

**File Number:** H.F. 4328  
**Version:** Second engrossment

**Date:** April 25, 2018

**Authors:** Loon and others

**Subject:** House Omnibus Education Bill

**Analyst:** Tim Strom (tim.strom@house.mn)  
Cristina Parra (cristina.parra@house.mn)  
Nathan Hopkins (nathan.hopkins@house.mn)

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/](http://www.house.mn/hrd/).

---

## Overview

This is the 2018 education omnibus bill, which includes both the K-12 education omnibus bill and the higher education omnibus bill (originally H.F. 3638). Articles 1 through 11 are the K-12 education articles. Articles 12 through 14 are the higher education articles.

### Section

#### Article 1: General Education

### Overview

This article authorizes textbooks provided to nonpublic students to contain teacher's edition components and allows a textbook order by a nonpublic school to include a bundled teacher edition. Clarifies that, for purposes of PSEO, Opportunity Industrialized Centers must be accredited, but removes a specifically named accrediting body. Authorizes 10<sup>th</sup> grade nonpublic students to participate in courses and technical PSEO programs in the same manner as public school students. Requires additional pupil audits of school districts and charter schools

- 1 Textbook.** Expands the definition of textbooks to include a teacher's edition or teacher's guide that accompanies the textbook used by a pupil. To the extent that state funds are available, Minnesota Statutes require districts to provide nonpublic schools pupils with

## Section

textbooks, individualized instructional materials, and standardized tests, all of which must be secular in nature and cannot be used for religious instruction or worship. The state reimburses districts for the costs of providing these materials to nonpublic pupils up to the dollar cap set in statute. The current definition of textbook that governs provision of these materials to nonpublic pupils is limited to texts used by a pupil and excludes textbooks or textbook orders that include a teacher's guide.

- 2 **Individualized instructional or cooperative learning materials.** Expands definition of individualized instructional or cooperative learning materials to include a teacher's guide that accompanies the materials used by a pupil.
- 3 **Definitions; PSEO.** Clarifies that the Summit Opportunity Industrialization Center (OIC) still qualifies as an eligible PSEO postsecondary institution even though it has switched accrediting agencies.
- 4 **Alternative pupil; PSEO.** Authorizes 10<sup>th</sup> grade nonpublic pupils to participate in career and technical PSEO coursework in the same manner as public school pupils.
- 5 **Annual expenditure report.** Requires school districts to submit to the commissioner of education a functional description of how the school is spending its compensatory revenue. Adds the requirement that the report must address whether the increased expenditures raised student achievement levels and includes the report in the district's world's best workforce plan.
- 6 **Commissioner's report.** Requires the commissioner to compile and summarize district compensatory revenue reports and submit the consolidated report to the Legislature by February 15<sup>th</sup> of each year.
- 7 **Distribution of school aids.** Requires the Department of Education's pupil auditors to examine whether funds have been spent contrary to statutorily established revenue uses. Increases the number of pupil audits conducted each year from 25 to 50 school districts.
- 8 **Payment of aids and credits to school districts; reimbursement aids.** Strikes aid for special education litigation costs from the list of aids to districts as special education litigation aid was repealed a number of years ago.
- 9 **Payment of aids and credits to school districts; payments to third parties.** Eliminates references to obsolete payments procedures for certain cooperative units.
- 10 **Agreement; joint powers.** Includes a service cooperative as a "governmental unit" in the list of governmental units authorized to participate in joint powers agreements.
- 11 **General education appropriation.** Increases the general education appropriation by \$10,000 to pay for the additional PSEO costs. See fiscal worksheet for details.
- 12 **Fund transfers.**

**Subd. 1. Minnetonka school district.** Authorizes the Minnetonka school district to transfer up to \$2.4 million from its community education reserve account to its reserved for operating capital account for the construction costs associated with the district's early childhood spaces.

## Section

**Subd. 2. Ivanhoe school district.** Authorizes the Ivanhoe school district to transfer up to \$79,000 from its community education reserve account to its undesignated general fund.

**Subd. 3. Minneapolis school district.** Authorizes the Minneapolis school district to transfer up to \$5.5 million from its community education reserve account to its undesignated general fund for school district support personnel, including mental health professionals.

**Subd. 4. Hopkins school district.** Authorizes the Hopkins school district to transfer up to \$500,000 from its community education reserve account to its reserved for operating capital account for the construction costs associated with the district's early childhood spaces.

- 13 School revenue generation and spending; legislative auditor study.** Requests that the legislative auditor conduct a program evaluation of how school districts and charter schools allocate revenue and expenditures across school sites.
- 14 Appropriation.** Appropriates \$420,000 in fiscal year 2019 from the general fund to the commissioner of education for a grant to the St. Cloud school district for an English language academy operated in the summer. Makes the one-time funding available for three years. Requires a report. Appropriates \$50,000 in fiscal year 2019 for a school bus safety campaign. See fiscal worksheet for details.
- 15 Appropriation; Office of the Legislative Auditor.** Appropriates \$200,000 in fiscal year 2019 from the general fund to the Office of the Legislative Auditor the for the program evaluation required in section 13. See fiscal worksheet for details.
- 16 Duplicate appropriations.** Clarifies that if any appropriation in this act is enacted more than once, that only one of the appropriations is given effect.

## **Article 2: Student and School Safety**

### **Overview**

This article requires school districts to establish threat assessment teams. Amends the Pupil Fair Dismissal Act. Expands uses of long-term facilities maintenance revenue and allowable purchases with bonds backed by operating revenue. Increases safe schools revenue for school districts and provides safe schools aid to charter schools and cooperative units.

#### **1 Threat assessment teams and oversight committees.**

**Subd. 1. School threat assessment.** Defines "school threat assessment."

**Subd. 2. Policy.** Requires a school board to adopt a policy to establish threat assessment teams consistent with district policies on student bullying and crisis management and with guidance from the school safety center. Requires policy to

## Section

include procedures for referrals to community mental health centers or health care providers for evaluation or treatment.

**Subd. 3. Oversight committees.** Requires a superintendent to establish a committee to oversee the threat assessment teams.

**Subd. 4. Threat assessment teams.** (a) Requires a superintendent to establish a threat assessment team for each school. Requires team to include school officials with certain expertise.

(b) Specifies duties of threat assessment team.

(c) Requires threat assessment team to report determination that a student poses a threat of violence or physical harm to self or others to the superintendent or superintendent's designee, who must immediately attempt to notify the student's parent or legal guardian. Requires threat assessment team to consider services for student.

(d) Requires threat assessment team to follow suicide prevention policy or protocol, or make referral when student exhibits suicidal ideation of self-harm.

(e) Affirms that school district personnel may act immediately to address an imminent threat.

**Subd. 5. Rediscovery.** Prohibits threat assessment team member from redisclosing educational records or using the record of an individual beyond the purpose for which the disclosure was made to the threat assessment team. Affirms that educational records may be disclosed in health, including mental health, and safety emergencies in accordance with state and federal law.

- 2 **Nonexclusionary disciplinary policies and practices; alternatives to pupil dismissal.** Defines term as policies and practices that require school officials to intervene in, redirect, and support a pupil's behavior before dismissal, and provides examples of these policies and practices.
- 3 **Expulsion for making a threat of violence.** Requires a school board to expel a student who threatens gun violence or intends to cause evacuation for at least one year. Allows board to modify expulsion on case-by-case basis.
- 4 **Provision of alternative programs.** Requires a school to consider using nonexclusionary disciplinary policies and practices where appropriate, before dismissal proceedings or pupil withdrawal agreements.
- 5 **Suspensions exceeding five consecutive school days.** Requires alternative education services when a pupil is suspended for more than five consecutive school days.
- 6 **Minimum education services.** Requires school officials to allow suspended pupil to complete school work during suspension and receive full academic credit. Encourages school principal to designate employee as a liaison to allow pupil to receive course materials and complete assignments.
- 7 **Exclusion and expulsion procedures; written notice.** Requires notice of intent to take action to explain grounds for expelling a pupil instead of imposing nonexclusionary

## Section

disciplinary policies and practices. Substitutes nonexclusionary disciplinary policies and practices description for description of alternative educational services in written notice of intent to take action. Requires notice that legal assistance resource list be posted on department website.

- 8 **Admission or readmission plan.** Requires admission or readmission plan to include measures to improve pupil behavior and parental involvement in process.
- 9 **Physical assaults.** Requires school boards to report a physical assault of a district employee through electronic reporting system and include a statement on nonexclusionary disciplinary policies and practices given the pupil.
- 10 **Policies to be established.** Requires districts to adopt policies that include nonexclusionary disciplinary policies and practices. Requires school to ensure alternative educational services are provided. Requires districts to review pupil's school work and grades to ensure pupil is on track for readmission and provide pupil a list of community mental health programs after expulsion. Pupils receiving mental health services in the district remain eligible for services in the manner determined by the district until enrolled in a new district.
- 11 **Grounds for removal from class.** Requires parent notification after pupil is removed from class five times in one school year rather than ten times.
- 12 **Parent notification.** Requires a school administrator to immediately notify a parent when pupil is removed from a school building by a peace officer unless notice is prohibited by law.
- 13 **Long-term facilities maintenance revenue.** Authorizes a school district to amend its ten year facilities plan to include provisions enhancing school safety through security modifications to the building, including remodeling and new construction. Allows LTFMR to be used to purchase equipment designed to improve school security.
- 14 **Purchase of certain equipment.** School districts may issue bonds backed by operating capital revenue for certain equipment purchases. Expands the allowable equipment purchases to include communications systems and other equipment designed to increase student and staff security.
- 15 **Safe school revenue.** Provides state aid for student and staff safety through the safe schools revenue program. Beginning in fiscal year 2019, establishes ongoing aid payments of \$18 per pupil unit for school districts and charter schools and \$7.50 for school districts that are members of cooperative units other than intermediate school districts. Sets a onetime aid amount of \$6.50 for school district members of intermediate school districts. Beginning in fiscal year 2020, equalizes the existing safe school revenue of \$36 per pupil unit. Sets the equalizing factor equal to 68.5 percent of the statewide adjusted net tax capacity per pupil unit. Allows a school district to transfer its safe schools revenue into the debt redemption fund so that certain school safety physical improvements can be made through local bonding. Requires school districts and charter schools to report safe school expenditures by functional area.
- 16 **Intermediate school district mental health innovation grant program; appropriation.** Clarifies that a mental health provider that is in enrolled as a mental health or substance use disorder provider in Minnesota's medical assistance program and that employs at least two

## Section

full-time equivalent mental health professionals is eligible to receive a grant under this section.

- 17 Appropriations.** Appropriates funds for safe schools and mental health grants, physical security audits, school resource officer training, threat assessment grants, suicide prevention training, and substance misuse prevention. See fiscal worksheet for details.

## **Article 3: Education Excellence**

### **Overview**

This article amends World's Best Workforce requirements to align with the state ESSA plan, establishes a summative rating system, and changes definition of academic growth. Adds dyslexia screening requirements. Allows school districts to include certain items in health instruction.

- 1 Education, residence, and transportation of homeless students.** Requires the initial serving school district to continue to provide transportation services to and from a cooperative program for a homeless student with an IEP who changes serving school districts during the school year. Allows the initial and current serving school district to mutually agree to an alternative transportation arrangement.
- 2 Legitimate exemptions.** Allows a student to be excused from school for up to three days to participate in any activity necessary to join a branch of the United States armed forces.
- 3 Required academic standards.** Strikes language moved to section 4.
- 4 Health standards.** Allows school districts to include child sexual abuse, exploitation, and sexual assault prevention instruction in a health curriculum. Allows school districts to include substance misuse prevention instruction in a health curriculum in grades 5 through 12. A school district may consult with other government and community-based organizations to identify relevant tools, curricula, and programs. Subjects health instruction to parental review requirements. Requires the commissioner to survey school districts to determine whether they have implemented health instruction consistent with this section.
- 5 Graduation requirements.** Requires a student beginning 9<sup>th</sup> grade in the 2020-2021 school year and later to take a government and citizenship course for credit in 11<sup>th</sup> or 12<sup>th</sup> grade.
- 6 World's Best Workforce; definitions.** Defines certain terms.
- (e) "State plan" means the plan submitted by the commissioner of education under ESSA and approved by the U.S. Department of Education.
- (f) "Ineffective teacher" means a teacher whose most recent summative teacher evaluation resulted in placing or otherwise keeping the teacher on an improvement process.
- (g) "Inexperienced teacher" means a licensed teacher who has been employed as a teacher for three years or less.

## Section

(h) “Out-of-field teacher” means a licensed teacher who is providing instruction in an area in which the teacher is not licensed.

- 7** **World’s Best Workforce; performance measures.** Amends performance measures by basing the academic achievement gap on the Minnesota Comprehensive Assessments (MCA), specifies that student performance is based on the reading and math MCAs, and measures college and career readiness by student performance on the high school MCAs in reading and math and successful completion of rigorous coursework that is part of a well-rounded education. Adds performance measures from state plan to World’s Best Workforce performance measures.
- 8** **World’s Best Workforce; adopting plans and budgets.** Adds statewide goals in reference to benchmarks required in district plan.
- 9** **World’s Best Workforce; report.** Eliminates requirement that school board publish a school performance report in the local newspaper. Requires the commissioner to include student performance on performance measures in school performance reports. A school board must publish the school performance report for the district and each school site on the district’s website or link to the reports on the Department of Education website.
- 10** **World’s Best Workforce; annual evaluation.** Amends requirement that the commissioner identify districts not making sufficient progress by requiring the commissioner to use performance measures for identification, requiring identification of school sites in addition to school districts, modifying the three-year performance period reviewed, and substituting performance goals for teaching and learning.
- Requires the commissioner to review the curricula of three to five identified school sites for alignment with state standards.
- Requires identified districts to implement evidence-based strategies and best practices.
- Modifies the commissioner’s report to the legislature by substituting progress toward meeting World’s Best Workforce goals for the district’s performance goals.
- 11** **Reading proficiently no later than end of grade 3.** Allows a school district to use literacy incentive aid toward literacy goal. Requires a school district to screen for dyslexia in students in kindergarten and first and second grade who are not reading at grade level, as well as any student who demonstrates reading difficulty in grade three or higher.
- 12** **Duties.** Requires the dyslexia specialist to provide guidance to school districts and charter schools on accessing screening tools, implementing screening, and participating in professional development opportunities on intervention strategies and accommodations for students with dyslexia.
- 13** **Secondary students personal learning plans.** Amends the secondary student personal learning plan statute to:
- require that plans help students access armed forces career options;
  - require school districts to grant military recruiters (this provision is duplicated Federal law) and representatives of careers in skilled trades the same access to students that they grant to colleges and employers; and

## Section

- encourage school districts to sponsor an Armed Forces Career Opportunity Day each fall.

- 14 Substance misuse prevention.** Encourages school districts to integrate substance misuse prevention instruction into existing programs, curriculum, or school environment.
- 15 Proficiency.** Amends definition of proficiency.
- 16 Statewide testing.** Requires the commissioner of education to administer the MCAs as late as possible each school year. Currently, students take the MCAs in March, April, and May. Requires commissioner to publish testing schedule at least two years in advance. Eliminates obsolete language. Eliminates benchmarks for career and college readiness for students in grades 3 through 8 on educational assessments.
- 17 Statewide and local assessments; results.** Eliminates requirement that assessments include items above and below a student's grade level. Clarifies that MCA student performance data and achievement reports must be available to school districts and teachers within three school days of test.
- 18 Reporting.** Requires school district to disseminate preliminary individual student performance data and achievement report to parent and teacher of student within 30 days of test.
- Requires school district to disseminate testing report to teacher and parent with achievement level and performance history before beginning of next school year.
- 19 State growth target; other state measures.** Eliminates districtwide assessments as indicators of achievement. Eliminates requirement that the commissioner use value-added growth indicator, and identify schools as medium- and high-growth, when reporting student growth. Requires commissioner to report academic growth rates.
- Modifies graduation rate reporting requirements by striking reference to four- and six-year rates.
- 20 Academic achievement rating system.**
- Subd. 1. Rating system.** Requires the commissioner to develop a rating system that assigns to each school and district a summative rating based on a score of zero to 100. The summative rating must be based on the accountability indicators used in the state ESSA plan. The rating and score must be reported annually on school performance reports, starting by September 1, 2020.
- Subd. 2. Report.** Requires the commissioner to report to the legislature on progress toward developing the rating system by February 1, 2020.
- 21 School performance reports and public reporting.** Requires the commissioner to report the school and district ratings, growth rates as required by ESSA, and civics test performance. Requires school performance report to include summative ratings and scores, achievement rates, and progress toward statewide goals.
- 22 Student progress and other data.** Includes data used to set goals for expectations under state plan in category of nonpublic data until the commissioner publicly releases the data.



## Section

- 23 PELSB duties; essential data.** Requires the Professional Educator Licensing and Standards Board to maintain a list of essential data elements that school districts must provide to the board about licensed and nonlicensed staff members.
- 24 Officers of independent school districts; clerk records.** Eliminates requirement that clerk report to the commissioner the district's revenues and expenditures; length of school term, enrollment, and attendance; and other information required by the commissioner. (This information is separately reported to the Minnesota Department of Education (MDE) by the school district.)
- 25 Parent and community participation; resolution of concurrence.** Modifies submission of American Indian education parent advisory committee's reasons for not concurring with the educational programs for American Indian students offered by the school board or American Indian school.
- 26 Literacy incentive aid.** Amends measure of growth for purposes of growth aid. Provides uses for literacy revenue related to proficiency changes.
- 27 Admissions requirements and enrollment.** Modifies lottery exceptions by requiring (1) a charter elementary school in the city of Nerstrand in Rice County to give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children; and (2) a charter school in Castle Rock Township in Dakota County to give enrollment preference to students that live within a two-mile radius of the school and to the siblings of enrolled children.
- The section also makes technical changes, converting paragraphs into subdivisions.
- 28 Department duties; essential data.** Eliminates requirement that Department of Education maintain essential data on school district licensed and nonlicensed staff members. PELSB will maintain the essential data.
- 29 Certification incentive revenue.** Reduces incentive funding, clarifies time when funding may be used, and extends reporting requirement.
- 30 Certification incentive funding.** Reduces appropriation. See fiscal worksheet.
- 31 Museums and education centers.** Adds funding for Grand Rapids Children's Museum. See fiscal worksheet.
- 32 Singing-based pilot program.** Allows fiscal year 2018 funding to carry over to fiscal year 2019.
- 33 Paraprofessional pathway to teacher licensure.** Allows charter schools to receive grants for Grow Your Own programs.
- 34 Statewide testing and reporting system.** Reduces fiscal years 2020 and 2021 base for testing funding based on student participation on the MCAs.
- 35 Appropriations.** Appropriates funding for Mounds View school district, Fairmont school district, Waconia school district, and the Mind Foundry Learning Foundation. See fiscal worksheet for details.

**Section**

- 36**      **Revisor’s instruction.** Recodifies intermediate school district provisions within K-12 education code.
- 37**      **Repealer.** Repeals definitions of low growth, medium growth, high growth, and growth toward proficiency.

**Article 4: Teachers**

**Overview**

This article addresses misconduct and criminal conduct by teachers and other school employees in statutes, relating to teacher licensure, background checks, bus driver licensure, teacher employment, and maltreatment. Amends counseling requirements. Makes technical changes.

- 1**      **School counselors.** Amends the school counselor statute to encourage school counselors to present and explain armed forces career options and benefits to students and inform parents and students of the military enlistment exam. Allows counselors to consult with the Department of Labor and Industry on resources for students interested in careers in the skilled trades and manufacturing. Prohibits a counselor from interfering with a student’s enlistment in the armed forces.
- 2**      **Code of ethics.** Codifies the code of ethics, which is currently in rule, in statute. Adds prohibition on engaging in sexual contact with a student.
- 3**      **Professional Educator Licensing and Standards Board (PELSB) and code of ethics.** Adds reference to new statute codifying code of ethics.
- 4**      **Teacher background checks.** Eliminates the option for PELSB to issue a teacher license while a background check is pending.
- 5**      **Continuing education in armed forces career options.** Authorizes school employees who provide career advice to students to partly satisfy their professional continuing education requirements by attending training in armed forces career options or careers in the skilled trades and manufacturing.
- 6**      **Teacher background check.** Requires PELSB to request a background check on a licensed teacher applying for a renewal license if the teacher has not had a background check within the last five years.
- 7**      **Grounds for revocation, suspension, or denial.** Adds to the list of grounds on which PELSB must refuse to issue, refuse to renew, or automatically revoke a teacher’s license without the right to a hearing. Requires PELSB to take licensing action when there is a stay of adjudication for offenses requiring registration as a predatory offender.
- Requires PELSB or Board of School Administrators (BOSA) to refuse to issue, refuse to renew, or revoke a teacher’s license to teach if the teacher is convicted of a felony or gross misdemeanor involving a minor. Allows a teacher to petition the board to reconsider.

## Section

Requires PELSB or BOSA to refuse to issue, refuse to renew, or revoke a teacher's license to teach if the teacher has engaged in sexual penetration with a student.

Provides that a licensing action by PELSB under this subdivision is not subject to review.

Allows PELSB or BOSA to suspend a license while an investigation into grounds for revocation is pending.

- 8 PELSB; mandatory reporting.** Clarifies responsibilities of BOSA for reporting maltreatment. Requires PELSB and BOSA to report maltreatment to a welfare agency and law enforcement authorities.
- 9 Immediate discharge.** Adds cross-reference to section 122A.20, subdivision 1, paragraph (b), in list of grounds on which a school board must immediately discharge a teacher. Requires a school board to discharge a teacher when there is a stay of adjudication for offense requiring predatory offender registration.
- 10 Immediate discharge; first class city schools.** Adds cross-reference to section 122A.20, subdivision 1, paragraph (b), in list of grounds on which a school board must immediately discharge a teacher. Requires a school board to discharge a teacher when there is a stay of adjudication for offense requiring predatory offender registration.
- 11 General control of schools.** Requires school district to notify teachers of authority to remove students from class.
- 12 Responsibility.** Substitutes PELSB for Board of Teaching in statute relating to evaluating programs to prepare teachers.
- 13 School district background check.** Requires a school hiring authority to request a new criminal history background check on all employees every five years.
- 14 Effect of background check or PELSB action.** Eliminates the option for a district to hire an individual while a background check is pending.
- 15 Type A-I school bus driver.** Prohibits a person who has received a stay of adjudication for an offense requiring predatory offender registration from driving a type A-I school bus or multifunction school activity bus.
- 16 Type III school bus driver.** Prohibits a person who has received a stay of adjudication for offenses requiring predatory offender registration from driving a type III vehicle. Requires a person who has received a stay of adjudication for an offense requiring predatory offender registration while employed by an entity that owns, leases, or contracts for the school bus to report the stay of adjudication to the employer.
- 17 School bus driver endorsement cancellation.** Requires the commissioner of public safety to permanently cancel a school bus driver's endorsement when the driver receives a stay of adjudication for offenses requiring predatory offender registration.
- 18 School bus driver background check.** Requires the commissioner of public safety to determine if an applicant for a driver's license with a school bus driver's endorsement has received a stay of adjudication for offenses requiring predatory offender registration.

## Section

- 19 Report by court administrator.** Requires the superintendent of the Bureau of Criminal Apprehension to require court administrators to report stays of adjudication.
- 20 Background checks; additional disclosure.** Requires the superintendent of the Bureau of Criminal Apprehension to disclose stays of adjudication granted to the subject of a background check under statutes relating to school employees, teacher licensure, and school bus drivers.
- 21 Limits of sentences.** Requires that a stay of adjudication be reported to the superintendent of the Bureau of Criminal Apprehension.
- 22 Limitations of order.** Eliminates reference to MDE licensing division.
- 23 Definitions.** Amends definitions of “sexual abuse.”
- 24 Persons mandated to report; persons voluntarily reporting.** Adds the member of a board whose licensees perform work within a school facility to the list of mandated reporters.
- 25 Law enforcement duties.** Requires law enforcement to notify PELSB or BOSA of a report of maltreatment by a licensee.
- 26 Determinations.** Requires the commissioner of education to inform an appropriate licensing entity that a report of maltreatment was received, the subject of the report, the date of the initial report, the category of maltreatment, the fact that maltreatment was not determined, and a summary of the reasons for the determination.
- 27 Certified copy of disqualifying offense convictions sent to public safety and school districts.** Requires a court administrator to send a copy of a school bus driver’s stay of adjudication for offenses requiring predatory offender registration to the Department of Public Safety and to the school districts in which the offender drives a school bus within ten days of the stay of adjudication.
- 28 Survey of teacher preparation programs.** Requires PELSB to survey board-approved teacher preparation programs on programs’ dyslexia instruction offerings.  
PELSB may consult with the dyslexia specialist at MDE. PELSB must report to the legislature on survey findings.
- 29 Repealer.** Repeals statute requiring PELSB to adopt a code of ethics, and the rule with the code of ethics.

## Section

### Article 5: Special Education

#### Overview

Adjusts special education aid to match the February 2018 forecast and increases the fiscal year 2019 appropriation by \$1.6 million to fully forgive an overpayment to the Monticello school district. Adds a new regional special education equity aid totaling roughly \$20 million per year beginning in fiscal year 2022.

- 1 **Definitions; special education aid.** For fiscal year 2022 and later, defines the initial special education cross subsidy as the difference between: the sum of the school district's nonfederal special education expenditures and its special pupil transportation expenses; and the sum of the district's state special education aid and a designated portion of its general education aid.  
  
Classifies school districts into one of two regions—a rural region for school districts with fewer than 7,500 pupils and administrative offices located in a Greater Minnesota county, and a metropolitan region for the remaining school districts.
- 2 **Special education equity aid.** Creates a new component of special education aid called special education equity aid. Sets the equity aid amount equal to the lesser of \$120 per pupil or 30 percent of the difference between the district's per pupil special education cross subsidy and the regional average cross subsidy.
- 3 **Special education adjustment; Monticello school district.** Corrects an adjustment to the Monticello school district's special education revenue amounts by increasing the special education revenue to the school district by \$1.6 million as a one-time adjustment in fiscal year 2019.
- 4 **Appropriation; special education aid.** Matches the fiscal years 2018 and 2019 special education aid appropriations to the February 2018 forecast. Increases special education aid by \$1.6 million in for fiscal year 2019 for the Monticello adjustment. See fiscal worksheet for details.
- 5 **Special education working group.**
  - Subd. 1. Duties.** Requires the special education working group to review special education delivery and costs and make recommendations to contain costs. Specifies issues the report must address, including relevant laws, trends, and the 2013 evaluation report by the Office of the Legislative Auditor.
  - Subd. 2. Members.** Names the organizations that may appoint a representative to the working group, and representatives that the commissioner of education must designate through an application process.
  - Subd. 3. Meetings.** Requires the commissioner to convene the first meeting by July 15, 2018. Requires working group to meet periodically and hold open meetings.
  - Subd. 4. Compensation.** Prohibits compensation to working group members.

## Section

**Subd. 5. Administrative support.** Requires the commissioner to provide administrative support to the working group upon request.

**Subd. 6. Report.** Requires the working group to report to the legislature by January 15, 2019. Encourages the legislature convening in January 2019 to convene a legislative study group to review the working group's recommendations and strategic plan to develop its own recommendations for legislative changes.

**Subd. 7. Expiration.** Sets an expiration date of January 16, 2019, for the working group.

## Article 6: Facilities, Technology, and Libraries

### Overview

Allows certain cooperating school districts to allocate long term facilities maintenance revenue among member school districts. Expands the uses of the proceeds of bonds issued by school districts for the purchase of equipment that are backed by transfers of operating capital revenue to include emergency communications equipment and other equipment related to violence prevention and facility security. Reallocates any unspent regional library telecommunications aid to regional libraries for purposes of expanding patron access to broadband, including through the purchase of portable hotspots.

- 1 **Disposing of surplus school computers.** Allows a school district to sell or give used computers or tablets to students.
- 2 **Allocation from districts participating in agreements for secondary education and interdistrict cooperation.** Allows school districts that participate in cooperative instructional programs to allocate long term facilities maintenance revenue for the shared facilities among member school districts.
- 3 **Charter schools; records and data requirements.** Requires a charter school to comply with contract and training requirements that apply to districts, and requires a technology provider contracting with a charter school to comply with requirements that apply when technology provider contracts with districts.
- 4 **Technology providers.** Imposes new requirements on technology providers and on schools that contract with technology providers.

**Subd. 1. Technology provider definition.** Defines a technology provider as a person or entity who contracts with a school district to provide technological devices for student use, and creates, receives, or maintains student data under the contract.

**Subd. 2. Educational data.** (a) Makes explicit that technology providers are subject to the Minnesota Government Data Practices Act (GDPA) under the privatization subdivision of section 13.05 (sometimes referred to as the "Timberjay" subdivision).

## Section

(b) Provides that all educational data which a technology provider creates, receives, or maintains as part of its contract with a school do not become the technology provider's property.

(c) Makes technology providers subject to the GDPR's existing data breach notification law at section 13.055.

(d) Requires a technology provider to destroy or return to the school all educational data created, received, or maintained under its contract.

**Subd. 3. Procedures.** Requires a technology provider to establish procedures that secure educational data and permit only authorized individuals to access the data.

### 5 **School district requirements.**

**Subd. 1. Contract.** Requires a school district to provide a copy of technology provider contracts upon request.

**Subd. 2. Training.** Requires a school district to provide employees with access to student data information or training on student privacy law, and provide written training materials to personnel and independent contractors. Encourages school employees with access to educational data to participate in training. Requires the commissioner to provide districts information on trainings.

6 **Award of funds; regional library telecommunications access aid.** Redirects unspent regional library telecommunications aid to grants to regional public library systems for equipment and other uses designed to expand access to high speed Internet, including providing portable hot spots to library patrons for fiscal years 2019 through 2021. Requires the commissioner to report to the legislature regarding the effectiveness and fiscal need of the regional library telecommunications access aid program.

7 **Sample ballot.** Requires a school district to post the review and comment and supplemental information regarding a proposed bond election a capital projects election in the same manner as it posts its sample ballot prior to an election.

8 **Proper use of bond proceeds.** Clarifies that bond elections issued after approval of the electors must be used for the purposes stated on the ballot.

9 **Generally; notice.** Requires the ballot question approving school bonds to state the name of the plan approved by the commissioner as part of the review and comment.

10 **Regional library telecommunications aid.** Authorizes carry forward authority from fiscal year 2018 to fiscal year 2019 for any balance in the regional library telecommunications aid program.

## Section

### Article 7: Nutrition

#### Overview

Allows some food service contracts to be renewed for up to four years. Amends requirements for school districts participating in school lunch program to strengthen prohibitions against lunch shaming.

- 1 **Food service contracts.** Clarifies a cross-reference that allows a contract between a school board and a food service management company that complies with federal regulations governing summer food service programs and the Child and Adult Care Food Program to be renewed for up to four years.
- 2 **Respectful school meals policy.** Clarifies that a school district may collect unpaid meal debt as long as reminders do not demean or stigmatize a child participating in the school lunch program and meet other requirements. Prohibits a participant from denying a school lunch to participating students, even if they have an outstanding meals balance. Requires a participant to provide meals to participating students in a respectful manner and prohibits withdrawing meal from student after it has been served, whether or not the student has an outstanding meal balance. Prohibits a participant from limiting a student's participation in school activities, including graduation ceremonies based on unpaid student meal balances. Prohibits a participant from disciplining a student due to an unpaid student meal balance.

### Article 8: Early Childhood and Family Support

#### Overview

Strengthens the kindergarten readiness assessment process. Expands background checks for certain early learning staff employed by programs. Clarifies language.

- 1 **Voluntary prekindergarten; program requirements.** Clarifies that the cognitive and social skills formative measure administered to prekindergarten pupils must be age-appropriate.
- 2 **Voluntary prekindergarten; application process; priority for high poverty schools.** Splits the Minneapolis and St. Paul school districts into two separate regions for purposes of allocating voluntary prekindergarten funds.
- 3 **Kindergarten readiness assessment.**
  - Subd. 1. Purpose.** States that the purpose of kindergarten readiness assessment is to determine readiness to enter school, understand the connection between readiness and later academic achievement, and produce data that can inform the effectiveness of early childhood programs.



## Section

**Subd. 2. Commissioner duties.** Requires the commissioner to provide districts with a process for measuring kindergarten readiness of incoming kindergarten students. Requires districts to report results of kindergarten entry assessments to the commissioner and requires the commissioner to summarize and report this information as part of the performance reporting.

- 4 **Family eligibility; early learning scholarships.** Eliminates the need for parents to verify income for homeless children or children in need of protective services.
- 5 **Administration; early learning scholarships.** Clarifies the preschool screening timelines for early learning scholarship participants.
- 6 **Early childhood program eligibility.** Removes obsolete language.
- 7 **National criminal history record check.** Defines the term “national criminal history record check” to mean a fingerprint-based check of records conducted by the Bureau of Criminal Apprehension (BCA) through the databases maintained by the Federal Bureau of Investigation (FBI).
- 8 **Background study; tribal organizations.** Authorizes tribal organizations to contract with the commissioner of human services to conduct background studies of individuals affiliated with a child care program sponsored, managed, or licensed by a tribal organization.
- 9 **Background study; Head Start programs.** Authorizes Head Start programs to contract with the commissioner of human services for background studies. Exempts a Head Start program that does not contract with the commissioner, is not licensed, and is not registered for funding under chapter 119B from chapter 245C.
- 10 **School readiness plus; program requirements.** Clarifies that the cognitive and social skills formative measure administered to school readiness plus prekindergarten pupils must be age-appropriate and clarifies the criteria for school readiness plus instructors.

## **Article 9: Community Education, Prevention, Self Sufficiency and Lifelong Learning**

### **Overview**

Adds to the list of positive characteristics of qualifying partnerships to include: collecting and utilizing data to improve student outcomes, sharing disaggregated performance data, employing continuous improvement processes, and demonstrating an ability to leverage nonstate funds. Clarifies language regarding high school equivalency tests.

- 1 **Commissioner-selected high school equivalency tests.** Clarifies that the commissioner may select more than one high school equivalency test.
- 2 **Administration; design.** Adds additional criteria for the commissioner to use when evaluating Educational Partnership grant applications.

## Section

- 3 **Application; high school equivalency tests.** Clarifies that the commissioner may select more than one high school equivalency test.
- 4 **Minnesota state authorization; high school equivalency tests.** Clarifies a reference to high school equivalency tests in the cosmetology license statute.
- 5 **Tier 2 Implementing grants; appropriation.** Increase the fiscal year 2019 appropriation for Tier 2 implementing grants by \$80,000 and awards this amount as a grant to the St. Cloud promise neighborhood.

## Article 10: State Agencies

### Overview

Reduces the base budget for the Minnesota Department of Education by \$1 million per year. Recaptures the unspent portion of the appropriation for the Perpich Center for Arts Education reserved for severance payments. Lowers the base budget for the Perpich Center. Cancels the unspent portion of the Perpich Center appropriation.

- 1 **Appropriation; Department of Education.** Reduces the base budget for the Department of Education by \$1 million per year beginning in fiscal year 2020.
- 2 **Appropriation; Perpich Center for Arts Education.** Reduces the portion of the appropriation for the Perpich Center set aside for potential severance costs for Crosswinds employees from \$1.2 million to \$325,000. Lowers the base budget for the Perpich Center by separating operational expenses from other expenditures which are based on enrollment at the Perpich Center estimated at 90 percent of the statutorily established maximum enrollment of \$310 students.
- 3 **Crosswinds disposition costs.** Cancels the unspent portion the Crosswinds disposition costs associated with the sale of the Crosswinds facility by reducing the appropriation to \$21,000.

## Article 11: Forecast Adjustments

### Overview

Article 11 adjusts all appropriations for formula-driven school funding formulas to match the February 2018 forecast. These changes conform the appropriations to the forecast and have no fiscal effect when measured against the forecast.

## Section

### **Article 12: Higher Education Appropriations**

- 1 **Higher education appropriations.** Defines terms for this article. Specifies that the amounts appropriated are added to the appropriations in the 2017 higher education omnibus law (Laws 2017, chapter 89, article 1) unless otherwise specified.
- 2 **Appropriations to the Office of Higher Education (OHE).** Provides a total of \$500,000 in onetime appropriations to OHE for FY2019. The specific purposes and amounts are as follows:
  - State grants: \$350,000
  - Agricultural educators loan forgiveness program: \$100,000
  - Student loan debt counseling grant (see article 13, section 3): \$50,000
- 3 **Appropriations to Minnesota State Colleges and Universities (MnState).** Provides a total of \$5,000,000 in onetime appropriations to MnState for FY2019. The specific purposes and amounts are as follows:
  - Cyber security programs at Metropolitan State University: \$1,000,000  
*From H.F. 3639 (Albright)*
  - Campus support: \$4,000,000
- 4 **Appropriations to the University of Minnesota.** Provides \$500,000 in onetime money to the University of Minnesota. At this time, the funds are not dedicated to any specific purpose.

### **Article 13: Higher Education Policy**

- 1 **Sexual assault policies: victims' rights.** Expands the list of provisions that must be included in an institution's sexual assault policy by adding a requirement the policy provide for notice to a sexual assault victim regarding available legal resources.  
*From H.F. 3415, as amended (Nornes)*
- 2 **Sexual assault policies: data collection and reporting.** Requires the University of Minnesota to collect statistical data on incidents of sexual harassment. The types of data that must be collected are coextensive with the current requirements for sexual assault data. The statistical data on sexual harassment incidents must be reported to the legislature by October 1 of each year.  
*From H.F. 2669, the first engrossment (Anderson, S.)*
- 3 **Student loan debt counseling.** Establishes a program administered by the Office of Higher Education to provide grants to qualified organizations offering student loan debt repayment counseling.
  - Subd. 1. Grant.** Permits an organization receiving a grant to offer counseling to those capable of being served with available appropriations. Sets a goal that a grantee

## Section

provide at least two counseling sessions to 75 percent of borrowers receiving counseling. Establishes that the purpose of the counseling is to enable borrowers to understand their loan and repayment options, manage loan repayments, and develop a workable budget.

**Subd. 2. Qualified debt counseling organization.** Defines a qualified debt counseling organization as one that has experience in student loan counseling, employs certified financial loan counselors, and is based in Minnesota and has offices in multiple rural and metropolitan locations.

**Subd. 3. Grant application and award.** Requires that applications be made in a form and manner specified by the commissioner. Describes the components that must be included on the application. Requires the commissioner to select one grant recipient every two years. The grant recipient would receive funding for both years of the biennium.

**Subd. 4. Program evaluation.** Requires a grant recipient to submit a report to the commissioner of higher education every two years. Specifies data elements to be included in the report.

**Subd. 5. Report to legislature.** Requires the commissioner of higher education to submit a report on the program to the higher education committees of the legislature every two years.

*From H.F. 794 (Haley)*

- 4 Spinal cord injury and TBI research grant program: account created.** Creates a separate account in the special revenue fund for spinal cord and TBI research grants.

*From the Governor's bill, H.F. 4361 (Nornes)*

- 5 - 6 Legislative commission on regent selection.** Replaces the Regent Candidate Advisory Council (RCAC) with a Legislative Commission on Regent Selection. The new commission would consist of four members from each chamber, two from each party. The commission would be responsible for recommending one-to-three candidates per vacancy to the joint legislative committee.

*From H.F. 3372, the first engrossment (Nornes)*

- 7 MnSCU two-year public college program.** Reduces by \$1 million the FY2018 appropriation to the MnState two-year public college program grants (a.k.a. the college occupational scholarship pilot program). These are surplus funds which are redistributed in Article 1 of the bill.

*From the Governor's bill, H.F. 4361 (Nornes)*

- 8 Spinal cord injury and traumatic brain injury research grant program.** Amends the 2017 appropriation for the spinal cord and TBI research grant program so that the funds are transferred into the new special revenue fund account created by section 4 of the bill.

*From the Governor's bill, H.F. 4361 (Nornes)*

## Section

- 9 Affordable textbook plan and report.** Requires MnState to develop a plan to increase the use of affordable textbooks and instructional materials. The plan must be submitted to the legislature by January 15, 2020.

*From H.F. 3985, as amended (Daniels)*

- 10 Appeal process for sexual misconduct findings involving University of Minnesota employees.** Requests the Board of Regents to update their sexual misconduct policies to provide university employees and their victims a right of appeal from findings of the university's Office of Equal Opportunity and Affirmative Action, and timely notice of those appeal rights.

*From H.F. 2669, the first engrossment (Anderson, S.)*

## **Article 14: Office of Higher Education Policy**

### **Overview**

Unless otherwise noted, sections within this article are from the Office of Higher Education's policy bill, H.F. 3900 (Nornes).

- 1 P-20 Education Partnership: powers and duties; report.** The P-20 Education Partnership is an organization led by the statewide education groups in Minnesota. Its purpose is to create an integrated education system, from early childhood through postsecondary education. Clarifying changes in this section relate to the ability to the partnerships assessment of early childhood information contained in the Statewide Longitudinal Education Data System (SLEDS).
- 2 Teacher candidate grants: eligibility.** Clarifies how a grant applicant may show intent to teach in a shortage area.
- 3 Teacher candidate grants: administration; repayment.** Eliminates the direction to the commission to establish a process for enforcing repayment responsibilities for applicants who do not complete their service requirements.
- 4 Eligible student definition.** Moves the definition of "eligible student" from § 136A.1701 and combines it with the existing "eligible student" in § 136A.15, the general definition section for student loan programs.
- 5 Designation.** Corrects a cross-reference.
- 6 Rules.** Amends the subdivision regarding OHE's rules and policies for administering student loan programs.
- 7 - 9 Student loan programs.** Corrects cross-references.
- 10 Classification of data.** Adds a cross-reference to the student loan refinancing statute.

## Section

- 11 Repayment of loans.** Strikes repayment procedures provided for supplemental loans under § 136A.1701, inserts a cross-reference to OHE's general rules and policies for student loan programs in § 136A.16.
- 12 Legislative oversight.** Requires OHE to annually report to the legislature on the balances of the loan forgiveness program accounts in the special revenue fund.
- New language*
- 13 Creation of account.** Specifies that the aviation degree loan forgiveness account is in the special revenue fund.
- From H.F. 3051, as amended (Nornes)*
- 14 Account established.** Specifies that the teacher shortage loan forgiveness repayment account is in the special revenue fund.
- From H.F. 3051, as amended (Nornes)*
- 15 Establishment; administration.** Adds statutory language creating a large animal veterinarian loan forgiveness account in the special revenue fund. Minnesota Management and Budget has already established this account under its existing statutory authority.
- From H.F. 3051, as amended (Nornes)*
- 16 Additional security.** In the Minnesota Private and Out-of-State Public Postsecondary Education Act, provides a calculation for the amount of a surety bond required for new schools that have been granted conditional approval. Also adds an alternative calculation for surety bonds required of failing institutions.
- 17 Bond.** Corrects technical accounting terminology.
- 18 Catalog, brochure, or electronic display.** In the Private Career School Act, adds the school's required disclosure to students regarding the mandated student complaint process to the list of information that a school must provide to OHE.
- 19 Disclosure.** In the student complaints section of the Private Career School Act, adds a subdivision requiring a school publish information regarding its mandated student complaint process.
- 20 Emergency assistance for postsecondary students.** Clarifies that the program is limited to Minnesota schools.
- 21 - 24 Appropriations riders.** Specifies that the 2018 appropriations for the following programs are for transfer to their respective accounts in the special revenue fund:
- the Teacher Shortage Loan Forgiveness Program;
  - the Large Animal Veterinarian Loan Forgiveness Program;
  - the Agricultural Educators Loan Forgiveness Program; and
  - the Aviation Degree Loan Forgiveness Program.
- From H.F. 3051, as amended (Nornes)*
- 25 Repealer.** Technical change repealing certain definitions relating to student loan programs.