

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 718

(SENATE AUTHORS: NELSON)

DATE	D-PG	OFFICIAL STATUS
02/06/2017	528	Introduction and first reading
		Referred to E-12 Finance
03/28/2017		Comm report: To pass as amended and re-refer to Taxes

1.1 A bill for an act

1.2 relating to education finance; providing funding in early childhood, kindergarten

1.3 through grade 12, and adult education, including general education, education

1.4 excellence, special education, facilities and technology, nutrition, libraries, early

1.5 childhood and family support, community education and prevention, self-sufficiency

1.6 and lifelong learning, and state agencies; appropriating money; requiring a report;

1.7 amending Minnesota Statutes 2016, sections 122A.415, subdivision 4; 123B.53,

1.8 subdivision 4; 124D.151, subdivisions 2, 5, 6; 124D.165, subdivision 2; 124D.83,

1.9 subdivision 2; 125A.76, subdivisions 1, 2a, 2c; 125A.79, subdivision 5; 126C.10,

1.10 subdivisions 2, 13a, 37; 127A.45, subdivision 12; repealing Minnesota Statutes

1.11 2016, sections 125A.75, subdivision 7; 125A.76, subdivision 2b.

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

1.13 **ARTICLE 1**

1.14 **GENERAL EDUCATION**

1.15 Section 1. Minnesota Statutes 2016, section 124D.151, subdivision 2, is amended to read:

1.16 Subd. 2. **Program requirements.** (a) A voluntary prekindergarten program provider

1.17 must:

1.18 (1) provide instruction through play-based learning to foster children's social and

1.19 emotional development, cognitive development, physical and motor development, and

1.20 language and literacy skills, including the native language and literacy skills of English

1.21 learners, ~~to the extent practicable;~~

1.22 (2) measure each child's cognitive and social skills using a formative measure aligned

1.23 to the state's early learning standards when the child enters and again before the child leaves

1.24 the program, and screening and progress monitoring measures, ~~and others~~ must be

2.1 multi-domain and an age-appropriate version from the state-approved menu of kindergarten
2.2 entry profile measures;

2.3 (3) provide comprehensive program content including the implementation of curriculum,
2.4 assessment, and instructional strategies aligned with the state early learning standards, and
2.5 kindergarten through grade 3 academic standards;

2.6 (4) provide instructional content and activities that are of sufficient length and intensity
2.7 to address learning needs including offering a program with at least 350 hours of instruction
2.8 per school year for a prekindergarten student;

2.9 (5) provide voluntary prekindergarten instructional staff salaries comparable to the
2.10 salaries of local kindergarten through grade 12 instructional staff;

2.11 (6) coordinate appropriate kindergarten transition with families, community-based
2.12 prekindergarten programs, and school district kindergarten programs;

2.13 (7) involve parents in program planning and transition planning by implementing parent
2.14 engagement strategies that include culturally and linguistically responsive activities in
2.15 prekindergarten through third grade that are aligned with early childhood family education
2.16 under section 124D.13;

2.17 (8) coordinate with relevant community-based services, including physical and mental
2.18 health and social service agencies, to ensure children have access to comprehensive services;

2.19 (9) coordinate with all relevant school district programs and services including early
2.20 childhood special education, homeless food and nutrition, students experiencing
2.21 homelessness, and English learners;

2.22 (10) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children;

2.23 (11) provide high-quality coordinated professional development, training, and coaching
2.24 for both school district and community-based early learning providers that is informed by
2.25 a measure of adult-child interactions and enables teachers to be highly knowledgeable in
2.26 early childhood curriculum content, assessment, native and English language development
2.27 programs, and instruction; and

2.28 (12) implement strategies that support the alignment of professional development,
2.29 instruction, assessments, and curriculum in prekindergarten through grade 3 curricula.

2.30 (b) A voluntary prekindergarten program must have teachers knowledgeable with
2.31 specialized training in early childhood curriculum content, age-appropriate assessment,

3.1 native and English language programs, and developmentally appropriate instruction.
 3.2 Participating programs must have licensed teachers by the 2022-2023 school year and later.

3.3 (c) Districts and charter schools must include their strategy for implementing and
 3.4 measuring the impact of their voluntary prekindergarten program under section 120B.11
 3.5 and provide results in their world's best workforce annual summary to the commissioner of
 3.6 education.

3.7 (d) A voluntary prekindergarten program must be supervised by a licensed administrator,
 3.8 including elementary school principals.

3.9 (e) Notwithstanding sections 124D.15 and 124D.16, school readiness aid under section
 3.10 124D.16 may be used to supplement a voluntary prekindergarten program under this section.

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

3.12 Sec. 2. Minnesota Statutes 2016, section 124D.151, subdivision 5, is amended to read:

3.13 Subd. 5. **Application process; priority for high poverty schools.** (a) ~~To qualify for~~
 3.14 ~~program approval for fiscal year 2017, a district or charter school must submit an application~~
 3.15 ~~to the commissioner by July 1, 2016.~~ To qualify for program approval for fiscal year 2018
 3.16 and later, a district or charter school must submit an application to the commissioner by
 3.17 January 30 of the fiscal year prior to the fiscal year in which the program will be
 3.18 implemented. The application must include:

3.19 (1) a description of the proposed program, including the number of hours per week the
 3.20 program will be offered at each school site or mixed-delivery location;

3.21 (2) an estimate of the number of eligible children to be served in the program at each
 3.22 school site or mixed-delivery location; and

3.23 (3) a statement of assurances signed by the superintendent or charter school director that
 3.24 the proposed program meets the requirements of subdivision 2.

3.25 (b) The commissioner ~~must review all applications submitted for fiscal year 2017 by~~
 3.26 ~~August 1, 2016, and~~ must review all applications submitted for fiscal year 2018 and later
 3.27 by March 1 of the fiscal year in which the applications are received and determine whether
 3.28 each application meets the requirements of paragraph (a).

3.29 (c) The commissioner must divide all applications for new or expanded programs meeting
 3.30 the requirements of paragraph (a) into ~~four~~ five groups as follows: the Minneapolis ~~and~~
 3.31 school district; the St. Paul school districts district; other school districts located in the
 3.32 metropolitan equity region as defined in section 126C.10, subdivision 28; school districts

4.1 located in the rural equity region as defined in section 126C.10, subdivision 28; and charter
4.2 schools. Within each group, the applications must be ordered by rank using a sliding scale
4.3 based on the following criteria:

4.4 (1) concentration of kindergarten students eligible for free or reduced-price lunches by
4.5 school site on October 1 of the previous school year. A school site may contract to partner
4.6 with a community-based provider or Head Start under subdivision 3 or establish an early
4.7 childhood center and use the concentration of kindergarten students for free and reduced-price
4.8 lunches from a specific school site as long as those eligible children are prioritized and
4.9 guaranteed service at the mixed-delivery site or early childhood center. For other school
4.10 district programs to be operated at locations that do not have free and reduced-price lunch
4.11 concentration data for kindergarten programs for October 1 of the previous school year,
4.12 including mixed-delivery programs, the school district average concentration of kindergarten
4.13 students eligible for free or reduced-price lunches must be used for the rank ordering;

4.14 (2) presence or absence of a three- or four-star Parent Aware rated program within the
4.15 school district or close proximity of the district. School sites with the highest concentration
4.16 of kindergarten students eligible for free or reduced-price lunches that do not have a three-
4.17 or four-star Parent Aware program within the district or close proximity of the district shall
4.18 receive the highest priority, and school sites with the lowest concentration of kindergarten
4.19 students eligible for free or reduced-price lunches that have a three- or four-star Parent
4.20 Aware rated program within the district or close proximity of the district shall receive the
4.21 lowest priority.

4.22 (d) ~~The aid available~~ limit on participation for the program as specified in subdivision
4.23 6, paragraph (b), must initially be allocated among the ~~four~~ five groups based on each group's
4.24 percentage share of the statewide kindergarten enrollment on October 1 of the previous
4.25 school year. Within each group, the ~~available aid~~ participation limit must first be allocated
4.26 to school sites approved for aid in the previous year to ensure that those sites are funded
4.27 for the same number of participants as approved for the previous year. The remainder of
4.28 the participation limit for each group must be allocated among school sites in priority order
4.29 until that region's share of the ~~aid~~ participation limit is reached. If the aid limit is not reached
4.30 for all groups, the remaining amount must be allocated to the highest priority school sites,
4.31 as designated under this section, not funded in the initial allocation on a statewide basis.

4.32 (e) Once a school site or mixed-delivery site under subdivision 3 is approved for aid
4.33 under this subdivision, it shall remain eligible for aid if it continues to meet program
4.34 requirements, regardless of changes in the concentration of students eligible for free or
4.35 reduced-price lunches.

5.1 (f) If the total aid entitlement approved based on applications submitted under paragraph
 5.2 (a) is less than the aid entitlement limit under subdivision 6, paragraph (b), the commissioner
 5.3 must notify all school districts and charter schools of the amount that remains available
 5.4 within 30 days of the initial application deadline under paragraph (a), and complete a second
 5.5 round of allocations based on applications received within 60 days of the initial application
 5.6 deadline.

5.7 (g) Procedures for approving applications submitted under paragraph (f) shall be the
 5.8 same as specified in paragraphs (a) to (d), except that the allocations shall be made to the
 5.9 highest priority school sites not funded in the initial allocation on a statewide basis.

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

5.11 Sec. 3. Minnesota Statutes 2016, section 124D.151, subdivision 6, is amended to read:

5.12 Subd. 6. **Program and aid entitlement limits.** (a) Notwithstanding section 126C.05,
 5.13 subdivision 1, paragraph (d), the pupil units for a voluntary prekindergarten program for
 5.14 an eligible school district or charter school must not exceed 60 percent of the kindergarten
 5.15 pupil units for that school district or charter school under section 126C.05, subdivision 1,
 5.16 paragraph (e).

5.17 (b) In reviewing applications under subdivision 5, the commissioner must limit the
 5.18 estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year
 5.19 2017, ~~\$27,239,000 for fiscal year 2018, and \$26,399,000 for fiscal year 2019 and later~~ and
 5.20 must limit the total number of participants to 8,300 for fiscal year 2018, and to the
 5.21 participation limit for the previous fiscal year plus 1,000 for fiscal year 2019 and later. If
 5.22 the actual state aid entitlement based on final data exceeds the limit in ~~any~~ fiscal year 2017,
 5.23 the aid of the participating districts must be prorated so as not to exceed the limit.

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

5.25 Sec. 4. Minnesota Statutes 2016, section 126C.10, subdivision 2, is amended to read:

5.26 Subd. 2. **Basic revenue.** The basic revenue for each district equals the formula allowance
 5.27 times the adjusted pupil units for the school year. ~~The formula allowance for fiscal year~~
 5.28 ~~2015 is \$5,831. The formula allowance for fiscal year 2016 is \$5,948. The formula allowance~~
 5.29 ~~for fiscal year 2017 and later is \$6,067.~~ The formula allowance for fiscal year 2018 is \$6,188.
 5.30 The formula allowance for fiscal year 2019 and later is \$6,312.

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

6.1 Sec. 5. Minnesota Statutes 2016, section 126C.10, subdivision 13a, is amended to read:

6.2 Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may
 6.3 levy an amount not more than the product of its operating capital revenue for the fiscal year
 6.4 times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to
 6.5 the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740
 6.6 for fiscal year 2017, ~~\$19,972~~ \$22,553 for fiscal year 2018, ~~and \$22,912~~ \$26,649 for fiscal
 6.7 year 2019, \$26,938 for fiscal year 2020, and \$27,194 for fiscal year 2021 and later.

6.8 Sec. 6. Minnesota Statutes 2016, section 126C.10, subdivision 37, is amended to read:

6.9 Subd. 37. **Pension adjustment revenue.** (a) A school district's pension adjustment
 6.10 revenue equals the sum of:

6.11 (1) the greater of zero or the product of:

6.12 ~~(1)~~ (i) the difference between the district's adjustment under Minnesota Statutes 2012,
 6.13 section 127A.50, subdivision 1, for fiscal year 2014 per adjusted pupil unit and the state
 6.14 average adjustment under Minnesota Statutes 2012, section 127A.50, subdivision 1, for
 6.15 fiscal year 2014 per adjusted pupil unit; and

6.16 ~~(2)~~ (ii) the district's adjusted pupil units for the fiscal year; and

6.17 (2) the product of the salaries paid to district employees who were members of the
 6.18 Teachers Retirement Association and the St. Paul Teachers Retirement Fund Association
 6.19 for the prior fiscal year and the district's pension adjustment rate for the fiscal year. The
 6.20 pension adjustment rate equals 0.5 percent for fiscal year 2018 and one percent for fiscal
 6.21 year 2019 and later.

6.22 (b) The state total pension adjustment revenue under paragraph (a), clause (2), must not
 6.23 exceed \$22,851,000 for fiscal year 2018 and \$45,703,000 for fiscal year 2019 and later. If
 6.24 the state total pension adjustment revenue for any fiscal year exceeds the maximum amount
 6.25 for that year, the commissioner must prorate the pension adjustment revenue under paragraph
 6.26 (a), clause (2), so as not to exceed the maximum.

6.27 (c) Notwithstanding section 123A.26, subdivision 1, a cooperative unit, as defined in
 6.28 section 123A.24, subdivision 2, qualifies for pension adjustment revenue under paragraph
 6.29 (a), clause (2), as if it was a district, and the aid generated by the cooperative unit shall be
 6.30 paid to the cooperative unit.

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

7.1 Sec. 7. Minnesota Statutes 2016, section 127A.45, subdivision 12, is amended to read:

7.2 Subd. 12. **Payment percentage for certain aids.** One hundred percent of the aid for
7.3 the current fiscal year must be paid for the following aids: reimbursement for enrollment
7.4 options transportation, according to sections 124D.03, subdivision 8, and 124D.09,
7.5 subdivision 22, and chapter 124E; school lunch aid, according to section 124D.111; ~~and~~
7.6 support services aid, for persons who are deaf, deafblind, and hard-of-hearing according to
7.7 section 124D.57; and pension adjustment revenue under section 126C.10, subdivision 37,
7.8 paragraphs (a), clause (2); (b); and (c).

7.9 Sec. 8. **APPROPRIATIONS.**

7.10 Subdivision 1. Department of Education. The sums indicated in this section are
7.11 appropriated from the general fund to the Department of Education for the fiscal years
7.12 designated.

7.13 Subd. 2. General education aid. For general education aid under Minnesota Statutes,
7.14 section 126C.13, subdivision 4:

7.15 \$ 7,038,252,000 2018

7.16 \$ 7,281,243,000 2019

7.17 The 2018 appropriation includes \$658,864,000 for 2017 and \$6,379,388,000 for 2018.

7.18 The 2019 appropriation includes \$677,335,000 for 2018 and \$6,603,369,000 for 2019.

7.19 Subd. 3. Enrollment options transportation. For transportation of pupils attending
7.20 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation
7.21 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

7.22 \$ 29,000 2018

7.23 \$ 31,000 2019

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

7.25 \$ 2,735,000 2018

7.26 \$ 2,657,000 2019

7.27 The 2018 appropriation includes \$278,000 for 2017 and \$2,457,000 for 2018.

7.28 The 2019 appropriation includes \$272,000 for 2018 and \$2,385,000 for 2019.

7.29 Subd. 5. Consolidation transition aid. For districts consolidating under Minnesota
7.30 Statutes, section 123A.485:

7.31 \$ 270,000 2018

7.32 \$ 165,000 2019

8.1 The 2018 appropriation includes \$0 for 2017 and \$270,000 for 2018.

8.2 The 2019 appropriation includes \$30,000 for 2018 and \$135,000 for 2019.

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

8.5 \$ 17,890,000 2018

8.6 \$ 18,590,000 2019

8.7 The 2018 appropriation includes \$1,727,000 for 2017 and \$16,163,000 for 2018.

8.8 The 2019 appropriation includes \$1,795,000 for 2018 and \$16,795,000 for 2019.

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

8.11 \$ 18,011,000 2018

8.12 \$ 17,970,000 2019

8.13 The 2018 appropriation includes \$1,805,000 for 2017 and \$16,206,000 for 2018.

8.14 The 2019 appropriation includes \$1,800,000 for 2018 and \$16,170,000 for 2019.

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

8.17 \$ 65,000 2018

8.18 \$ 65,000 2019

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

8.21 \$ 4,519,000 2018

8.22 \$ 3,927,000 2019

8.23 The 2018 appropriation includes \$478,000 for 2017 and \$4,041,000 for 2018.

8.24 The 2019 appropriation includes \$448,000 for 2018 and \$3,479,000 for 2019.

8.25 Subd. 10. **Compensatory revenue pilot project.** (a) For grants for participation in the
8.26 compensatory revenue pilot program under Laws 2005, First Special Session chapter 5,
8.27 article 1, section 50:

8.28 \$ 2,325,000 2018

8.29 \$ 2,325,000 2019

8.30 (b) Of this amount, \$1,500,000 in each year is for a grant to Independent School District
8.31 No. 11, Anoka-Hennepin; \$75,000 in each year is for a grant to Independent School District

9.1 No. 286, Brooklyn Center; \$210,000 in each year is for a grant to Independent School
 9.2 District No. 279, Osseo; \$160,000 in each year is for a grant to Independent School District
 9.3 No. 281, Robbinsdale; \$165,000 in each year is for a grant to Independent School District
 9.4 No. 535, Rochester; \$65,000 in each year is for a grant to Independent School District No.
 9.5 833, South Washington; and \$150,000 in each year is for a grant to Independent School
 9.6 District No. 241, Albert Lea. If a grant to a specific school district is not awarded, the
 9.7 commissioner may increase the aid amounts to any of the remaining participating school
 9.8 districts.

9.9 (c) Notwithstanding any law to the contrary, districts participating under this subdivision
 9.10 must post to their district Web sites their plan and accountability measures and data, which
 9.11 may appear as part of the posting requirements of Minnesota Statutes, section 120B.11,
 9.12 subdivision 5.

9.13 (d) This appropriation is part of the base budget for subsequent fiscal years.

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

9.15 **ARTICLE 2**

9.16 **EDUCATION EXCELLENCE**

9.17 Section 1. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

9.18 Subd. 4. **Basic alternative teacher compensation aid.** (a) The basic alternative teacher
 9.19 compensation aid for a school with a plan approved under section 122A.414, subdivision
 9.20 2b, equals 65 percent of the alternative teacher compensation revenue under subdivision 1.
 9.21 The basic alternative teacher compensation aid for a charter school with a plan approved
 9.22 under section 122A.414, subdivisions 2a and 2b, equals \$260 times the number of pupils
 9.23 enrolled in the school on October 1 of the previous year, or on October 1 of the current year
 9.24 for a charter school or voluntary prekindergarten program under section 124D.151 in the
 9.25 first year of operation, times the ratio of the sum of the alternative teacher compensation
 9.26 aid and alternative teacher compensation levy for all participating school districts to the
 9.27 maximum alternative teacher compensation revenue for those districts under subdivision
 9.28 1.

9.29 (b) Notwithstanding paragraph (a) and subdivision 1, the state total basic alternative
 9.30 teacher compensation aid entitlement must not exceed ~~\$75,840,000 for fiscal year 2016 and~~
 9.31 ~~\$88,118,000 for fiscal year 2017 and later~~ \$88,540,000 for fiscal year 2018. For fiscal year
 9.32 2019 and later, the state total basic alternative teacher compensation aid entitlement must
 9.33 not exceed the maximum from the previous year plus \$85,000. The commissioner must

10.1 limit the amount of alternative teacher compensation aid approved under this section so as
10.2 not to exceed these limits by not approving new participants or by prorating the aid among
10.3 participating districts, intermediate school districts, school sites, and charter schools. The
10.4 commissioner may also reallocate a portion of the allowable aid for the biennium from the
10.5 second year to the first year to meet the needs of approved participants. Basic alternative
10.6 teacher compensation aid for an intermediate district or other cooperative unit equals \$3,000
10.7 times the number of licensed teachers employed by the intermediate district or cooperative
10.8 unit on October 1 of the previous school year.

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

10.10 Sec. 2. Minnesota Statutes 2016, section 124D.83, subdivision 2, is amended to read:

10.11 Subd. 2. **Revenue amount.** An American Indian-controlled tribal contract or grant school
10.12 that is located on a reservation within the state and that complies with the requirements in
10.13 subdivision 1 is eligible to receive tribal contract or grant school aid. The amount of aid is
10.14 derived by:

10.15 (1) multiplying the formula allowance under section 126C.10, subdivision 2, less \$170,
10.16 times the difference between (i) the resident pupil units as defined in section 126C.05,
10.17 subdivision 6, in average daily membership, excluding section 126C.05, subdivision 13,
10.18 and (ii) the number of pupils for the current school year, weighted according to section
10.19 126C.05, subdivision 1, receiving benefits under section 123B.42 or 123B.44 or for which
10.20 the school is receiving reimbursement under section 124D.69;

10.21 (2) adding to the result in clause (1) an amount equal to the product of the formula
10.22 allowance under section 126C.10, subdivision 2, less \$300 times the tribal contract
10.23 compensation revenue pupil units;

10.24 (3) subtracting from the result in clause (2) the amount of money allotted to the school
10.25 by the federal government through Indian School Equalization Program of the Bureau of
10.26 Indian Affairs, according to Code of Federal Regulations, title 25, part 39, subparts A to E,
10.27 for the basic program as defined by section 39.11, paragraph (b), for the base rate as applied
10.28 to kindergarten through twelfth grade, excluding small school adjustments and additional
10.29 weighting, but not money allotted through subparts F to L for contingency funds, school
10.30 board training, student training, interim maintenance and minor repair, interim administration
10.31 cost, prekindergarten, and operation and maintenance, and the amount of money that is
10.32 received according to section 124D.69;

11.1 (4) dividing the result in clause (3) by the sum of the resident pupil units in average daily
 11.2 membership, excluding section 126C.05, subdivision 13, plus the tribal contract compensation
 11.3 revenue pupil units; and

11.4 (5) multiplying the sum of the resident pupil units, including section 126C.05, subdivision
 11.5 13, in average daily membership plus the tribal contract compensation revenue pupil units
 11.6 by the lesser of \$3,230 for fiscal years 2016 and 2017 or \$1,500 for fiscal year 2018 and
 11.7 ~~later~~ or the result in clause (4).

11.8 **Sec. 3. SUPPORT OUR STUDENTS GRANT PROGRAM.**

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

11.11 (b) "Student support services personnel" means individuals licensed in Minnesota to
 11.12 serve as a school counselor, school psychologist, school social worker, school nurse, or
 11.13 chemical dependency counselor.

11.14 (c) "New position" means a student support services personnel full- or part-time position
 11.15 not under contract by a school at the start of the 2016-2017 school year.

11.16 Subd. 2. Purpose. The support our students grant program is designed to:

11.17 (1) address shortages of student support services personnel within Minnesota schools;

11.18 (2) decrease caseloads for existing student support services personnel to ensure effective
 11.19 services;

11.20 (3) ensure that students receive effective academic guidance and integrated and
 11.21 comprehensive services to improve prekindergarten through grade 12 school outcomes and
 11.22 career and college readiness;

11.23 (4) ensure that student support services personnel serve within the scope and practice
 11.24 of their training and licensure;

11.25 (5) fully integrate learning supports, instruction, and school management within a
 11.26 comprehensive approach that facilitates interdisciplinary collaboration; and

11.27 (6) improve school safety and school climate to support academic success and career
 11.28 and college readiness.

11.29 Subd. 3. Grant eligibility and application. (a) A school district, charter school,
 11.30 intermediate school district, or other cooperative unit is eligible to apply for a six-year
 11.31 matching grant under this section.

12.1 (b) The commissioner of education shall specify the form and manner of the grant
12.2 application. In awarding grants, the commissioner must give priority to schools in which
12.3 student support services personnel positions do not currently exist. To the extent practicable,
12.4 the commissioner must award grants equally between applicants in metro counties and
12.5 nonmetro counties. Additional criteria must include at least the following:

12.6 (1) existing student support services personnel caseloads;

12.7 (2) school demographics;

12.8 (3) Title I revenue;

12.9 (4) Minnesota student survey data;

12.10 (5) graduation rates; and

12.11 (6) postsecondary completion rates.

12.12 Subd. 4. **Allowed uses; match requirements.** A grant under this section must be used
12.13 to hire a new position. A school that receives a grant must match the grant with local funds
12.14 in each year of the grant. In each of the first four years of the grant, the local match equals
12.15 \$1 for every \$1 awarded in the same year. In years five and six of the grant, the local match
12.16 equals \$3 for every \$1 awarded in the same year. The local match may not include federal
12.17 reimbursements attributable to the new position.

12.18 Subd. 5. **Report required.** By February 1 following any fiscal year in which it received
12.19 a grant, a school must submit a written report to the commissioner indicating how the new
12.20 positions affected two or more of the following measures:

12.21 (1) school climate;

12.22 (2) attendance rates;

12.23 (3) academic achievement;

12.24 (4) career and college readiness; and

12.25 (5) postsecondary completion rates.

12.26 Sec. 4. **APPROPRIATIONS.**

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

- 13.1 Subd. 2. **Achievement and integration aid.** For achievement and integration aid under
 13.2 Minnesota Statutes, section 124D.862:
- 13.3 \$ 71,576,000 2018
 13.4 \$ 73,347,000 2019
- 13.5 The 2018 appropriation includes \$6,991,000 for 2017 and \$64,585,000 for 2018.
- 13.6 The 2019 appropriation includes \$7,175,000 for 2018 and \$66,172,000 for 2019.
- 13.7 Subd. 3. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes,
 13.8 section 124D.98:
- 13.9 \$ 46,980,000 2018
 13.10 \$ 47,565,000 2019
- 13.11 The 2018 appropriation includes \$4,597,000 for 2017 and \$42,383,000 for 2018.
- 13.12 The 2019 appropriation includes \$4,709,000 for 2018 and \$42,856,000 for 2019.
- 13.13 Subd. 4. **Interdistrict desegregation or integration transportation grants.** For
 13.14 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
 13.15 section 124D.87:
- 13.16 \$ 16,603,000 2018
 13.17 \$ 16,854,000 2019
- 13.18 Subd. 5. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes,
 13.19 section 124D.83:
- 13.20 \$ 4,193,000 2018
 13.21 \$ 4,628,000 2019
- 13.22 The 2018 appropriation includes \$371,000 for 2017 and \$3,822,000 for 2018.
- 13.23 The 2019 appropriation includes \$424,000 for 2018 and \$4,204,000 for 2019.
- 13.24 Subd. 6. **American Indian education aid.** For American Indian education aid under
 13.25 Minnesota Statutes, section 124D.81, subdivision 2a:
- 13.26 \$ 9,247,000 2018
 13.27 \$ 9,391,000 2019
- 13.28 The 2018 appropriation includes \$890,000 for 2017 and \$8,357,000 for 2018.
- 13.29 The 2019 appropriation includes \$928,000 for 2018 and \$8,463,000 for 2019.
- 13.30 Subd. 7. **Reading corps.** For grants to ServeMinnesota for the Minnesota reading corps
 13.31 under Minnesota Statutes, section 124D.42, subdivision 8:

14.1 \$ 5,625,000 2018

14.2 \$ 5,625,000 2019

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

14.4 Subd. 8. **Concurrent enrollment program.** For concurrent enrollment programs under

14.5 Minnesota Statutes, section 124D.091:

14.6 \$ 4,000,000 2018

14.7 \$ 4,000,000 2019

14.8 If the appropriation is insufficient, the commissioner must proportionately reduce the

14.9 aid payment to each district.

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

14.11 Subd. 9. **ServeMinnesota program.** For funding ServeMinnesota programs under

14.12 Minnesota Statutes, sections 124D.37 to 124D.45:

14.13 \$ 900,000 2018

14.14 \$ 900,000 2019

14.15 A grantee organization may provide health and child care coverage to the dependents

14.16 of each participant enrolled in a full-time ServeMinnesota program to the extent such

14.17 coverage is not otherwise available.

14.18 Subd. 10. **Student organizations.** For student organizations:

14.19 \$ 725,000 2018

14.20 \$ 725,000 2019

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

14.22 (b) \$100,000 each year is for student organizations serving trade and industry occupations

14.23 (Skills USA, secondary and postsecondary).

14.24 (c) \$95,000 each year is for student organizations serving business occupations (BPA,

14.25 secondary and postsecondary).

14.26 (d) \$193,000 each year is for student organizations serving agriculture occupations (FFA,

14.27 PAS).

14.28 (e) \$142,000 each year is for student organizations serving family and consumer science

14.29 occupations (FCCLA).

14.30 (f) \$109,000 each year is for student organizations serving marketing occupations (DECA

14.31 and DECA collegiate).

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

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

15.3 Subd. 11. **Museums and education centers.** For grants to museums and education
15.4 centers:

15.5 \$ 401,000 2018

15.6 \$ 401,000 2019

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

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

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

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

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

15.12 Subd. 12. **Starbase MN.** For a grant to Starbase MN for rigorous science, technology,
15.13 engineering, and math (STEM) program providing students in grades 4 to 6 with a
15.14 multisensory learning experience and a hands-on curriculum in an aerospace environment
15.15 using state-of-the-art technology:

15.16 \$ 500,000 2018

15.17 \$ 500,000 2019

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

15.19 Subd. 13. **Recovery program grants.** For recovery program grants under Minnesota
15.20 Statutes, section 124D.695:

15.21 \$ 500,000 2018

15.22 \$ 500,000 2019

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

15.24 Subd. 14. **Minnesota math corps program.** For the Minnesota math corps program
15.25 under Minnesota Statutes, section 124D.42, subdivision 9:

15.26 \$ 250,000 2018

15.27 \$ 250,000 2019

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

15.29 Subd. 15. **Civic education grants.** For grants to the Minnesota Civic Education Coalition,
15.30 Kids Voting St. Paul, Learning Law and Democracy Foundation, and YMCA Youth in
15.31 Government to provide civic education programs for Minnesota youth age 18 and younger.

16.1 Civic education is the study of constitutional principles and the democratic foundation of
 16.2 our national, state, and local institutions, and the study of political processes and structures
 16.3 of government, grounded in the understanding of constitutional government under the rule
 16.4 of law.

16.5 \$ 125,000 2018

16.6 \$ 125,000 2019

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

16.8 Subd. 16. **Minnesota Principals' Academy.** For a grant to the University of Minnesota
 16.9 College of Education and Human Development, for the operation of the Minnesota Principals'
 16.10 Academy:

16.11 \$ 150,000 2018

16.12 \$ 150,000 2019

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

16.14 Subd. 17. **Full-service community schools.** For full-service community schools under
 16.15 Minnesota Statutes, section 124D.231:

16.16 \$ 1,000,000 2018

16.17 \$ 1,000,000 2019

16.18 Up to \$50,000 each year is for administration of this program.

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

16.20 Subd. 18. **Support our students grants.** For support our students grants:

16.21 \$ 4,000,000 2018

16.22 This is a onetime appropriation.

16.23 Notwithstanding Minnesota Statutes, section 16A.28, this appropriation is available until
 16.24 June 30, 2023. The commissioner may not allot more than \$793,538 of this appropriation
 16.25 before July 1, 2018. Up to five percent of this appropriation may be retained by the
 16.26 commissioner for administration of the grant program. Any balance remaining after June
 16.27 30, 2023, shall cancel to the general fund.

16.28 Subd. 19. **Charter school building lease aid.** For building lease aid under Minnesota
 16.29 Statutes, section 124E.22:

16.30 \$ 73,623,000 2018

16.31 \$ 79,661,000 2019

16.32 The 2018 appropriation includes \$6,826,000 for 2017 and \$66,797,000 for 2018.

17.1 The 2019 appropriation includes \$7,421,000 for 2018 and \$72,240,000 for 2019.

17.2 Subd. 20. **Race 2 Reduce.** (a) For grants to support expanded Race 2 Reduce water
 17.3 conservation programming in Minnesota schools:

17.4 \$ 307,000 2018

17.5 \$ 307,000 2019

17.6 (b) In the first year, \$143,000 is for H2O for Life; \$98,000 is for Independent School
 17.7 District No. 624, White Bear Lake; and \$66,000 is for Independent School District No. 832,
 17.8 Mahtomedi.

17.9 (c) Any balance in the first year does not cancel but is available in the second year. The
 17.10 base appropriation for fiscal year 2020 and later is \$307,000.

17.11 Subd. 21. **Paraprofessional pathway to teacher licensure.** (a) For grants to school
 17.12 districts for Grow Your Own new teacher programs:

17.13 \$ 1,000,000 2018

17.14 \$ 1,000,000 2019

17.15 (b) The grants are for a first class city school district or any other school district with
 17.16 more than 40 percent minority students to provide tuition scholarships or stipends to eligible
 17.17 employees for a nonconventional teacher residency pilot program established under
 17.18 Minnesota Statutes, section 122A.09, subdivision 10, paragraph (a). The program shall
 17.19 provide tuition scholarships or stipends to enable education or teaching assistants or other
 17.20 nonlicensed employees of a first class city school district or any other school district with
 17.21 more than 40 percent minority students who hold a bachelor's degree from an accredited
 17.22 college or university and who seek an education license to participate in a Board of
 17.23 Teaching-approved nonconventional teacher residency program under Minnesota Statutes,
 17.24 section 122A.09, subdivision 10, paragraph (a). Any funds not awarded by June 1, 2019,
 17.25 may be reallocated among the remaining districts if the total cost of the program exceeds
 17.26 the original allocation. The base in fiscal year 2020 is \$1,000,000.

17.27 Subd. 22. **Statewide testing and reporting system.** For the statewide testing and
 17.28 reporting system under Minnesota Statutes, section 120B.30:

17.29 \$ 10,892,000 2018

17.30 \$ 10,892,000 2019

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

18.1 Subd. 23. College entrance examination reimbursement. To reimburse districts for
 18.2 students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph
 18.3 (e), for onetime payment of their college entrance examination fee:

18.4 \$ 3,011,000 2018

18.5 \$ 3,011,000 2019

18.6 The Department of Education must reimburse districts for their onetime payments on
 18.7 behalf of students. Any balance in the first year does not cancel but is available in the second
 18.8 year. This appropriation is available until October 1, 2019. For examinations taken before
 18.9 July 1, 2016, the department may reimburse districts only for the ACT examination fees.

18.10 Subd. 24. Examination fees; teacher training and support programs. (a) For students'
 18.11 advanced placement and international baccalaureate examination fees under Minnesota
 18.12 Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and
 18.13 other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

18.14 \$ 4,500,000 2018

18.15 \$ 4,500,000 2019

18.16 (b) The advanced placement program shall receive 75 percent of the appropriation each
 18.17 year and the international baccalaureate program shall receive 25 percent of the appropriation
 18.18 each year. The department, in consultation with representatives of the advanced placement
 18.19 and international baccalaureate programs selected by the Advanced Placement Advisory
 18.20 Council and IBMN, respectively, shall determine the amounts of the expenditures each year
 18.21 for examination fees and training and support programs for each program.

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

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

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

18.33 Subd. 25. Alternative teacher compensation aid. For alternative teacher compensation
 18.34 aid under Minnesota Statutes, section 122A.415, subdivision 4:

19.1 \$ 90,533,000 2018

19.2 \$ 90,066,000 2019

19.3 The 2018 appropriation includes \$9,024,000 for 2017 and \$81,509,000 for 2018.

19.4 The 2019 appropriation includes \$9,056,000 for 2018 and \$81,010,000 for 2019.

19.5 Subd. 26. Collaborative urban educator. For the collaborative urban educator grant
19.6 program:

19.7 \$ 780,000 2018

19.8 \$ 780,000 2019

19.9 Grants shall be awarded in equal amounts: \$195,000 each year is for the Southeast Asian
19.10 teacher program at Concordia University, St. Paul; \$195,000 each year is for the collaborative
19.11 urban educator program at the University of St. Thomas; \$195,000 each year is for the
19.12 Center for Excellence in Urban Teaching at Hamline University; and \$195,000 each year
19.13 is for the East Africa Student to Teacher program at Augsburg College.

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

19.15 Each institution shall prepare for the legislature, by January 15 of each year, a detailed
19.16 report regarding the funds used. The report must include the number of teachers prepared
19.17 as well as the diversity for each cohort of teachers produced.

19.18 Subd. 27. American Indian teacher preparation grants. For joint grants to assist
19.19 American Indian people to become teachers under Minnesota Statutes, section 122A.63:

19.20 \$ 460,000 2018

19.21 \$ 460,000 2019

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

19.23 **ARTICLE 3**

19.24 **SPECIAL EDUCATION**

19.25 Section 1. Minnesota Statutes 2016, section 125A.76, subdivision 1, is amended to read:

19.26 Subdivision 1. **Definitions.** (a) For the purposes of this section and section 125A.79,
19.27 the definitions in this subdivision apply.

19.28 (b) "Basic revenue" has the meaning given it in section 126C.10, subdivision 2. For the
19.29 purposes of computing basic revenue pursuant to this section, each child with a disability
19.30 shall be counted as prescribed in section 126C.05, subdivision 1.

20.1 (c) "Essential personnel" means teachers, cultural liaisons, related services, and support
20.2 services staff providing services to students. Essential personnel may also include special
20.3 education paraprofessionals or clericals providing support to teachers and students by
20.4 preparing paperwork and making arrangements related to special education compliance
20.5 requirements, including parent meetings and individualized education programs. Essential
20.6 personnel does not include administrators and supervisors.

20.7 (d) "Average daily membership" has the meaning given it in section 126C.05.

20.8 (e) "Program growth factor" means ~~1.046 for fiscal years 2012 through 2015~~, 1.0 for
20.9 fiscal year 2016, 1.046 for fiscal year 2017, and the product of 1.046 and the program growth
20.10 factor for the previous year for fiscal year 2018 and later.

20.11 (f) "Nonfederal special education expenditure" means all direct expenditures that are
20.12 necessary and essential to meet the district's obligation to provide special instruction and
20.13 services to children with a disability according to sections 124D.454, 125A.03 to 125A.24,
20.14 125A.259 to 125A.48, and 125A.65 as submitted by the district and approved by the
20.15 department under section 125A.75, subdivision 4, excluding expenditures:

20.16 (1) reimbursed with federal funds;

20.17 (2) reimbursed with other state aids under this chapter and under section 126C.10,
20.18 subdivision 37, paragraphs (a), clause (2); (b); and (c);

20.19 (3) for general education costs of serving students with a disability;

20.20 (4) for facilities;

20.21 (5) for pupil transportation; and

20.22 (6) for postemployment benefits.

20.23 (g) "Old formula special education expenditures" means expenditures eligible for revenue
20.24 under Minnesota Statutes 2012, section 125A.76, subdivision 2.

20.25 (h) For the Minnesota State Academy for the Deaf and the Minnesota State Academy
20.26 for the Blind, expenditures under paragraphs (f) and (g) are limited to the salary and fringe
20.27 benefits of one-to-one instructional and behavior management aides and one-to-one licensed,
20.28 certified professionals assigned to a child attending the academy, if the aides or professionals
20.29 are required by the child's individualized education program.

20.30 (i) ~~"Cross subsidy reduction aid percentage" means 1.0 percent for fiscal year 2014 and~~
20.31 ~~2.27 percent for fiscal year 2015.~~

21.1 ~~(j) "Cross-subsidy reduction aid limit" means \$20 for fiscal year 2014 and \$48 for fiscal~~
 21.2 ~~year 2015.~~

21.3 ~~(i)~~ (i) "Special education aid increase limit" means \$80 for fiscal year 2016, \$100 for
 21.4 fiscal year 2017, \$171 for fiscal year 2018, and, for fiscal year ~~2018~~ 2019 and later, the sum
 21.5 of the special education aid increase limit for the previous fiscal year and ~~\$40~~ \$43.

21.6 ~~(j)~~ (j) "District" means a school district, a charter school, or a cooperative unit as defined
 21.7 in section 123A.24, subdivision 2. Notwithstanding section 123A.26, cooperative units as
 21.8 defined in section 123A.24, subdivision 2, are eligible to receive special education aid under
 21.9 this section and section 125A.79.

21.10 Sec. 2. Minnesota Statutes 2016, section 125A.76, subdivision 2a, is amended to read:

21.11 Subd. 2a. **Special education initial aid.** For fiscal year ~~2016~~ 2018 and later, a district's
 21.12 special education initial aid equals the sum of:

21.13 (1) the ~~least~~ lesser of ~~62 percent of the district's old formula special education~~
 21.14 ~~expenditures for the prior fiscal year, excluding pupil transportation expenditures~~, 50 percent
 21.15 of the district's nonfederal special education expenditures for the prior year, excluding pupil
 21.16 transportation expenditures, or ~~56~~ 57 percent of the product of the sum of the following
 21.17 amounts, computed using prior fiscal year data, and the program growth factor:

21.18 (i) the product of the district's average daily membership served and the sum of:

21.19 (A) ~~\$450~~ \$467; plus

21.20 (B) ~~\$400~~ \$415 times the ratio of the sum of the number of pupils enrolled on October
 21.21 1 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1
 21.22 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus

21.23 (C) .008 times the district's average daily membership served; plus

21.24 (ii) ~~\$10,400~~ \$12,700 times the December 1 child count for the primary disability areas
 21.25 of autism spectrum disorders, developmental delay, and severely multiply impaired; plus

21.26 (iii) ~~\$18,000~~ \$19,000 times the December 1 child count for the primary disability areas
 21.27 of deaf and hard-of-hearing and emotional or behavioral disorders; plus

21.28 (iv) ~~\$27,000~~ \$27,200 times the December 1 child count for the primary disability areas
 21.29 of developmentally cognitive mild-moderate, developmentally cognitive severe-profound,
 21.30 physically impaired, visually impaired, and deafblind; plus

22.1 (2) the cost of providing transportation services for children with disabilities under
22.2 section 123B.92, subdivision 1, paragraph (b), clause (4).

22.3 Sec. 3. Minnesota Statutes 2016, section 125A.76, subdivision 2c, is amended to read:

22.4 Subd. 2c. **Special education aid.** (a) For fiscal year 2016 and later, a district's special
22.5 education aid equals the sum of the district's special education initial aid under subdivision
22.6 2a and the district's excess cost aid under section 125A.79, subdivision 5.

22.7 (b) Notwithstanding paragraph (a), for fiscal year 2016, the special education aid for a
22.8 school district must not exceed the sum of the special education aid the district would have
22.9 received for fiscal year 2016 under Minnesota Statutes 2012, sections 125A.76 and 125A.79,
22.10 as adjusted according to Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision
22.11 7, and the product of the district's average daily membership served and the special education
22.12 aid increase limit.

22.13 (c) Notwithstanding paragraph (a), for fiscal year 2017 and later, the special education
22.14 aid for a school district must not exceed the sum of: (i) the product of the district's average
22.15 daily membership served and the special education aid increase limit and (ii) the product
22.16 of the sum of the special education aid the district would have received for fiscal year 2016
22.17 under Minnesota Statutes 2012, sections 125A.76 and 125A.79, as adjusted according to
22.18 Minnesota Statutes 2012, sections 125A.11 and 127A.47, subdivision 7, the ratio of the
22.19 district's average daily membership served for the current fiscal year to the district's average
22.20 daily membership served for fiscal year 2016, and the program growth factor.

22.21 (d) Notwithstanding paragraph (a), for fiscal year 2016 and later the special education
22.22 aid for a school district, not including a charter school or cooperative unit as defined in
22.23 section 123A.24, must not be less than the lesser of (1) the district's nonfederal special
22.24 education expenditures for that fiscal year or (2) the product of the sum of the special
22.25 education aid the district would have received for fiscal year 2016 under Minnesota Statutes
22.26 2012, sections 125A.76 and 125A.79, as adjusted according to Minnesota Statutes 2012,
22.27 sections 125A.11 and 127A.47, subdivision 7, the ratio of the district's adjusted daily
22.28 membership for the current fiscal year to the district's average daily membership for fiscal
22.29 year 2016, and the program growth factor.

22.30 (e) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first year
22.31 of operation shall generate special education aid based on current year data. A newly formed
22.32 cooperative unit as defined in section 123A.24 may apply to the commissioner for approval
22.33 to generate special education aid for its first year of operation based on current year data,
22.34 with an offsetting adjustment to the prior year data used to calculate aid for programs at

23.1 participating school districts or previous cooperatives that were replaced by the new
 23.2 cooperative. The department shall establish procedures to adjust the prior year data and
 23.3 fiscal year 2016 old formula aid used in calculating special education aid to exclude costs
 23.4 that have been eliminated for districts where programs have closed or where a substantial
 23.5 portion of the program has been transferred to a cooperative unit.

23.6 (f) The department shall establish procedures through the uniform financial accounting
 23.7 and reporting system to identify and track all revenues generated from third-party billings
 23.8 as special education revenue at the school district level; include revenue generated from
 23.9 third-party billings as special education revenue in the annual cross-subsidy report; and
 23.10 exclude third-party revenue from calculation of excess cost aid to the districts.

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

23.12 Sec. 4. Minnesota Statutes 2016, section 125A.79, subdivision 5, is amended to read:

23.13 Subd. 5. **Excess cost aid.** For fiscal year ~~2016~~ 2018 and later, a district's excess cost
 23.14 aid equals the greater of:

23.15 (1) ~~56~~ 57 percent of the difference between (i) the district's unreimbursed nonfederal
 23.16 special education expenditures and (ii) 7.0 percent of the product of the ratio of \$5,831 to
 23.17 the formula allowance for the prior year and the district's general revenue;

23.18 (2) 62 percent of the difference between (i) the district's unreimbursed old formula special
 23.19 education expenditures and (ii) ~~2.5~~ 2.2 percent of the product of the ratio of \$5,831 to the
 23.20 formula allowance for the prior year and the district's general revenue; or

23.21 (3) zero.

23.22 Sec. 5. **APPROPRIATIONS.**

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

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

23.28 \$ 1,345,295,000 2018

23.29 \$ 1,426,749,000 2019

23.30 The 2018 appropriation includes \$155,271,000 for 2017 and \$1,190,024,000 for 2018.

23.31 The 2019 appropriation includes \$167,521,000 for 2018 and \$1,259,228,000 for 2019.

24.1 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 24.2 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 24.3 the district boundaries for whom no district of residence can be determined:

24.4 \$ 1,597,000 2018

24.5 \$ 1,830,000 2019

24.6 If the appropriation for either year is insufficient, the appropriation for the other year is
 24.7 available.

24.8 Subd. 4. **Travel for home-based services.** For aid for teacher travel for home-based
 24.9 services under Minnesota Statutes, section 125A.75, subdivision 1:

24.10 \$ 460,000 2018

24.11 \$ 478,000 2019

24.12 The 2018 appropriation includes \$44,000 for 2017 and \$416,000 for 2018.

24.13 The 2019 appropriation includes \$46,000 for 2018 and \$432,000 for 2019.

24.14 Subd. 5. **Court-placed special education revenue.** For reimbursing serving school
 24.15 districts for unreimbursed eligible expenditures attributable to children placed in the serving
 24.16 school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

24.17 \$ 46,000 2018

24.18 \$ 47,000 2019

24.19 Subd. 6. **Special education out-of-state tuition.** For special education out-of-state
 24.20 tuition under Minnesota Statutes, section 125A.79, subdivision 8:

24.21 \$ 250,000 2018

24.22 \$ 250,000 2019

24.23 **Sec. 6. REPEALER.**

24.24 Minnesota Statutes 2016, sections 125A.75, subdivision 7; and 125A.76, subdivision
 24.25 2b, are repealed effective for fiscal year 2018 and later.

24.26 **ARTICLE 4**

24.27 **FACILITIES AND TECHNOLOGY**

24.28 Section 1. Minnesota Statutes 2016, section 123B.53, subdivision 4, is amended to read:

24.29 **Subd. 4. **Debt service equalization revenue.**** (a) The debt service equalization revenue
 24.30 of a district equals the sum of the first tier debt service equalization revenue and the second
 24.31 tier debt service equalization revenue.

25.1 (b) The first tier debt service equalization revenue of a district equals the greater of zero
 25.2 or the eligible debt service revenue minus the amount raised by a levy of 15.74 percent
 25.3 times the adjusted net tax capacity of the district minus the second tier debt service
 25.4 equalization revenue of the district.

25.5 (c) The second tier debt service equalization revenue of a district equals the greater of
 25.6 zero or the eligible debt service revenue, minus the amount raised by a levy of 26.24 percent
 25.7 for fiscal year 2017, 22.34 percent for fiscal year 2018, and 19 percent for fiscal year 2019
 25.8 and later times the adjusted net tax capacity of the district.

25.9 **Sec. 2. APPROPRIATIONS.**

25.10 Subdivision 1. Department of Education. The sums indicated in this section are
 25.11 appropriated from the general fund to the Department of Education for the fiscal years
 25.12 designated.

25.13 Subd. 2. Debt service equalization aid. For debt service equalization aid under
 25.14 Minnesota Statutes, section 123B.53, subdivision 6:

25.15 \$ 30,235,000 2018

25.16 \$ 38,147,000 2019

25.17 The 2018 appropriation includes \$2,324,000 for 2017 and \$27,911,000 for 2018.

25.18 The 2019 appropriation includes \$3,101,000 for 2018 and \$35,046,000 for 2019.

25.19 Subd. 3. Long-term facilities maintenance equalized aid. For long-term facilities
 25.20 maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

25.21 \$ 80,632,000 2018

25.22 \$ 103,364,000 2019

25.23 The 2018 appropriation includes \$5,808,000 for 2017 and \$74,824,000 for 2018.

25.24 The 2019 appropriation includes \$8,314,000 for 2018 and \$95,050,000 for 2019.

25.25 Subd. 4. Equity in telecommunications access. For equity in telecommunications
 25.26 access:

25.27 \$ 3,750,000 2018

25.28 \$ 3,750,000 2019

25.29 If the appropriation amount is insufficient, the commissioner shall reduce the
 25.30 reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the
 25.31 revenue for fiscal years 2018 and 2019 shall be prorated.

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

26.2 Subd. 5. **Early repayment aid incentive.** (a) For incentive grants for a district that
26.3 repays the full outstanding original principal on its capital loan by November 30, 2016,
26.4 under Laws 2011, First Special Session chapter 11, article 4, section 8, as amended by Laws
26.5 2016, chapter 189, article 30, section 22:

26.6 \$ 2,200,000 2018

26.7 \$ 2,200,000 2019

26.8 (b) Of this amount, \$180,000 is for a grant to Independent School District No. 95,
26.9 Cromwell; \$495,000 is for a grant to Independent School District No. 299, Caledonia;
26.10 \$220,000 is for a grant to Independent School District No. 306, Laporte; \$150,000 is for a
26.11 grant to Independent School District No. 362, Littlefork; \$650,000 is for a grant to
26.12 Independent School District No. 682, Roseau; and \$505,000 is for a grant to Independent
26.13 School District No. 2580, East Central.

26.14 (c) The grant may be used for any school-related purpose.

26.15 (d) The base appropriation for 2022 is \$0.

26.16 **ARTICLE 5**

26.17 **NUTRITION**

26.18 Section 1. **APPROPRIATIONS.**

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

26.22 Subd. 2. **School lunch.** For school lunch aid under Minnesota Statutes, section 124D.111,
26.23 and Code of Federal Regulations, title 7, section 210.17:

26.24 \$ 16,762,000 2018

26.25 \$ 17,272,000 2019

26.26 Subd. 3. **School breakfast.** For traditional school breakfast aid under Minnesota Statutes,
26.27 section 124D.1158:

26.28 \$ 10,599,000 2018

26.29 \$ 11,361,000 2019

26.30 Subd. 4. **Kindergarten milk.** For kindergarten milk aid under Minnesota Statutes,
26.31 section 124D.118:

26.32 \$ 758,000 2018

27.1 \$ 758,000 2019

27.2 Subd. 5. Summer school food service replacement aid. For summer school food service
27.3 replacement aid under Minnesota Statutes, section 124D.119:

27.4 \$ 150,000 2018

27.5 \$ 150,000 2019

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

27.7 **ARTICLE 6**

27.8 **LIBRARIES**

27.9 Section 1. APPROPRIATIONS.

27.10 Subdivision 1. Department of Education. The sums indicated in this section are
27.11 appropriated from the general fund to the Department of Education for the fiscal years
27.12 designated.

27.13 Subd. 2. Basic system support. For basic system support aid under Minnesota Statutes,
27.14 section 134.355:

27.15 \$ 13,570,000 2018

27.16 \$ 13,570,000 2019

27.17 The 2018 appropriation includes \$1,357,000 for 2017 and \$12,213,000 for 2018.

27.18 The 2019 appropriation includes \$1,357,000 for 2018 and \$12,213,000 for 2019.

27.19 Subd. 3. Multicounty, multitype library systems. For aid under Minnesota Statutes,
27.20 sections 134.353 and 134.354, to multicounty, multitype library systems:

27.21 \$ 1,300,000 2018

27.22 \$ 1,300,000 2019

27.23 The 2018 appropriation includes \$130,000 for 2017 and \$1,170,000 for 2018.

27.24 The 2019 appropriation includes \$130,000 for 2018 and \$1,170,000 for 2019.

27.25 Subd. 4. Electronic library for Minnesota. For statewide licenses to online databases
27.26 selected in cooperation with the Minnesota Office of Higher Education for school media
27.27 centers, public libraries, state government agency libraries, and public or private college or
27.28 university libraries:

27.29 \$ 900,000 2018

27.30 \$ 900,000 2019

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

28.1 Subd. 5. Regional library telecommunications aid. For regional library
 28.2 telecommunications aid under Minnesota Statutes, section 134.355:

28.3 \$ 2,300,000 2018

28.4 \$ 2,300,000 2019

28.5 The 2018 appropriation includes \$230,000 for 2017 and \$2,070,000 for 2018.

28.6 The 2019 appropriation includes \$230,000 for 2018 and \$2,070,000 for 2019.

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

28.8 **ARTICLE 7**

28.9 **EARLY CHILDHOOD AND FAMILY SUPPORT**

28.10 Section 1. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

28.11 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
 28.12 parents or guardians must meet the following eligibility requirements:

28.13 (1) have a child ~~three or four~~ birth to five years of age on September 1 of the current
 28.14 school year, who has not yet started kindergarten; and

28.15 (2) have income equal to or less than 185 percent of federal poverty level income in the
 28.16 current calendar year, or be able to document their child's current participation in the free
 28.17 and reduced-price lunch program or child and adult care food program, National School
 28.18 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution
 28.19 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections
 28.20 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
 28.21 of 2007; Minnesota family investment program under chapter 256J; child care assistance
 28.22 programs under chapter 119B; the supplemental nutrition assistance program; or placement
 28.23 in foster care under section 260C.212.

28.24 (b) Notwithstanding the other provisions of this section, a parent under age 21 who is
 28.25 pursuing a high school or general education equivalency diploma is eligible for an early
 28.26 learning scholarship if the parent has a child age zero to five years old and meets the income
 28.27 eligibility guidelines in this subdivision.

28.28 (c) Any siblings between the ages zero to five years old of a child who has been awarded
 28.29 a scholarship under this section must be awarded a scholarship upon request, provided the
 28.30 sibling attends the same program as long as funds are available.

29.1 (d) A child who has received a scholarship under this section must continue to receive
 29.2 a scholarship each year until that child is eligible for kindergarten under section 120A.20
 29.3 and as long as funds are available.

29.4 (e) Early learning scholarships may not be counted as earned income for the purposes
 29.5 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
 29.6 family investment program under chapter 256J, child care assistance programs under chapter
 29.7 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
 29.8 2007.

29.9 (f) A child from an adjoining state whose family resides at a Minnesota address as
 29.10 assigned by the United States Postal Service, who has received developmental screening
 29.11 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
 29.12 and whose family meets the criteria of paragraph (a) is eligible for an early learning
 29.13 scholarship under this section.

29.14 **Sec. 2. APPROPRIATIONS.**

29.15 Subdivision 1. Department of Education. The sums indicated in this section are
 29.16 appropriated from the general fund to the Department of Education for the fiscal years
 29.17 designated.

29.18 Subd. 2. School readiness. For revenue for school readiness programs under Minnesota
 29.19 Statutes, sections 124D.15 and 124D.16:

29.20	\$	<u>33,683,000</u>	<u>2018</u>
29.21	\$	<u>33,683,000</u>	<u>2019</u>

29.22 The 2018 appropriation includes \$3,368,000 for 2017 and \$30,315,000 for 2018.

29.23 The 2019 appropriation includes \$3,368,000 for 2018 and \$30,315,000 for 2019.

29.24 Subd. 3. Early learning scholarships. For the early learning scholarship program under
 29.25 Minnesota Statutes, section 124D.165:

29.26	\$	<u>59,884,000</u>	<u>2018</u>
29.27	\$	<u>59,884,000</u>	<u>2019</u>

29.28 Up to \$950,000 each year is for administration of this program.

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

29.30 Subd. 4. Head Start program. For Head Start programs under Minnesota Statutes,
 29.31 section 119A.52:

29.32	\$	<u>25,100,000</u>	<u>2018</u>
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30.1 \$ 25,100,000 2019

30.2 Subd. 5. **Early childhood family education aid.** For early childhood family education
 30.3 aid under Minnesota Statutes, section 124D.135:

30.4 \$ 30,390,000 2018

30.5 \$ 31,964,000 2019

30.6 The 2018 appropriation includes \$2,904,000 for 2017 and \$27,486,000 for 2018.

30.7 The 2019 appropriation includes \$3,054,000 for 2018 and \$28,910,000 for 2019.

30.8 Subd. 6. **Developmental screening aid.** For developmental screening aid under
 30.9 Minnesota Statutes, sections 121A.17 and 121A.19:

30.10 \$ 3,587,000 2018

30.11 \$ 3,611,000 2019

30.12 The 2018 appropriation includes \$356,000 for 2017 and \$3,231,000 for 2018.

30.13 The 2019 appropriation includes \$358,000 for 2018 and \$3,253,000 for 2019.

30.14 Subd. 7. **Parent-child home program.** For a grant to the parent-child home program:

30.15 \$ 350,000 2018

30.16 \$ 350,000 2019

30.17 The grant must be used for an evidence-based and research-validated early childhood
 30.18 literacy and school readiness program for children ages 16 months to four years at its existing
 30.19 suburban program location. The program must include urban and rural program locations
 30.20 for fiscal years 2018 and 2019.

30.21 The base appropriation for this program for fiscal year 2020 and later is \$350,000.

30.22 The 2017 appropriation under Laws 2016, chapter 189, article 31, section 4, is available
 30.23 until June 30, 2019. To the extent practicable, the parent-child home program is encouraged
 30.24 to expend the fiscal year 2017 appropriation equally over fiscal years 2017, 2018, and 2019.

30.25 Subd. 8. **Kindergarten entrance assessment initiative and intervention program.**

30.26 For the kindergarten entrance assessment initiative and intervention program under Minnesota
 30.27 Statutes, section 124D.162:

30.28 \$ 281,000 2018

30.29 \$ 281,000 2019

30.30 Subd. 9. **Quality rating and improvement system.** For transfer to the commissioner
 30.31 of human services for the purposes of expanding the quality rating and improvement system

31.1 under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports
 31.2 for providers participating in the quality rating and improvement system:

31.3 \$ 1,750,000 2018

31.4 \$ 1,750,000 2019

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

31.6 The base for this program in fiscal year 2020 and later is \$1,750,000.

31.7 Subd. 10. **Early childhood programs at tribal schools.** For early childhood family
 31.8 education programs at tribal contract schools under Minnesota Statutes, section 124D.83,
 31.9 subdivision 4:

31.10 \$ 68,000 2018

31.11 \$ 68,000 2019

31.12 Subd. 11. **Educate parents partnership.** For the educate parents partnership under
 31.13 Minnesota Statutes, section 124D.129:

31.14 \$ 49,000 2018

31.15 \$ 49,000 2019

31.16 Subd. 12. **Home visiting aid.** For home visiting aid under Minnesota Statutes, section
 31.17 124D.135:

31.18 \$ 520,000 2018

31.19 \$ 563,000 2019

31.20 The 2018 appropriation includes \$0 for 2017 and \$520,000 for 2018. The 2019
 31.21 appropriation includes \$57,000 for 2018 and \$506,000 for 2019.

31.22 Subd. 13. **Education partnership pilots.** (a) For education partnership pilot grants:

31.23 \$ 200,000 2018

31.24 \$ 200,000 2019

31.25 (b) Of this amount, \$50,000 in each year is for the Northfield Healthy Community
 31.26 Initiative for a pilot site in Northfield; \$50,000 in each year is for the Jones Family
 31.27 Foundation for a pilot site in Red Wing; and \$100,000 in each year is for Independent School
 31.28 District No. 742, St. Cloud, for a pilot site in St. Cloud. Each partnership pilot program
 31.29 shall support community collaborations focused on academic achievement and youth
 31.30 development, use a comprehensive and data-driven approach to increase student success,
 31.31 and measure outcomes, such as kindergarten readiness, reading proficiency by grade 3, high
 31.32 school graduation, and college and career readiness. By February 15, 2018, and by February
 31.33 15 of every subsequent even-numbered year, each partnership pilot grant recipient shall

32.1 submit to the chairs and ranking minority members of the legislative committees with
 32.2 primary jurisdiction over kindergarten through grade 12 education a report describing the
 32.3 activities funded by the grant, changes in outcome measures attributable to the grant-funded
 32.4 activities, and the recipient's program plan for the following year.

32.5 (c) The base for this program in fiscal year 2020 and later is \$200,000.

32.6 Subd. 14. **Northside Achievement Zone.** For a grant to the Northside Achievement
 32.7 Zone:

32.8 \$ 1,300,000 2018

32.9 \$ 1,300,000 2019

32.10 Funds appropriated in this section are to reduce multigenerational poverty and the
 32.11 educational achievement gap through increased enrollment of families within the zone and
 32.12 may be used for Northside Achievement Zone programming and services consistent with
 32.13 federal Promise Neighborhood program agreements and requirements.

32.14 The base for this program in fiscal year 2020 and later is \$1,300,000.

32.15 Subd. 15. **St. Paul Promise Neighborhood.** For a grant to the St. Paul Promise
 32.16 Neighborhood:

32.17 \$ 1,300,000 2018

32.18 \$ 1,300,000 2019

32.19 Funds appropriated in this section are to reduce multigenerational poverty and the
 32.20 educational achievement gap through increased enrollment of families within the zone, and
 32.21 may be used for St. Paul Promise Neighborhood programming and services consistent with
 32.22 federal Promise Neighborhood program agreements and requirements.

32.23 The base for this program in fiscal year 2020 and later is \$1,300,000.

32.24 Subd. 16. **White Earth Transformation Zone.** For a grant to the White Earth
 32.25 Transformation Zone:

32.26 \$ 50,000 2018

32.27 \$ 50,000 2019

32.28 Funds appropriated in this section are to reduce multigenerational poverty and the
 32.29 educational achievement gap through increased enrollment of families within the zone, and
 32.30 may be used for White Earth Transformation Zone programming and services consistent
 32.31 with federal Promise Neighborhood program agreements and requirements.

32.32 The base for this program in fiscal year 2020 and later is \$50,000.

33.1 Subd. 17. **Itasca Transformation Zone.** For a grant to the Itasca Transformation Zone:

33.2 \$ 50,000 2018

33.3 \$ 50,000 2019

33.4 Funds appropriated in this section are to reduce multigenerational poverty and the
33.5 educational achievement gap through increased enrollment of families within the zone, and
33.6 may be used for Itasca Transformation Zone programming and services consistent with
33.7 federal Promise Neighborhood program agreements and requirements.

33.8 The base for this program in fiscal year 2020 and later is \$50,000.

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

33.10 **ARTICLE 8**

33.11 **COMMUNITY EDUCATION AND PREVENTION**

33.12 Section 1. **APPROPRIATIONS.**

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

33.16 Subd. 2. **Community education aid.** For community education aid under Minnesota
33.17 Statutes, section 124D.20:

33.18 \$ 477,000 2018

33.19 \$ 389,000 2019

33.20 The 2018 appropriation includes \$53,000 for 2017 and \$424,000 for 2018.

33.21 The 2019 appropriation includes \$47,000 for 2018 and \$342,000 for 2019.

33.22 Subd. 3. **Adults with disabilities program aid.** For adults with disabilities programs
33.23 under Minnesota Statutes, section 124D.56:

33.24 \$ 710,000 2018

33.25 \$ 710,000 2019

33.26 The 2018 appropriation includes \$71,000 for 2017 and \$639,000 for 2018.

33.27 The 2019 appropriation includes \$71,000 for 2018 and \$639,000 for 2019.

33.28 Subd. 4. **Hearing-impaired adults.** For programs for hearing-impaired adults under
33.29 Minnesota Statutes, section 124D.57:

33.30 \$ 70,000 2018

33.31 \$ 70,000 2019

34.1 Subd. 5. **School-age care aid.** For school-age care aid under Minnesota Statutes, section
34.2 124D.22:

34.3 \$ 1,000 2018

34.4 \$ 1,000 2019

34.5 The 2018 appropriation includes \$0 for 2017 and \$1,000 for 2018.

34.6 The 2019 appropriation includes \$0 for 2018 and \$1,000 for 2019.

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

34.8 **ARTICLE 9**

34.9 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

34.10 Section 1. **APPROPRIATIONS.**

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

34.14 Subd. 2. **Adult basic education aid.** For adult basic education aid under Minnesota
34.15 Statutes, section 124D.531:

34.16 \$ 50,010,000 2018

34.17 \$ 51,497,000 2019

34.18 The 2018 appropriation includes \$4,881,000 for 2017 and \$45,129,000 for 2018.

34.19 The 2019 appropriation includes \$5,014,000 for 2018 and \$46,483,000 for 2019.

34.20 Subd. 3. **GED tests.** For payment of 60 percent of the costs of GED tests under Minnesota
34.21 Statutes, section 124D.55:

34.22 \$ 125,000 2018

34.23 \$ 125,000 2019

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

34.25 **ARTICLE 10**

34.26 **STATE AGENCIES**

34.27 Section 1. **APPROPRIATIONS; DEPARTMENT OF EDUCATION.**

34.28 Subdivision 1. **Department of Education.** Unless otherwise indicated, the sums indicated
34.29 in this section are appropriated from the general fund to the Department of Education for
34.30 the fiscal years designated.

35.1 Subd. 2. Department. (a) For the Department of Education:

35.2 \$ 32,102,000 2018

35.3 \$ 30,303,000 2019

35.4 Of these amounts:

35.5 (1) \$231,000 each year is for the Board of School Administrators;

35.6 (2) \$1,000,000 each year is for regional centers of excellence under Minnesota Statutes,
35.7 section 120B.115;

35.8 (3) \$500,000 each year is for the school safety technical assistance center under Minnesota
35.9 Statutes, section 127A.052;

35.10 (4) \$250,000 each year is for the School Finance Division to enhance financial data
35.11 analysis;

35.12 (5) \$516,000 each year is for prekindergarten administration under Minnesota Statutes,
35.13 section 124D.151;

35.14 (6) \$720,000 each year is for implementing Minnesota's Learning for English Academic
35.15 Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

35.16 (7) \$2,750,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are for the Department
35.17 of Education's mainframe update. The base for this program in fiscal year 2020 and later is
35.18 \$500,000;

35.19 (8) \$860,000 in fiscal year 2018 and \$622,000 in fiscal year 2019 are for the online
35.20 individual education program to contract for a special education paperwork cost-savings
35.21 system under Minnesota Statutes, section 125A.085. The base for this program in fiscal
35.22 year 2020 and later is \$750,000; and

35.23 (9) \$1,500,000 each year is for Help Me Grow programming.

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

35.25 (c) None of the amounts appropriated under this subdivision may be used for Minnesota's
35.26 Washington, D.C. office.

35.27 (d) The expenditures of federal grants and aids as shown in the biennial budget document
35.28 and its supplements are approved and appropriated and shall be spent as indicated.

35.29 (e) This appropriation includes funds for information technology project services and
35.30 support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing
35.31 information technology costs will be incorporated into the service level agreement and will

36.1 be paid to the Office of MN.IT Services by the Department of Education under the rates
36.2 and mechanism specified in that agreement.

36.3 (f) The agency's base budget in fiscal year 2020 and later is \$30,508,000.

36.4 Subd. 3. Licensure by portfolio. For licensure by portfolio:

36.5 \$ 34,000 2018

36.6 \$ 34,000 2019

36.7 This appropriation is from the educator licensure portfolio account of the special revenue
36.8 fund.

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

36.10 Sec. 2. **APPROPRIATIONS; BOARD OF TEACHING.**

36.11 (a) The sums indicated in this section are appropriated from the general fund to the Board
36.12 of Teaching for the fiscal years designated:

36.13 \$ 980,000 2018

36.14 \$ 990,000 2019

36.15 (b) This appropriation includes funds for information technology project services and
36.16 support subject to Minnesota Statutes, section 16E.0466. Any ongoing information
36.17 technology costs will be incorporated into an interagency agreement and will be paid to the
36.18 Office of MN.IT Services by the Board of Teaching under the mechanism specified in that
36.19 agreement.

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

36.21 (d) The board's base budget for fiscal year 2020 and later is \$990,000.

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

36.23 Sec. 3. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

36.24 (a) The sums indicated in this section are appropriated from the general fund to the
36.25 Minnesota State Academies for the Deaf and the Blind for the fiscal years designated:

36.26 \$ 14,026,000 2018

36.27 \$ 14,352,000 2019

36.28 (b) Of the amounts appropriated in paragraph (a), \$40,000 in fiscal year 2018 and \$40,000
36.29 in fiscal year 2019 are for curriculum updates and may be used for: (1) textbooks; (2)
36.30 assessment materials; and (3) other curricular resources.

37.1 (c) Of the amounts appropriated in paragraph (a), \$250,000 in fiscal year 2018 and
 37.2 \$250,000 in fiscal year 2019 are for facility safety and accessibility improvements and may
 37.3 be used for repairing, replacing, and maintaining the facilities on both campuses.

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

37.5 Sec. 4. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

37.6 (a) The sums in this section are appropriated from the general fund to the Perpich Center
 37.7 for Arts Education for the fiscal years designated:

37.8 \$ 8,330,000 2018

37.9 \$ 8,083,000 2019

37.10 (b) Of the amounts appropriated in paragraph (a), \$1,285,000 in fiscal year 2018 and
 37.11 \$975,000 in fiscal year 2019 are for technology enhancements and staff training. The base
 37.12 for technology enhancements in fiscal year 2020 is \$730,000.

37.13 (c) The base for fiscal year 2020 and later is \$7,838,000.

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

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

APPENDIX
Article locations in 17-0348

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125A.75 SPECIAL EDUCATION PROGRAMS; APPROVAL; AID PAYMENTS; TRAVEL AID; LITIGATION COSTS.

Subd. 7. **Allocation from cooperative centers, service cooperatives, education districts, and intermediate districts.** For purposes of this section, a special education cooperative, service cooperative, education district, or an intermediate district must allocate its approved expenditures for special education programs among participating districts. Special education aid for services provided by a cooperative, service cooperative, education district, or intermediate district must be paid to the participating school districts.

125A.76 SPECIAL EDUCATION AID.

Subd. 2b. **Cross subsidy reduction aid.** For fiscal years 2014 and 2015, the cross subsidy reduction aid for a school district, not including a charter school, equals the lesser of (a) the product of the cross subsidy reduction aid limit and the district's average daily membership served or (b) the sum of the product of the cross subsidy reduction aid percentage, the district's average daily membership served, and the sum of:

- (1) \$450; plus
- (2) \$400 times the ratio of the sum of the number of pupils enrolled on October 1 who are eligible to receive free lunch plus one-half of the pupils enrolled on October 1 who are eligible to receive reduced-price lunch to the total October 1 enrollment; plus
- (3) .008 times the district's average daily membership served; plus the product of the cross subsidy aid percentage and the sum of:
 - (i) \$10,100 times the December 1 child count for the primary disability areas of autism spectrum disorders, developmental delay, and severely multiply impaired; plus
 - (ii) \$17,500 times the December 1 child count for the primary disability areas of deaf and hard-of-hearing and emotional or behavioral disorders; plus
 - (iii) \$26,000 times the December 1 child count for the primary disability areas of developmentally cognitive mild-moderate, developmentally cognitive severe-profound, physically impaired, visually impaired, and deafblind.