

statutes to clarify that earned income of a student is excluded, provided the student is 19 years of age or younger.

- 4 **Transition year families.** Modifies the eligibility requirements for transition year child care assistance. Under the change, families who leave MFIP after participating for three of the last six months are eligible for 12 months of transition year child care. Clarifies that families who are disqualified from MFIP due to fraud are not eligible for transition year care. Under current law, families are eligible for transition year child care only if they reach the exit income level for MFIP.
- 5 **Allocation due to increased funding.** Clarifies the basic sliding fee funding priorities by providing that child care assistance is available to individuals without a high school degree who actually need the child care in order to participate in the education program.
- 6 **Eligible participants.** Amends the basic sliding fee child care assistance program to provide for the distribution of funding when funding increases occur within a calendar year.
- 7 **Eligible participants; MFIP child care.** Makes MFIP participants who are involved with a work activity, as defined in the MFIP statute, eligible for MFIP child care.
- 8 **Program review and approval; school readiness.** Requires a school district to biennially by May 1, beginning in either the 2000-2001 or 2001-2002 school years as determined by the commissioner, submit a school readiness program plan as described under this subdivision.
- 9 **Priority neighborhoods.** Adds the Lyndale and Folwell neighborhoods to the list of Minneapolis neighborhoods that are given priority for grants for after-school enrichment programs.
- 10 **Adult basic education aid definitions.** Defines "adult basic education consortium," "contact hours," "first prior program year," and "unreimbursed expenses" for the adult basic education program and state aid.
- 11 **Program requirements.** Adds requirements for ABE programs. Programs must develop a memorandum of understanding with local workforce development centers describing the coordination of services to clients. Also specifies that ABE aid must be spent for ABE purposes.
- 12 **Program approval.** Makes changes in the application and approval process for ABE programs. Programs must demonstrate the ability to provide outcome data and provide a copy of the workforce memorandum of understanding. The commissioner's authority to fund supplemental services on the same basis as ABE programs is eliminated. (Section 16 establishes a grant process for funding supplemental services.) ABE programs are required to provide accurate and timely reports on outcomes, spend state ABE funds for state ABE purposes, and provide timely notification to the commissioner of their intent to apply for funds or of any changes in consortium membership.
- 13 **Accounts; revenue; aid.** Makes changes to clarify that state ABE aid is based on unreimbursed expenses that exclude in-kind costs.
- 14 **Cooperative English as a second language and adult basic education programs.** Provides for the delivery of English as a second language, citizenship and adult basic education programs by non-profit or community-based organizations and correctional facilities. An approved ABE program may cooperate with qualified organizations located in the area served by the program or may cooperate with any correctional institution to provide educational programming for adults through ABE.

Administrative costs of the organization and the fiscal agent are limited--the delivery organization is limited to 6.5 percent of the total funds received from the district or consortium, not to exceed the actual unreimbursed cost of administering ABE services and the fiscal agent is limited to 6.5 percent.

To be eligible to deliver ABE services, a non-profit or community-based organization must

demonstrate that it has prior experience, or:

- 1) is legally established;
- 2) can meet the ABE reporting requirements;
- 3) requires training for instructional staff; and
- 4) develops a learning plan for each participating adult learner with measurable goals.

- 15 **Performance tracking system.** Requires all ABE programs to develop and implement a performance tracking system by July 1, 2000, based on the following core indicators:

- improvements in literacy skill levels;
- participation in post-secondary education, training, subsidized employment or career advancement; and
- receipt of a secondary diploma or equivalent.

ABE programs may meet this requirement by conducting a reliable follow-up survey or requesting the social security number of participating students to track student employment through the Minnesota department of economic security subject to the limitations in this section. The program must notify the student of the use of social security numbers for tracking. The department of economic security must only provide summary data for tracking that does not identify individual students. State ABE funding must not be based on learners who decline to provide their social security number.

- 16 **Consortium requirements.** Establishes minimum requirements for ABE consortiums including two meetings per year, a written agreement, contributions by members, and reporting requirements for the fiscal agent.

- 17 **ABE supplemental service grants.** Authorizes the commissioner of CFL, in consultation with the policy review task force, to make grants to nonprofit organizations for supplemental services that are not provided by the ABE programs. Grants may be made for staff development, volunteer training, services and materials for serving disabled students, promotion of ABE, technology for ABE, distance learning projects and other supplemental services to support ABE and innovation in the delivery of ABE services. Grants must support services throughout the state, focus on educational results and promote educational outcomes. Grants are limited to one year and cannot exceed \$100,000 per grantee. ABE programs are also authorized to purchase these services with their ABE aid. One-third of the appropriation may be used for grants to ABE programs to encourage and support innovation.

- 18 **Aid.** Changes the ABE formula for fiscal year 2000 to match the appropriation.

- 19 **Adult basic education aid.** Changes the state ABE aid formula effective for revenue beginning in fiscal year 2001.

Subd. 1. State total adult basic education aid. Provides \$30 million in state aid for fiscal year 2001 and caps the growth in state ABE aid in future years. State aid cannot increase more than eight percent, or the actual statewide growth in contact hours if it is less than eight percent.

Subd. 2. Basic population aid. Establishes a base aid for ABE programs equal to \$1.80 times the population of the district, or a minimum of \$4,000.

Subd. 3. Program revenue. Establishes a formula to distribute state appropriations to ABE programs. First, the basic population aid is distributed to programs and then the remaining state aid is distributed as follows:

- (1) 84 percent is distributed based on a district's relative share of contact hours in the prior year;
- (2) eight percent is distributed based on a district's relative share of the students with limited English proficiency enrolled in the district in the prior year; and

(3) eight percent is distributed based on a district's relative share of adults in the district without a high school diploma according to the last federal census.

Subd. 4. Adult basic education program aid limit. Establishes two limits to the state ABE revenue distributed to ABE programs: (1) program revenue cannot exceed four times the average revenue per contact hour in the state; and (2) program revenue distributed on the basis of contact hours cannot grow by more than 17 percent per year or \$20,000, whichever is more.

Subd. 5. Aid guarantee. ABE programs are guaranteed to receive the same amount in fiscal year 2001 as the program received in fiscal year 2000.

Subd. 6. Payment of aid to fiscal agent. Requires aid to be paid to a fiscal agent unless a participating district requests direct payment of the basic population aid. The request must be made in writing to the commissioner and must certify that the aid will be deposited in a separate account and used exclusively for ABE instruction.

Subd. 7. Program audit. Requires ABE programs to maintain adequate records to document their ABE aid payments. The commissioner of CFL is authorized to audit ABE programs and to establish auditing procedures. Requires the commissioner of CFL to audit one-half of all ABE programs in 2002 and the remaining programs in 2003, and beginning in 2004, audit each program at least once every five years. Authorizes CFL to reconcile differences between actual aid payments and aid estimates based on program audits.

Subd. 8. Administrative cap. Caps administrative expenses of an ABE consortium or school district ABE program at 5 percent of ABE aid.

Subd. 9. Fiscal reports. Requires all ABE programs to submit annual reports to CFL that include revenues and expenses for each participating district and program, including sites operated cooperatively with nonprofit organizations and businesses.

- 20 **Special family day care homes.** Permits a church or religious organization to operate a day care program under the rules governing family day care and group family day care. Under current law, a church or religious organization would be required to operate under the rules for a child care center.
- 21 **Experienced aides; child care centers.** Allows aides in child care centers who are at least 20 years old, with at least two years of child care experience to work with children without direct supervision for a portion of the day. Requires annual notification by the centers using experienced aides to the commissioner and the parents. Parents must also be notified upon enrollment of a child. Child care centers have three main classifications of employees who work directly with children: aides, assistant teachers, and teachers. Responsibilities and required qualifications increase from aide to teacher. Currently, during regular classroom activities, aides are not permitted to work with children without being directly supervised.
- 22 **Inservice training; child care centers.** Requires three different levels of inservice training annually for teachers, assistant teachers, and aides at child care centers based on their prior education, licensing and certification. Allows the number of required training hours to be prorated for individuals not employed full time or for an entire year. Current law requires 40 hours of inservice training for all teachers and aides.
- 23, 24 & 25 **Family asset program.** Makes changes in the state family assets for independence initiative to meet federal requirements.
- 26 **Additional early childhood family education aid; fiscal year 2000 and fiscal year 2001.** Extends the fiscal year 2000 increase in early childhood family education aid to fiscal year 2001. The additional aid amount is equal to \$2.46 times the greater of 150 or the number of people under five years of age residing in the school district on October 1 of the previous school year.

- 27 **Early childhood family education aid.** Makes forecast and funding changes to decrease the 2000 appropriation by \$376,000 and increase the 2001 appropriation by \$1,687,000.
- 28 **School age care aid.** Forecast change to increase the 2001 appropriation for school age care aid by \$29,000.
- 29 **MFIP child care.** Forecast change to decrease the 2000 appropriation for MFIP child care by \$19,794,000 and the 2001 appropriation for MFIP child care by \$9,837,000.
- 30 **Family collaboratives.** Decreases the 2001 appropriation for family collaboratives by \$100,000.
- 31 **Community education aid.** Forecast change to increase the 2001 appropriation for community education aid by \$578,000.
- 32 **Adult basic education aid.** Increases the 2001 appropriation by \$6,691,000.
- 33 **Adult basic education basic population aid.** Forecast change to increase the 2000 appropriation for ABE basic population aid by \$14,000.
- 34 **Adult graduation aid.** Forecast change to decrease the 2000 appropriation for adult graduation aid by \$424,000 and the 2001 appropriation for adult graduation aid by \$1,701,000.
- 35 **Competency-based adult basic education and English as a second language license.** Directs the Board of Teaching to develop a competency-based license for adult learners as an alternative to the current ABE licensing requirements. The Board must develop recommendations for the legislature, in consultation with a task force, and report to the legislature by January 15, 2002.
- 36 **Social service child care sunset and report.** Sunsets the eligibility for MFIP social service child care on June 30, 2003 and limits the payment to specific TANF appropriations. Priority must be given to mental health and chemical dependency services. A report on the effectiveness is required by January 15, 2003.
- 37 **Expedited application for minor students.** Requires CFL to provide technical assistance on ways to expedite the application process for minor parents participating in school-based child care and school-based adolescent parenting programs.
- 38 **Cooperative language instruction.** Requires the commissioner of CFL to create a grant program for the establishment of a cooperative program to teach English as a second language to adults and their children. Requires instruction to be provided through prekindergarten programs, elementary and secondary schools, and ABE programs. At least two grants in the seven county metro area and one grant outside of the seven county metro area must be made.
- 39 **Intensive ESL grants.** Requires the commissioner of CFL to establish a grant program to fund intensive ESL programs for TANF eligible adults who participate in the MFIP program. Requires intensive ESL instruction for MFIP participants who are making inadequate literacy progress as measured by a standardized assessment test. Requires that instruction be focused on achieving self-sufficiency through employment. This grant program is funded with TANF funds and expires on June 30, 2003.
- 40 **Child and adult care food program.** Directs the commissioner of CFL to request a waiver from the department of agriculture so that group family day care facilities are allowed to participate in the federal child and adult care food program.
- 41 **Family provider participation.** Directs the commissioner of CFL to ensure that licensed family child care providers are represented in policy discussion and task forces that impact child care.
- 42 **Adult basic education policy review task force.** Establishes a nine member board to advise the commissioner of CFL and make recommendations to the legislature on the implementation and policies for adult basic education programs. Members are appointed by the commissioner and must have geographic balance and balance between learners, instructors and administrators. Four members are appointed by the commissioner from a slate of candidates proposed by the Minnesota

community education association and Literacy Minnesota. Other members must include students and former students. The board must hold a minimum of two meetings per year until it expires on December 1, 2002.

The task force board has the following duties:

- 1) recommend an ABE mission statement;
- 2) advise on standard policies and procedures;
- 3) advise on curriculum and course offerings;
- 4) recommend minimum size requirements for program viability;
- 5) recommend adequate rates for small programs;
- 6) recommend reasonable limits on access to ABE services;
- 7) recommend an outcome based funding system for ABE;
- 8) recommend an appropriate contact hour weight for non-district programs; and
- 9) review grants for statewide supplemental services.

43 **Appropriations.**

Subd. 1. Department of children, families, and learning. Provides for general fund appropriations.

Subd. 2. Adult basic education supplemental service grants. Appropriates \$700,000 in fiscal year 2001 for ABE supplemental service grants. This is a one-time appropriation and is not added to the base for fiscal years 2002 and 2003.

Subd. 3. Adult basic education administration. Appropriates \$100,000 in fiscal year 2001 for the administration of the state ABE program. This appropriation is added to the base for fiscal years 2002 and 2003 at a level of \$175,000 per year to finance ABE audits.

Subd. 4. Housing collaboration. Appropriates \$25,000 in fiscal year 2001 for a grant to the city of St. Louis Park for the Meadowbrook collaborative housing project to enhance youth outreach services and educational and recreational programming for at-risk youth. This is a one-time appropriation.

Subd. 5. Emergency services. Appropriates \$622,000 for emergency services grants in fiscal year 2001. This is a one-time appropriation.

Subd. 6. Cooperative language instruction. Appropriates \$250,000 in fiscal year 2001 for cooperative language instruction grants. This is a one-time appropriation.

Subd. 7. Adults with disabilities. Appropriates \$40,000 in fiscal year 2001 for adults with disabilities pilot programs established in Laws 1997, chapter 162, article 2, section 31, subdivision 4.

44 **TANF Appropriations.**

Subd. 1. Department of children, families, and learning. Provides for federal TANF appropriations.

Subd. 2. Intensive ESL grants. Appropriates \$1,100,000 per year in fiscal years 2001, 2002 and 2003 for intensive ESL grants under section 39.

Subd. 3. Transitional housing programs. Appropriates \$1,900,000 in fiscal years 2001 and 2002 and \$1,950,000 in fiscal year 2003 for reimbursement grants to transitional housing programs. Requires that these grants be used for up to four months of transitional housing for families with incomes below 200 percent of the federal poverty guidelines.

45 **Federal TANF transfers.**

Subd. 1. Department of children, families, and learning. Provides for federal TANF transfer to

the child care and development fund.

Subd. 2. Basic sliding fee child care. Appropriates \$2,539,000 in fiscal year 2001, \$2,138,000 in fiscal year 2002, and \$1,738,000 in fiscal year 2003 for basic sliding fee child care assistance.

Subd. 3. MFIP social service child care. Appropriates \$3,233,000 in fiscal year 2001, \$3,297,000 in fiscal year 2002, and \$2,865,000 in fiscal year 2003 for social service child care costs of eligible MFIP participants.

Subd. 4. Transition year families. Appropriates \$1,080,000 in fiscal year 2001, \$3,620,000 in fiscal year 2002, and \$4,040,000 in fiscal year 2003 to provide uninterrupted assistance for families completing transition year child care assistance.

46 **Repealer.** (a) Repeals a section of the Minnesota Statutes dealing with ABE aid effective for revenue beginning in fiscal year 2001.

(b) Repeals a section of Minnesota Laws dealing with continued eligibility for individual investment accounts.

Makes paragraph (a) effective for revenue for fiscal year 2001 and later.

Article 2: K-12 Education: General Education

(page 34)

1 **Staff development revenue.** Increases the amount of basic revenue a district must reserve for staff development from one percent to two percent.

2 **Employment conditions.** Increases the amount a district must pay a teaching resident from 75 percent of the salary of a first-year teacher with a bachelor's degree in the district to 90 percent of the salary.

3 **Levy recognition.** Exempts school districts that have not yet levied for integration purposes from recognizing the integration levy proceeds in the prior calendar year.

4 **Charter school general education revenue.** Clarifies that the general education revenue for a charter school in its first year of operation should be calculated on the school's adjusted pupil units, not its adjusted marginal cost pupil units.

5 **State total LEP revenue.** Eliminates an obsolete cap on the statewide amount of total limited English proficiency (LEP) revenue since LEP revenue is now based on entirely on LEP student counts.

6 **Use of the revenue.** Clarifies that integration revenue must be used by districts according to the desegregation plan filed with the Department of Children, Families, and Learning (DCFL). Also specifies that the revenue must be used to create or enhance learning opportunities that are designed to provide opportunities for students to have increased interracial contacts through classroom experiences, staff initiatives, and other educationally related programs.

7 **Budget approval process.** Requires districts to submit to the DCFL a budget each year detailing the cost of its desegregation/integration plan before receiving integration revenue. Allows the Department, in consultation with the desegregation advisory board, to develop criteria for budget approval without going through the rulemaking process. At a minimum, the criteria shall address the following issues:

(1) budget items cannot be approved unless they are part of an overall desegregation plan approved by the district for isolated sites or by the multi-district collaboration council for individual members;

(2) the budget must indicate how revenue expenditures will be used to support increased opportunities for interracial contact;

(3) components of the budget including staffing, curriculum, transportation, facilities, materials,

equipment, and reasonable planning costs, as determined by the Department; and

(4) the budget must indicate funding from sources other than integration revenue appropriated to the program.

8 **Plan components.** Establishes desegregation plan components submitted by districts each year including:

(1) an identification of the integration issues at the sites or districts;

(2) a description of the community outreach that preceded the integration plan; and

(3) the specific goals of the integration plan.

Also requires districts to report to the Commissioner, by June 30 of the subsequent fiscal year, about the extent to which the integration goals identified have been met.

9 **Integration revenue.** Clarifies that integration revenue for districts that are not located in a city of the first class must be used to meet the goals. Requires that any revenue over and above the revenue received in fiscal year 2000 shall be subject to the new Department budget approval process.

10 **Alternative attendance programs.** Clarifies that integration aid follows a pupil from the resident district to the nonresident district for alternative attendance programs.

11 **Interdistrict desegregation or integration transportation aid.** Changes the formula for interdistrict integration transportation aid to a reimbursement-basis formula.

12 **Adjusted pupil units.** Redefines the calculation of "pupil unit" used in most school funding formulas to the greater of the district's current year count of weighted pupils or the sum of 77% of the current year's pupil count and 23% of the previous year's pupil count.

13 **Resident pupil units.** Redefines the calculation of "pupil unit" used to calculate referendum revenue to the greater of the district's current resident year count of weighted pupils or the sum of 77% of the current year's resident pupil count and 23% of the previous year's resident pupil count.

14 **Class size reserve.** Clarifies that the additional class site reserve of \$3 per pupil unit in FY 00, and \$11 per pupil unit in FY 01 must be distributed according to a plan adopted by the school board.

15 **Basic revenue.** Increases the general education formula allowance from \$3,925 to \$3,964 per adjusted marginal cost pupil unit. Clarifies that the basic formula allowance is multiplied by adjusted marginal cost pupil units.

16 **Use of operating capital revenue.** Explicitly includes library media centers as an eligible use of operating capital revenue.

17 **Referendum offset adjustment.** Clarifies that the pupil count used to make this adjustment is adjusted marginal cost pupil units.

18 **Equity revenue.** Clarifies the definition of percentiles to be used to calculate equity revenue. Clarifies an erroneous cross reference.

19 **Regional equity gap.** Clarifies the definition of percentiles to be used to calculate equity revenue. Clarifies that the pupil count used to measure the regional equity gap is adjusted marginal cost pupil units.

20 **District equity gap.** Clarifies the definition of percentiles to be used to calculate equity revenue. Clarifies that the pupil count used to measure a district's equity gap is adjusted marginal cost pupil units.

21 **Class size revenue.** Clarifies that the revenue reserved for class size reduction is based on the number of unweighted pupils at each grade level.

22 **Referendum and desegregation revenue conversion.** Clarifies a reference to marginal cost pupil units.

- 23 **Referendum revenue.** Clarifies that referendum revenue is based on resident marginal cost pupil units.
- 24 **Crime-related costs levy.** Increases the amount of the levy for crime-related costs. Changes the levy amount from \$1.50 per capita to \$11 per adjusted marginal cost pupil unit. Broadens the uses of the school district crime prevention levy to include the amounts necessary to pay the costs of security in school buildings and on school grounds.
- 25 **Forward shifted aid payments.** Makes interdistrict desegregation and integration transportation aid under section 124D.87, 100% forward shifted beginning in FY 03.
- 26 **Statewide average revenue.** Clarifies a cross reference.
- 27 **No election.** Increases the maximum amount of bonds that the Minneapolis school district annually may issue without voter approval from \$7,500,000 to \$15,000,000 starting in calendar year 2004.
- 28 **Effective date and repealer.** Delays the repealer of Minnesota's current education finance system to June 30, 2004.
- 29 **Effective date.** Postpones the effective date of the Minnesota Finance Act of 1992 to fiscal year 2002.
- 30 **Appropriations.** Adjusts the appropriation for general education aid to match the February 2000 forecast and for new programs added by this bill. See attached budget sheet.
- 31 **Transportation aid for enrollment options.** Adjusts the appropriation for transportation aid for enrollment options students to match the appropriation levels estimated by the February 2000 forecast.
- 32 **District cooperation revenue.** Adjusts the appropriation for district cooperation revenue to match the appropriation levels estimated by the February 2000 forecast.
- 33 **Effective dates.** Clarifies that the referendum allowance reduction change contained in the 1999 omnibus K-12 bill first applies to FY 01 referendum allowance calculations.
- 34 **Training and experience replacement revenue.** Creates a one-time aid to soften the loss of training and experience revenue. Sets the aid amount equal to the sum of 5.6% of the amount of training and experience revenue the district would have received in FY 99 if the formula had not been phased-out and the greater of zero or the difference between 47% of the district's 1999 base revenue and the district's current amount of training and experience revenue.
- 35 **Levy recognition for integration levy adjustment.** Allows school districts newly qualifying for integration revenue to levy in taxes payable in 2001 for fiscal year 2001 revenue amounts.
- 36 **Fiscal years 2003 to 2007 airport runway impact pupil unit aid; Richfield.** Creates a declining pupil unit aid formula for the Richfield school district for fiscal year 2003 to fiscal year 2007 due to the anticipated loss of pupil units attributable to the building of a new runway.
- 37 **Sparsity correction revenue.** Creates an adjustment for a district's fiscal year 2000 and fiscal year 2001 sparsity revenue if a district received less sparsity revenue in fiscal year 2000 than in fiscal year 1999 due to the changes made to the definition of pupil units adopted by the 1999 legislature.
- 38 **Severance levy; Mesabi East.** Allows the Mesabi East school district to levy an amount up to \$250,000 each year for up to five years for severance and early retirement incentives for employees who have retired early as a result of the district's combination that was effective July 1, 1991.
- Appropriation.** Appropriates \$1,545,000 for sparsity correction revenue and \$30,794,000 for training and experience replacement revenue.

Article 3: K-12 Education: Special Programs

- 1 **Requirements for American sign language/ English interpreters.** (b) Exempts persons employed before July 1, 2000, to provide American sign language/English interpreting or sign transliterating services for a school district from the requirement that they satisfactorily complete an interpreter/transliterator program affiliated with an accredited educational institution. Allows the commissioner through 6/30/01 to grant a nonrenewable one-year provisional certificate to persons who have not attained the applicable transliterator for certificate.
(c) Directs the commissioner to issue a two-year provisional certificate to graduates of an interpreter/transliterator program beginning spring semester 2000. Requires such graduates to develop and implement an education plan in collaboration with a qualified mentor.
- 2 **Reimbursement.** Requires districts to be reimbursed for the services of interpreters with a provisional certificate and interpreters/transliterators employed as mentors.
- 3 **Enrollment verification.** Requires the department to pay 100 percent instead of 90 percent of the district's general education revenue for a pupil that is attending an eligible program that provides chemical treatment services.
- 4 **Awards.** Makes American Indian scholarships available for accredited degree programs in accredited colleges or universities or for courses in accredited business, technical or vocational schools.
- 5 **Grant application process.** Strikes the \$20 million maximum amount for magnet school grants.
- 6 **Start-up costs.** Allows a magnet school to be eligible for start-up costs equal to \$500 times the magnet school's pupil units served for the first two years of the magnet school's operation.
- 7 **Advisory board.** Adds two members to the Commissioner's Desegregation Advisory Board. Includes as the two new board members the superintendent of the Duluth school district and a superintendent selected by the Commissioner from outside the metro area who represents a district that, under Minnesota Rules, is considered racially isolated or has a school site that is considered racially isolated.
- 8 **Implementation timeline.** Delays from July 1, 2000, to January 1, 2001, the date by which the governing boards of interagency early intervention committees must implement a coordinated service system for children up to age five with disabilities. Requires the intervention plan to be available by 7/1/00.
- 9 **Placement in another district; responsibility.** (c) Makes the nonresident district responsible for providing an appropriate education and necessary transportation to a disabled child who is temporarily placed in a residential program for care and treatment, except as described in paragraph (d).
(d) Allows a privately owned and operated residential facility to enter into a contract with a joint powers entity for appropriate educational programs and services for children with disabilities. Makes the entity with which the private facility contracts, and not the district in which the facility is located, the district responsible for providing the disabled student placed in the facility with an appropriate education. Indicates paragraph (c) applies if no contract is entered into under this paragraph.
- 10 **Placement of children without disabilities; education and transportation.** Changes the definition of legal residence for a child when parental rights have been terminated by court order. Makes the school district in which the child resides the resident district.
- 11 **Definitions.** Increases the special education base revenue program growth factor from 1.012 to 1.08 for fiscal year 2002 and to 1.046 for fiscal years 2003 and later.

- 12 **Special education base revenue.** Requires the department to establish procedures to track revenues generated from third-party billings.
- 13 **Excess cost aid, fiscal years 2000 and 2001.** Decreases a district's threshold for qualifying for excess cost aid from 4.4 percent to 4.36 percent.
- 14 **Initial excess cost aid.** Decreases a district's threshold for qualifying for excess cost aid from 4.4 percent to 4.36 percent for fiscal year 2002 and later.
- 15 **Assurance of compliance.** Updates a reference to department rulemaking authority relating to school district compliance with state and federal laws prohibiting discrimination. Requires districts to provide assurance of compliance in a form and manner prescribed by the commissioner, rather than in an obsolete form currently prescribed in rule.
- 16 **Selection of vendor.** Requires the commissioner of administration to issue a new request for proposals for operating the educational program at the Minnesota correctional facility - Red Wing by November 1, 2005.
- 17 **Tribal contract schools.** Changes the tribal contract school aid from \$2,706,000 to \$1,671,000 in fiscal year 2000 and from \$2,790,000 to \$1,882,000 in fiscal year 2001.
- 18 **Magnet school grants.** Includes a cross reference to the 1994 law establishing magnet school and program grants, which lists purposes related to equal educational opportunities for which grant money may be spent. Makes the base budget for this program for fiscal year 2003 and following \$1,050,000.
- 19 **Aid for children with a disability.** Changes the aid amount from \$443,000 to \$433,000 in fiscal year 2000 and from \$1,064,000 to \$4,263,000 in fiscal year 2001 for children with a disability placed in residential facilities within the district boundaries for whom no resident district can be determined.
- 20 **Travel for home-based services.** Changes the aid amount from \$133,000 to \$125,000 in fiscal year 2000 and from \$139,000 to \$130,000 in fiscal year 2001 to match the February 2000 forecast for teacher travel for home-based services.
- 21 **Special education excess cost aid.** Changes the excess cost aid from \$60,498,000 to \$66,032,000 in fiscal year 2000 and from \$79,405,000 to \$89,072,000 in fiscal year 2001 to match the February 2000 forecast.
- 22 **Integration aid.** Changes integration aid from \$37,182,000 to \$37,610,000 and from \$43,787,000 to \$55,828,000 in fiscal year 2001 to match the February 2000 forecast.
- 23 **Interdistrict desegregation or integration transportation aid.** Makes the budget base \$500,000 for this program in fiscal year 2002. For fiscal year 2003 and later, makes the base budget for this program the forecasted cost of fully reimbursing districts under the section governing interdistrict desegregation or integration transportation grants.
- 24 **Special education cross-subsidy revenue.** Adds a new special education revenue component for fiscal year 2000 and fiscal year 2001 to be calculated equal to \$8.15 times a district's adjusted marginal cost pupil units for fiscal year 2000 and \$19 times a district's adjusted marginal costs pupil units for fiscal year 2001.
- 25 **Appropriations.** See attached budget sheet.
- 26 **Repealer.** Repeals Minnesota Rules, part 3535.9920, which requires a school board to annually affirm that it has complied with a list of requirements related to state and federal laws that prohibit discrimination.

Makes this section immediately effective.

Article 4: K-12 Education: Employment and Transitions

(page 76)

- 1 **Match requirements.** Clarifies that up to 5 percent of the state grant for youth works may be used for administrative expenses.
- 2 **Secondary vocational aid.** Restores secondary vocational aid for FY 2002. Keeps the aid amount at the lesser of \$73 times the district's pupil count in grades 10 to 12, or 25 percent of the approved program expenditures.
- 3 **Adjusted transition-disabled base revenue.** Corrects and updates references in statutes relating to adjusted transition-disabled revenue.
- 4 **School district transition-disabled revenue.** Corrects and updates references in statutes relating to adjusted transition-disabled revenue.
- 5 **School district transition-disabled aid.** Corrects and updates references in statutes relating to adjusted transition-disabled revenue.
- 6 **School banks.** Adds the Greenway-Coleraine and Staples-Motley school districts to the school bank project. Deletes the expiration for the pilot program.
- 7 **Secondary vocational aid appropriation.** Adds \$11,267,000 to the FY 2001 appropriation to pay for the second year of secondary vocational aid.
- 8 **Education and employment transitions program grants.** Reduces the appropriation for education and employment transitions programming by \$1,000,000 in FY 2001 by eliminating second-year funding for the employer rebate program.
- 9 **Repealer.** Delays the repeal of the secondary vocational aid program by one more year.

Article 5: K-12 Education: Facilities and Technologies

(page 81)

- 1 **New districts.** Clarifies the start date for a combination or consolidation for aid purposes.
- 2 **Proceeds of sale or exchange.** Clarifies references to the general fund reserved for operating capital account. Current law refers to the capital expenditure fund which is now obsolete.
- 3 **Disposing of surplus school computers.** Allows school districts to dispose of surplus school computers and related equipment without having to auction the property if the district conveys the computers to: (1) another school district; (2) the department of corrections; (3) MnSCU; or (4) the family of a student whose total family income meets the federal definition of poverty.
- 4 **Debt service appropriation.** Adjusts the fixed-standing appropriation for debt service equalization to match the February forecast.
- 5 **Health and safety program.** Qualifies intermediate school districts for health and safety revenue.
- 6 **Indoor air quality.** Requires that districts requesting a review and comment from the Commissioner after July 1, 2002, demonstrate that the facility's heating, ventilation, and air conditioning systems meet or exceed the standards established by code and that the facility's design will provide the ability for monitoring of outdoor airflow and total airflow of ventilation systems.
- 7 **Certification.** Requires that a new or updated facility meet new indoor air quality requirements as of July 1, 2002.
- 8 **Subd. 1. Telecommunications access revenue; costs to be submitted.** Requires districts to submit its outstanding ongoing or recurring telecommunications access costs associated with data lines and video links to the department for reimbursement. Costs shall not include hardware or equipment. Allows a district to include installation charges associated with new or upgraded lines.

Subd. 2. guaranteed minimum access. States that the costs submitted to the Department are limited to one data line or video link that relies on a transport medium that operates at a minimum speed of 1.544 megabytes per second for each elementary school, middle school, or high school in the district. Allows districts to include costs associated with cooperative agreements with other institutions.

Subd. 3. E-rates. Requires districts to file an e-rate application to be eligible for revenue under this section. Requires districts to deduct e-rate discounts from the costs submitted to the Department.

Subd. 4. Calculation of costs. Requires by December 15 of each year, the Commissioner to calculate the ongoing and recurring telecommunication access cost per adjusted marginal cost pupil unit submitted by each school district minus the district's reserve operating capital revenue for telecommunication access. Districts shall submit its anticipated costs to the Department based on contracts entered into by the district and also their actual costs by August 15 of each year.

Subd. 5. District revenue. States that a district shall receive an amount of revenue equal to the district cost as calculated in subdivision 4 times the district's adjusted marginal cost pupil units for that year times 65 percent.

Subd. 6. Revenue for charter schools. Makes charter schools eligible for telecommunication access revenue equal to the greater of the cost per pupil for the district in which the charter school is located or \$5 times the charter school's adjusted marginal cost pupil units for that year times 65 percent.

Subd. 7. Revenue for nonpublic schools. Directs revenue to public school districts for nonpublic schools' telecommunication access costs.

Subd. 8. Reimbursement criteria. Requires the Commissioner to work with the Department of Administration and the Minnesota Education Telecommunications Council to develop reimbursement criteria that schools must address when submitting its telecommunication costs.

Subd. 9. Expiration. Expires telecommunication access revenue section on July 1, 2002.

Subd. 10. Severability. Allows the remaining portion of the section to remain in effect if any portion of the section is found unconstitutional.

- 9 **Total operating revenue.** Increases a district's operating capital revenue by \$5 per adjusted marginal cost pupil unit beginning in fiscal year 2001. Requires districts to reserve the new revenue for fiscal years 2001 and 2002 for telecommunication access costs.
- 10 **To lease building or land.** Clarifies what types of agreements qualify as lease purchase agreements for the purposes of capital expenditure levies. Explicitly authorizes certain types of installment purchase agreements. Also allows the commissioner to authorize a school district to exceed the levy limit in this section for up to five years if the district meets certain requirements. Makes this section effective for taxes payable in 2001 and later.
- 11 **Lease purchases; installment buys.** Clarifies the types of districts that may enter into lease purchase agreements. For districts that have not previously filed desegregation plans, limits the use of lease purchase financing to school facilities that are determined by the commissioner to contribute to the implementation of the district's desegregation plan. Makes this section effective for taxes payable in 2001 and later.
- 12 **Bond sale limitations.** Extends the length of time for a school district that has an outstanding capital loan to issue local bonds from 20 years to 30 years after receipt of the capital loan.
- 13 **Health and safety aid.** Adjusts the appropriation for health and safety aid to match the February 2000 forecast estimated aid amounts.
- 14 **Debt service aid.** Adjusts the appropriation for debt service equalization aid to match the February

2000 forecast estimated aid amounts.

- 15 **Interactive television (ITV) aid.** Adjusts the appropriation for ITV aid to match the February 2000 forecast estimated aid amounts.
- 16 **Alternative facilities bonding aid.** Adjusts the appropriation for alternative facilities aid to match the February 2000 forecast estimated aid amounts.
- 17 **Declining pupil aid; St. Peter.** Adjusts the appropriation for declining pupil aid for the St. Peter school district attributable to the March 1998 tornado, to match the February 2000 forecast estimated aid amounts.
- 18 **Floods; declining pupil unit aid.** Adjusts the appropriations for declining pupil aid to match the February 2000 forecast estimated aid amounts.
- 19 **Repealer.** Restores school district capital facilities formulas by removing the inadvertent repeal of these programs that was contained in the 1999 omnibus K-12 finance bill.
- 20 **Declining pupil units; St. Peter.** Clarifies the pupil weights that must be used to calculate declining pupil aid for the St. Peter school district.
- 21 **One-time deferred maintenance aid.** Makes districts eligible for one-time deferred maintenance aid for fiscal year 2001 for deferred maintenance projects equal to \$11.20 per adjusted marginal cost pupil unit for all districts plus \$21.90 per adjusted marginal cost pupil unit for districts who have not qualified for alternative facilities bonding.
- 22 **Project qualification; Triton.** Allows the Triton school district to include all unreimbursed costs associated with the discovery of mold in a school building in its health and safety plan not to exceed \$400,000.
- 23 **Technology recommendations.** Requires the commissioner of children, families and learning, in cooperation with the commissioner of administration and the Minnesota education telecommunication council, to recommend to the legislature a permanent method to fund telecommunication access as part of the general education revenue formula by February 1, 2002.
- 24 to **Chisholm, Greenway-Coleraine, and Lake Superior school districts to issue bonds.**
26 Authorizes the Chisholm, Greenway-Coleraine, and Lake Superior school districts to issue bonds for the betterment of school facilities. A referendum is required to issue the bonds. School districts must levy 20 percent of the amount needed to pay off the bonds and revenues from the taconite production tax shall be used to pay the remainder of the bonds.
- Repealer without effect.** States that the school district capital facilities programs inadvertently repealed in the 1999 omnibus K-12 finance bill are revived and that the repeal is without effect.
- 28 **Appropriations.** See attached budget sheets.

Article 6: K-12 Education: Educational Excellence and Other Policy

(page 104)

- 1 **Information.** Changes from January 1 to February 1 of each year the date by which the Commissioner must report on the Advanced Placement and International Baccalaureate programs to the education committees of the Legislature.
- 2 **Statewide testing.** Makes the passing scores on the reading and math tests the equivalent of 70 percent correct for students entering ninth grade in 1996 and 75 percent correct for students entering ninth grade in 1997 and thereafter. Scales the test scores for future years to the 1998 score.
- 3 **Student discipline; reasonable force.**
Subd. 1. Reasonable force standard. Allows a teacher, school employee, school bus driver, or other agent of the district to use reasonable force when it is necessary under the circumstances to

restrain a student or prevent bodily harm or death to another.

Subd. 2. Civil liability. Provides a teacher, school employee, or school bus driver with a defense against a civil action for damages under section 123B.25 when reasonable force within the person's lawful authority.

Subd. 3. Criminal prosecution. Provides a teacher, school employee or school bus driver with a defense against a criminal prosecution under section 609.06, subdivision 1, when using reasonable force within the person's lawful authority.

Subd. 4. Supplementary rights and defense. Declares that any right or defense in this section supplements those specified in sections 121A.58, 121A.67, 123B.25, or 609.06, subdivision 1.

4 **Policy components.** Requires a school discipline policy to include a provision stating that a teacher, school employee, school bus driver, or other district agent may use reasonable force to discipline a student, consistent with the requirements in section 3 and elsewhere.

5 **Applicants trained in other states.** (a) Subject to background check requirements, the Board of Teaching to issue a Minnesota teaching license to an applicant who holds at least a baccalaureate degree from a regionally accredited college or university and holds or has held a similar teaching license in another state that requires the applicant to successfully complete a teacher preparation program approved by the issuing state.

(b) Requires the board of teaching to issue a Minnesota license if the applicant successfully completed all examinations and human relations components required by the Board of Teaching and holds or has held a license in another state to teach the same content field and equivalent grade levels as that under a Minnesota license.

(c) - (e) Requires the board of teaching to issue a temporary license to an applicant who has not completed all examinations and human relations components, has not completed student teaching or field-specific methods of teaching, or who holds or has held a more limited in content field or grade levels than a similar Minnesota license.

(f) Limits temporary licenses to a maximum three-year term.

(g) Prohibits the board from issuing a license if the licensure field requires additional degrees, credentials, or licenses that the candidate has not achieved.

6 **Agreement.** Allows the school site decision-making team to be composed of more than one-half district employees if the employee is a parent of a student enrolled at the school site and elects to serve as a parent member of the site team.

7 **Contracts for computers or related equipment or service.** Prohibits the school board of a school district from entering into a contract for a computer or related equipment or service that requires advertising to be disseminated to students unless the school board:

(1) enters into the contract at a public hearing of the school board;

(2) finds that the offered electronic product or service is an integral component of students' education;

(3) provides written notice to students' parents that advertising will be used in the classroom, media center, computer lab or other areas of learning, whether data will be collected on students, and how that data will be used;

(4) allows parents to request in writing that (i) their student not be exposed to the program that contains the advertising for the current school year or that (ii) any or all data relating to the student that is collected as a result of this contract is not disclosed; and

(5) honors parents' request that their student not be exposed to the advertising program or that data relating to the student is not disclosed, and allows parents to withdraw their request at any time.

Indicates that advertising under this section does not include the identification of the source of the

document or information, or advertising that is generally available to the public viewing a particular site.

Makes this section immediately effective.

- 8 **Contract; duties.** Makes a technical correction by referring to basic skills revenue instead of compensatory revenue.
- 9 **Statement for comparison and correction.** Clarifies that school district audit requirements must comply with generally accepted governmental auditing standards, the federal Single Audit Act, and the Minnesota Legal Compliance guide issued by the office of the State Auditor.
- 10 **Account transfer for certain severance pay.** Specifies that the amount a school district sets aside for certain severance pay obligations must be maintained in a reserve account, rather than a designated account. Changes an obsolete reference from the advisory council on uniform financial accounting and reporting to the Department of Children, Families and Learning.
- 11 **Special operating plan.** Changes the definition of revenue used to determine when a district is in statutory operating debt and when a special operating plan is required.
- 12 **Transportation services contracts.** Allows a school board to contract for the furnishing of authorized transportation under the section governing school district contracts.
- 13 **School bus safety week.** Strikes permissive language regarding school bus driver day.
- 14 **Student training.** Updates references from a pupil transportation safety director to a school transportation safety director.
- 15 **Comprehensive policy.** Updates a reference to the National Standards for School Transportation. Strikes a reference to the school bus safety advisory committee.
- 16 **Establishment.** Allows a district to refuse to enroll under the state's open enrollment program an expelled nonresident student during the term of the student's expulsion if the student was expelled for possessing a dangerous weapon, possessing or using an illegal drug at school, selling a controlled substance at school, or committing a third-degree assault.
- 17 **Preparedness revenue.** Decreases by an amount equal to the formula allowance times .0485 the amount of first grade preparedness revenue paid to a charter school for which a school district is providing transportation.
- 18 **Sponsor.** Includes as a charter school sponsor a charitable, 501(c)(3) organization that is a member of the Minnesota council on nonprofits or the Minnesota council of foundations, is registered with the attorney general and reports an end-of-year fund balance of at least \$2,000,000. Clarifies that a charter school sponsor may be a Minnesota private college that grants two or four-year degrees and is registered with the higher education services office, or a technical college governed by the board of trustees of the Minnesota state colleges and universities. Makes this section immediately effective.
- 19 **State and local requirements.** Requires charter school audits to comply with the statutory requirements governing school district revenues. Requires a charter school that is determined to be in statutory operating debt to submit a plan to eliminate the debt.
Makes this section immediately effective.
- 20 **Admission requirements.** Requires a charter school to give preference to town residents if the school is the only school located in the town and if the next closest public school is more than five miles away. Requires a charter school to give a sibling of an enrolled student or a foster child of that student's parents preference in enrollment.
- 21 **Employment and other operating matters.** Allows a charter school's state aid to be reduced if the school employs a teacher who is not appropriately licensed or approved by the board of teaching.

Makes this section immediately effective.

- 22 **Review and comment.** Requires the department of children, families and learning to review and comment on the sponsor's evaluation of a charter school's performance before the charter school contract is renewed. Directs a charter school sponsor to monitor and evaluate the fiscal and student performance of the charter school, and permits the sponsor to assess the charter school an annual fee of up to \$10 per student up to a maximum of \$3,500 to cover the sponsor's costs. Directs the sponsor to provide the commissioner with information for the review and comment.

Makes this section immediately effective.

- 23 **Causes for nonrenewal or termination of charter school contracts.** Requires a charter school to be dissolved if a charter school contract is terminated or not renewed unless the commissioner approves the decision of a different eligible sponsor to authorize the charter school. Allows the commissioner, after providing reasonable notice and an opportunity for a public hearing, to terminate the existing relationship with the sponsor if the charter school has a history of financial mismanagement or repeated violations of law.

Makes this section immediately effective.

- 24 **Other aid, grants, revenue.** (e) Allows a charter school to apply for a grant to receive the aid portion of integration revenue. Requires the commissioner to determine the grant recipients and allows the commissioner to adopt application guidelines. Requires the grants to be competitively determined and to demonstrate that enrolling pupils in the charter school contributes to desegregation or integration purposes.

Makes this section immediately effective.

- 25 **Internet access for students.** (a) Requires all school computers at public school sites and charter schools with access to the Internet available for students' use to be equipped to restrict, including by use of available software filtering technology or other effective methods, all student access to material that is reasonably believed to be obscene or child pornography or material harmful to minors under federal and state law.

(b) Indicates that a school is not required to purchase software filtering technology if the school would incur more than incidental expense in making the purchase.

(c) Requires a school district receiving technology revenue to prohibit adult access to material reasonably believed to be obscene or child pornography.

(d) Immunizes a district, its agents and employees from liability for failing to comply with this section if the entity or person makes a good faith effort to comply.

(e) Defines "school site" to mean an education site or a charter school.

- 26 **Survey of districts.** Includes teacher early retirement patterns in the commissioner's biennial survey of district employment of teachers.

- 27 **Internet access for children; libraries.** (a) Requires all public library computers with access to the Internet available for children's use to be equipped to restrict, including by use of available software filtering technology or other effective methods, all children's access to material that is reasonably believed to be obscene or child pornography or material harmful to minors under federal and state law.

(b) Indicates that a public library is not required to purchase software filtering technology if the public library would incur more than incidental expense in making the purchase.

(c) Requires a public library to prohibit adult access to material reasonably believed to be obscene or child pornography.

(d) Allows a public library to remove persons from the library who intentionally bypass the filtering technology or other method used by the library.

(e) Exempts post secondary institution libraries from the requirements of this section.

- 28 **School bus seatbelts.** Allows a bus to be equipped with lap and shoulder belts. Requires use of the lap and shoulder belts unless that student's parents notify the district in writing that their child does not intend to wear the provided belts. Provides immunity from a civil action if a passenger is not wearing a safety belt, except there is no immunity for failure to maintain equipment in operating order or for failure to comply with applicable law, rule, or district policy. Prohibits liability for failing to assist any child with the adjustment, fastening, unfastening, or other use of a lap belt or lap and shoulder belt.
- 29 **Head Start vehicle.** Makes a technical change.
- 30 **License endorsement and permit requirements.** Updates language regarding motorcycle license endorsement.
- 31 **Person less than 18 years.** Makes technical changes to driver's license provisions.
- 32 **Fees.** Requires the registrar to collect an additional \$4 fee for processing a license with a school bus endorsement in order to cover the costs of a physical examination certificate.
- 33 **Rules.** Allows the commissioner of public safety to accept physical examinations for school bus drivers conducted by medical examiners authorized under federal regulations.
- 34 **Records check of applicant.** Allows the results of the criminal and driver's license records check to be released to the applicant's designee.
- 35 **Training.** Requires an employer to keep alternative assessments for bus driver training available for inspection.
- 36 **Annual evaluation.** Requires a designated school official to certify to the school board or governing board of a nonpublic school, instead of the commissioner of public safety, that bus drivers have met school bus driver training competencies.
- 37 **Truant.** Includes a cross reference to the state's compulsory attendance law that appears in the education code. Allows a peace officer or probation officer to transport a truant child from the child's home to school or a truancy service center.
- 38 **Recreational facilities by municipality, veterans; bonds.** Allows a home rule charter or statutory city, a county, or a town to expend funds to support school districts' academic or extracurricular activities for students.
- 39 **Charter school building lease aid.** Increases the appropriation for building lease aid from \$2,992,000 to \$5,981,000 in fiscal year 2000 and from \$3,616,000 to \$10,807,000 in fiscal year 2001.
Makes this section immediately effective.
- 40 **Charter school start-up grants.** Increases the appropriation for charter school start-up cost aid from \$1,789,000 to \$1,955,000 in fiscal year 2000 and from \$1,876,000 to \$2,926,000 in fiscal year 2001.
- 41 **Residential academies.** Requires the commissioner to reopen the application process if, by June 30, 2002, a residential academy grant recipient that receives approval for updated capital and operating budget plans after June 1, 1999 has not substantially performed under the terms and conditions of its award.
- 42 **Minnesota new teacher project.** Establishes the Minnesota new teacher project to retain new teachers in the teaching profession and provide models for supporting professional development for first-year and second-year teachers.
- 43 **Task force on school governance and management.** Establishes a task force on school governance and management to examine the existing constitutional and statutory provisions that dictate the governance responsibilities and authority of the components of the public education

system.

- 44 **2000-2001 school year start date.** Prohibits schools from beginning school before Labor Day for the 2000-2001 school year only. Allows the Mabel-Canton and Browns Valley school districts to begin the school year up to five weekdays before Labor Day for the 2000-2001 school year only.
- 45 **Charter school building lease aid review.** Requires the DCFL to recommend appropriate criteria for building lease aid and to report its findings to the legislature by January 15, 2001.
- 46 **Appropriation.** See attached fiscal summary.

Article 7: K-12 Education: Nutrition; Fund Transfers

(page 144)

1 Pesticide application at schools.

Subd. 1. Parents' Right to Know Act. Permits subdivisions 2 to 14 to be cited as the Janet B. Johnson Parents' Right-to-Know Act of 2000.

Subd. 2. Pesticide application notification. Requires a district that plans to apply a specified pesticide to notify parents and employees before applying such pesticides on school property. Requires a notice to include an estimated schedule of application that is available for review at the school, the long-term health effects on children from the application of pesticides, and information that parents may request individual notice of the pesticide application.

Subd. 3. Notice; timing; distribution. Requires the notice regarding pesticide application to be provided by September 15 of each school year.

Subd. 4. School handbook or statement of policies. Requires inclusion in any school handbook or official policy guide of a general nature of a section informing parents that an estimated schedule of application of pesticides is available for review and that parents may receive individual notice if requested. Allows a school to request reimbursement for costs of providing notice.

Subd. 5. Notice availability. Requires a school to keep a copy of all required notifications for up to six years.

Subd. 6. Notification of individual parents. Allows a parent to request individual notice of pesticide application on a day different from the days specified in the notice under subdivision 3. Requires the school to give reasonable notice prior to applying pesticides to a parent that requests such notice. Allows for the notice to be waived for emergency applications required by health officials.

Subd. 7. Model notice. Requires the Department of Health, in consultation with the Department of Children, Families, and Learning, the extension service, public health organizations, the office of environmental assistance, interested parents, and other groups to develop a model notice.

Subd. 8. Plan. Allows a school to notify parents that it has an integrated pest management plan if the plan is a managed pest control program designed to minimize the risk to human health and the environment and to reduce the use of chemical pesticides.

Subd. 9. Pesticide defined; cleaning products. Excludes disinfectants, sanitizers, deodorizers, or antimicrobial agents used for general cleaning purposes from the definition of pesticide.

Subd. 10. Pest defined. Defines pest as having the meaning given it in section 18B.01, subdivision 17.

Subd. 11. School. Defines "school" as a school defined in section 120A.22, subdivision 4, excluding home schools.

Subd. 12. Immunity from liability. Prohibits a cause of action against any school district, school, or their employees for failure to comply with the requirements under this section.

Subd. 13. Failure to comply. Prohibits introduction of a district's failure to comply with this section into a lawsuit based on injuries resulting from exposure to pesticides.

Subd. 14. No special rights. Declares that nothing in this section affects the duty of a parent or student to comply with the compulsory attendance law or the duty of an employee to comply with the provisions of an employment contract or policy.

- 2 **School lunch aid computation.** Requires the state to pay 8 cents, instead of 6.5 cents, to districts participating in the national school lunch program for each full paid, reduced and free student lunch served.
- 3 **Eligibility.** Directs the commissioner to give first priority in awarding fast break to learning grants to schools where at least 33 percent of the lunches the school served during the second preceding, instead of preceding, school year were provided free or at a reduced price.
- 4 **Abatement aid.** Changes the abatement aid from \$9,110,000 to \$9,577,000 in fiscal year 2000 and from \$8,947,000 to \$8,279,000 in fiscal year 2001 to match the February 2000 forecast.
- 5 **Nonpublic pupil aid.** Changes the nonpublic pupil aid from \$11,878,000 to \$13,448,000 in fiscal year 2001.
- 6 **Consolidation transition aid.** Changes the consolidation transition aid from \$451,000 to \$563,000 in fiscal year 2000 and from \$375,000 to \$455,000 in fiscal year 2001 to match the February 2000 forecast.
- 7 **Nonpublic pupil transportation.** Changes the nonpublic pupil transportation aid from \$18,586,000 to \$20,358,000 in fiscal year 2000 and from \$20,922,000 to \$21,333,000 in fiscal year 2001 to match the February 2000 forecast.
- 8 **School lunch aid.** Strikes a requirement to prorate the aid if the appropriation is insufficient. Increases the appropriation by \$140,000 in FY 00 and by \$366,000 in FY 01.
- 9 **School breakfast.** Increases the appropriation from \$456,000 to \$713,000 per year and strikes a requirement to prorate the aid if the appropriation is insufficient.
- 10 **DCFL website.** Directs the DCFL to maintain on its website a list of toxic pesticides and to include the common brand names of the pesticides.
- 11 **Pesticide reporting.** Requires the commissioner of agriculture, in cooperation with the extension service, and the commissioners of administration, children, families and learning, health, transportation, natural resources and PCA to review the use of pesticides and integrated pest management in and around a sample of school districts. Requires the working group to submit a report to the legislature by January 15, 2001.
- 12 **Fund transfers.**
 - Subd. 1. Lakeville.** Allows the Lakeville school district to permanently transfer up to \$1,000,000 from its reserved account for operating capital to the unreserved, undesignated general fund.
 - Subd. 2. Chokio-Alberta.** Allows the Chokio-Alberta school district, with commissioner approval, to permanently transfer on June 30, 2000, up to \$121,000 from its reserved account for disabled accessibility to its undesignated general fund balance. Requires the Chokio-Alberta school district, before making the fund transfer, to demonstrate to the commissioner's satisfaction that the district's school buildings are accessible to students and employees with disabilities.
 - Subd. 3. Mahtomedi.** Allows the Mahtomedi school district to permanently transfer on June 30, 2000, the balance of its debt redemption fund to its capital account in its general fund to purchase land for a school facility without making a levy reduction.
 - Subd. 4. Norman County East.** Allows the Norman County East school district to permanently transfer on June 30, 2000, up to \$419,000 from its building construction fund to the reserved account for operating capital in the general fund without making a levy reduction.

Subd. 5. St. Francis. Allows the St. Francis school district to permanently transfer on June 30, 2000, \$534,000 from its debt service fund to the general fund to help the school district out of statutory operating debt without making a levy reduction.

Subd. 6. Staples-Motley. Allows the Staples-Motley school district to permanently transfer on June 30, 2000, up to \$71,000 from the debt service account of the former Motley school district to the Staples-Motley operating capital fund without making a levy reduction.

Subd. 7. Fergus Falls. Allows the Fergus Falls school district to permanently transfer on June 30, 2000, up to \$200,000 from the debt redemption fund to the general fund without making a levy reduction.

Subd. 8. Crookston. Allows the Crookston school district to permanently transfer up to \$400,000 from its reserve for operating capital account in the general fund to the undesignated balance in its general fund.

Subd. 9. Lakeview. Authorizes the Lakeview school district to retain a 1995 cooperative facilities grant and to permanently transfer that amount to its undesignated general fund balance.

Subd. 10. Parkers Prairie. Allows the Parkers Prairie school district to permanently transfer on June 30, 2000, up to \$105,000 from the debt redemption fund to the general fund without making a levy reduction.

Subd. 11. Grand Meadow. Allows the Grand Meadow school district to transfer up to \$300,000 from its reserved account for disabled access projects to its unreserved general fund contingent upon the district's construction of a new school.

Subd. 12. Win-E-Mac. Allows the transfer of up to \$125,000 from Mentor's health and safety reserved account to the Win-E-Mac school district's health and safety reserve account.

Subd. 13. Browerville. Allows the Browerville school district to permanently transfer on June 30, 2000, up to \$110,000 from its debt redemption fund to its general fund without making a levy reduction.

Makes this section immediately effective.

- 13 **Levy restoration; Glencoe-Silver Lake school district.** Allows the Glencoe-Silver Lake school district to levy up to one-third of the total in paragraph (b) in each of the fiscal years 2002, 2003, and 2004. Calculates the amount of the levy in each of the fiscal years 2002, 2003, and 2004. Makes this section immediately effective.

- 14 **Intermediate districts.** Prohibits the agreements between the intermediate districts and the Minnesota state colleges and universities from expiring or being terminated without mutual agreement prior to July 1, 2010.

- 15 **Appropriations.** See attached fiscal summary.

- 16 **Repealer.** Repeals 124D.1155, subdivision 5, the sunset date for the Fast Break to Learning program.

Article 8: K-12 Education: Libraries

(page 157)

- 1 **Library project.** Requires the joint powers agreement for the library project to provide for continuing the library if one or more parties fails to enter into the joint powers agreement. Clarifies the membership of the library board. Allows the library board to levy taxes only if the joint powers agreement is executed by September 1 of the previous year. Causes the levy to be assessed against the individual members of the joint powers agreement. Makes this section effective immediately.
- 2 **Regional library telecommunications aid.** Increases the fiscal year 2001 appropriation for regional library telecommunications aid by \$2,406,000 and allows the appropriation to be used for

video lines.

- 3 **Library for the blind.** Makes available until June 30, 2001, an appropriation to the library for the blind and physically handicapped for compact shelving, technology and staffing. Makes this section immediately effective.

Article 9: K-12 Education: State Agencies

(page 160)

- 1 **Lola and Rudy Perpich Minnesota Center for arts education.** Corrects a rider for the portion of the appropriation to be used for asset preservation and facility repair. Makes this section immediately effective.
- 2 **Department of children, families and learning.** Replaces the 1999 appropriations to the department of children, families and learning with a new appropriation that aggregates the funding to a single line item (the appropriation approved by the 1999 Legislature split the department budget into separate appropriations by division.) Keeps the appropriations riders the same as in the 1999 appropriation except that carry forward language is coded to the litigation costs rider.
- 3 **Repealer.** Repeals the department appropriation from the 1999 omnibus K-12 education finance bill (appropriation is replaced by section 2).

Article 10: K-12 Education:

Technical, Conforming and Clarifying Amendments

(page 162)

- 1 **Parent defined; residency determined.** Strikes a repealed section.
- 2 **Trespasses on school property.** Cross references in the education code a provision that appears in chapter 609.
- 3 **Application.** Strikes a repealed section.
- 4 **Commissioner designation.** Recodifies a statutory reference.
- 5 **Definitions.** Strikes a repealed section.
- 6 **Exclusion.** Strikes a repealed section.
- 7 **Definitions.** Corrects a committee name.
- 8 **Intervention demonstration projects.** Corrects a committee name.
- 9 **School district obligations.** Removes a qualification that was removed in other sections but inadvertently remained in this section due to multiple amendments to this section.
- 10 **Revenue allocation from cooperative centers and intermediates.** Strikes a repealed section.
- 11 **Out-of-state tuition.** Corrects a citation error.
- 12 **Uniform billing system for the education costs of out-of-home placed students.** Strikes a reference to a nonexistent law.
- 13 **Criteria.** Corrects an erroneous statutory reference.
- 14 **Instructor defined.** Strikes a repealed section.
- 15 **Administrative rules.** Integrates into one subdivision two provisions, one of which has been repealed, regarding the commissioner's rule making authority.
- 16 **Appropriation transfers.** Strikes a statutory reference to a section that doesn't exist.
- 17 **Appropriation transfers for community education programs.** Strikes a statutory reference to a section that doesn't exist.

- 18 **Minimum age and maximum hours.** Corrects an erroneous citation.
- 19 **Repealer.** Strikes erroneous language that is not applicable to the provision.
- 20 **Transition.** Corrects a citation error.
- 21 **Revisor instruction.** Directs the revisor to recodify in the compulsory attendance law the provision governing the access of noncustodial parents to student records.
- 22 **Repealer.** Repeals the following:
Repeals: a redundant provision creating the department of children, families and learning; the administrative note that is merged into section 17 of this article; and the note that is in conflict with section 10 of this article.

Article 11: Higher Education

(page 174)

- 1 **Higher education appropriations.** Authorizes \$14,000,000 in general fund appropriations for the Minnesota state colleges and universities (MnSCU) and the University of Minnesota.
- 2 **Board of trustees of the Minnesota state colleges and universities.** Appropriates \$11.6 million as a one-time deficiency appropriation to fund unanticipated enrollment increases, \$250,000 for the farm business management program, \$1,250,000 for the urban teacher preparation program, and \$80,000 for the Cook County higher education project.
The MnSCU board must use the urban teacher program appropriation to offer a teacher preparation program through Metropolitan State University, Inver Hills Community College and Minneapolis Community and Technical college. The program components, legislative expectations of the program, and information to be included in a report to the legislature regarding implementation of the program are specified. The report must be submitted annually with the first report due February 15, 2002.
Requires the MnSCU board to provide relief to campuses that have experienced health care cost increases greater than 80 percent above the systemwide average since 1996.
- 3 **Board of regents of the University of Minnesota.** Appropriates \$220,000 as a one-time appropriation for start up costs for child care in the newly renovated Kirby Center at the University of Minnesota, Duluth. Appropriates an additional \$600,000 for the agricultural rapid response fund and requires a report in the budget document.
- 4 **Surplus funds; child care grants.** Requires any projected surplus funds in the child care grant program in the first year of the biennium to be used to augment the maximum award of \$2,000 per child per academic year in the second year of the biennium.
- 5 **Permanent university fund.** Amends language from the 1999 Omnibus Higher Education Bill, which designated the first \$200,000 of permanent university fund income from mining royalties to be allocated to the Department of Landscape Architecture to develop a long-range plan for the reclamation of taconite mining lands. The match requirement is modified so that the money can be released in increments of \$50,000, as each \$50,000 is matched by nonstate sources. The availability of the funding is extended by a year.
- 6 **Facility use analysis of MnSCU and intermediate school districts.** Directs the intermediate school districts and the MnSCU board of trustees to contract with the management analysis division of the department of administration and report to the legislature on the educational space needs of Century community and technical college and intermediate school district No. 916, Dakota county technical college and intermediate school district No. 917, and Hennepin technical college and intermediate school district No. 287. Delineates the issues to be addressed in the report to be submitted to the K-12 and higher education committees of the legislature prior to February 1,

2001. States that, notwithstanding any termination agreements between the intermediate school districts and MnSCU board, agreements between MnSCU and the intermediates shall not expire or terminate until June 30, 2010. The cost of the study must be shared equally by MnSCU and the intermediate school districts.

- 7 **Management analysis of Minnesota state colleges and universities.** Requires the management analysis division of the department of administration to evaluate board-level MnSCU administration and management. The management analysis division must report to the legislature by February 1, 2001 with recommendations to improve the board-level administration and management of MnSCU.
- 8 **Repealer.** Repeals the rules for the nurses of color program consistent with statutory repeal in 1999.
- 9 **Effective date.** Makes sections 1 to 8 effective immediately.