eligible for funding under this section as a district that would
 106.6 have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision
 106.7 1, paragraph (a), for fiscal year 2017 and later.

106.8 Sec. 10. Minnesota Statutes 2016, section 124D.1158, subdivision 3, is amended to read:

106.9 Subd. 3. **Program reimbursement.** Each school year, the state must reimburse each
 106.10 participating school 30 cents for each reduced-price breakfast, 55 cents for each fully paid
 106.11 breakfast served to students in grades 1 to 12, and \$1.30 for each fully paid breakfast served
 106.12 to a ~~prekindergarten student enrolled in an approved voluntary prekindergarten program~~
 106.13 ~~under section 124D.151~~ or a kindergarten student.

106.14 Sec. 11. Minnesota Statutes 2016, section 124D.1158, subdivision 4, is amended to read:

106.15 Subd. 4. **No fees.** A school that receives school breakfast aid under this section must
 106.16 make breakfast available without charge to all participating students in grades 1 to 12 who
 106.17 qualify for free or reduced-price meals and to all ~~prekindergarten students enrolled in an~~
 106.18 ~~approved voluntary prekindergarten program under section 124D.151~~ and all kindergarten
 106.19 students.

106.20 Sec. 12. Minnesota Statutes 2016, section 124D.135, subdivision 1, is amended to read:

106.21 Subdivision 1. **Revenue.** The revenue for early childhood family education programs
 106.22 for a school district equals ~~\$120 for fiscal year 2014~~ and the formula allowance for the year
 106.23 times 0.023 for fiscal year 2017, \$140.77 for fiscal year 2015 2018, and \$141.20 for fiscal
 106.24 year 2019 and later, times the greater of:

106.25 (1) 150; or

106.26 (2) the number of people under five years of age residing in the district on October 1 of
 106.27 the previous school year.

106.28 Sec. 13. Minnesota Statutes 2016, section 124D.15, subdivision 1, is amended to read:

106.29 Subdivision 1. **Establishment; purpose.** A district, charter school, or a group of districts
 106.30 or charter schools may establish a school readiness program for children age three to

107.1 kindergarten entrance. The purpose of a school readiness program is to prepare children to
107.2 enter kindergarten.

107.3 Sec. 14. Minnesota Statutes 2016, section 124D.16, subdivision 2, is amended to read:

107.4 Subd. 2. **Amount of aid.** (a) A district or charter school is eligible to receive school
107.5 readiness aid for eligible prekindergarten pupils enrolled in a school readiness program
107.6 under section 124D.15 if the biennial plan required by section 124D.15, subdivision 3a, has
107.7 been approved by the commissioner.

107.8 (b) A school district or charter school must receive school readiness aid equal to:

107.9 (1) the number of four-year-old children in the school district on October 1 for the
107.10 previous school year and, for a charter school, the number of kindergarten pupils enrolled
107.11 in the charter school on October 1 for the previous school year, times the ratio of 50 percent
107.12 of the total school readiness aid for that year to the sum of the total number of four-year-old
107.13 children for school districts and the total number of kindergarten pupils for charter schools
107.14 reported to the commissioner for the previous school year; plus

107.15 (2) the number of pupils enrolled in the school district or charter school from families
107.16 eligible for the free or ~~reduced~~ reduced-price school lunch program for the previous school
107.17 year times the ratio of 50 percent of the total school readiness aid for that year to the total
107.18 number of pupils in the state from families eligible for the free or ~~reduced~~ reduced-price
107.19 school lunch program for the previous school year.

107.20 (c) The total school readiness aid entitlement equals ~~\$23,558,000 for fiscal year 2016~~
107.21 ~~and \$33,683,000 for fiscal year 2017, \$37,683,000 for fiscal year 2018, and \$38,683,000~~
107.22 for fiscal year 2019 and later.

107.23 Sec. 15. Minnesota Statutes 2016, section 124D.165, subdivision 1, is amended to read:

107.24 Subdivision 1. **Establishment; purpose.** There is established an early learning
107.25 scholarships program in order to ~~increase~~ close the opportunity gap by increasing access to
107.26 high-quality early childhood programs ~~for children ages three to five.~~

107.27 **EFFECTIVE DATE.** This section is effective July 1, 2017.

107.28 Sec. 16. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

107.29 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
107.30 parents or guardians must meet the following eligibility requirements:

108.1 (1) have an eligible child ~~three or four years of age on September 1 of the current~~
 108.2 ~~school year, who has not yet started kindergarten;~~ and

108.3 (2) have income equal to or less than 185 percent of federal poverty level income in the
 108.4 current calendar year, or be able to document their child's current participation in the free
 108.5 and reduced-price lunch program or child and adult care food program, National School
 108.6 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution
 108.7 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections
 108.8 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
 108.9 of 2007; Minnesota family investment program under chapter 256J; child care assistance
 108.10 programs under chapter 119B; the supplemental nutrition assistance program; or placement
 108.11 in foster care under section 260C.212.

108.12 ~~(b) Notwithstanding the other provisions of this section, a parent under age 21 who is~~
 108.13 ~~pursuing a high school or general education equivalency diploma is eligible for an early~~
 108.14 ~~learning scholarship if the parent has a child age zero to five years old and meets the income~~
 108.15 ~~eligibility guidelines in this subdivision.~~

108.16 ~~(e) Any siblings between the ages zero to~~ (b) An "eligible child" means a child who has
 108.17 not yet enrolled in kindergarten and is:

108.18 (1) between the ages of three and five;

108.19 (2) a sibling from birth to age five years old of a child who has been awarded a
 108.20 scholarship under this section ~~must be awarded a scholarship upon request,~~ provided the
 108.21 sibling attends the same program as long as funds are available;

108.22 (3) the child of a parent under age 21 who is pursuing a high school degree or a course
 108.23 of study for a high school equivalency test; or

108.24 (4) homeless, in foster care, or in need of child protective services.

108.25 ~~(d)~~ (c) A child who has received a scholarship under this section must continue to receive
 108.26 a scholarship each year until that child is eligible for kindergarten under section 120A.20
 108.27 and as long as funds are available.

108.28 ~~(e)~~ (d) Early learning scholarships may not be counted as earned income for the purposes
 108.29 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
 108.30 family investment program under chapter 256J, child care assistance programs under chapter
 108.31 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
 108.32 2007.

109.1 ~~(f)~~ (e) A child from an adjoining state whose family resides at a Minnesota address as
 109.2 assigned by the United States Postal Service, who has received developmental screening
 109.3 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
 109.4 and whose family meets the criteria of paragraph (a) is eligible for an early learning
 109.5 scholarship under this section.

109.6 **EFFECTIVE DATE.** This section is effective July 1, 2017.

109.7 Sec. 17. Minnesota Statutes 2016, section 124D.165, subdivision 3, is amended to read:

109.8 Subd. 3. **Administration.** (a) The commissioner shall establish application timelines
 109.9 and determine the schedule for awarding scholarships that meets operational needs of eligible
 109.10 families and programs. The commissioner shall not designate scholarships for use in
 109.11 predetermined qualifying programs. The commissioner must give highest priority to
 109.12 applications from children who:

109.13 (1) have a parent under age 21 who is pursuing a high school diploma or a course of
 109.14 study for a high school equivalency test;

109.15 (2) are in foster care or otherwise in need of protection or services; or

109.16 (3) have experienced homelessness in the last 24 months, as defined under the federal
 109.17 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

109.18 The commissioner may prioritize applications on additional factors including family
 109.19 income, geographic location, and whether the child's family is on a waiting list for a publicly
 109.20 funded program providing early education or child care services.

109.21 (b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year~~
 109.22 ~~for each eligible child. For fiscal year 2016 and later,~~ The commissioner shall establish a
 109.23 target for the average scholarship amount per child based on the results of the rate survey
 109.24 conducted under section 119B.02.

109.25 (c) ~~A four-star rated program that has children eligible for a scholarship enrolled in or~~
 109.26 ~~on a waiting list for a program beginning in July, August, or September may notify the~~
 109.27 ~~commissioner, in the form and manner prescribed by the commissioner, each year of the~~
 109.28 ~~program's desire to enhance program services or to serve more children than current funding~~
 109.29 ~~provides. The commissioner may designate a predetermined number of scholarship slots~~
 109.30 ~~for that program and notify the program of that number.~~ Beginning July 1, 2016, a school
 109.31 district or Head Start program qualifying under ~~this paragraph~~ subdivision 4 may use its
 109.32 established registration process to enroll scholarship recipients and may verify a scholarship
 109.33 recipient's family income in the same manner as for other program participants.

110.1 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not
 110.2 been accepted and subsequently enrolled in a rated program within ten months of the
 110.3 awarding of the scholarship, the scholarship cancels and the recipient must reapply in order
 110.4 to be eligible for another scholarship. A child may not be awarded more than one scholarship
 110.5 in a 12-month period.

110.6 (e) A child who receives a scholarship who has not completed development screening
 110.7 under sections 121A.16 to 121A.19 must complete that screening within 90 days of first
 110.8 attending an eligible program.

110.9 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
 110.10 scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
 110.11 manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
 110.12 the application, the commissioner must pay each program directly for each approved
 110.13 scholarship recipient enrolled under paragraph (c) according to the metered payment system
 110.14 or another schedule established by the commissioner.

110.15 Sec. 18. Minnesota Statutes 2016, section 124D.165, subdivision 4, is amended to read:

110.16 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept an
 110.17 early learning scholarship, a program must:

110.18 (1) participate in the quality rating and improvement system under section 124D.142;
 110.19 and

110.20 (2) beginning July 1, ~~2016~~ 2022, have a three- or four-star rating in the quality rating
 110.21 and improvement system.

110.22 (b) Any program accepting scholarships must use the revenue to supplement and not
 110.23 supplant federal funding.

110.24 (c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship
 110.25 program pilot sites are eligible to accept an early learning scholarship under this section.

110.26 Sec. 19. Minnesota Statutes 2016, section 124D.59, subdivision 2, is amended to read:

110.27 Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through
 110.28 grade 12 ~~or a prekindergarten student enrolled in an approved voluntary prekindergarten~~
 110.29 ~~program under section 124D.151~~ who meets the requirements under subdivision 2a or the
 110.30 following requirements:

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

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

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

111.19 ~~(c) Notwithstanding paragraphs (a) and (b), a pupil in prekindergarten under section~~
 111.20 ~~124D.151, through grade 12 shall not be counted as an English learner in calculating English~~
 111.21 ~~learner pupil units under section 126C.05, subdivision 17, and shall not generate state English~~
 111.22 ~~learner aid under section 124D.65, subdivision 5, if:~~

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

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

111.27 Sec. 20. **[124D.99] EDUCATION PARTNERSHIPS COALITION FUND.**

111.28 Subdivision 1. Program establishment. The commissioner of education shall establish
 111.29 a program supporting a coalition of coordinated, aligned education partnerships as specified
 111.30 in this section, for a comprehensive network of evidence-based support services designed
 111.31 to close opportunity gaps by improving educational and developmental outcomes of children
 111.32 and their families within communities experiencing poverty and impediments to economic
 111.33 viability.

112.1 Subd. 2. **Definitions.** (a) For purposes of this section the terms defined in this subdivision
 112.2 have the meanings given them.

112.3 (b) "Tier 1 grant" means a sustaining grant for the ongoing operation, stability, and
 112.4 expansion of existing education partnership program locations.

112.5 (c) "Tier 2 grant" means an implementation grant for expanding activity in education
 112.6 partnership program locations.

112.7 Subd. 3. **Administration; design.** (a) The commissioner shall establish program
 112.8 requirements, an application process and timeline for each tier of grants specified in
 112.9 subdivision 4, criteria for evaluation of applications, and a grant awards process. The
 112.10 commissioner's process must minimize administrative costs, minimize burdens for applicants
 112.11 and grant recipients, and provide a framework that permits flexibility in program design
 112.12 and implementation among grant recipients.

112.13 (b) To the extent practicable, the commissioner shall design the program to align with
 112.14 programs implemented or proposed by organizations in Minnesota that:

112.15 (1) identify and increase the capacity of organizations that are focused on achieving
 112.16 data-driven, locally controlled positive outcomes for children and youth throughout an entire
 112.17 neighborhood or geographic area through programs such as Strive Together, Promise
 112.18 Neighborhood, and the Education Partnerships Coalition members;

112.19 (2) build a continuum of educational family and community supports with academically
 112.20 rigorous schools at the center;

112.21 (3) maximize program efficiencies by integrating programmatic activities and eliminating
 112.22 administrative barriers;

112.23 (4) develop local infrastructure needed to sustain and scale up proven and effective
 112.24 solutions beyond the initial neighborhood or geographic area; and

112.25 (5) utilize appropriate outcome measures based on unique community needs and interests
 112.26 and apply rigorous evaluation on a periodic basis to be used to both monitor outcomes and
 112.27 allow for continuous improvements to systems.

112.28 (c) The commissioner, in consultation with grant recipients, must:

112.29 (1) develop and revise core indicators of progress toward outcomes specifying impacts
 112.30 for each tier identified under subdivision 4;

112.31 (2) establish a reporting system for grant recipients to measure program outcomes using
 112.32 data sources and program goals; and

113.1 (3) evaluate effectiveness based on the core indicators established by each partnership
 113.2 for each tier.

113.3 Subd. 4. **Requirements.** (a) A grant recipient's program in the planning, development,
 113.4 or implementation phase must include:

113.5 (1) integrated supportive services programming, as specified in paragraph (b), within a
 113.6 specific community or geographic area for all ages of children and youth and their families
 113.7 within that area, provided that services may be phased in to all ages over time; and

113.8 (2) a system for evaluating goals and outcomes as provided under subdivision 3,
 113.9 paragraph (c).

113.10 (b) A grant recipient's supportive services programming must address:

113.11 (1) kindergarten readiness and youth development;

113.12 (2) grade 3 reading proficiency;

113.13 (3) high school graduation;

113.14 (4) postsecondary educational attainment;

113.15 (5) physical and mental health;

113.16 (6) development of career skills and readiness;

113.17 (7) parental engagement and development;

113.18 (8) community engagement and programmatic alignment; and

113.19 (9) reduction of remedial education.

113.20 Subd. 5. **Grants.** The commissioner shall award Tier 1 and Tier 2 grants to qualifying
 113.21 recipients that can demonstrate a nonstate source of funds, including in-kind contributions.

113.22 Subd. 6. **Legislative report.** By December 15 of each odd-numbered year, the
 113.23 commissioner shall submit a report on the education partnership program to the chairs and
 113.24 ranking minority members of the legislative committees having jurisdiction over kindergarten
 113.25 through grade 12 education, early childhood education, economic development, and human
 113.26 services. At a minimum, the report must summarize grantee activities, identify grant
 113.27 recipients and awards, analyze program performance measures and outcomes, and make
 113.28 any recommendations for legislative changes.

113.29 **EFFECTIVE DATE.** This section is effective July 1, 2017, and subdivision 6 applies
 113.30 to reports due starting in calendar year 2019.

114.1 Sec. 21. Minnesota Statutes 2016, section 126C.05, subdivision 1, is amended to read:

114.2 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age
 114.3 of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in
 114.4 average daily membership enrolled in the district of residence, in another district under
 114.5 sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under
 114.6 chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22,
 114.7 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03
 114.8 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

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

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

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

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

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

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

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

114.30 ~~(h)~~ (g) A pupil who is in the postsecondary enrollment options program is counted as
 114.31 1.2 pupil units.

115.1 Sec. 22. **REPORT REQUIRED.**

115.2 No later than January 15, 2018, the commissioner of human services and the
115.3 commissioner of education must deliver a report to the chairs and ranking minority members
115.4 of the legislative committees having jurisdiction over early childhood education and human
115.5 services. At a minimum, the report must:

115.6 (1) make recommendations relating to:

115.7 (i) coordinating state resources for child care assistance provided through the basic
115.8 sliding fee program under Minnesota Statutes, section 119B.03, and the Minnesota family
115.9 investment program under Minnesota Statutes, chapter 256J;

115.10 (ii) aligning family income eligibility requirements for programs under Minnesota
115.11 Statutes, chapters 119B, 119C, and 256J;

115.12 (iii) reducing duplicative paperwork and administrative burden and increasing the stability
115.13 of funding for families of children eligible for both an early learning scholarship and support
115.14 from the child care assistance program;

115.15 (iv) maximizing child care assistance program integrity and payment mechanisms to
115.16 increase accountability and efficiency;

115.17 (v) integrating the data collection systems of the child care assistance program and other
115.18 early education and development programs currently administered by the Department of
115.19 Education, the Department of Human Services, and the Department of Health;

115.20 (vi) selecting appropriate organizations to serve as early education resource hubs under
115.21 Minnesota Statutes, section 119C.06, and supporting outreach to families through the
115.22 resource hubs;

115.23 (vii) transferring powers and duties related to other early education and development
115.24 programs currently administered by the Department of Education, the Department of Human
115.25 Services, or the Department of Health; and

115.26 (viii) developing a universal application form for child care assistance under Minnesota
115.27 Statutes, chapter 119B, and early education programs under Minnesota Statutes, chapter
115.28 119C;

115.29 (2) provide data, to the extent practicable, on the number of children participating in
115.30 more than one child care or early education program administered by the Department of
115.31 Human Services or the Department of Education, including the aid received by the
115.32 participants under each program; and

116.1 (3) identify any barriers to tracking the total amount of aid each child receives from a
 116.2 combination of programs. The report must be submitted in accordance with Minnesota
 116.3 Statutes, section 3.195.

116.4 **EFFECTIVE DATE.** This section is effective July 1, 2017.

116.5 Sec. 23. **APPROPRIATIONS.**

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

116.9 Subd. 2. **School readiness.** For revenue for school readiness programs under Minnesota
 116.10 Statutes, sections 124D.15 and 124D.16:

116.11 \$ 37,283,000 2018

116.12 \$ 38,583,000 2019

116.13 The 2018 appropriation includes \$3,368,000 for 2017 and \$33,915,000 for 2018.

116.14 The 2019 appropriation includes \$3,768,000 for 2018 and \$34,815,000 for 2019.

116.15 Subd. 3. **Early learning scholarships.** For the early learning scholarship program under
 116.16 Minnesota Statutes, section 124D.165:

116.17 \$ 72,184,000 2018

116.18 \$ 72,184,000 2019

116.19 Up to \$750,000 each year is for administration of this program.

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

116.21 Subd. 4. **Head Start program.** For Head Start programs under Minnesota Statutes,
 116.22 section 119A.52:

116.23 \$ 25,100,000 2018

116.24 \$ 25,100,000 2019

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

116.27 \$ 29,892,000 2018

116.28 \$ 30,571,000 2019

116.29 The 2018 appropriation includes \$2,904,000 for 2017 and \$26,988,000 for 2018.

116.30 The 2019 appropriation includes \$2,998,000 for 2018 and \$27,573,000 for 2019.

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

117.3 \$ 3,606,000 2018

117.4 \$ 3,629,000 2019

117.5 The 2018 appropriation includes \$358,000 for 2017 and \$3,248,000 for 2018.

117.6 The 2019 appropriation includes \$360,000 for 2018 and \$3,269,000 for 2019.

117.7 Subd. 7. **Parent-child home program.** For a grant to the parent-child home program:

117.8 \$ 850,000 2018

117.9 \$ 850,000 2019

117.10 The grant must be used for an evidence-based and research-validated early childhood
 117.11 literacy and school readiness program for children ages 16 months to four years at its existing
 117.12 suburban program location. The program must include urban and rural program locations
 117.13 for fiscal years 2018 and 2019.

117.14 The base appropriation for this program for fiscal year 2020 and later is \$850,000.

117.15 Subd. 8. **Kindergarten entrance assessment initiative and intervention program.**

117.16 For the kindergarten entrance assessment initiative and intervention program under Minnesota
 117.17 Statutes, section 124D.162:

117.18 \$ 281,000 2018

117.19 \$ 281,000 2019

117.20 Subd. 9. **Quality rating and improvement system.** (a) For transfer to the commissioner
 117.21 of human services for the purposes of expanding the quality rating and improvement system
 117.22 under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports
 117.23 for providers participating in the quality rating and improvement system:

117.24 \$ 1,750,000 2018

117.25 \$ 1,750,000 2019

117.26 (b) The amounts in paragraph (a) must be in addition to any federal funding under the
 117.27 child care and development block grant authorized under Public Law 101-508 in that year
 117.28 for the system under Minnesota Statutes, section 124D.142.

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

117.30 (d) The base for this program in fiscal year 2020 and later is \$1,750,000.

118.1 Subd. 10. **Early childhood programs at tribal schools.** For early childhood family
 118.2 education programs at tribal contract schools under Minnesota Statutes, section 124D.83,
 118.3 subdivision 4:

118.4 \$ 68,000 2018

118.5 \$ 68,000 2019

118.6 Subd. 11. **Educate parents partnership.** For the educate parents partnership under
 118.7 Minnesota Statutes, section 124D.129:

118.8 \$ 49,000 2018

118.9 \$ 49,000 2019

118.10 Subd. 12. **Home visiting aid.** For home visiting aid under Minnesota Statutes, section
 118.11 124D.135:

118.12 \$ 527,000 2018

118.13 \$ 571,000 2019

118.14 The 2018 appropriation includes \$0 for 2017 and \$527,000 for 2018.

118.15 The 2019 appropriation includes \$58,000 for 2018 and \$513,000 for 2019.

118.16 Subd. 13. **Tier 1 grants.** (a) For education partnership program Tier 1 sustaining grants
 118.17 under Minnesota Statutes, section 124D.99:

118.18 \$ 2,600,000 2018

118.19 \$ 2,600,000 2019

118.20 (b) Of the amounts in paragraph (a), \$1,300,000 each year is for the Northside
 118.21 Achievement Zone and \$1,300,000 each year is for the St. Paul Promise Neighborhood.

118.22 (c) The base funding for Tier 1 sustaining grants is \$2,600,000.

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

118.24 Subd. 14. **Tier 2 implementing grants.** (a) For Tier 2 implementing grants under
 118.25 Minnesota Statutes, section 124D.99:

118.26 \$ 480,000 2018

118.27 \$ 480,000 2019

118.28 (b) Of the amounts in paragraph (a), \$160,000 each year is for the Northfield Healthy
 118.29 Community Initiative in Northfield; \$160,000 is for the Jones Family Foundation for the
 118.30 Every Hand Joined program in Red Wing; and \$160,000 is for the United Way of Central
 118.31 Minnesota for the Partners for Student Success program.

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

119.1 Sec. 24. **APPROPRIATIONS; OFFICE OF EARLY EDUCATION AND**
 119.2 **DEVELOPMENT.**

119.3 **Subdivision 1. Office of early education and development.** The sums indicated in this
 119.4 section are appropriated from the general fund to the office of early education and
 119.5 development for the fiscal years designated.

119.6 **Subd. 2. Director.** (a) For the office of early education and development, including
 119.7 personnel costs:

119.8 \$ 200,000 2018

119.9 \$ 200,000 2019

119.10 Sec. 25. **REVISOR'S INSTRUCTION.**

119.11 The revisor of statutes shall revise, as necessary, and recodify in Minnesota Statutes,
 119.12 chapter 119C, the early education programs defined in section 119C.01, subdivision 5.

119.13 **EFFECTIVE DATE.** This section is effective July 1, 2017.

119.14 Sec. 26. **REPEALER.**

119.15 Minnesota Statutes 2016, section 124D.151, is repealed.

119.16 **ARTICLE 9**

119.17 **COMMUNITY EDUCATION AND PREVENTION**

119.18 Section 1. **APPROPRIATIONS.**

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

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

119.24 \$ 483,000 2018

119.25 \$ 393,000 2019

119.26 The 2018 appropriation includes \$53,000 for 2017 and \$430,000 for 2018.

119.27 The 2019 appropriation includes \$47,000 for 2018 and \$346,000 for 2019.

119.28 **Subd. 3. Adults with disabilities program aid.** For adults with disabilities programs
 119.29 under Minnesota Statutes, section 124D.56:

120.1 \$ 710,000 2018

120.2 \$ 710,000 2019

120.3 The 2018 appropriation includes \$71,000 for 2017 and \$639,000 for 2018.

120.4 The 2019 appropriation includes \$71,000 for 2018 and \$639,000 for 2019.

120.5 Subd. 4. **Hearing-impaired adults.** For programs for hearing-impaired adults under

120.6 Minnesota Statutes, section 124D.57:

120.7 \$ 70,000 2018

120.8 \$ 70,000 2019

120.9 Subd. 5. **School-age care aid.** For school-age care aid under Minnesota Statutes, section

120.10 124D.22:

120.11 \$ 1,000 2018

120.12 \$ 1,000 2019

120.13 The 2018 appropriation includes \$0 for 2017 and \$1,000 for 2018.

120.14 The 2019 appropriation includes \$0 for 2018 and \$1,000 for 2019.

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

120.16 **ARTICLE 10**

120.17 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

120.18 Section 1. Minnesota Statutes 2016, section 124D.531, subdivision 1, is amended to read:

120.19 Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic
120.20 education aid for fiscal year 2011 equals \$44,419,000, plus any amount that is not paid
120.21 during the previous fiscal year as a result of adjustments under subdivision 4, paragraph
120.22 (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later
120.23 fiscal years equals:

120.24 (1) the state total adult basic education aid for the preceding fiscal year plus any amount
120.25 that is not paid for during the previous fiscal year, as a result of adjustments under subdivision
120.26 4, paragraph (a), or section 124D.52, subdivision 3; times

120.27 (2) the lesser of:

120.28 (i) ~~1.03~~ 1.01; or

120.29 (ii) the average growth in state total contact hours over the prior ten program years.

121.1 Three percent of the state total adult basic education aid must be set aside for adult basic
121.2 education supplemental service grants under section 124D.522.

121.3 (b) The state total adult basic education aid, excluding basic population aid, equals the
121.4 difference between the amount computed in paragraph (a), and the state total basic population
121.5 aid under subdivision 2.

121.6 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2018 and later.

121.7 Sec. 2. Minnesota Statutes 2016, section 124D.549, is amended to read:

121.8 **124D.549 GENERAL EDUCATION DEVELOPMENT (GED) TESTS RULES;**
121.9 **COMMISSIONER COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY**
121.10 **TEST.**

121.11 The commissioner ~~may amend rules to reflect changes in the national minimum standard~~
121.12 ~~score for passing the general education development (GED) tests,~~ in consultation with adult
121.13 basic education stakeholders, must select a high school equivalency test. The commissioner
121.14 may issue a high school equivalency diploma to a Minnesota resident 19 years of age or
121.15 older who has not earned a high school diploma, who has not previously been issued a
121.16 general education development (GED) test, and who has exceeded or achieved a minimum
121.17 passing score on the equivalency test established by the publisher. The commissioner of
121.18 education may waive the minimum age requirement if supportive evidence is provided by
121.19 an employer or a recognized education or rehabilitation provider.

121.20 Sec. 3. Minnesota Statutes 2016, section 124D.55, is amended to read:

121.21 **124D.55 GENERAL EDUCATION DEVELOPMENT (GED)**
121.22 **COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.**

121.23 The commissioner shall pay 60 percent of the fee that is charged to an eligible individual
121.24 for the full battery of ~~general education development (GED)~~ the commissioner-selected
121.25 high school equivalency tests, but not more than \$40 for an eligible individual.

121.26 For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged to
121.27 an eligible individual for the full battery of general education development (GED) tests, but
121.28 not more than the cost of one full battery of tests per year for any individual.

121.29 Sec. 4. Minnesota Statutes 2016, section 256J.08, subdivision 38, is amended to read:

121.30 Subd. 38. **Full-time student.** "Full-time student" means a person who is enrolled in a
121.31 graded or ungraded primary, intermediate, secondary, ~~GED~~ commissioner of

122.1 education-selected high school equivalency preparatory, trade, technical, vocational, or
 122.2 postsecondary school, and who meets the school's standard for full-time attendance.

122.3 Sec. 5. Minnesota Statutes 2016, section 256J.08, subdivision 39, is amended to read:

122.4 Subd. 39. ~~General educational development or GED~~ Commissioner of
 122.5 education-selected high school equivalency. ~~"General educational development" or "GED"~~
 122.6 "Commissioner of education-selected high school equivalency" means the ~~general educational~~
 122.7 ~~development~~ high school equivalency certification issued by the commissioner of education
 122.8 as an equivalent to a secondary school diploma under Minnesota Rules, part 3500.3100,
 122.9 ~~subpart 4~~ section 124D.549.

122.10 Sec. 6. APPROPRIATIONS.

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

122.14 Subd. 2. Adult basic education aid. For adult basic education aid under Minnesota
 122.15 Statutes, section 124D.531:

122.16 \$ 49,133,000 2018

122.17 \$ 49,735,000 2019

122.18 The 2018 appropriation includes \$4,881,000 for 2017 and \$44,252,000 for 2018.

122.19 The 2019 appropriation includes \$4,917,000 for 2018 and \$44,818,000 for 2019.

122.20 Subd. 3. High school equivalency tests. For payment of 60 percent of the costs of high
 122.21 school equivalency tests under Minnesota Statutes, section 124D.55:

122.22 \$ 125,000 2018

122.23 \$ 125,000 2019

122.24 Sec. 7. REVISOR'S INSTRUCTION.

122.25 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the
 122.26 term "commissioner-selected high school equivalency" or similar term for "general education
 122.27 development," "GED," or similar terms for wherever the term refers to the tests or programs
 122.28 leading to a certification issued by the commissioner of education as an equivalency to a
 122.29 secondary diploma.

123.1 Sec. 8. **REPEALER.**

123.2 Minnesota Rules, part 3500.3100, subpart 4, is repealed.

123.3 **ARTICLE 11**

123.4 **STATE AGENCIES**

123.5 Section 1. Minnesota Statutes 2016, section 122A.14, subdivision 9, is amended to read:

123.6 Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay
 123.7 the board a fee of \$75, collected each fiscal year. When transmitting notice of the license
 123.8 fee, the board also must notify the licensee of the penalty for failing to pay the fee within
 123.9 the time specified by the board. The board may provide a lower fee for persons on retired
 123.10 or inactive status. After receiving notice from the board, any licensed school administrator
 123.11 who does not pay the fee in the given fiscal year shall have all administrative licenses held
 123.12 by the person automatically suspended, without the right to a hearing, until the fee has been
 123.13 paid to the board. If the board suspends a licensed school administrator for failing to pay
 123.14 the fee, it must immediately notify the district currently employing the school administrator
 123.15 of the school administrator's suspension. The executive secretary shall deposit the fees in
 123.16 the educator licensure account in the special revenue fund in the state treasury.

123.17 **EFFECTIVE DATE.** This section is effective July 1, 2017.

123.18 Sec. 2. **[122A.175] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR**
 123.19 **LICENSURE AND BACKGROUND CHECKS.**

123.20 **Subdivision 1. Educator licensure account.** An educator licensure account is created
 123.21 in the special revenue fund. Applicant licensure fees received by the Department of
 123.22 Education, the Board of Teaching, or the Board of School Administrators must be deposited
 123.23 in the educator licensure account. Any funds appropriated from this account that remain
 123.24 unexpended at the end of the biennium cancel to the educator licensure account in the special
 123.25 revenue fund.

123.26 **Subd. 2. Background check account.** An educator licensure background check account
 123.27 is created in the special revenue fund. The Department of Education, the Board of Teaching,
 123.28 and the Board of School Administrators must deposit all payments submitted by license
 123.29 applicants for criminal background checks conducted by the Bureau of Criminal
 123.30 Apprehension in the educator licensure background check account. Amounts in the account
 123.31 are annually appropriated to the commissioner of education for payment to the superintendent

124.1 of the Bureau of Criminal Apprehension for the costs of background checks on applicants
 124.2 for licensure.

124.3 **EFFECTIVE DATE.** This section is effective July 1, 2017.

124.4 Sec. 3. Minnesota Statutes 2016, section 122A.18, subdivision 7c, is amended to read:

124.5 Subd. 7c. **Temporary military license.** The Board of Teaching shall establish a
 124.6 temporary license in accordance with section 197.4552 for teaching. The fee for a temporary
 124.7 license under this subdivision shall be \$87.90 for an online application or \$86.40 for a paper
 124.8 application. The board must deposit the fees received from applicants in the educator
 124.9 licensure account in the special revenue fund.

124.10 **EFFECTIVE DATE.** This section is effective July 1, 2017.

124.11 Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

124.12 Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of
 124.13 education must request a criminal history background check from the superintendent of the
 124.14 Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under
 124.15 their jurisdiction. Applicants must include with their licensure applications:

124.16 (1) an executed criminal history consent form, including fingerprints; and

124.17 (2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension~~
 124.18 ~~for the fee for conducting~~ payment to conduct the criminal history background check. The
 124.19 Board of Teaching and the commissioner of education must deposit payments received
 124.20 under this subdivision in the educator licensure background check account in the special
 124.21 revenue fund.

124.22 (b) The superintendent of the Bureau of Criminal Apprehension shall perform the
 124.23 background check required under paragraph (a) by retrieving criminal history data as defined
 124.24 in section 13.87 and shall also conduct a search of the national criminal records repository.
 124.25 The superintendent is authorized to exchange fingerprints with the Federal Bureau of
 124.26 Investigation for purposes of the criminal history check. The superintendent shall recover
 124.27 the cost to the bureau of a background check through the fee charged to the applicant under
 124.28 paragraph (a).

124.29 (c) The Board of Teaching or the commissioner of education may issue a license pending
 124.30 completion of a background check under this subdivision, but must notify the individual
 124.31 that the individual's license may be revoked based on the result of the background check.

125.1 **EFFECTIVE DATE.** This section is effective July 1, 2017.

125.2 Sec. 5. Minnesota Statutes 2016, section 122A.21, subdivision 1, is amended to read:

125.3 Subdivision 1. **Licensure applications.** Each applicant submitting an application for
 125.4 ~~the issuance, renewal, or extension of~~ to the Board of Teaching to issue, renew, or extend
 125.5 a teaching license to teach, including applications for licensure via portfolio under subdivision
 125.6 2, ~~must be accompanied by~~ include a processing fee of \$57. The processing fee for a teacher's
 125.7 license and for the licenses of supervisory personnel must be paid to the executive secretary
 125.8 of the appropriate board and deposited in the educator licensure account in the special
 125.9 revenue fund. ~~The executive secretary of the board shall deposit the fees with the~~
 125.10 ~~commissioner of management and budget.~~ The fees as set by the board are nonrefundable
 125.11 for applicants not qualifying for a license. However, ~~a fee must be refunded by the~~
 125.12 commissioner of management and budget must refund a fee in any case in which the applicant
 125.13 already holds a valid unexpired license. The board may waive or reduce fees for applicants
 125.14 who apply at the same time for more than one license.

125.15 **EFFECTIVE DATE.** This section is effective July 1, 2017.

125.16 Sec. 6. Minnesota Statutes 2016, section 122A.21, subdivision 2, is amended to read:

125.17 Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via portfolio
 125.18 to obtain a professional five-year teaching license or to add a licensure field, consistent with
 125.19 applicable Board of Teaching licensure rules.

125.20 (b) A candidate for a professional five-year teaching license must submit to the Educator
 125.21 Licensing Division at the department one portfolio demonstrating pedagogical competence
 125.22 and one portfolio demonstrating content competence.

125.23 (c) A candidate seeking to add a licensure field must submit to the Educator Licensing
 125.24 Division at the department one portfolio demonstrating content competence.

125.25 (d) The Board of Teaching must notify a candidate who submits a portfolio under
 125.26 paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
 125.27 the portfolio was approved. If the portfolio was not approved, the board must immediately
 125.28 inform the candidate how to revise the portfolio to successfully demonstrate the requisite
 125.29 competence. The candidate may resubmit a revised portfolio at any time and the Educator
 125.30 Licensing Division at the department must approve or disapprove the portfolio within 60
 125.31 calendar days of receiving it.

126.1 (e) A candidate must pay to the executive secretary of the Board of Teaching a \$300 fee
 126.2 for the first portfolio submitted for review and a \$200 fee for any portfolio submitted
 126.3 subsequently. ~~The revenue generated from Board of Teaching executive secretary must~~
 126.4 deposit the fee must be deposited in an education the educator licensure portfolio account
 126.5 in the special revenue fund. The fees set by the Board of Teaching are nonrefundable for
 126.6 applicants not qualifying for a license. The Board of Teaching may waive or reduce fees
 126.7 for candidates based on financial need.

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

126.9 Sec. 7. Minnesota Statutes 2016, section 122A.21, is amended by adding a subdivision to
 126.10 read:

126.11 **Subd. 3. Annual appropriations.** (a) The amounts collected under subdivision 2 and
 126.12 deposited in the educator licensure account in the special revenue fund are annually
 126.13 appropriated to the Board of Teaching.

126.14 (b) The appropriations in paragraph (a) must be reduced by the amount of any money
 126.15 specifically appropriated for the same purposes in any year from any state fund.

126.16 **EFFECTIVE DATE.** This section is effective July 1, 2017.

126.17 Sec. 8. **TRANSFERS.**

126.18 **Subdivision 1. Portfolio account.** On July 1, 2017, the commissioner of management
 126.19 and budget shall transfer any balances in the educator licensure portfolio account in the
 126.20 special revenue fund to the educator licensure account in the special revenue fund.

126.21 **Subd. 2. Background check.** Any balance in an account that holds fees collected under
 126.22 Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator licensure
 126.23 background check account in the special revenue fund under Minnesota Statutes, section
 126.24 122A.175, subdivision 2. On July 2, 2017, \$80,000 is transferred from the educator licensure
 126.25 background check account in the special revenue fund to the educator licensure account in
 126.26 the special revenue fund.

126.27 Sec. 9. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

126.28 **Subdivision 1. Department of Education.** Unless otherwise indicated, the sums indicated
 126.29 in this section are appropriated from the general fund to the Department of Education for
 126.30 the fiscal years designated.

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

127.1 \$ 19,824,000 2018

127.2 \$ 19,799,000 2019

127.3 Of these amounts:

127.4 (1) \$720,000 each year is for a dyslexia specialist and a language arts specialist, and for
 127.5 implementing Minnesota's Learning for English Academic Proficiency and Success Act
 127.6 under Laws 2014, chapter 272, article 1, as amended; and

127.7 (2) \$200,000 each year is for the Lola and Rudy Perpich arts education and outreach
 127.8 division.

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

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

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

127.14 (e) The agency's base budget in fiscal year 2020 and later is \$20,299,000.

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

127.16 Sec. 10. **APPROPRIATIONS; BOARD OF TEACHING.**

127.17 (a) The sums indicated in this section are appropriated from the educator licensure
 127.18 account in the special revenue fund or, if the amount in the educator licensure account is
 127.19 insufficient, from the general fund to the Board of Teaching or any successor organization
 127.20 for the fiscal years designated:

127.21 \$ 1,732,000 2018

127.22 \$ 1,750,000 2019

127.23 (b) This appropriation includes funds for information technology project services and
 127.24 support subject to Minnesota Statutes, section 16E.0466. Any ongoing information
 127.25 technology costs will be incorporated into an interagency agreement and will be paid to the
 127.26 Office of MN.IT Services by the Board of Teaching under the mechanism specified in that
 127.27 agreement.

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

127.29 (d) The board's base budget for fiscal year 2020 and later is \$1,656,000.

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

128.1 **Sec. 11. APPROPRIATION; BOARD OF SCHOOL ADMINISTRATORS.**

128.2 The sums indicated in this section are appropriated from the educator licensure account
128.3 in the special revenue fund to the Board of School Administrators for the fiscal years
128.4 designated:

128.5 \$ 231,000 2018

128.6 \$ 231,000 2019

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

128.8 **Sec. 12. APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

128.9 (a) The sums indicated in this section are appropriated from the general fund to the
128.10 Minnesota State Academies for the Deaf and Blind for the fiscal years designated:

128.11 \$ 12,804,000 2018

128.12 \$ 12,786,000 2019

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

128.14 **Sec. 13. APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

128.15 (a) The sums in this section are appropriated from the general fund to the Perpich Center
128.16 for Arts Education and to its successor fiscal agent for the fiscal years designated:

128.17 \$ 5,212,000 2018

128.18 \$ 2,786,000 2019

128.19 (b) Of the amounts appropriated in paragraph (a), \$162,000 in fiscal year 2018 and
128.20 \$361,000 in fiscal year 2019 are for transfer to the Department of Administration.

128.21 (c) The base for fiscal year 2020 and later is \$0.

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

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

128.24 Delete the title and insert:

128.25 "A bill for an act
128.26 relating to education finance; providing funding in early childhood, kindergarten
128.27 through grade 12, and adult education, including general education, education
128.28 excellence, teachers, special education, facilities and technology, nutrition, libraries,
128.29 early childhood and family support, community education and prevention,
128.30 self-sufficiency and lifelong learning, and state agencies; requiring a report;
128.31 appropriating money; amending Minnesota Statutes 2016, sections 13.321, by
128.32 adding a subdivision; 13.461, by adding a subdivision; 43A.08, subdivisions 1,
128.33 1a; 120A.22, subdivision 9; 120A.41; 120B.021, subdivisions 1, 3; 120B.022,
128.34 subdivision 1b; 120B.12, subdivisions 2, 3; 120B.22, subdivision 2; 120B.23,
128.35 subdivision 3; 120B.232, subdivision 1; 120B.30, subdivision 1; 120B.31,

129.1 subdivision 4; 120B.35, subdivision 3; 120B.36, subdivision 1; 121A.22,
129.2 subdivision 2; 121A.221; 122A.09, subdivision 4a; 122A.14, subdivision 9;
129.3 122A.18, subdivisions 7c, 8; 122A.21, subdivisions 1, 2, by adding a subdivision;
129.4 122A.245, subdivisions 1, 2, 3, 10; 122A.40, subdivision 10; 122A.41, by adding
129.5 a subdivision; 122A.415, subdivision 4; 122A.416; 123A.30, subdivision 6;
129.6 123B.41, subdivisions 2, 5a; 123B.42, subdivision 3; 123B.52, subdivision 1, by
129.7 adding a subdivision; 123B.595, subdivision 1; 123B.92, subdivisions 1, 9;
129.8 124D.03, subdivision 5a; 124D.05, subdivision 3; 124D.09, subdivisions 3, 5, 9,
129.9 12, 13, by adding subdivisions; 124D.095, subdivision 3; 124D.1158, subdivisions
129.10 3, 4; 124D.135, subdivision 1; 124D.15, subdivision 1; 124D.16, subdivision 2;
129.11 124D.165, subdivisions 1, 2, 3, 4; 124D.531, subdivision 1; 124D.549; 124D.55;
129.12 124D.59, subdivision 2; 124D.68, subdivision 2; 124E.03, subdivision 2; 124E.11;
129.13 125A.08; 125A.0941; 125A.11, subdivision 1; 125A.21, subdivision 2; 125A.515;
129.14 125A.56, subdivision 1; 125A.74, subdivision 1; 126C.05, subdivisions 1, 8;
129.15 126C.10, subdivisions 2, 2a, 3, 13a; 127A.41, subdivision 3; 127A.45, subdivision
129.16 10; 134.31, subdivision 2; 136A.1791, subdivisions 1, 2, 9; 256B.0625, subdivision
129.17 26; 256J.08, subdivisions 38, 39; 297A.70, subdivision 2; Laws 2016, chapter 189,
129.18 article 25, sections 58; 62, subdivisions 7, 17; proposing coding for new law in
129.19 Minnesota Statutes, chapters 120A; 120B; 122A; 124D; 126C; 127A; 136A;
129.20 proposing coding for new law as Minnesota Statutes, chapter 119C; repealing
129.21 Minnesota Statutes 2016, sections 122A.40, subdivision 11; 122A.41, subdivision
129.22 14; 124D.151; 124D.73, subdivision 2; 129C.10; 129C.105; 129C.15; 129C.20;
129.23 129C.25; 129C.26; 129C.30; Minnesota Rules, parts 3500.3100, subpart 4;
129.24 3600.0010, subparts 1, 2, 2a, 2b, 3, 6; 3600.0020; 3600.0030, subparts 1, 2, 4, 6;
129.25 3600.0045; 3600.0055; 3600.0065; 3600.0075; 3600.0085."