

CHAPTER 5--H.F.No. 2

An act relating to education finance; providing funding in early childhood, kindergarten through grade 12, and adult education, including general education, education excellence, teachers, special education, facilities and technology, nutrition, libraries, early childhood and family support, community education and prevention, self-sufficiency and lifelong learning, and state agencies; making forecast adjustments; restructuring Minnesota's teacher licensing system; establishing and transferring all teacher licensing and support personnel licensing and credentialing authority to the Professional Educator Licensing and Standards Board; providing for rulemaking; requiring a report; appropriating money; amending Minnesota Statutes 2016, sections 120A.22, subdivision 9; 120A.41; 120B.021, subdivisions 1, 3; 120B.022, subdivision 1b; 120B.12, subdivisions 2, 2a, 3; 120B.125; 120B.132; 120B.22, subdivision 2; 120B.23, subdivision 3; 120B.232, subdivision 1; 120B.30, subdivision 1; 120B.31, subdivisions 4, 4a, by adding a subdivision; 120B.35, subdivision 3; 120B.36, subdivision 1; 120B.363, subdivision 1; 121A.22, subdivision 2; 121A.221; 122A.06; 122A.07; 122A.08; 122A.09, subdivisions 1, 2, 3, 4, 4a, 6, 7, 9, 10; 122A.14, subdivision 9; 122A.17; 122A.18, subdivisions 1, 2, 2b, 7a, 7c, 8, by adding a subdivision; 122A.19; 122A.20; 122A.21, subdivisions 1, 2, by adding a subdivision; 122A.22; 122A.23, subdivision 3; 122A.26, subdivision 2; 122A.28; 122A.29; 122A.30; 122A.40, subdivision 10; 122A.41, by adding a subdivision; 122A.414, subdivision 2; 122A.415, subdivision 4; 123A.73, subdivision 2; 123B.41, subdivisions 2, 5a; 123B.52, subdivision 1, by adding a subdivision; 123B.595, subdivisions 1, 4; 123B.71, subdivisions 11, 12; 123B.92, subdivision 1; 124D.03, subdivision 5a; 124D.09, subdivisions 3, 5, 10, 12, 13, by adding subdivisions; 124D.13, subdivision 11; 124D.151, subdivisions 5, 6; 124D.165, subdivisions 1, 2, 3, 4; 124D.454, subdivision 12; 124D.52, subdivision 7; 124D.549; 124D.55; 124D.59, subdivision 2; 124D.68, subdivision 2; 124D.695; 124D.75, subdivisions 1, 6; 124D.83, subdivision 2; 124E.03, subdivision 2; 124E.05, subdivision 7; 124E.11; 124E.22; 125A.083; 125A.0941; 125A.11, subdivision 1; 125A.21, subdivision 2; 125A.515; 125A.56, subdivision 1; 125A.67, subdivision 2; 125A.74, subdivision 1; 125A.76, subdivision 2c; 126C.05, subdivisions 1, 8; 126C.10, subdivisions 2, 2a, 3, 13a, by adding a subdivision; 126C.17, subdivision 9; 127A.05, subdivision 6; 127A.41, subdivision 3; 127A.45, subdivision 10; 129C.10, subdivisions 1, 4; 129C.105; 134.31, subdivision 2; 136A.1791, subdivisions 1, 2, 9; 214.04, subdivision 1; 214.045; 256B.0625, subdivision 26; 256J.08, subdivisions 38, 39; Laws 2015, First Special Session chapter 3, article 1, section 27, subdivisions 2, as amended, 3, 4, as amended, 6, as amended, 7, as amended, 9, as amended; article 2, section 70, subdivisions 2, as amended, 3, as amended, 4, as amended, 5, as amended, 7, as amended, 11, as amended; article 4, section 9, subdivision 2, as amended; article 5, section 30, subdivisions 2, as amended, 3, as amended, 5, as amended, 6; article 6, section 13, subdivisions 2, as amended, 3, as amended; article 7, section 7, subdivisions 2, as amended, 3, as amended, 4, as amended; article 9, section 8, subdivisions 5, as amended, 6, as amended; article 10, section 3, subdivision 2, as amended; article 11, section 3, subdivision 2, as amended; Laws 2016, chapter 189, article 25, sections 58; 62, subdivisions 7, 11, 17; article 30, section 25, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 120A; 120B; 121A; 122A; 124D; 129C; 136A; repealing Minnesota Statutes 2016, sections 122A.09, subdivisions 5, 8, 11; 122A.14, subdivision 5; 122A.162; 122A.163; 122A.18, subdivisions 2a, 3, 3a, 4, 4a, 6, 7, 7b; 122A.21, subdivision 2; 122A.23, subdivisions 1, 2; 122A.245; 122A.25; 122A.40, subdivision 11; 122A.41, subdivision 14; 123A.73, subdivision 3; 124D.73, subdivision 2; 125A.085; 125A.75, subdivision 7; 125A.76, subdivision 2b; 129C.10, subdivision 5a; 129C.30; Minnesota Rules, part 3500.3100, subpart 4.

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

ARTICLE 1**GENERAL EDUCATION**

Section 1. Minnesota Statutes 2016, section 120A.41, is amended to read:

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

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

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

Sec. 2. [120A.414] E-LEARNING DAYS.

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

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

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

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

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

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

Sec. 3. Minnesota Statutes 2016, section 121A.22, subdivision 2, is amended to read:

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

- (1) purchased without a prescription;
- (2) used by a pupil who is 18 years old or older;

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

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

(5) used off the school grounds;

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

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

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

(9) prescription asthma or reactive airway disease medications self-administered by a pupil with an asthma inhaler, consistent with section 121A.221, if the district has received a written authorization from the pupil's parent permitting the pupil to self-administer the medication, the inhaler is properly labeled for that student, and the parent has not requested school personnel to administer the medication to the pupil. The parent must submit written authorization for the pupil to self-administer the medication each school year; or

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

Sec. 4. Minnesota Statutes 2016, section 121A.221, is amended to read:

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

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

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

Sec. 5. Minnesota Statutes 2016, section 123B.41, subdivision 2, is amended to read:

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

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

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

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

Sec. 6. Minnesota Statutes 2016, section 123B.41, subdivision 5a, is amended to read:

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

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

Sec. 7. Minnesota Statutes 2016, section 123B.92, subdivision 1, is amended to read:

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

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

(1) the sum of:

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

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

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

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

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

(1) Regular transportation is:

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

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

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

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

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

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

(2) Excess transportation is:

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) "Nonpublic nonregular transportation" is:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 3. **Compensatory education revenue.** (a) ~~For fiscal year 2014, the compensatory education revenue for each building in the district equals the formula allowance minus \$415 times the compensation revenue pupil units computed according to section 126C.05, subdivision 3. For fiscal year 2015 and later, The compensatory education revenue for each building in the district equals the formula allowance minus \$839 times the compensation revenue pupil units computed according to section 126C.05, subdivision 3. A district's compensatory revenue equals the sum of its compensatory revenue for each building in the district and the amounts designated under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 8, for fiscal year 2017.~~ Revenue shall be paid to the district and must be allocated according to section 126C.15, subdivision 2.

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

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

(d) Of the amount of revenue under this subdivision, 1.7 percent for fiscal year 2018, 3.5 percent for fiscal year 2019, and for fiscal year 2020 and later, 3.5 percent plus the percentage change in the formula allowance from fiscal year 2019, must be used for extended time activities under subdivision 2a, paragraph (c).

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

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

Subd. 13a. **Operating capital levy.** To obtain operating capital revenue, a district may levy an amount not more than the product of its operating capital revenue for the fiscal year times the lesser of one or the ratio of its adjusted net tax capacity per adjusted pupil unit to the operating capital equalizing factor. The operating capital equalizing factor equals \$15,740 for fiscal year 2017, ~~\$19,972~~ \$20,548 for fiscal year 2018, ~~and \$22,912~~ \$24,241 for fiscal year 2019, and \$22,912 for fiscal year 2020 and later.

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

Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special school district's transportation sparsity revenue under Minnesota Statutes, section 126C.10, subdivision 18, is increased by the greater of zero or 18.2 percent of the difference between:

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

(2) the sum of:

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

(ii) transportation sparsity revenue under Minnesota Statutes, section 126C.10, subdivision 18, for the previous fiscal year; and

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

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

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

Sec. 14. Minnesota Statutes 2016, section 126C.17, subdivision 9, is amended to read:

Subd. 9. **Referendum revenue.** (a) The revenue authorized by section 126C.10, subdivision 1, may be increased in the amount approved by the voters of the district at a referendum called for the purpose. The referendum may be called by the board. The referendum must be conducted one or two calendar years before the increased levy authority, if approved, first becomes payable. Only one election to approve an increase may be held in a calendar year. Unless the referendum is conducted by mail under subdivision 11, paragraph (a), the referendum must be held on the first Tuesday after the first Monday in November. The ballot must state the maximum amount of the increased revenue per adjusted pupil unit. The ballot may state a schedule, determined by the board, of increased revenue per adjusted pupil unit that differs from year to year over the number of years for which the increased revenue is authorized or may state that the amount shall increase annually by the rate of inflation. For this purpose, the rate of inflation shall be the annual inflationary increase

calculated under subdivision 2, paragraph (b). The ballot may state that existing referendum levy authority is expiring. In this case, the ballot may also compare the proposed levy authority to the existing expiring levy authority, and express the proposed increase as the amount, if any, over the expiring referendum levy authority. The ballot must designate the specific number of years, not to exceed ten, for which the referendum authorization applies. The ballot, including a ballot on the question to revoke or reduce the increased revenue amount under paragraph (c), must abbreviate the term "per adjusted pupil unit" as "per pupil." The notice required under section 275.60 may be modified to read, in cases of renewing existing levies at the same amount per pupil as in the previous year:

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

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

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

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

(b) The board must ~~prepare and~~ deliver by ~~first-class~~ mail at least 15 days but no more than 30 days before the day of the referendum to each taxpayer a notice of the referendum and the proposed revenue increase. The board need not mail more than one notice to any taxpayer. For the purpose of giving mailed notice under this subdivision, owners must be those shown to be owners on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer. Every property owner whose name does not appear on the records of the county auditor or the county treasurer is deemed to have waived this mailed notice unless the owner has requested in writing that the county auditor or county treasurer, as the case may be, include the name on the records for this purpose. The notice must project the anticipated amount of tax increase in annual dollars for typical residential homesteads, agricultural homesteads, apartments, and commercial-industrial property within the school district.

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

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

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

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

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

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

Sec. 15. Minnesota Statutes 2016, section 127A.41, subdivision 3, is amended to read:

Subd. 3. **Audits.** The commissioner shall establish procedures for conducting and shall conduct audits of district records and files for the purpose of verifying district pupil counts, levy limitations, and aid entitlements. The commissioner shall establish procedures for selecting and shall select districts to be audited. Disparities, if any, between pupil counts, levy limitations, or aid entitlements determined by audit of district records and files and data reported by districts in reports, claims and other documents shall be reviewed by the commissioner who shall order increases or decreases accordingly. Whenever possible, the commissioner shall audit at least 25 districts each year pursuant to this subdivision. Procedures adopted under this subdivision are not subject to chapter 14, including section 14.386, and may differ from the procedures under section 127A.42.

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

Sec. 16. Minnesota Statutes 2016, section 127A.45, subdivision 10, is amended to read:

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

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

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

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

Sec. 18. **EAGLE VALLEY SCHOOL DISTRICT DISSOLUTION; REORGANIZATION; BONDS.**

Subdivision 1. **Reorganization operating debt determined.** Independent School District No. 2759, Eagle Valley, must estimate its reorganization operating debt according to Minnesota Statutes, section 123B.82, and submit that amount to the commissioner of education for approval. The commissioner of education may adjust this amount based on any other school funding and pupil information available to the commissioner. The commissioner may apportion the total operating debt between Independent School District Nos. 786, Bertha-Hewitt, and 787, Browerville.

Subd. 2. **Bond sale; Bertha-Hewitt.** Independent School District No. 786, Bertha-Hewitt, may issue general obligation bonds without an election under Minnesota Statutes, chapter 475, in an amount not to exceed the reorganization operating debt approved by the commissioner of education under subdivision 1 for that district. The bonds must be repaid within six years of issuance.

Subd. 3. **Bond sale; Browerville.** Independent School District No. 787, Browerville, may issue general obligation bonds without an election under Minnesota Statutes, chapter 475, in an amount not to exceed the reorganization operating debt approved by the commissioner of education under subdivision 1 for that district. The bonds must be repaid within six years of issuance.

Subd. 4. **Repayment.** The bonded debt issued under this section remains payable by the taxable property located within the boundaries of former Independent School District No. 2759, Eagle Valley.

Subd. 5. **Reorganization operating debt levy.** A school district that otherwise is eligible to levy for reorganization operating debt amounts of the former Independent School District No. 2759, Eagle Valley, may levy under Minnesota Statutes, section 123A.73, subdivision 9, only upon approval of the commissioner of education and only for that portion of the reorganization operating debt not already included under subdivision 1.

Subd. 6. **Adjustments.** The commissioner may adjust the assignment of assets and liabilities under Minnesota Statutes, section 123A.46, to reflect the funds raised by the bonds authorized under this section.

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

Sec. 19. **APPROPRIATIONS.**

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

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

\$	<u>7,032,051,000</u>	.....	<u>2018</u>
\$	<u>7,227,809,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$686,828,000 for 2017 and \$6,345,223,000 for 2018.

The 2019 appropriation includes \$705,024,000 for 2018 and \$6,522,785,000 for 2019.

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

\$	<u>29,000</u>	.....	<u>2018</u>
\$	<u>31,000</u>	.....	<u>2019</u>

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

\$	<u>2,374,000</u>	.....	<u>2018</u>
\$	<u>2,163,000</u>	.....	<u>2019</u>

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

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

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

\$	<u>185,000</u>	.....	<u>2018</u>
\$	<u>382,000</u>	.....	<u>2019</u>

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

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

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

\$	<u>18,197,000</u>	.....	<u>2018</u>
\$	<u>19,225,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$1,687,000 for 2017 and \$16,510,000 for 2018.

The 2019 appropriation includes \$1,834,000 for 2018 and \$17,391,000 for 2019.

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

\$	<u>18,372,000</u>	.....	<u>2018</u>
\$	<u>18,541,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$1,835,000 for 2017 and \$16,537,000 for 2018.

The 2019 appropriation includes \$1,837,000 for 2018 and \$16,704,000 for 2019.

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

\$	<u>65,000</u>	.....	<u>2018</u>
\$	<u>65,000</u>	.....	<u>2019</u>

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

\$	<u>4,561,000</u>	.....	<u>2018</u>
\$	<u>4,125,000</u>	.....	<u>2019</u>

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

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

Sec. 20. **REPEALER.**

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

ARTICLE 2**EDUCATION EXCELLENCE**

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

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

- (1) basic communication skills including reading and writing, literature, and fine arts;
- (2) mathematics and science;
- (3) social studies including history, geography, ~~and~~ economics, government, and citizenship; and
- (4) health and physical education.

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

Sec. 2. Minnesota Statutes 2016, section 120B.021, subdivision 1, is amended to read:

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

- (1) language arts;
- (2) mathematics;
- (3) science;
- (4) social studies, including history, geography, economics, and government and citizenship that includes civics consistent with section 120B.02, subdivision 3;
- (5) physical education;
- (6) health, for which locally developed academic standards apply; and
- (7) the arts, for which statewide or locally developed academic standards apply, as determined by the school district. Public elementary and middle schools must offer at least three and require at least two of the following four arts areas: dance; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

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

(c) ~~Beginning in the 2016-2017 school year,~~ The department must adopt the most recent **National Association of Sport and Physical Education SHAPE America (Society of Health and Physical Educators)** kindergarten through grade 12 standards and benchmarks for physical education as the required physical education academic standards. The department may modify and adapt the national standards to accommodate state interest. The modification and adaptations must maintain the purpose and integrity of the national standards. The department must make available sample assessments, which school districts may use as an alternative to local assessments, to assess students' mastery of the physical education standards beginning in the 2018-2019 school year.

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

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

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

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

Sec. 4. Minnesota Statutes 2016, section 120B.022, subdivision 1b, is amended to read:

Subd. 1b. **State bilingual and multilingual seals.** (a) Consistent with efforts to strive for the world's best workforce under sections 120B.11 and 124E.03, subdivision 2, paragraph (i), and close the academic achievement and opportunity gap under sections 124D.861 and 124D.862, voluntary state bilingual and multilingual seals are established to recognize high school students in any school district, charter school, or nonpublic school who demonstrate an advanced-low level or an intermediate high level of functional proficiency in listening, speaking, reading, and writing on either assessments aligned with American Council on the Teaching of Foreign Languages' (ACTFL) proficiency guidelines or on equivalent valid and reliable assessments in one or more languages in addition to English. American Sign Language is a language other than English for purposes of this subdivision and a world language for purposes of subdivision 1a.

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

- (1) students must satisfactorily complete all required English language arts credits; and
- (2) students must demonstrate mastery of Minnesota's English language proficiency standards.

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

(d) School districts and charter schools may give students periodic opportunities to demonstrate their level of proficiency in listening, speaking, reading, and writing in a language in addition to English. Where valid and reliable assessments are unavailable, a school district or charter school may rely on evaluators trained in assessing under ACTFL proficiency guidelines to assess a student's level of foreign, heritage, or indigenous language proficiency under this section. School districts and charter schools must maintain

appropriate records to identify high school students eligible to receive the state bilingual or multilingual gold and platinum seals. The school district or charter school must affix the appropriate seal to the transcript of each high school student who meets the requirements of this subdivision and may affix the seal to the student's diploma. A school district or charter school must not charge the high school student a fee for this seal.

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

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

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

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

Sec. 5. Minnesota Statutes 2016, section 120B.12, subdivision 2, is amended to read:

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

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

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

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

Sec. 6. Minnesota Statutes 2016, section 120B.12, subdivision 2a, is amended to read:

Subd. 2a. **Parent notification and involvement.** Schools, at least annually, must give the parent of each student who is not reading at or above grade level timely information about:

(1) the student's reading proficiency as measured by a locally adopted assessment;

(2) reading-related services currently being provided to the student and the student's progress; and

(3) strategies for parents to use at home in helping their student succeed in becoming grade-level proficient in reading in English and in their native language.

A district may not use this section to deny a student's right to a special education evaluation.

Sec. 7. Minnesota Statutes 2016, section 120B.12, subdivision 3, is amended to read:

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

(b) A school district or charter school is strongly encouraged to provide a personal learning plan for a student who is unable to demonstrate grade-level proficiency, as measured by the statewide reading assessment in grade 3. The district or charter school must determine the format of the personal learning plan in collaboration with the student's educators and other appropriate professionals. The school must develop the learning plan in consultation with the student's parent or guardian. The personal learning plan must address knowledge gaps and skill deficiencies through strategies such as specific exercises and practices during and outside of the regular school day, periodic assessments, and reasonable timelines. The personal learning plan may include grade retention, if it is in the student's best interest. A school must maintain and regularly update and modify the personal learning plan until the student reads at grade level. This paragraph does not apply to a student under an individualized education program.

Sec. 8. [120B.122] DYSLEXIA SPECIALIST.

Subdivision 1. **Purpose.** The department must employ a dyslexia specialist to provide technical assistance for dyslexia and related disorders and to serve as the primary source of information and support for schools in addressing the needs of students with dyslexia and related disorders. The dyslexia specialist shall also act to increase professional awareness and instructional competencies to meet the educational needs of students with dyslexia or identified with risk characteristics associated with dyslexia and shall develop implementation guidance and make recommendations to the commissioner consistent with section 122A.06, subdivision 4, to be used to assist general education teachers and special education teachers to recognize educational needs and to improve literacy outcomes for students with dyslexia or identified with risk characteristics associated with dyslexia, including recommendations related to increasing the availability of online and asynchronous professional development programs and materials.

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

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

Sec. 9. Minnesota Statutes 2016, section 120B.125, is amended to read:

120B.125 PLANNING FOR STUDENTS' SUCCESSFUL TRANSITION TO POSTSECONDARY EDUCATION AND EMPLOYMENT; PERSONAL LEARNING PLANS.

(a) Consistent with sections 120B.13, 120B.131, 120B.132, 120B.14, 120B.15, 120B.30, subdivision 1, paragraph (c), 125A.08, and other related sections, school districts, beginning in the 2013-2014 school year, must assist all students by no later than grade 9 to explore their educational, college, and career interests, aptitudes, and aspirations and develop a plan for a smooth and successful transition to postsecondary education or employment. All students' plans must:

(1) provide a comprehensive plan to prepare for and complete a career and college ready curriculum by meeting state and local academic standards and developing career and employment-related skills such as team work, collaboration, creativity, communication, critical thinking, and good work habits;

(2) emphasize academic rigor and high expectations and inform the student, and the student's parent or guardian if the student is a minor, of the student's achievement level score on the Minnesota Comprehensive Assessments that are administered during high school;

(3) help students identify interests, aptitudes, aspirations, and personal learning styles that may affect their career and college ready goals and postsecondary education and employment choices;

(4) set appropriate career and college ready goals with timelines that identify effective means for achieving those goals;

(5) help students access education and career options;

(6) integrate strong academic content into career-focused courses and applied and experiential learning opportunities and integrate relevant career-focused courses and applied and experiential learning opportunities into strong academic content;

(7) help identify and access appropriate counseling and other supports and assistance that enable students to complete required coursework, prepare for postsecondary education and careers, and obtain information about postsecondary education costs and eligibility for financial aid and scholarship;

(8) help identify collaborative partnerships among prekindergarten through grade 12 schools, postsecondary institutions, economic development agencies, and local and regional employers that support students' transition to postsecondary education and employment and provide students with applied and experiential learning opportunities; and

(9) be reviewed and revised at least annually by the student, the student's parent or guardian, and the school or district to ensure that the student's course-taking schedule keeps the student making adequate progress to meet state and local academic standards and high school graduation requirements and with a reasonable chance to succeed with employment or postsecondary education without the need to first complete remedial course work.

(b) A school district may develop grade-level curricula or provide instruction that introduces students to various careers, but must not require any curriculum, instruction, or employment-related activity that obligates an elementary or secondary student to involuntarily select or pursue a career, career interest, employment goals, or related job training.

(c) Educators must possess the knowledge and skills to effectively teach all English learners in their classrooms. School districts must provide appropriate curriculum, targeted materials, professional development opportunities for educators, and sufficient resources to enable English learners to become career and college ready.

(d) When assisting students in developing a plan for a smooth and successful transition to postsecondary education and employment, districts must recognize the unique possibilities of each student and ensure that

the contents of each student's plan reflect the student's unique talents, skills, and abilities as the student grows, develops, and learns.

(e) If a student with a disability has an individualized education program (IEP) or standardized written plan that meets the plan components of this section, the IEP satisfies the requirement and no additional transition plan is needed.

(f) Students who do not meet or exceed Minnesota academic standards, as measured by the Minnesota Comprehensive Assessments that are administered during high school, shall be informed that admission to a public school is free and available to any resident under 21 years of age or who meets the requirements of section 120A.20, subdivision 1, paragraph (c). A student's plan under this section shall continue while the student is enrolled.

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

Sec. 10. Minnesota Statutes 2016, section 120B.132, is amended to read:

120B.132 RAISED ACADEMIC ACHIEVEMENT; ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.

Subdivision 1. **Establishment; eligibility.** A program is established to raise kindergarten through grade 12 academic achievement through increased student participation in preadvanced placement, advanced placement, and international baccalaureate programs, consistent with section 120B.13. Schools and charter schools eligible to participate under this section:

(1) must have a three-year plan approved by the local school board to establish a new international baccalaureate program leading to international baccalaureate authorization, expand an existing program that leads to international baccalaureate authorization, or expand an existing authorized international baccalaureate program; or

(2) must have a three-year plan approved by the local school board to create a new or expand an existing program to implement the college board advanced placement courses and exams or preadvanced placement initiative; and

(3) must propose to further raise students' academic achievement by:

(i) increasing the availability of and all students' access to advanced placement or international baccalaureate courses or programs;

(ii) expanding the breadth of advanced placement or international baccalaureate courses or programs that are available to students;

(iii) increasing the number and the diversity of the students who participate in advanced placement or international baccalaureate courses or programs and succeed;

(iv) providing low-income and other disadvantaged students with increased access to advanced placement or international baccalaureate courses and programs; or

(v) increasing the number of high school students, including low-income and other disadvantaged students, who receive college credit by successfully completing advanced placement or international baccalaureate courses or programs and achieving satisfactory scores on related exams.

Subd. 2. **Application and review process; funding priority.** (a) Charter schools and school districts in which eligible schools under subdivision 1 are located may apply to the commissioner, in the form and manner the commissioner determines, for competitive funding to further raise students' academic achievement. The application must detail the specific efforts the applicant intends to undertake in further raising students' academic achievement, consistent with subdivision 1, and a proposed budget detailing the district or charter

school's current and proposed expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs. The proposed budget must demonstrate that the applicant's efforts will support implementation of advanced placement, preadvanced placement, and international baccalaureate courses and programs. Expenditures for administration must not exceed five percent of the proposed budget. The commissioner may require an applicant to provide additional information.

(b) When reviewing applications, the commissioner must determine whether the applicant satisfied all the requirements in this subdivision and subdivision 1. The commissioner may give funding priority to an otherwise qualified applicant that demonstrates:

(1) a focus on developing or expanding preadvanced placement, advanced placement, or international baccalaureate courses or programs or increasing students' participation in, access to, or success with the courses or programs, including the participation, access, or success of low-income and other disadvantaged students;

(2) a compelling need for access to preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(3) an effective ability to actively involve local business and community organizations in student activities that are integral to preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(4) access to additional public or nonpublic funds or in-kind contributions that are available for preadvanced placement, advanced placement, or international baccalaureate courses or programs; ~~or~~

(5) an intent to implement activities that target low-income and other disadvantaged students; or

(6) an intent to increase the advanced placement and international baccalaureate course offerings in science, technology, engineering, and math to low-income and other disadvantaged students.

Subd. 3. **Funding; permissible funding uses.** (a) The commissioner shall award grants to applicant school districts and charter schools that meet the requirements of subdivisions 1 and 2. The commissioner must award grants on an equitable geographical basis to the extent feasible and consistent with this section. Grant awards must not exceed the lesser of:

(1) \$85 times the number of pupils enrolled at the participating sites on October 1 of the previous fiscal year; ~~or~~

(2) the approved supplemental expenditures based on the budget submitted under subdivision 2. For charter schools in their first year of operation, the maximum funding award must be calculated using the number of pupils enrolled on October 1 of the current fiscal year. The commissioner may adjust the maximum funding award computed using prior year data for changes in enrollment attributable to school closings, school openings, grade level reconfigurations, or school district reorganizations between the prior fiscal year and the current fiscal year; or

(3) \$150,000 per district or charter school.

(b) School districts and charter schools that submit an application and receive funding under this section must use the funding, consistent with the application, to:

(1) provide teacher training and instruction to more effectively serve students, including low-income and other disadvantaged students, who participate in preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(2) further develop preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(3) improve the transition between grade levels to better prepare students, including low-income and other disadvantaged students, for succeeding in preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(4) purchase books and supplies;

(5) pay course or program fees;

(6) increase students' participation in and success with preadvanced placement, advanced placement, or international baccalaureate courses or programs;

(7) expand students' access to preadvanced placement, advanced placement, or international baccalaureate courses or programs through online learning;

(8) hire appropriately licensed personnel to teach additional advanced placement or international baccalaureate courses or programs; or

(9) engage in other ~~activity directly related activities to expanding~~ expand low-income or disadvantaged students' access to, participation in, and success with preadvanced placement, advanced placement, or international baccalaureate courses or programs, including. Other activities may include but are not limited to preparing and disseminating promotional materials to low-income and other disadvantaged students and their families.

Subd. 4. **Grants; annual reports.** (a) Each school district and charter school that receives a grant under this section annually must collect demographic and other student data to demonstrate and measure the extent to which the district or charter school raised students' academic achievement under this program and must report the data to the commissioner in the form and manner the commissioner determines. The commissioner annually by February 15 must make summary data about this program available to the education policy and finance committees of the legislature.

(b) Each school district and charter school that receives a grant under this section annually must report to the commissioner, consistent with the Uniform Financial Accounting and Reporting Standards, its actual expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs. The report must demonstrate that the school district or charter school has maintained its effort from other sources for advanced placement, preadvanced placement, and international baccalaureate courses and programs compared with the previous fiscal year, and the district or charter school has expended all grant funds, consistent with its approved budget.

(c) Notwithstanding any law to the contrary, a grant under this section is available for three years from the date of the grant if the district or charter school meets the annual benchmarks in its plan under subdivision 1.

Sec. 11. Minnesota Statutes 2016, section 120B.22, subdivision 2, is amended to read:

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

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

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

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

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

Sec. 12. Minnesota Statutes 2016, section 120B.23, subdivision 3, is amended to read:

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

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

Sec. 13. Minnesota Statutes 2016, section 120B.232, subdivision 1, is amended to read:

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

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

Sec. 14. **[120B.234] CHILD SEXUAL ABUSE PREVENTION EDUCATION.**

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

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

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

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

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

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

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

Sec. 15. Minnesota Statutes 2016, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the

comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year.

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

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

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

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

(1) mathematics;

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

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

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

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

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

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

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

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

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

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

A student under paragraph (c), clause ~~(2)~~ (1), must receive targeted, relevant, academically rigorous, and resourced instruction, which may include a targeted instruction and intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district must actively encourage a student in grade 11 or 12 who is identified as academically ready for a career or college to participate in courses and programs awarding college credit to high school students. Students are not required to achieve a specified score or level of proficiency on an assessment under this subdivision to graduate from high school.

(e) Though not a high school graduation requirement, students are encouraged to participate in a nationally recognized college entrance exam. To the extent state funding for college entrance exam fees is available, a district must pay the cost, one time, for an interested student in grade 11 or 12 who is eligible for a free or reduced-price meal, to take a nationally recognized college entrance exam before graduating. A student must be able to take the exam under this paragraph at the student's high school during the school day and at any one of the multiple exam administrations available to students in the district. A district may administer the ACT or SAT or both the ACT and SAT to comply with this paragraph. If the district administers only one of these two tests and a free or reduced-price meal eligible student opts not to take that test and chooses instead to take the other of the two tests, the student may take the other test at a different time or location and remains eligible for the examination fee reimbursement. Notwithstanding sections 123B.34 to 123B.39, a school district may require a student that is not eligible for a free or reduced-price meal to pay the cost of taking a nationally recognized college entrance exam. The district must waive the cost for a student unable to pay.

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

(g) Districts and schools, on an annual basis, must use career exploration elements to help students, beginning no later than grade 9, and their families explore and plan for postsecondary education or careers based on the students' interests, aptitudes, and aspirations. Districts and schools must use timely regional labor market information and partnerships, among other resources, to help students and their families successfully develop, pursue, review, and revise an individualized plan for postsecondary education or a career. This process must help increase students' engagement in and connection to school, improve students' knowledge and skills, and deepen students' understanding of career pathways as a sequence of academic and career courses that lead to an industry-recognized credential, an associate's degree, or a bachelor's degree and are available to all students, whatever their interests and career goals.

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

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

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

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

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

(m) The 3rd through 8th grade computer-adaptive assessment results and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must establish empirically derived benchmarks on adaptive assessments in grades 3 through 8. The commissioner, in consultation with the chancellor of the Minnesota State Colleges and Universities, must establish empirically derived benchmarks on the high school tests that reveal a trajectory toward career and college readiness consistent with section 136F.302, subdivision 1a. The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

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

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

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

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

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

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

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

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

Sec. 16. Minnesota Statutes 2016, section 120B.31, is amended by adding a subdivision to read:

Subd. 3a. **Rollout sites; report.** The commissioner of education shall designate up to six school districts or charter schools as rollout sites.

(a) The rollout sites should represent urban school districts, suburban school districts, nonurban school districts, and charter schools. The commissioner shall designate rollout sites and notify the schools by August 1, 2017, and the designated school districts or charter schools shall have the right to opt in or out as rollout sites by September 1, 2017.

(b) The commissioner must consult stakeholders and review the American Community Survey to develop recommendations for best practices for disaggregated data. Stakeholders consulted under this paragraph include at least:

- (1) the rollout sites;
- (2) parent groups; and
- (3) community representatives.

(c) The commissioner shall report to the legislative committees having jurisdiction over kindergarten through grade 12 education policy and finance by February 1, 2018. The commissioner may research best practices from other states that have disaggregated data beyond the requirements of the most recent reauthorization of the Elementary and Secondary Education Act. The commissioner must consult with the stakeholders on how to measure a student's background as an immigrant or a refugee and provide a recommendation in the report on how to include the data in the statewide rollout. The recommendations may address:

(1) the most meaningful use of disaggregated data, including but not limited to which reports should include further disaggregated data;

(2) collection of additional student characteristics, including but not limited to ensuring enhanced enrollment forms:

(i) provide context and the objective of additional data;
(ii) are designed to convey respect and acknowledgment of the sensitive nature of the additional data;
and

(iii) are designed to collect data consistent with user feedback;

(3) efficient data-reporting approaches when reporting additional information to the department;

(4) the frequency by which districts and schools must update enrollment forms to meet the needs of the state's changing racial and ethnic demographics; and

(5) the criteria for determining additional data. This recommendation should include a recommendation for frequency of reviews and updates of the additional data and should also identify the approach of updating any additional census data and data on new enrollees. This recommendation must consider additional student groups that may face education disparities and must take into account maintaining student privacy and providing nonidentifiable student level data.

EFFECTIVE DATE. This section is effective for the 2018-2019 school year and later.

Sec. 17. Minnesota Statutes 2016, section 120B.31, subdivision 4, is amended to read:

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

(1) homelessness;

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

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

(4) home language, immigrant, refugee status;

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

(6) free or reduced-price lunch; and

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

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

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 18. Minnesota Statutes 2016, section 120B.31, subdivision 4a, is amended to read:

Subd. 4a. **Student participation.** (a) The commissioner shall must create and publish a form for parents and guardians to complete if they refuse to have their student participate in state or locally required standardized testing. The form must state why there are state academic standards, indicate which tests are aligned with state standards, and what consequences, if any, the school or student may face if a student does not participate in state or locally required standardized testing. This form must ask parents to indicate a reason for their refusal that:

(1) explains the need for state academic standards;

(2) identifies the state assessments that are aligned with state standards;

(3) identifies the consequences, if any, the school or student may face if a student does not participate in state or locally required standardized assessments;

(4) states that students who receive a college ready benchmark on the high school Minnesota Comprehensive Assessment are not required to take a remedial, noncredit course at a Minnesota state college or university in the corresponding subject area;

(5) summarizes the provisions in section 120B.301, paragraphs (a) and (c); and

(6) notifies a parent of the right to not have the parent's child participate in the state and locally required academic assessments, and asks a parent that chooses to not have a child participate in the assessments the basis for the decision.

(b) A school district must post the form created by the commissioner on the district Web site and include it in the district's student handbook.

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

Sec. 19. Minnesota Statutes 2016, section 120B.35, subdivision 3, is amended to read:

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

(2) For purposes of paragraphs (b), (c), and (d), the commissioner must analyze and report separate categories of information using the student categories identified under the federal Elementary and Secondary Education Act, as most recently reauthorized, and, in addition to "other" for each race and ethnicity, and the Karen community, ~~other student categories as determined by the total Minnesota population at or above the 1,000-person threshold based on the most recent decennial census, including ethnicity, race, refugee status~~ seven of the most populous Asian and Pacific Islander groups, three of the most populous Native groups, seven of the most populous Hispanic/Latino groups, and five of the most populous Black and African Heritage groups as determined by the total Minnesota population based on the most recent American Community Survey; English learners under section 124D.59; home language; free or reduced-price lunch; immigrant; and all students enrolled in a Minnesota public school who are currently or were previously in foster care, except that such disaggregation and cross tabulation is not required if the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

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

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

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

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

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

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic

and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public colleges and universities as determined by the Office of Higher Education under chapter 136A; and

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

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

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

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

(1) the four- and six-year graduation rates of students under this paragraph;

(2) the percent of students under this paragraph whose progress and performance levels are meeting career and college readiness benchmarks under section 120B.30, subdivision 1; and

(3) the success that learning year program providers experience in:

(i) identifying at-risk and off-track student populations by grade;

(ii) providing successful prevention and intervention strategies for at-risk students;

(iii) providing successful recuperative and recovery or reenrollment strategies for off-track students; and

(iv) improving the graduation outcomes of at-risk and off-track students.

The commissioner may include in the annual report summary data on other education providers serving a majority of students eligible to participate in a learning year program.

(f) The commissioner, in consultation with recognized experts with knowledge and experience in assessing the language proficiency and academic performance of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as an English learner under section 124D.59, must identify and report appropriate and effective measures to improve current categories of language difficulty and assessments, and monitor and report data on students' English proficiency levels, program placement, and academic language development, including oral academic language.

(g) When reporting four- and six-year graduation rates, the commissioner or school district must disaggregate the data by student categories according to paragraph (a), clause (2).

(h) A school district must inform parents and guardians that volunteering information on student categories not required by the most recent reauthorization of the Elementary and Secondary Education Act is optional and will not violate the privacy of students or their families, parents, or guardians. The notice must state the purpose for collecting the student data.

EFFECTIVE DATE. This section is effective for the 2018-2019 school year and later for rollout sites under Minnesota Statutes, section 120B.31, subdivision 3a. This section is effective for the 2019-2020 school year and later for all other schools.

Sec. 20. Minnesota Statutes 2016, section 120B.36, subdivision 1, is amended to read:

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

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

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

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

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

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

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

Sec. 21. Minnesota Statutes 2016, section 122A.40, subdivision 10, is amended to read:

Subd. 10. **Negotiated unrequested leave of absence.** The school board and the exclusive bargaining representative of the teachers ~~may~~ must negotiate a plan providing for unrequested leave of absence without pay or fringe benefits for as many teachers as may be necessary because of discontinuance of position, lack

of pupils, financial limitations, or merger of classes caused by consolidation of districts. ~~Failing to successfully negotiate such a plan, the provisions of subdivision 11 shall apply. The negotiated plan must not include provisions which would result in the exercise of seniority by a teacher holding a provisional license, other than a vocational education license, contrary to the provisions of subdivision 11, paragraph (c), or the reinstatement of a teacher holding a provisional license, other than a vocational education license, contrary to the provisions of subdivision 11, paragraph (c). The provisions of section 179A.16 do not apply for the purposes of this subdivision.~~

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2019, and thereafter.

Sec. 22. Minnesota Statutes 2016, section 122A.41, is amended by adding a subdivision to read:

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

EFFECTIVE DATE. This section is effective for collective bargaining agreements effective July 1, 2019, and thereafter.

Sec. 23. Minnesota Statutes 2016, section 122A.414, subdivision 2, is amended to read:

Subd. 2. **Alternative teacher professional pay system.** (a) To participate in this program, a school district, an intermediate school district consistent with paragraph (d), a school site, or a charter school must have a world's best workforce plan under section 120B.11 and an alternative teacher professional pay system agreement under paragraph (b). A charter school participant also must comply with subdivision 2a.

(b) The alternative teacher professional pay system agreement must:

(1) describe how teachers can achieve career advancement and additional compensation;

(2) describe how the school district, intermediate school district, school site, or charter school will provide teachers with career advancement options that allow teachers to retain primary roles in student instruction and facilitate site-focused professional development that helps other teachers improve their skills;

(3) reform the "steps and lanes" salary schedule, prevent any teacher's compensation paid before implementing the pay system from being reduced as a result of participating in this system, base at least 60 percent of any compensation increase on teacher performance using:

(i) schoolwide student achievement gains under section 120B.35 or locally selected standardized assessment outcomes, or both;

(ii) measures of student growth and literacy that may include value-added models or student learning goals, consistent with section 122A.40, subdivision 8, paragraph (b), clause (9), or 122A.41, subdivision 5, paragraph (b), clause (9), and other measures that include the academic literacy, oral academic language, and achievement of English learners under section 122A.40, subdivision 8, paragraph (b), clause (10), or 122A.41, subdivision 5, paragraph (b), clause (10); and

(iii) an objective evaluation program under section 122A.40, subdivision 8, paragraph (b), clause (2), or 122A.41, subdivision 5, paragraph (b), clause (2);

(4) provide for participation in job-embedded learning opportunities such as professional learning communities to improve instructional skills and learning that are aligned with student needs under section 120B.11, consistent with the staff development plan under section 122A.60 and led during the school day by trained teacher leaders such as master or mentor teachers;

(5) allow any teacher in a participating school district, intermediate school district, school site, or charter school that implements an alternative pay system to participate in that system without any quota or other limit; and

(6) encourage collaboration rather than competition among teachers.

(c) The alternative teacher professional pay system may:

(1) include a hiring bonus or other added compensation ~~for~~ to provide students with equitable access to teachers who, consistent with section 120B.11, subdivision 2, clause (3):

(i) are identified as effective or highly effective under the local teacher professional review cycle and or, when being considered for hire as first-year teachers, have demonstrated skills during student teaching for being highly effective at closing achievement gaps;

(ii) work in a high-need or hard-to-fill position; or

(iii) are hired to work in a hard-to-staff school such as a school with a majority of students whose families meet federal poverty guidelines, a geographically isolated school, or a school identified by the state as eligible for targeted programs or services for its students; and

(2) include incentives for teachers to obtain a master's degree or other advanced certification with at least 18 credits in their content field of licensure required for teaching concurrent enrollment or college in the schools courses, or to pursue the training or education necessary to obtain an additional licensure in shortage areas identified by the district or charter school; or

(3) help fund a "grow your own" Grow Your Own new teacher initiative involving nonlicensed educational professionals, including paraprofessionals and cultural liaisons.

(d) An intermediate school district under this subdivision must demonstrate in a form and manner determined by the commissioner that it uses the aid it receives under this section for activities identified in the alternative teacher professional pay system agreement.

Sec. 24. Minnesota Statutes 2016, section 122A.415, subdivision 4, is amended to read:

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

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

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

Sec. 25. [122A.417] ALTERNATIVE TEACHER COMPENSATION REVENUE FOR ST. CROIX RIVER EDUCATION DISTRICT.

Notwithstanding section 122A.415, subdivision 4, paragraph (c), the St. Croix River Education District, No. 6009-61, is eligible to receive alternative teacher compensation revenue based on its staffing as of October 1 of the previous fiscal year as reported to the department in a manner determined by the commissioner. To qualify for alternative teacher compensation revenue, the St. Croix River Education District must meet all the requirements of sections 122A.414 and 122A.415 that apply to cooperative units, must report its staffing as of October 1 of each year to the department in a manner determined by the commissioner, and must annually report to the department by November 30 its expenditures for the alternative teacher professional pay system consistent with the uniform financial accounting and reporting standards.

Sec. 26. [122A.627] POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS.

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

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

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

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

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

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

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

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

Sec. 27. Minnesota Statutes 2016, section 124D.03, subdivision 5a, is amended to read:

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

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

(2) the municipality is located partially or fully within the boundaries of at least five school districts;

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

(4) no other nonresident, independent, special, or common school district operates a school building within the municipality.

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

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

Sec. 28. Minnesota Statutes 2016, section 124D.09, subdivision 3, is amended to read:

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

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

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

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

Sec. 29. Minnesota Statutes 2016, section 124D.09, subdivision 5, is amended to read:

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

Sec. 30. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision to read:

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

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

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

Sec. 31. Minnesota Statutes 2016, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, or another location, according to an agreement between a public school board and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section shall apply to a pupil, public school board, district, and the governing body of a postsecondary institution, except as otherwise provided.

(b) To encourage students, especially American Indian students and students of color, to consider teaching as a profession, participating schools, school districts, and postsecondary institutions are encouraged to develop and offer an "Introduction to Teaching" or "Introduction to Education" course under this subdivision. An institution that receives a grant to develop a course under this paragraph must annually report to the commissioner in a form and manner determined by the commissioner on the participation rates of students in courses under this paragraph, including the number of students who apply for admission to colleges or universities with teacher preparation programs.

Sec. 32. Minnesota Statutes 2016, section 124D.09, is amended by adding a subdivision to read:

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

(b) A school district must adopt a policy that provides a student enrolled in a course under this section with reasonable access during regular school hours to a computer and other technology resources that the student needs to complete coursework for a postsecondary enrollment course.

Sec. 33. Minnesota Statutes 2016, section 124D.09, subdivision 12, is amended to read:

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

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

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

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

(e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the postsecondary institution must award postsecondary credit for any course successfully completed for secondary credit at that institution. Other postsecondary institutions may award, after a pupil leaves secondary school, postsecondary credit for any courses successfully completed under this section. An institution may not charge a pupil for the award of credit.

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

Sec. 34. Minnesota Statutes 2016, section 124D.09, subdivision 13, is amended to read:

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

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

A postsecondary institution shall receive the following:

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

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

The department must pay to each postsecondary institution 100 percent of the amount in clause (1) or (2) within ~~30~~ 45 days of receiving initial enrollment information each quarter or semester. If changes in enrollment occur during a quarter or semester, the change shall be reported by the postsecondary institution at the time the enrollment information for the succeeding quarter or semester is submitted. At any time the department notifies a postsecondary institution that an overpayment has been made, the institution shall promptly remit the amount due.

Sec. 35. [124D.4535] INNOVATIVE DELIVERY OF CAREER AND TECHNICAL EDUCATION PROGRAMS; SHARING OF DISTRICT RESOURCES.

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

(1) provide innovative education programs and activities that integrate core academic and career and technical subjects in students' programs of study through coordinated secondary and postsecondary career and technical programs leading to an industry certification or other credential;

(2) provide embedded professional development for program participants;

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

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

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

(1) collaborative education goals and objectives;

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

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

(4) an implementation timeline; and

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

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

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

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

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

Subd. 2. **Commissioner's role.** The commissioner of education must convene an advisory panel to advise the commissioner on applicants' qualifications to participate in this program. The commissioner must ensure an equitable geographical distribution of program participants to the extent practicable. The commissioner must select only those applicants that fully comply with subdivision 1. The commissioner

may terminate a program participant that fails to effectively implement the goals and objectives contained in its application and according to its stated timeline.

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

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

Sec. 36. Minnesota Statutes 2016, section 124D.68, subdivision 2, is amended to read:

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

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

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

(3) is pregnant or is a parent;

(4) has been assessed as chemically dependent;

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

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

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

(8) has experienced mental health problems;

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

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

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

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

(b) For ~~the 2016-2017 school year~~ fiscal years 2017 and 2018 only, a pupil otherwise qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years of age, is an English learner with an interrupted formal education according to section 124D.59, subdivision 2a, and was in an early middle college program during the previous school year is eligible to participate in the graduation incentives program under section 124D.68 and in concurrent enrollment courses offered under section 124D.09, subdivision 10, and is funded in the same manner as other pupils under this section.

Sec. 37. Minnesota Statutes 2016, section 124D.695, is amended to read:

124D.695 APPROVED RECOVERY PROGRAM FUNDING.

Subdivision 1. **Approved recovery program.** "Approved recovery program" means a course of instruction offered by a recovery school that provides academic services, assistance with recovery, and continuing care to students recovering from substance abuse or dependency. A recovery program may be offered in a

transitional academic setting designed to meet graduation requirements. A recovery program must be approved by the commissioner of education. The commissioner may specify the manner and form of the application for the approval of a recovery school or recovery program. The commissioner must also approve any unreimbursed pupil transportation costs incurred by students participating in an approved recovery program.

Subd. 2. **Eligibility.** (a) An approved recovery program is eligible for an annual recovery program grant of up to \$125,000 to pay for a portion of the costs ~~of~~ under this section for recovery program support staff ~~under this section~~ and approved pupil transportation expenses.

(b) "Recovery program support staff" means licensed alcohol and chemical dependency counselors, licensed school counselors, licensed school psychologists, licensed school nurses, and licensed school social workers.

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

Sec. 38. Minnesota Statutes 2016, section 124D.83, subdivision 2, is amended to read:

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

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

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

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

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

(5) multiplying the sum of the resident pupil units, including section 126C.05, subdivision 13, in average daily membership plus the tribal contract compensation revenue pupil units by the lesser of \$3,230 for fiscal years 2016 ~~and 2017~~ or to 2019 and \$1,500 for fiscal year 2018 2020 and later or the result in clause (4).

Sec. 39. Minnesota Statutes 2016, section 124E.03, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

Sec. 40. Minnesota Statutes 2016, section 124E.05, subdivision 7, is amended to read:

Subd. 7. **Withdrawal.** If the governing board of an approved authorizer votes to withdraw as an approved authorizer for a reason unrelated to any cause under section 124E.10, subdivision 4, the authorizer must notify all its chartered schools and the commissioner in writing by March 1 of its intent to withdraw as an authorizer on June 30 in the next calendar year, regardless of when the authorizer's five-year term of approval ends. Upon notification of the schools and commissioner, the authorizer must provide a letter to the school for distribution to families of students enrolled in the school that explains the decision to withdraw as an authorizer. The commissioner may approve the transfer of a charter school to a new authorizer under section 124E.10, subdivision 5.

Sec. 41. Minnesota Statutes 2016, section 124E.11, is amended to read:

124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.

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

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

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

or

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

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

(c) A charter school shall give enrollment preference to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's staff before accepting other pupils by lot. A charter school that is located in Duluth township in St. Louis County and

admits students in kindergarten through grade 6 must give enrollment preference to students residing within a five-mile radius of the school and to the siblings of enrolled children. A charter school may give enrollment preference to children currently enrolled in the school's free preschool or prekindergarten program under section 124E.06, subdivision 3, paragraph (a), who are eligible to enroll in kindergarten in the next school year.

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

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

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

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

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

Sec. 42. Minnesota Statutes 2016, section 124E.22, is amended to read:

124E.22 BUILDING LEASE AID.

(a) When a charter school finds it economically advantageous to rent or lease a building or land for any instructional purpose and it determines that the total operating capital revenue under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for building lease aid. The commissioner must review and either approve or deny a lease aid application using the following criteria:

(1) the reasonableness of the price based on current market values;

(2) the extent to which the lease conforms to applicable state laws and rules; and

(3) the appropriateness of the proposed lease in the context of the space needs and financial circumstances of the charter school. The commissioner must approve aid only for a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the charter school of its lease obligations at the time the charter contract is terminated or not renewed. The closure clause under item (ii) must not be constructed or construed to relieve the charter school of its lease obligations in effect before the charter contract is terminated or not renewed.

(b) A charter school must not use the building lease aid it receives for custodial, maintenance service, utility, or other operating costs.

(c) The amount of annual building lease aid for a charter school shall not exceed the lesser of (1) 90 percent of the approved cost or (2) the product of the charter school building lease aid pupil units served for the current school year times \$1,314.

(d) A charter school's building lease aid pupil units equals the sum of the charter school pupil units under section 126C.05 and the pupil units for the portion of the day that the charter school's enrolled students are participating in the Postsecondary Enrollment Options Act under section 124D.09 and not otherwise included in the pupil count under section 126C.05.

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

Sec. 43. Minnesota Statutes 2016, section 125A.56, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Before a pupil is referred for a special education evaluation, the district must conduct and document at least two instructional strategies, alternatives, or interventions using a system of scientific, research-based instruction and intervention in academics or behavior, based on the pupil's needs, while the pupil is in the regular classroom. The pupil's teacher must document the results. A special education evaluation team may waive this requirement when it determines the pupil's need for the evaluation is urgent. This section may not be used to deny a pupil's right to a special education evaluation.

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

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

Sec. 44. **[136A.1276] ALTERNATIVE TEACHER PREPARATION GRANT PROGRAM.**

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

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

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

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

(e) "Shortage area" means:

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

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

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

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

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

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

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

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

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

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

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

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

or

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

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

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

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

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

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

(2) program participant placement.

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

Sec. 45. Minnesota Statutes 2016, section 136A.1791, subdivision 1, is amended to read:

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

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

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

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

(e) "Teacher shortage area" means:

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

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

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

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

Sec. 46. Minnesota Statutes 2016, section 136A.1791, subdivision 2, is amended to read:

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

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

Sec. 47. Minnesota Statutes 2016, section 136A.1791, subdivision 9, is amended to read:

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

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

Sec. 48. Laws 2016, chapter 189, article 25, section 58, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) If established, the State Partnership must:

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

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

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

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

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

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

(b) If established, the State Partnership must submit an annual joint report to the legislature and the Office of Higher Education by January 15 of each year on the progress of its activities. The report must include the number of teachers participating in the program, the geographic location of the teachers, the number of credits earned, and the subject areas of the courses in which participants earned credit. The report must include a financial report for the preceding year.

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

Sec. 49. Laws 2016, chapter 189, article 25, section 62, subdivision 7, is amended to read:

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

	500,000		
\$	<u>90,000</u>	.....	2017
\$	<u>410,000</u>	.....	<u>2018</u>

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

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

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

Sec. 50. Laws 2016, chapter 189, article 25, section 62, subdivision 11, is amended to read:

Subd. 11. **Student teachers in shortage areas.** For transfer to the commissioner of the Office of Higher Education for the purpose of providing grants to student teachers in shortage areas under Minnesota Statutes, section 136A.1275:

\$	2,800,000	2017
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Of this amount, up to two percent is for administration of the student teacher grant program in expectation that the Office of Higher Education will begin to disburse grants no later than September 1, 2017. This is a onetime appropriation. This appropriation is available until June 30, 2019.

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

Sec. 51. **AGRICULTURAL EDUCATOR GRANTS.**

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

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

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

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

Sec. 52. **INNOVATION RESEARCH ZONES PILOT PROGRAM.**

Subdivision 1. **Establishment; requirements for participation; research zone plans.** (a) The innovation research zone pilot program is established to improve student and school outcomes consistent with the world's best workforce requirements under Minnesota Statutes, section 120B.11. Innovation zone partnerships allow school districts and charter schools to research and implement innovative education programming models designed to better prepare students for the world of the 21st century.

(b) One or more school districts or charter schools may join together to form an innovation zone partnership. The partnership may include other nonschool partners, including postsecondary institutions, other units of local government, nonprofit organizations, and for-profit organizations. An innovation zone plan must be collaboratively developed in concert with the school's instructional staff.

(c) An innovation research zone partnership must research and implement innovative education programs and models that are based on proposed hypotheses. An innovation zone plan may include an emerging practice not yet supported by peer-reviewed research. Examples of innovation zone research may include, but are not limited to:

(1) personalized learning, allowing students to excel at their own pace and according to their interests, aspirations, and unique needs;

(2) the use of competency outcomes rather than seat time and course completion to fulfill standards, credits, and other graduation requirements;

(3) multidisciplinary, real-world, inquiry-based, and student-directed models designed to make learning more engaging and relevant, including documenting and validating learning that takes place beyond the school day and school walls;

(4) models of instruction designed to close the achievement gap, including new models for age three to grade 3 models, English as a second language models, early identification and prevention of mental health issues, and others;

(5) new partnerships between secondary schools and postsecondary institutions, employers, or career training institutions enabling students to complete industry certifications, postsecondary education credits, and other credentials;

(6) new methods of collaborative leadership including the expansion of schools where teachers have larger professional roles;

(7) new ways to enhance parental and community involvement in learning;

(8) new models of professional development for educators, including embedded professional development;

or

(9) new models in other areas such as whole child instruction, social-emotional skill development, technology-based or blended learning, parent and community involvement, professional development and mentoring, and models that increase the return on investment.

(d) An innovation zone plan submitted to the commissioner must describe:

(1) how the plan will improve student and school outcomes consistent with the world's best workforce requirements under Minnesota Statutes, section 120B.11;

- (2) the role of each partner in the zone;
- (3) the research methodology used for each proposed action in the plan;
- (4) the exemptions from statutes and rules in subdivision 2 that the research zone partnership will use;
- (5) a description of how teachers and other educational staff from the affected school sites will be included in the planning and implementation process;
- (6) a detailed description of expected outcomes and graduation standards;
- (7) a timeline for implementing the plan and assessing the outcomes; and
- (8) how results of the plan will be disseminated.

The governing board for each partner must approve the innovation zone plan.

(e) Upon unanimous approval of the initial innovation zone partners and approval of the commissioner of education, the innovation zone partnership may extend membership to other partners. A new partner's membership is effective 30 days after the innovation zone partnership notifies the commissioner of the proposed change in membership unless the commissioner disapproves the new partner's membership.

(f) Notwithstanding any other law to the contrary, a school district or charter school participating in an innovation zone partnership under this section continues to receive all revenue and maintains its taxation authority in the same manner as before its participation in the innovation zone partnership. The innovation zone school district and charter school partners remain organized and governed by their respective school boards with general powers under Minnesota Statutes, chapter 123B or 124E, and remain subject to any employment agreements under Minnesota Statutes, chapters 122A and 179A. School district and charter school employees participating in an innovation zone partnership remain employees of their respective school district or charter school.

(g) An innovation zone partnership may submit its plan at any time to the commissioner in the form and manner specified by the commissioner. The commissioner must approve or reject the plan after reviewing the recommendation of the Innovation Research Zone Advisory Panel. An initial innovation zone plan that has been rejected by the commissioner may be resubmitted to the commissioner after the innovation zone partnership has modified the plan to meet each individually identified objection.

Subd. 2. Exemptions from laws and rules. (a) Notwithstanding any other law to the contrary, an innovation zone partner with an approved plan is exempt from each of the following state education laws and rules specifically identified in its plan:

(1) any law or rule from which a district-created, site-governed school under Minnesota Statutes, section 123B.045, is exempt;

(2) any statute or rule from which the commissioner has exempted another district or charter school, as identified in the list published on the Department of Education's Web site under subdivision 4, paragraph (b);

(3) online learning program approval under Minnesota Statutes, section 124D.095, subdivision 7, if the school district or charter school offers a course or program online combined with direct access to a teacher for a portion of that course or program;

(4) restrictions on extended time revenue under Minnesota Statutes, section 126C.10, subdivision 2a, for a student who meets the criteria of Minnesota Statutes, section 124D.68, subdivision 2; and

(5) any required hours of instruction in any class or subject area for a student who is meeting all competencies consistent with the graduation standards described in the innovation zone plan.

(b) The exemptions under this subdivision must not be construed as exempting an innovation zone partner from the Minnesota Comprehensive Assessments.

Subd. 3. **Innovation Research Zone Advisory Panel.** (a) The commissioner must establish and convene an Innovation Research Zone Advisory Panel to review all innovation zone plans submitted for approval.

(b) The panel must be composed of nine members. One member must be appointed by each of the following organizations: Educators for Excellence, Education Minnesota, Minnesota Association of Secondary School Principals, Minnesota Elementary School Principals' Association, Minnesota Association of School Administrators, Minnesota School Boards Association, Minnesota Association of Charter Schools, and the Office of Higher Education. The commissioner must appoint one member with expertise in evaluation and research.

Subd. 4. **Commissioner approval.** (a) Upon recommendation of the Innovation Research Zone Advisory Panel, the commissioner may approve up to three innovation zone plans in the seven-county metropolitan area and up to three in greater Minnesota. If an innovation zone partnership fails to implement its innovation zone plan as described in its application and according to the stated timeline, upon recommendation of the Innovation Research Zone Advisory Panel, the commissioner must alert the partnership members and provide the opportunity to remediate. If implementation continues to fail, the commissioner must suspend or terminate the innovation zone plan.

(b) The commissioner must publish a list of the exemptions the commissioner has granted to a district or charter school on the Department of Education's Web site by July 1, 2017. The list must be updated annually.

Subd. 5. **Project evaluation, dissemination, and report to legislature.** Each research zone partnership must submit project data to the commissioner in the form and manner provided for in the approved application. At least once every two years, the commissioner must analyze each innovation zone's progress in realizing the objectives of the innovation zone partnership's plan. The commissioner must summarize and categorize innovation zone plans and submit a report to the legislative committees having jurisdiction over education by February 1 of each odd-numbered year in accordance with Minnesota Statutes, section 3.195.

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

Sec. 53. **COMMISSIONER OF EDUCATION MUST SUBMIT ESSA PLAN TO LEGISLATURE.**

Subdivision 1. **ESSA plan.** The commissioner of education must submit the state plan developed pursuant to the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act, United States Code, title 20, section 6311, to the education policy and finance committees of the legislature at least 30 days before submitting the plan to the United States Department of Education.

Subd. 2. **Alignment with World's Best Workforce measures.** The state plan must be consistent and aligned, to the extent practicable, with the performance accountability measures required under Minnesota Statutes, section 120B.11, subdivision 1a, to create a single accountability system for all public schools.

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

Sec. 54. **EDUCATIONAL STABILITY FOR STUDENTS IN FOSTER CARE.**

Subdivision 1. **Establishment.** A pilot project is established to provide incentives for school districts and county governments to develop partnership agreements and implement transportation plans to help keep foster care students enrolled in their school of origin when a student is placed in a foster care setting outside the school of origin's boundaries.

Subd. 2. **Qualifying plans.** A school district must submit an application in the form and manner prescribed by the commissioner of education to participate in the program. To qualify for participation, one or more school districts and the local child welfare agency must have a written interagency agreement that describes the local plan for ensuring educational stability for foster care students. The parties to the agreement must seek Title IV-E reimbursement for eligible students and eligible transportation costs. The plan must describe:

- (1) how transportation services will be arranged and provided; and
- (2) how local transportation costs will be paid for if pilot project funds are insufficient to cover all costs.

Subd. 3. **Pilot project; funding.** The commissioner must reimburse partnerships with qualifying plans under subdivision 2 at the end of the school year based on allowable expenditures and reimbursements and compliance with other reporting requirements. If the available appropriation is insufficient to fully fund all qualifying plans, the commissioner may prorate the available funds statewide among all school districts with qualifying plans.

Subd. 4. **Report.** By February 1, 2018, the commissioner of education shall report on the pilot project to the legislative committees with jurisdiction over early childhood through grade 12 education. The report must include, at a minimum, the number of local agreements entered into for this project along with the number of school districts and counties participating in the agreements, baseline data showing the number of foster care students who were able to remain in their school of origin and the changes in the ratio over the time of the pilot project, data on expenditures for school stability transportation and federal reimbursements received for the pilot project with a midyear projection of end-of-year costs and revenues, and projected costs for statewide implementation of the program.

Sec. 55. **RURAL CAREER AND TECHNICAL EDUCATION CONSORTIUM GRANTS.**

Subdivision 1. **Definition.** "Rural career and technical education (CTE) consortium" means a voluntary collaboration of a service cooperative and other regional public and private partners, including school districts and higher education institutions, that work together to provide career and technical education opportunities within the service cooperative's multicounty service area.

Subd. 2. **Establishment.** (a) A rural CTE consortium shall:

- (1) focus on the development of courses and programs that encourage collaboration between two or more school districts;
- (2) develop new career and technical programs that focus on the industry sectors that fuel the rural regional economy;
- (3) facilitate the development of highly trained and knowledgeable students who are equipped with technical and workplace skills needed by regional employers;
- (4) improve access to career and technical education programs for students who attend sparsely populated rural school districts by developing public and private partnerships with business and industry leaders and by increasing coordination of high school and postsecondary program options;
- (5) increase family and student awareness of the availability and benefit of career and technical education courses and training opportunities; and
- (6) provide capital start-up costs for items including but not limited to a mobile welding lab, medical equipment and lab, and industrial kitchen equipment.

(b) In addition to the requirements in paragraph (a), a rural CTE consortium may:

- (1) address the teacher shortage crisis in career and technical education through incentive funding and training programs; and

(2) provide transportation reimbursement grants to provide equitable opportunities throughout the region for students to participate in career and technical education.

Subd. 3. **Rural career and technical education advisory committee.** In order to be eligible for a grant under this section, a service cooperative must establish a rural career and technical education advisory committee to advise the cooperative on the administration of the rural CTE consortium.

Subd. 4. **Private funding.** A rural CTE consortium may receive other sources of funds to supplement state funding. All funds received shall be administered by the service cooperative that is a member of the consortium.

Subd. 5. **Reporting requirements.** A rural CTE consortium must submit an annual report on the progress of its activities to the commissioner of education and the legislative committees with jurisdiction over secondary and postsecondary education. The annual report must contain a financial report for the preceding fiscal year. The first report is due no later than January 15, 2019.

Subd. 6. **Grant recipients.** For fiscal years 2018 and 2019, the commissioner shall award a two-year grant to the consortium that is a collaboration of the Southwest/West Central Service Cooperative (SWWC), Southwest Minnesota State University, Minnesota West Community and Technical College, Ridgewater College, and other regional public and private partners. For fiscal years 2020 and 2021, the commissioner shall award a two-year grant to an applicant consortium that includes the South Central Service Cooperative or Southeast Service Cooperative and a two-year grant to an applicant consortium that includes the Northwest Service Cooperative or Northeast Service Cooperative.

Sec. 56. **INTERMEDIATE SCHOOL DISTRICT MENTAL HEALTH INNOVATION GRANT PROGRAM; APPROPRIATION.**

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

(b) A "qualifying school unit" means an intermediate district organized under Minnesota Statutes, section 136D.01, or a service cooperative organized under Minnesota Statutes, section 123A.21, subdivision 1, paragraph (a), clause (2), that provides instruction to students in a setting of federal instructional level 4 or higher. Grants under paragraph (a) must be awarded to eligible applicants such that the services are proportionately provided among qualifying school units. The commissioner shall calculate the share of the appropriation to be used in each qualifying school unit by dividing the qualifying school unit's average daily membership in a setting of federal instructional level 4 or higher for fiscal year 2016 by the total average daily membership in a setting of federal instructional level 4 or higher for the same year for all qualifying school units.

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

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

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

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

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

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

(e) A qualifying school unit must submit an application to the commissioner in the form and manner specified by the commissioner. The commissioner may approve an application that describes models for innovative projects to serve the needs of the schools and students. The commissioner may provide technical assistance to the qualifying school unit. The commissioner shall then solicit grant project proposals and award grant funding to the eligible applicants whose project proposals best meet the requirements of this section and most closely adhere to the models created by the intermediate districts and service cooperatives.

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

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

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

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

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

(h) The base budget for this program is \$0. This appropriation is available until June 30, 2020.

Sec. 57. **APPROPRIATIONS.**

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

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

\$ 71,249,000 2018

\$ 73,267,000 2019

The 2018 appropriation includes \$6,725,000 for 2017 and \$64,524,000 for 2018.

The 2019 appropriation includes \$7,169,000 for 2018 and \$66,098,000 for 2019.

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

\$ 47,264,000 2018

\$ 47,763,000 2019

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

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

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

\$ 13,337,000 2018

\$ 14,075,000 2019

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

\$ 3,623,000 2018

\$ 4,018,000 2019

The 2018 appropriation includes \$323,000 for 2017 and \$3,300,000 for 2018.

The 2019 appropriation includes \$366,000 for 2018 and \$3,652,000 for 2019.

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

\$ 9,244,000 2018

\$ 9,464,000 2019

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

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

Subd. 7. **Early childhood literacy programs.** (a) For early childhood literacy programs under Minnesota Statutes, section 119A.50, subdivision 3:

\$ 6,950,000 2018

\$ 6,950,000 2019

(b) Up to \$6,950,000 each year is for leveraging federal and private funding to support AmeriCorps members serving in the Minnesota reading corps program established by ServeMinnesota, including costs associated with training and teaching early literacy skills to children ages three to grade 3 and evaluating the impact of the program under Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42, subdivision 6.

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

(d) The base for fiscal year 2020 is \$7,950,000.

Subd. 8. **Concurrent enrollment program.** For concurrent enrollment programs under Minnesota Statutes, section 124D.091:

\$ 4,000,000 2018

\$ 4,000,000 2019

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

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

Subd. 9. **Expanded concurrent enrollment grants.** For grants to institutions offering "Introduction to Teaching" or "Introduction to Education" college in the schools courses under Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b):

\$	<u>375,000</u>	.....	<u>2018</u>
\$	<u>375,000</u>	.....	<u>2019</u>

The department may retain up to five percent of the appropriation amount to monitor and administer the grant program.

Subd. 10. **ServeMinnesota program.** For funding ServeMinnesota programs under Minnesota Statutes, sections 124D.37 to 124D.45:

\$	<u>900,000</u>	.....	<u>2018</u>
\$	<u>900,000</u>	.....	<u>2019</u>

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

Subd. 11. **Student organizations.** For student organizations:

\$	<u>725,000</u>	.....	<u>2018</u>
\$	<u>725,000</u>	.....	<u>2019</u>

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

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

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

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

(e) \$142,000 in fiscal years 2018 and 2019 is for student organizations serving family and consumer science occupations (FCCLA). Notwithstanding Minnesota Rules, part 3505.1000, subparts 28 and 31, the student organizations serving FCCLA shall continue to serve students younger than grade 9. Beginning in fiscal year 2020, the amount is \$185,000.

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

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

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

(i) The base for fiscal year 2020 and later is \$768,000.

Subd. 12. **Museums and education centers.** For grants to museums and education centers:

\$	<u>460,000</u>	.....	<u>2018</u>
\$	<u>460,000</u>	.....	<u>2019</u>

(a) \$319,000 each year is for the Minnesota Children's Museum. Of the amount in this paragraph, \$50,000 in each year is for the Minnesota Children's Museum, Rochester.

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

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

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

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

Subd. 13. **Minnesota Center for the Book programming.** For grants to the entity designated by the Library of Congress as the Minnesota Center for the Book to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the Center for the Book designation:

\$	<u>50,000</u>	.....	<u>2018</u>
\$	<u>50,000</u>	.....	<u>2019</u>

The base for fiscal year 2020 is \$0.

Subd. 14. **Singing-based pilot program to improve student reading.** (a) For a grant to pilot a research-supported, computer-based educational program that uses singing to improve the reading ability of students in grades 2 through 5:

\$	<u>500,000</u>	.....	<u>2018</u>
\$	<u>0</u>	.....	<u>2019</u>

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

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

(d) This is a onetime appropriation.

Subd. 15. **Starbase MN.** (a) For a grant to Starbase MN for a rigorous science, technology, engineering, and math (STEM) program providing students in grades 4 through 6 with a multisensory learning experience and a hands-on curriculum in an aerospace environment using state-of-the-art technology:

\$	<u>1,350,000</u>	.....	<u>2018</u>
\$	<u>0</u>	.....	<u>2019</u>

(b) Any balance in the first year does not cancel but is available in the second year. The base for fiscal year 2020 is \$500,000.

(c) All unspent funds, estimated at \$850,000 from the Starbase MN appropriation under Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 17, are canceled the day following final enactment.

Subd. 16. **Recovery program grants.** For recovery program grants under Minnesota Statutes, section 124D.695:

\$	<u>750,000</u>	.....	<u>2018</u>
\$	<u>750,000</u>	.....	<u>2019</u>

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

Subd. 17. **Minnesota math corps program.** For the Minnesota math corps program under Minnesota Statutes, section 124D.42, subdivision 9:

\$	<u>500,000</u>	.....	<u>2018</u>
\$	<u>500,000</u>	.....	<u>2019</u>

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

Subd. 18. **Civic education grants.** For grants to the Minnesota Civic Education Coalition, Minnesota Civic Youth, Learning Law and Democracy Foundation, and YMCA Youth in Government to provide civic education programs for Minnesota youth age 18 and younger. Civic education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions, and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

\$	<u>125,000</u>	.....	<u>2018</u>
\$	<u>125,000</u>	.....	<u>2019</u>

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

Subd. 19. **Minnesota Principals Academy.** (a) For grants to the University of Minnesota College of Education and Human Development for the operation of the Minnesota Principals Academy:

\$	<u>200,000</u>	.....	<u>2018</u>
\$	<u>200,000</u>	.....	<u>2019</u>

(b) Of these amounts, \$50,000 must be used to pay the costs of attendance for principals and school leaders from schools identified for intervention under the state's accountability system as implemented to comply with the federal Every Student Succeeds Act. To the extent funds are available, the Department of Education is encouraged to use up to \$200,000 of federal Title II funds to support additional participation in the Principals Academy by principals and school leaders from schools identified for intervention under the state's accountability system as implemented to comply with the federal Every Student Succeeds Act.

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

Subd. 20. **Educational stability for students living in foster care.** For a pilot project to promote educational stability for students living in foster care:

\$	<u>1,000,000</u>	<u>2018</u>
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Up to five percent of the appropriation may be used for state and local administrative costs such as reporting, technical support, and establishing a Title IV-E reimbursement claiming process. This is a onetime appropriation. This appropriation is available until June 30, 2019.

Subd. 21. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124E.22:

\$	<u>73,341,000</u>	<u>2018</u>
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\$ 78,802,000 2019

The 2018 appropriation includes \$6,850,000 for 2017 and \$66,491,000 for 2018.

The 2019 appropriation includes \$7,387,000 for 2018 and \$71,415,000 for 2019.

Subd. 22. **Race 2 Reduce.** (a) For grants to support expanded Race 2 Reduce water conservation programming in Minnesota schools:

\$ 307,000 2018

\$ 0 2019

(b) \$143,000 is for H2O for Life; \$98,000 is for Independent School District No. 624, White Bear Lake; and \$66,000 is for Independent School District No. 832, Mahtomedi.

(c) The appropriation is available until June 30, 2019. The base for fiscal year 2020 is \$0.

Subd. 23. **Paraprofessional pathway to teacher licensure.** (a) For grants to school districts for Grow Your Own new teacher programs:

\$ 1,500,000 2018

\$ 1,500,000 2019

(b) The grants are for school districts with more than 30 percent minority students for a Board of Teaching-approved nonconventional teacher residency pilot program. The program must provide tuition scholarships or stipends to enable school district employees or community members affiliated with a school district who seek an education license to participate in a nonconventional teacher preparation program. School districts that receive funds under this subdivision are strongly encouraged to recruit candidates of color and American Indian candidates to participate in the Grow Your Own new teacher programs. Districts or schools providing financial support may require a commitment as determined by the district to teach in the district or school for a reasonable amount of time that does not exceed five years.

(c) School districts and charter schools may also apply for grants to develop innovative expanded Grow Your Own programs that encourage secondary school students to pursue teaching, including developing and offering dual-credit postsecondary course options in schools for "Introduction to Teaching" or "Introduction to Education" courses consistent with Minnesota Statutes, section 124D.09, subdivision 10.

(d) Programs must annually report to the commissioner by the date determined by the commissioner on their activities under this section, including the number of participants, the percentage of participants who are of color or who are American Indian, and an assessment of program effectiveness, including participant feedback, areas for improvement, the percentage of participants continuing to pursue teacher licensure, and the number of participants hired in the school or district as teachers after completing preparation programs.

(e) The department may retain up to three percent of the appropriation amount to monitor and administer the grant program.

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

Subd. 24. **Statewide testing and reporting system.** For the statewide testing and reporting system under Minnesota Statutes, section 120B.30:

\$ 10,892,000 2018

\$ 10,892,000 2019

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

Subd. 25. **College entrance examination reimbursement.** To reimburse districts for students who qualify under Minnesota Statutes, section 120B.30, subdivision 1, paragraph (e), for payment of their college entrance examination fee:

\$	<u>1,511,000</u>	.....	<u>2018</u>
\$	<u>1,511,000</u>	.....	<u>2019</u>

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

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

Subd. 26. **Alternative teacher compensation aid.** For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

\$	<u>89,863,000</u>	.....	<u>2018</u>
\$	<u>89,623,000</u>	.....	<u>2019</u>

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

The 2019 appropriation includes \$8,994,000 for 2018 and \$80,629,000 for 2019.

Subd. 27. **Collaborative urban and greater Minnesota educators of color program grants.** (a) For collaborative urban and greater Minnesota educators of color program grants:

\$	<u>1,000,000</u>	.....	<u>2018</u>
\$	<u>1,000,000</u>	.....	<u>2019</u>

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

(c) By January 15 of each year, each institution shall prepare for the legislature a detailed report regarding the funds used to recruit, retain, and induct teacher candidates who are of color or who are American Indian. The report must include the total number of teacher candidates of color, disaggregated by race or ethnic group, who are recruited to the institution, are newly admitted to the licensure program, are enrolled in the licensure program, have completed student teaching, have graduated, and are licensed and newly employed as Minnesota teachers in their licensure field. The total number of teacher candidates who are of color or who are American Indian at each stage from recruitment to licensed teaching must be reported as a percentage of total candidates seeking the same licensure at the institution. The report must include the graduation rate for each cohort of teacher candidates, the placement rate for each graduating cohort of teacher candidates, and the retention rate for each graduating cohort of teacher candidates, among other program outcomes.

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

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

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

Subd. 28. Examination fees; teacher training and support programs. (a) For students' advanced placement and international baccalaureate examination fees under Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

\$	<u>4,500,000</u>	.....	<u>2018</u>
\$	<u>4,500,000</u>	.....	<u>2019</u>

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

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

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

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

Subd. 29. Grants to increase science, technology, engineering, and math course offerings. For grants to schools to encourage low-income and other underserved students to participate in advanced placement and international baccalaureate programs according to Minnesota Statutes, section 120B.132:

\$	<u>250,000</u>	.....	<u>2018</u>
\$	<u>250,000</u>	.....	<u>2019</u>

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

Subd. 30. Agricultural educator grants. For agricultural educator grants under section 51:

\$	<u>250,000</u>	.....	<u>2018</u>
\$	<u>250,000</u>	.....	<u>2019</u>

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

Subd. 31. American Indian teacher preparation grants. For joint grants to assist American Indian people to become teachers under Minnesota Statutes, section 122A.63:

\$	<u>460,000</u>	.....	<u>2018</u>
\$	<u>460,000</u>	.....	<u>2019</u>

Subd. 32. African American Registry. (a) For grants to the African American Registry for the Teacher's Forum:

\$	<u>100,000</u>	.....	<u>2018</u>
\$	<u>100,000</u>	.....	<u>2019</u>

(b) The African American Registry must use the grant funds to establish partnerships with Metropolitan State University and the University of St. Thomas to improve the cultural competency of candidates seeking a first teaching license. By January 15 of each year, the African American Registry shall submit to the legislature a detailed report regarding the funds used. The report must include the number of teachers prepared. The base in fiscal year 2020 is \$0.

Subd. 33. **Rural career and technical education consortium.** (a) For rural career and technical education consortium grants:

\$	<u>1,500,000</u>	.....	<u>2018</u>
\$	<u>1,500,000</u>	.....	<u>2019</u>

This appropriation is available until June 30, 2022. If the appropriation in the first year is insufficient, the 2019 appropriation is available.

(b) The base in fiscal year 2020 is \$3,000,000.

Subd. 34. **Sanneh Foundation.** (a) For a grant to the Sanneh Foundation to provide all-day, in-school, and before- and after-school academic and behavioral interventions for low-performing and chronically absent students with a focus on low-income students and students of color throughout the school year and during the summer to decrease absenteeism, encourage school engagement, and improve grades and graduation rates.

\$	<u>1,000,000</u>	<u>2018</u>
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(b) Funds appropriated in this section must be used to establish and provide services in schools where the Sanneh Foundation does not currently operate, and must not be used for programs operating in schools as of June 30, 2017.

(c) This is a onetime appropriation. Any balance in the first year does not cancel but is available in the second year.

Subd. 35. **Alternative teacher preparation grant program.** (a) For transfer to the commissioner of the Office of Higher Education for alternative teacher preparation program grants under Minnesota Statutes, section 136A.1276:

\$	<u>750,000</u>	.....	<u>2018</u>
\$	<u>0</u>	.....	<u>2019</u>

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

Subd. 36. **Teacher shortage loan forgiveness.** (a) For transfer to the commissioner of the Office of Higher Education for the loan forgiveness program under Minnesota Statutes, section 136A.1791:

\$	<u>500,000</u>	.....	<u>2018</u>
\$	<u>0</u>	.....	<u>2019</u>

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

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

Subd. 37. **Statewide concurrent enrollment teacher training program.** For the statewide concurrent enrollment teacher training program under Laws 2016, chapter 189, article 25, section 58, as amended:

<u>\$</u>	<u>375,000</u>	<u>.....</u>	<u>2018</u>
<u>\$</u>	<u>375,000</u>	<u>.....</u>	<u>2019</u>

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

Sec. 58. **REPEALER.**

Minnesota Statutes 2016, sections 122A.40, subdivision 11; and 122A.41, subdivision 14, are repealed effective July 1, 2019.

ARTICLE 3
TEACHER LICENSURE

Section 1. Minnesota Statutes 2016, section 120B.363, subdivision 1, is amended to read:

Subdivision 1. **Rulemaking.** The Professional Educator Licensing and Standards Board of Teaching must adopt rules to implement a statewide credential for education paraprofessionals who assist a licensed teacher in providing student instruction. Any paraprofessional holding this credential or working in a local school district after meeting a state-approved local assessment is considered to be highly qualified under federal law. Under this subdivision, the Professional Educator Licensing and Standards Board of Teaching, in consultation with the commissioner, must adopt qualitative criteria for approving local assessments that include an evaluation of a paraprofessional's knowledge of reading, writing, and math and the paraprofessional's ability to assist in the instruction of reading, writing, and math. The commissioner must approve or disapprove local assessments using these criteria. The commissioner must make the criteria available to the public.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 2. Minnesota Statutes 2016, section 122A.17, is amended to read:

122A.17 VALIDITY OF CERTIFICATES OR LICENSES.

(a) A rule adopted by the Board of Teaching or the Professional Educator Licensing and Standards Board must not affect the validity of certificates or licenses to teach in effect on July 1, 1974, or the rights and privileges of the holders thereof, except that any such certificate or license may be suspended or revoked for any of the causes and by the procedures specified by law.

(b) All teacher licenses in effect on January 1, 2018, shall remain valid for one additional year after the date the license is scheduled to expire.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 3. Minnesota Statutes 2016, section 122A.18, subdivision 1, is amended to read:

Subdivision 1. **Authority to license.** (a) The Professional Educator Licensing and Standards Board of Teaching must license teachers, as defined in section 122A.15, subdivision 1, except for supervisory personnel, as defined in section 122A.15, subdivision 2. issue the following teacher licenses to candidates who meet the qualifications prescribed by this chapter:

(1) Tier 1 license under section 122A.181;

- (2) Tier 2 license under section 122A.182;
- (3) Tier 3 license under section 122A.183; and
- (4) Tier 4 license under section 122A.184.

(b) The Board of School Administrators must license supervisory personnel as defined in section 122A.15, subdivision 2, except for athletic coaches.

~~(e) Licenses under the jurisdiction of the Board of Teaching, the Board of School Administrators, and the commissioner of education must be issued through the licensing section of the department.~~

~~(d)~~ (c) The Professional Educator Licensing and Standards Board of Teaching and the Department of Education must enter into a data sharing agreement to share:

(1) educational data at the E-12 level for the limited purpose of program approval and improvement for teacher education programs. The program approval process must include targeted redesign of teacher preparation programs to address identified E-12 student areas of concern; and

(2) data in the staff automated reporting system for the limited purpose of managing and processing funding to school districts and other entities.

~~(e)~~ (d) The Board of School Administrators and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for education administration programs. The program approval process must include targeted redesign of education administration preparation programs to address identified E-12 student areas of concern.

~~(f)~~ (e) For purposes of the data sharing agreements under paragraphs ~~(d)~~ (c) and ~~(e)~~ (d), the Professional Educator Licensing and Standards Board of Teaching, Board of School Administrators, and Department of Education may share private data, as defined in section 13.02, subdivision 12, on teachers and school administrators. The data sharing agreements must not include educational data, as defined in section 13.32, subdivision 1, but may include summary data, as defined in section 13.02, subdivision 19, derived from educational data.

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

Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 2, is amended to read:

Subd. 2. **Teacher and Support personnel qualifications.** ~~(a)~~ The Professional Educator Licensing and Standards Board of Teaching must issue licenses and credentials under its jurisdiction to persons the board finds to be qualified and competent for their respective positions, including those meeting the standards adopted under section 122A.09, subdivision 4, paragraph ~~(n)~~ support personnel positions in accordance with section 120B.36.

~~(b) The board must require a candidate for teacher licensure to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics, before being granted a professional five-year teaching license to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special education programs, except that the board may issue up to four temporary, one-year teaching licenses to an otherwise qualified candidate who has not yet passed a board-adopted skills exam. At the request of the employing school district or charter school, the Board of Teaching may issue an initial professional one-year teaching license to an otherwise qualified teacher not passing or demonstrating a passing score on a board-adopted skills examination in reading, writing, and mathematics. For purposes of this section, the initial professional one-year teaching license issued by the board is limited to the current subject or content matter the teacher is employed to teach and limited to the district or charter school requesting the initial professional one-year teaching license. If the board denies the request, it must provide a detailed response to the school administrator as to the reasons for the denial. The board must require~~

~~colleges and universities offering a board approved teacher preparation program to make available upon request remedial assistance that includes a formal diagnostic component to persons enrolled in their institution who did not achieve a qualifying score on a board-adopted skills examination, including those for whom English is a second language. The colleges and universities must make available assistance in the specific academic areas of candidates' deficiency. School districts may make available upon request similar, appropriate, and timely remedial assistance that includes a formal diagnostic component to those persons employed by the district who completed their teacher education program, who did not achieve a qualifying score on a board-adopted skills examination, and who received an initial professional one-year teaching license to teach in Minnesota. The Board of Teaching shall report annually to the education committees of the legislature on the total number of teacher candidates during the most recent school year taking a board-adopted skills examination, the number who achieve a qualifying score on the examination, the number who do not achieve a qualifying score on the examination, and the candidates who have not passed a content or pedagogy exam, disaggregated by categories of race, ethnicity, and eligibility for financial aid.~~

~~(e) The Board of Teaching must grant professional five-year teaching licenses only to those persons who have met board criteria for that license, which includes passing a board-adopted skills examination in reading, writing, and mathematics, and the exceptions in section 122A.09, subdivision 4, paragraph (b), that are consistent with this paragraph. The requirement to pass a board-adopted reading, writing, and mathematics skills examination, does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a professional five-year teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.~~

~~(d) All colleges and universities approved by the board of teaching to prepare persons for teacher licensure must include in their teacher preparation programs a common core of teaching knowledge and skills to be acquired by all persons recommended for teacher licensure. Among other requirements, teacher candidates must demonstrate the knowledge and skills needed to provide appropriate instruction to English learners to support and accelerate their academic literacy, including oral academic language, and achievement in content areas in a regular classroom setting. This common core shall meet the standards developed by the interstate new teacher assessment and support consortium in its 1992 "model standards for beginning teacher licensing and development." Amendments to standards adopted under this paragraph are covered by chapter 14. The board of teaching shall report annually to the education committees of the legislature on the performance of teacher candidates on common core assessments of knowledge and skills under this paragraph during the most recent school year.~~

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

Sec. 5. Minnesota Statutes 2016, section 122A.18, subdivision 2b, is amended to read:

Subd. 2b. **Reading specialist.** ~~Not later than July 1, 2002,~~ The Professional Educator Licensing and Standards Board of Teaching must adopt rules providing for reading teacher licensure.

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

Sec. 6. Minnesota Statutes 2016, section 122A.18, subdivision 7a, is amended to read:

Subd. 7a. **Permission to substitute teach.** (a) The Professional Educator Licensing and Standards Board of Teaching may allow a person who otherwise qualifies for a Tier 1 license in accordance with section 122A.181, subdivision 2, or is enrolled in and making satisfactory progress in a board-approved teacher program and who has successfully completed student teaching to be employed as a short-call substitute teacher.

(b) The Professional Educator Licensing and Standards Board of Teaching may issue a lifetime qualified short-call or long-call substitute teaching license to a person who:

(1) was a qualified teacher under section 122A.16 while holding a ~~professional five-year~~ Tier 3 or Tier 4 teaching license issued by the board, under sections 122A.183 and 122A.184, respectively, and receives a retirement annuity from the Teachers Retirement Association or the St. Paul Teachers Retirement Fund Association;

(2) holds an out-of-state teaching license and receives a retirement annuity as a result of the person's teaching experience; or

(3) held a ~~professional five-year~~ Tier 3 or Tier 4 teaching license issued by the board, under sections 122A.183 and 122A.184, respectively, taught at least three school years in an accredited nonpublic school in Minnesota, and receives a retirement annuity as a result of the person's teaching experience.

A person holding a lifetime qualified short-call or long-call substitute teaching license is not required to complete continuing education clock hours. A person holding this license may reapply to the board for either:

(i) a ~~professional five-year~~ Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, and must again complete continuing education clock hours one school year after receiving the ~~professional five-year~~ Tier 3 or Tier 4 teaching license; or

(ii) a Tier 1 license under section 122A.181, provided that the candidate has a bachelor's degree, an associate's degree, or an appropriate professional credential in the content area the candidate will teach, in accordance with section 122A.181, subdivision 2.

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

Sec. 7. Minnesota Statutes 2016, section 122A.18, subdivision 7c, is amended to read:

Subd. 7c. **Temporary military license.** The Professional Educator Licensing and Standards Board of Teaching shall establish a temporary license in accordance with section 197.4552 for teaching. The fee for a temporary license under this subdivision shall be \$87.90 for an online application or \$86.40 for a paper application. The board must provide candidates for a license under this subdivision with information regarding the tiered licensure system provided in sections 122A.18 to 122A.184.

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

Sec. 8. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks.** (a) The Professional Educator Licensing and Standards Board of Teaching and the commissioner of education the Board of School Administrators must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under their jurisdiction. Applicants must include with their licensure applications:

(1) an executed criminal history consent form, including fingerprints; and

(2) a money order or cashier's check payable to the Bureau of Criminal Apprehension for the fee for conducting the criminal history background check.

(b) The superintendent of the Bureau of Criminal Apprehension shall perform the background check required under paragraph (a) by retrieving criminal history data as defined in section 13.87 and shall also conduct a search of the national criminal records repository. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

(c) The Professional Educator Licensing and Standards Board of Teaching or the commissioner of education Board of School Administrators may issue a license pending completion of a background check

under this subdivision, but must notify the individual and the school district or charter school employing the individual that the individual's license may be revoked based on the result of the background check.

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

Sec. 9. Minnesota Statutes 2016, section 122A.18, is amended by adding a subdivision to read:

Subd. 10. Licensure via portfolio. (a) The Professional Educator Licensing and Standards Board must adopt rules establishing a process for an eligible candidate to obtain any teacher license under subdivision 1, or to add a licensure field, via portfolio. The portfolio licensure application process must be consistent with the requirements in this subdivision.

(b) A candidate for a license must submit to the board one portfolio demonstrating pedagogical competence and one portfolio demonstrating content competence.

(c) A candidate seeking to add a licensure field must submit to the board one portfolio demonstrating content competence for each licensure field the candidate seeks to add.

(d) The board must notify a candidate who submits a portfolio under paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not the portfolio is approved. If the portfolio is not approved, the board must immediately inform the candidate how to revise the portfolio to successfully demonstrate the requisite competence. The candidate may resubmit a revised portfolio at any time and the board must approve or disapprove the revised portfolio within 60 calendar days of receiving it.

(e) A candidate must pay to the board a \$300 fee for the first portfolio submitted for review and a \$200 fee for any portfolio submitted subsequently. The revenue generated from the fee must be deposited in an education licensure portfolio account in the special revenue fund. The fees are nonrefundable for applicants not qualifying for a license. The board may waive or reduce fees for candidates based on financial need.

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

Sec. 10. **[122A.181] TIER 1 LICENSE.**

Subdivision 1. Application requirements. The Professional Educator Licensing and Standards Board must approve a request from a district or charter school to issue a Tier 1 license in a specified content area to a candidate if:

(1) the candidate meets the professional requirement in subdivision 2;

(2) the district or charter school affirms that the candidate has the necessary skills and knowledge to teach in the specified content area; and

(3) the district or charter school demonstrates that:

(i) a criminal background check under section 122A.18, subdivision 8, has been completed on the candidate; and

(ii) the district or charter school has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position.

Subd. 2. Professional requirements. (a) A candidate for a Tier 1 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study.

(b) A candidate for a Tier 1 license must have one of the following credentials in a relevant content area to teach a class in a career and technical education or career pathways course of study:

(1) an associate's degree;

(2) a professional certification; or

(3) five years of relevant work experience.

Subd. 3. **Term of license and renewal.** (a) The Professional Educator Licensing and Standards Board must issue an initial Tier 1 license for a term of one year. A Tier 1 license may be renewed subject to paragraphs (b) and (c). The board may submit written comments to the district or charter school that requested the renewal regarding the candidate.

(b) The Professional Educator Licensing and Standards Board must renew a Tier 1 license if:

(1) the district or charter school requesting the renewal demonstrates that it has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position;

(2) the teacher holding the Tier 1 license took a content examination in accordance with section 122A.185 and submitted the examination results to the teacher's employing district or charter school within one year of the board approving the request for the initial Tier 1 license; and

(3) the teacher holding the Tier 1 license participated in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), within one year of the board approving the request for the initial Tier 1 license.

The requirement in clause (2) does not apply to a teacher that teaches a class in a career and technical education or career pathways course of study.

(c) A Tier 1 license must not be renewed more than three times, unless the requesting district or charter school can show good cause for additional renewals. A Tier 1 license issued to teach (1) a class or course in a career and technical education or career pathway course of study or (2) in a shortage area, as defined in section 122A.06, subdivision 6, may be renewed without limitation.

Subd. 4. **Application.** The Professional Educator Licensing and Standards Board must accept applications for a Tier 1 teaching license beginning July 1 of the school year for which the license is requested and must issue or deny the Tier 1 teaching license within 30 days of receiving the completed application.

Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and limited to the district or charter school that requested the initial Tier 1 license.

(b) A Tier 1 license does not bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

(c) A Tier 1 license does not bring an individual within the definition of a teacher under section 179A.03, subdivision 18.

Subd. 6. **Mentorship and evaluation.** (a) A teacher holding a Tier 1 license must participate in the employing district or charter school's mentorship program and professional development.

(b) A teacher holding a Tier 1 license must participate in an evaluation aligned, to the extent practicable, with the evaluation under section 122A.40, subdivision 8, or 122A.41, subdivision 5.

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

Sec. 11. **[122A.182] TIER 2 LICENSE.**

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must approve a request from a district or charter school to issue a Tier 2 license in a specified content area to a candidate if:

(1) the candidate meets the educational or professional requirements in paragraph (b) or (c);

(2) the candidate:

(i) has completed the coursework required under subdivision 2;

(ii) is enrolled in a Minnesota-approved teacher preparation program; or

(iii) has a master's degree in the specified content area; and

(3) the district or charter school demonstrates that a criminal background check under section 122A.18, subdivision 8, has been completed on the candidate.

(b) A candidate for a Tier 2 license must have a bachelor's degree to teach a class outside a career and technical education or career pathways course of study.

(c) A candidate for a Tier 2 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:

(1) an associate's degree;

(2) a professional certification; or

(3) five years of relevant work experience.

Subd. 2. **Coursework.** (a) A candidate for a Tier 2 license must meet the coursework requirement by demonstrating completion of two of the following:

(1) at least eight upper division or graduate-level credits in the relevant content area;

(2) field-specific methods of training, including coursework;

(3) at least two years of teaching experience in a similar content area in any state, as determined by the board;

(4) a passing score on the pedagogy and content exams under section 122A.185; or

(5) completion of a state-approved teacher preparation program.

(b) For purposes of paragraph (a), "upper division" means classes normally taken at the junior or senior level of college which require substantial knowledge and skill in the field. Candidates must identify the upper division credits that fulfill the requirement in paragraph (a), clause (1).

Subd. 3. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 2 license for a term of two years. A Tier 2 license may be renewed three times. Before a Tier 2 license is renewed for the first time, a teacher holding a Tier 2 license must participate in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q). The board must issue rules setting forth the conditions for additional renewals after the initial license has been renewed three times.

Subd. 4. **Application.** The Professional Educator Licensing and Standards Board must accept applications for a Tier 2 teaching license beginning July 1 of the school year for which the license is requested and must issue or deny the Tier 2 teaching license within 30 days of receiving the completed application.

Subd. 5. **Limitations on license.** (a) A Tier 2 license is limited to the content matter indicated on the application for the initial Tier 2 license under subdivision 1, paragraph (a), and limited to the district or charter school that requested the initial Tier 2 license.

(b) A Tier 2 license shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

Subd. 6. **Application toward probationary period.** (a) The time that a teacher works under a Tier 2 license must be credited towards the teacher's three-year probationary period under section 122A.40, subdivision 5, or 122A.41, subdivision 2.

(b) The time credited towards the probationary period under paragraph (a) must not exceed two years.

(c) The three years of the probationary period, including any time credited under this subdivision, must run consecutively, consistent with section 122A.40, subdivision 5, or section 122A.41, subdivision 2.

Subd. 7. **Mentorship and evaluation.** (a) A teacher holding a Tier 2 license must participate in the employing district or charter school's mentorship and evaluation program, including an individual growth and development plan that includes cultural competency under section 120B.30, subdivision 1, paragraph (q).

(b) A teacher holding a Tier 2 license must participate in an evaluation aligned, to the extent practicable, with the evaluation under section 122A.40, subdivision 8, or section 122A.41, subdivision 5.

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

Sec. 12. [122A.183] TIER 3 LICENSE.

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must issue a Tier 3 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets the educational or professional requirements in paragraphs (b) and (c);

(2) the candidate has obtained a passing score on the required licensure exams under section 122A.185; and

(3) the candidate has completed the coursework required under subdivision 2.

(b) A candidate for a Tier 3 license must have a bachelor's degree to teach a class or course outside a career and technical education or career pathways course of study.

(c) A candidate for a Tier 3 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:

(1) an associate's degree;

(2) a professional certification; or

(3) five years of relevant work experience.

In consultation with the Governor's Workforce Development Council established under section 116L.665, the board must establish a list of qualifying certifications, and may add additional professional certifications in consultation with school administrators, teachers, and other stakeholders.

Subd. 2. **Coursework.** A candidate for a Tier 3 license must meet the coursework requirement by demonstrating one of the following:

(1) completion of a Minnesota-approved teacher preparation program;

(2) completion of a state-approved teacher preparation program that includes field-specific student teaching equivalent to field-specific student teaching in Minnesota-approved teacher preparation programs. The field-specific student teaching requirement does not apply to a candidate that has two years of teaching experience;

(3) submission of a content-specific licensure portfolio;

(4) a professional teaching license from another state, evidence that the candidate's license is in good standing, and two years of teaching experience; or

(5) three years of teaching experience under a Tier 2 license and evidence of summative teacher evaluations that did not result in placing or otherwise keeping the teacher on an improvement process pursuant to section 122A.40, subdivision 8, or section 122A.41, subdivision 5.

Subd. 3. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 3 license for a term of three years. A Tier 3 license may be renewed every three years without limitation.

Subd. 4. **Mentorship and evaluation.** A teacher holding a Tier 3 license must participate in the employing district or charter school's mentorship and evaluation program, including an individual growth and development plan.

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

Sec. 13. [122A.184] TIER 4 LICENSE.

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets all requirements for a Tier 3 license under section 122A.183, and has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2);

(2) the candidate has at least three years of teaching experience in Minnesota;

(3) the candidate has obtained a passing score on all required licensure exams under section 122A.185; and

(4) the candidate's most recent summative teacher evaluation did not result in placing or otherwise keeping the teacher in an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.

Subd. 2. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 4 license for a term of five years. A Tier 4 license may be renewed every five years without limitation.

Subd. 3. **Mentorship and evaluation.** A teacher holding a Tier 4 license must participate in the employing district or charter school's mentorship and evaluation program, including an individual growth and development plan.

Subd. 4. **Five-year license.** A five-year license issued by the commissioner of education before the effective date of this section must be treated as a Tier 4 license established under this section and section 122A.18. An expired five-year license issued by the commissioner of education before the effective date of this section fulfills the requirements of subdivision 1 for purposes of future licensure by the Professional Educator Licensing and Standards Board.

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

Sec. 14. [122A.185] TEACHER LICENSURE ASSESSMENT.

Subdivision 1. **Tests.** (a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. Candidates may obtain

a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the other requirements in section 122A.181, 122A.182, or 122A.183, respectively.

(b) The board must adopt rules requiring candidates for Tier 3 and Tier 4 licenses to pass an examination of general pedagogical knowledge and examinations of licensure field specific content. The content examination requirement does not apply if no relevant content exam exists.

(c) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must pass test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under section 122A.06, subdivision 4.

(d) The requirement to pass a board-adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.

Subd. 2. **Passing scores.** The board must establish passing scores in all examinations required for licensure.

Subd. 3. **Testing accommodations.** The board and the entity administering the content, pedagogy, and skills examinations must allow any individual who produces documentation of a disability in the form of an evaluation, 504 plan, or individual education program (IEP) to receive the same testing accommodations on the content, pedagogy, and skills examinations that the applicant received during the applicant's secondary or postsecondary education.

Subd. 4. **Remedial assistance.** (a) A board-approved teacher preparation program must make available upon request remedial assistance that includes a formal diagnostic component to persons enrolled in their institution who did not achieve a qualifying score on a board-adopted skills examination, including those for whom English is a second language. The teacher preparation programs must make available assistance in the specific academic areas of candidates' deficiency.

(b) School districts may make available upon request similar, appropriate, and timely remedial assistance that includes a formal diagnostic component to those persons employed by the district who completed their teacher education program, who did not achieve a qualifying score on a board-adopted skills examination, and who received a Tier 1, Tier 2, or Tier 3 license under sections 122A.181, 122A.182, or 122A.183, respectively, to teach in Minnesota.

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

Sec. 15. **[122A.187] EXPIRATION AND RENEWAL.**

Subdivision 1. **License form requirements.** Each license issued under this chapter must bear the date of issue and the name of the state-approved teacher training provider or alternative teaching program, as applicable. Licenses must expire and be renewed according to rules adopted by the Professional Educator Licensing and Standards Board or the Board of School Administrators. The rules adopted by the Professional Educator Licensing and Standards Board for renewing a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, must include showing satisfactory evidence of successful teaching or administrative experience for at least one school year during the period covered by the license in grades or subjects for which the license is valid or completing such additional preparation as required under this section, or as the Professional Educator Licensing and Standards Board prescribes. The Board of School

Administrators shall establish requirements for renewing the licenses of supervisory personnel except athletic coaches. The Professional Educator Licensing and Standards Board shall establish requirements for renewing the licenses of athletic coaches.

Subd. 2. **Local committees.** The Professional Educator Licensing and Standards Board must receive recommendations from local committees as established by the board for the renewal of teaching licenses.

Subd. 3. **Professional growth.** (a) Applicants for license renewal for a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, who have been employed as a teacher during the renewal period of the expiring license, as a condition of license renewal, must present to their local continuing education and relicensure committee or other local relicensure committee evidence of work that demonstrates professional reflection and growth in best teaching practices, including among other things, cultural competence in accordance with section 120B.30, subdivision 1, paragraph (q), and practices in meeting the varied needs of English learners, from young children to adults under section 124D.59, subdivisions 2 and 2a. A teacher may satisfy the requirements of this paragraph by submitting the teacher's most recent summative evaluation or improvement plan under section 122A.40, subdivision 8, or 122A.41, subdivision 5.

(b) The Professional Educator Licensing and Standards Board must ensure that its teacher relicensing requirements include paragraph (a).

Subd. 4. **Behavior interventions.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

Subd. 5. **Reading preparation.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

Subd. 6. **Mental illness.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements at least one hour of suicide prevention best practices in each licensure renewal period based on nationally recognized evidence-based programs and practices, among the continuing education credits required to renew a license under this subdivision, and further preparation, first, in understanding the key warning signs of early-onset mental illness in children and adolescents and then, during subsequent licensure renewal periods, preparation may include providing a more in-depth understanding of students' mental illness trauma, accommodations for students' mental illness, parents' roles in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.

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

Sec. 16. **[122A.188] LICENSURE DENIAL; APPEAL.**

Subdivision 1. **Denial letter.** (a) The Professional Educator Licensing and Standards Board must inform a candidate within 30 days of receiving a completed application whether the candidate's application for an initial teaching license or renewal of license has been approved or denied. A completed application must include all supporting information and the results of the background check or conduct determination by the

board. When an application is denied, the notification letter must inform the candidate of the process for seeking review of the denial and of the appeals process provided in this section, including all deadlines for seeking review of the denial decision and filing an appeal. The notification letter must identify each licensure requirement the candidate failed to meet.

(b) For purposes of this section, "denial" means denial of an initial license or a denial of a renewal license. Denial of an initial license includes a grant of a license that is a lower tier than the candidate applied for and denial of application for an additional field of licensure.

Subd. 2. **Review of denial.** A candidate whose license application is denied may seek review of the denial by submitting a letter to the Professional Educator Licensing and Standards Board within 30 calendar days of receipt of the denial letter. The candidate may include any documentation necessary to demonstrate that the candidate meets the licensure requirements. The board must review the denial within 60 calendar days of receipt of the letter seeking review. If the board affirms the denial, the board must send the candidate a letter identifying each licensure requirement the candidate failed to meet and informing the candidate of the appeal process provided under this section.

Subd. 3. **Appeal.** A candidate whose application for license or license renewal has been denied under subdivisions 1 and 2 may appeal the decision by filing a written request with the Professional Educator Licensing and Standards Board within 30 days of notice that the board has affirmed the denial of license. The board must then initiate a contested case under the Administrative Procedure Act, sections 14.001 to 14.69.

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

Sec. 17. Minnesota Statutes 2016, section 122A.19, is amended to read:

122A.19 BILINGUAL AND ENGLISH AS A SECOND LANGUAGE TEACHERS; LICENSES.

Subdivision 1. **Bilingual and English as a second language licenses.** The Professional Educator Licensing and Standards Board of Teaching, hereinafter the board, must grant teaching licenses in bilingual education and English as a second language to persons who present satisfactory evidence that they:

- ~~(a)~~ (1) possess competence and communicative skills in English and in another language;
- ~~(b)~~ (2) possess a bachelor's degree or other academic degree approved by the board, and meet such requirements as to course of study and training as the board may prescribe, consistent with subdivision 4; and
- (3) meet all other requirements for a teaching license provided in sections 122A.18 to 122A.184.

Subd. 2. **Persons holding general teaching licenses.** The board may license a person who holds a ~~general~~ teaching license in any tier under sections 122A.181 to 122A.184, respectively, and who presents the board with satisfactory evidence of competence and communicative skills in a language other than English under this section.

Subd. 4. **Teacher preparation programs.** (a) For the purpose of licensing bilingual and English as a second language teachers, the board may approve programs at colleges or universities designed for their training. These

(b) Programs that prepare English as a second language teachers must provide instruction in implementing research-based practices designed specifically for English learners. The programs must focus on developing English learners' academic language proficiency in English, including oral academic language, giving English learners meaningful access to the full school curriculum, developing culturally relevant teaching practices appropriate for immigrant students, and providing more intensive instruction and resources to English learners

with lower levels of academic English proficiency and varied needs, consistent with section 124D.59, subdivisions 2 and 2a.

Subd. 5. **Persons eligible for employment.** Any person licensed under this section is eligible for employment by a school board as a teacher in a bilingual education or English as a second language program in which the language for which the person is licensed is taught or used as a medium of instruction. A board may prescribe only those additional qualifications for teachers licensed under this section that are approved by the board of teaching.

Subd. 6. **Affirmative efforts in hiring.** In hiring for all bilingual education program positions, districts must give preference to and make affirmative efforts to seek, recruit, and employ persons who (1) are native speakers of the language which is the medium of instruction in the bilingual education program or share a native language with the majority of their students, and (2) share the culture of the English learners enrolled in the program. The district shall provide procedures for involving the parent advisory committees in designing the procedures for recruiting, screening, and selecting applicants. This section must not be construed to limit the school board's authority to hire and discharge personnel.

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

Sec. 18. Minnesota Statutes 2016, section 122A.20, is amended to read:

122A.20 SUSPENSION OR REVOCATION OF LICENSES.

Subdivision 1. **Grounds for revocation, suspension, or denial.** (a) The Professional Educator Licensing and Standards Board of Teaching or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, may, on the written complaint of the school board employing a teacher, a teacher organization, or any other interested person, refuse to issue, refuse to renew, suspend, or revoke a teacher's license to teach for any of the following causes:

- (1) immoral character or conduct;
- (2) failure, without justifiable cause, to teach for the term of the teacher's contract;
- (3) gross inefficiency or willful neglect of duty;
- (4) failure to meet licensure requirements; or
- (5) fraud or misrepresentation in obtaining a license.

The written complaint must specify the nature and character of the charges.

(b) The Professional Educator Licensing and Standards Board of Teaching or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, shall refuse to issue, refuse to renew, or automatically revoke a teacher's license to teach without the right to a hearing upon receiving a certified copy of a conviction showing that the teacher has been convicted of child abuse, as defined in section 609.185, sex trafficking in the first degree under section 609.322, subdivision 1, sex trafficking in the second degree under section 609.322, subdivision 1a, engaging in hiring, or agreeing to hire a minor to engage in prostitution under section 609.324, subdivision 1, sexual abuse under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3, solicitation of children to engage in sexual conduct or communication of sexually explicit materials to children under section 609.352, interference with privacy under section 609.746 or stalking under section 609.749 and the victim was a minor, using minors in a sexual performance under section 617.246, possessing pornographic works involving a minor under section 617.247, or any other offense not listed in this paragraph that requires the person to register as a predatory offender under section 243.166, or a crime under a similar law of another state or the United States. The board shall send notice of this licensing action to the district in which the teacher is currently employed.

(c) A person whose license to teach has been revoked, not issued, or not renewed under paragraph (b), may petition the board to reconsider the licensing action if the person's conviction for child abuse or sexual abuse is reversed by a final decision of the Court of Appeals or the Supreme Court or if the person has received a pardon for the offense. The petitioner shall attach a certified copy of the appellate court's final decision or the pardon to the petition. Upon receiving the petition and its attachment, the board shall schedule and hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing action. If the board finds that the petitioner is not disqualified from teaching under paragraph (a), clause (1), it shall reverse its previous licensing action.

(d) For purposes of this subdivision, the Professional Educator Licensing and Standards Board of Teaching is delegated the authority to suspend or revoke coaching licenses.

Subd. 2. Mandatory reporting. (a) A school board must report to the Professional Educator Licensing and Standards Board of Teaching, the Board of School Administrators, or the Board of Trustees of the Minnesota State Colleges and Universities, whichever has jurisdiction over the teacher's or administrator's license, when its teacher or administrator is discharged or resigns from employment after a charge is filed with the school board under section 122A.41, subdivisions 6, clauses (1), (2), and (3), and 7, or after charges are filed that are grounds for discharge under section 122A.40, subdivision 13, paragraph (a), clauses (1) to (5), or when a teacher or administrator is suspended or resigns while an investigation is pending under section 122A.40, subdivision 13, paragraph (a) clauses (1) to (5); 122A.41, subdivisions 6, clauses (1), (2), and (3), and 7; or 626.556, or when a teacher or administrator is suspended without an investigation under section 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7; or 626.556. The report must be made to the appropriate licensing board within ten days after the discharge, suspension, or resignation has occurred. The licensing board to which the report is made must investigate the report for violation of subdivision 1 and the reporting board must cooperate in the investigation. Notwithstanding any provision in chapter 13 or any law to the contrary, upon written request from the licensing board having jurisdiction over the license, a board or school superintendent shall provide the licensing board with information about the teacher or administrator from the district's files, any termination or disciplinary proceeding, any settlement or compromise, or any investigative file. Upon written request from the appropriate licensing board, a board or school superintendent may, at the discretion of the board or school superintendent, solicit the written consent of a student and the student's parent to provide the licensing board with information that may aid the licensing board in its investigation and license proceedings. The licensing board's request need not identify a student or parent by name. The consent of the student and the student's parent must meet the requirements of chapter 13 and Code of Federal Regulations, title 34, section 99.30. The licensing board may provide a consent form to the district. Any data transmitted to any board under this section is private data under section 13.02, subdivision 12, notwithstanding any other classification of the data when it was in the possession of any other agency.

(b) The licensing board to which a report is made must transmit to the Attorney General's Office any record or data it receives under this subdivision for the sole purpose of having the Attorney General's Office assist that board in its investigation. When the Attorney General's Office has informed an employee of the appropriate licensing board in writing that grounds exist to suspend or revoke a teacher's license to teach, that licensing board must consider suspending or revoking or decline to suspend or revoke the teacher's or administrator's license within 45 days of receiving a stipulation executed by the teacher or administrator under investigation or a recommendation from an administrative law judge that disciplinary action be taken.

(c) The Professional Educator Licensing and Standards Board and Board of School Administrators must report to the appropriate law enforcement authorities a revocation, suspension, or agreement involving a loss of license, relating to a teacher or administrator's inappropriate sexual conduct with a minor. For purposes of this section, "law enforcement authority" means a police department, county sheriff, or tribal police department. A report by the Professional Educator Licensing and Standards Board to appropriate law

enforcement authorities does not diminish, modify, or otherwise affect the responsibilities of a school board or any person mandated to report abuse under section 626.556.

Subd. 3. **Immunity from liability.** A school board, its members in their official capacity, and employees of the district run by the board are immune from civil or criminal liability for reporting or cooperating as required under subdivision 2, if their actions required under subdivision 2 are done in good faith and with due care.

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

Sec. 19. Minnesota Statutes 2016, section 122A.23, subdivision 3, is amended to read:

Subd. 3. **Teacher licensure agreements with adjoining states.** (a) Notwithstanding any other law to the contrary, the Professional Educator Licensing and Standards Board of Teaching must enter into a National Association of State Directors of Teacher Education and Certification (NASDTEC) interstate agreement and other interstate agreements for teacher licensure to allow fully certified teachers from adjoining states to transfer their certification to Minnesota. The board must enter into these interstate agreements only after determining that the rigor of the teacher licensure or certification requirements in the adjoining state is commensurate with the rigor of Minnesota's teacher licensure requirements. The board may limit an interstate agreement to particular content fields or grade levels based on established priorities or identified shortages. This subdivision does not apply to out-of-state applicants holding only a provisional teaching license.

(b) The Professional Educator Licensing and Standards Board of Teaching must work with designated authorities in adjoining states to establish interstate teacher licensure agreements under this section.

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

Sec. 20. **[122A.2451] ALTERNATIVE TEACHER PREPARATION PROVIDERS AND PROGRAMS.**

Subdivision 1. **Definitions.** (a) "Provider" or "unit" means an eligible entity that seeks or has obtained approval for an alternative teacher preparation program consistent with this section.

(b) "Program" means content provided by a provider that leads toward licensure in a specific content area.

Subd. 2. **Purpose.** To provide alternative pathways towards Minnesota teacher licensure outside of the traditional means, improve ethnic and cultural diversity in the classroom, and to close the achievement gap, the Professional Educator Licensing and Standards Board must approve qualified teacher preparation providers and programs under this section that are a means to acquire a Tier 2 license under section 122A.182 and prepare for acquiring a Tier 3 license under section 122A.183.

Subd. 3. **Eligibility.** A school district, charter school, or nonprofit corporation organized under chapter 317A for an education-related purpose is eligible to participate under this section. An eligible entity may apply for provider and program approval simultaneously.

Subd. 4. **Provider approval.** An eligible entity must be approved as a provider before being approved to provide programs towards licensure. The Professional Educator Licensing and Standards Board must approve eligible entities under subdivision 3 that meet the following requirements:

(1) has evidence and history of fiscal solvency, capacity, and operation;

(2) has evidence of necessary infrastructure to provide accurate, timely, and secure data for the purposes of admission, candidate monitoring, testing, background checks, and license recommendations;

(3) has policies and procedures in place ensuring the security of candidate records under the federal Family Educational Rights and Privacy Act; and

(4) has the instructional capacity or ability to obtain the instructional capacity to provide an adequate instructional phase under subdivision 5.

Subd. 5. **Program approval.** The board must approve programs offered by approved providers based on nontraditional criteria. An approved program must have the following characteristics:

(1) an instructional phase that provides intensive preparation and classroom experience that is commensurate with the scope of licensure standards defined under rule, before the teacher candidate assumes classroom responsibilities;

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

(3) a strategy to combine pedagogy and best teaching practices to better inform teacher candidates' classroom instruction;

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

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

(6) a process to review a candidate's final proficiency of required licensure content standards that leads to potential candidate recommendation by the provider to the board for a Tier 3 teaching license under subdivision 8.

Subd. 6. **Nontraditional means; program instructors.** (a) The board must permit alternative teacher preparation providers and teacher candidates to demonstrate pedagogy and content standard proficiency in school-based programs and through other nontraditional means. Nontraditional means may include previous work experiences, teaching experiences, educator evaluations, industry-recognized certifications, and other essentially equivalent demonstrations.

(b) The board must use nontraditional criteria to determine qualifications of program instructors, including permitting instructors to hold a baccalaureate degree only.

Subd. 7. **Program disapproval, suspension.** If the board determines that a teacher preparation provider or licensure program fails to meet or is deficient in any of the requirements of subdivision 5, it may suspend or revoke the approval of the provider or program after it notifies the provider of the deficiencies and gives the provider an opportunity to remedy the deficiencies.

Subd. 8. **Candidate program completion; teacher licensure.** (a) A candidate that completes an approved program must apply for a license under the tiered licensure system according to sections 122A.181 to 122A.184.

(b) A person who successfully completes another state's alternative teacher preparation licensure program may apply to the Professional Educator Licensing and Standards Board for a Tier 3 license under section 122A.183.

Subd. 9. **Reports.** (a) An approved alternative teacher preparation provider must report to the Professional Educator Licensing and Standards Board on items that are defined in statute regarding program candidates, completion, and effectiveness or other items that are required under section 122A.09.

(b) The Professional Educator Licensing and Standards Board must submit a biennial report on the alternative teacher preparation program and providers to legislative committees having jurisdiction over kindergarten through grade 12 education policy and finance by January 15 of each odd-numbered year.

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

Sec. 21. Minnesota Statutes 2016, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** A person who teaches in a community education program which qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for community education aid pursuant to section 124D.20 or early childhood and family education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the Professional Educator Licensing and Standards Board of Teaching or be subject to section 171.35. A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

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

Sec. 22. Minnesota Statutes 2016, section 122A.28, is amended to read:

122A.28 TEACHERS OF DEAF AND HARD-OF-HEARING STUDENTS; LICENSURE REQUIREMENTS.

Subdivision 1. **K-12 license to teach deaf and hard-of-hearing students; relicensure.** (a) The Professional Educator Licensing and Standards Board of Teaching must review and determine appropriate licensure requirements for a candidate for a license or an applicant for a continuing license to teach deaf and hard-of-hearing students in prekindergarten through grade 12. In addition to other requirements, a candidate must demonstrate the minimum level of proficiency in American sign language as determined by the board.

(b) Among other relicensure requirements, each teacher under this section must complete 30 continuing education clock hours on hearing loss topics, including American Sign Language, American Sign Language linguistics, or deaf culture, in each licensure renewal period.

Subd. 2. **Licensure for teaching oral/aural deaf education programs.** (a) The Professional Educator Licensing and Standards Board of Teaching shall adopt a separate licensure rule for a candidate for a license or an applicant for a continuing license to teach in oral/aural deaf education programs or to provide services, including itinerant oral/aural deaf education services, to deaf and hard-of-hearing students in prekindergarten through grade 12.

(b) The board shall design rule requirements for teaching oral/aural deaf education in collaboration with representatives of parents and educators of deaf and hard-of-hearing students, postsecondary programs preparing teachers of deaf and hard-of-hearing students, and the Department of Education.

(c) Rule requirements for teaching oral/aural deaf education shall reflect best practice research in oral/aural deaf education. Advanced competencies in teaching deaf and hard-of-hearing students through oral/aural modes shall be included.

(d) Licensure requirements for teachers of oral/aural deaf education must include minimum competency in American sign language, but are not subject to the guidelines established in Laws 1993, chapter 224, article 3, section 32, as amended by Laws 1998, chapter 398, article 2, section 47. The signed communication proficiency interview shall not be required for teachers licensed to teach deaf and hard-of-hearing students through oral/aural deaf education methods.

(e) Requirements for teachers or oral/aural deaf education shall include appropriate continuing education requirements for renewing this licensure.

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

Sec. 23. Minnesota Statutes 2016, section 122A.29, is amended to read:

122A.29 TEACHERS OF BLIND AND VISUALLY IMPAIRED STUDENTS; LICENSURE REQUIREMENTS.

Teachers licensed in the education of blind and visually impaired students must demonstrate competence in reading and writing Braille. The Professional Educator Licensing and Standards Board of Teaching, at such time as a valid and reliable test is available, shall adopt a rule to assess these competencies that is consistent with the standards of the National Library Services for the Blind and Physically Handicapped.

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

Sec. 24. Minnesota Statutes 2016, section 122A.30, is amended to read:

122A.30 EXEMPTION FOR CAREER AND TECHNICAL EDUCATION INSTRUCTORS.

(a) Notwithstanding section 122A.15, subdivision 1, and upon approval of the local employer school board, a person who teaches in a part-time vocational or career and technical education program is exempt from a license requirement. Nothing in this section shall exclude licensed career and technical educators from the definition of "teacher" in section 122A.40, 122A.41, or 179A.03.

(b) This section expires June 30, 2020. After this section expires, persons who teach in a part-time vocational or career and technical education program may apply for a teaching license provided in sections 122A.18 to 122A.184.

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

Sec. 25. Minnesota Statutes 2016, section 124D.13, subdivision 11, is amended to read:

Subd. 11. **Teachers.** A school board must employ necessary licensed teachers for its early childhood family education programs. ~~The Board of Teaching, at its discretion, may grant an applicant a variance under this subdivision, consistent with sections 122A.09, subdivision 10, and 122A.25, and Board of Teaching rules.~~

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 26. Minnesota Statutes 2016, section 124D.454, subdivision 12, is amended to read:

Subd. 12. **Compliance with rules.** Aid must be paid under this section only for services rendered or for costs incurred in career and technical education programs approved by the commissioner and operated in accordance with rules promulgated by the commissioner. This aid shall be paid only for services rendered and for costs incurred by essential, licensed personnel who meet the requirements for licensure pursuant to the rules of the ~~Minnesota~~ Professional Educator Licensing and Standards Board of Teaching. Licensed personnel means persons holding a valid career and technical license issued by the ~~commissioner~~ Professional Educator Licensing and Standards Board under section 122A.30. If an average of five or fewer secondary full-time equivalent students are enrolled per teacher in an approved postsecondary program at Intermediate District No. 287, 916, or 917, licensed personnel means persons holding a valid vocational license issued by the commissioner or the Board of Trustees of the Minnesota State Colleges and Universities. Notwithstanding section 127A.42, the commissioner may modify or withdraw the program or aid approval

and withhold aid under this section without proceeding under section 127A.42 at any time. To do so, the commissioner must determine that the program does not comply with rules of the Department of Education or that any facts concerning the program or its budget differ from the facts in the district's approved application.

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

Sec. 27. Minnesota Statutes 2016, section 124D.75, subdivision 1, is amended to read:

Subdivision 1. **American Indian language and culture education licenses.** The Professional Educator Licensing and Standards Board ~~of Teaching~~, in consultation with the Tribal Nations Education Committee, must grant initial and continuing teaching licenses in American Indian language and culture education that bear the same duration as other initial and continuing licenses. The board must grant licenses to persons who present satisfactory evidence that they:

(1) possess competence in an American Indian language or possess unique qualifications relative to or knowledge and understanding of American Indian history and culture; or

(2) possess a bachelor's degree or other academic degree approved by the board or meet such requirements as to course of study and training as the board may prescribe, or possess such relevant experience as the board may prescribe.

This evidence may be presented by affidavits, tribal resolutions, or by such other methods as the board may prescribe. Individuals may present applications for licensure on their own behalf or these applications may be submitted by the superintendent or other authorized official of a school district, participating school, or an American Indian school.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 28. Minnesota Statutes 2016, section 124D.75, subdivision 6, is amended to read:

Subd. 6. **Persons eligible for employment; exemptions.** Any person licensed under this section shall be eligible for employment by a school board or a participating school as a teacher in an American Indian education program in which the American Indian language or culture in which the person is licensed is taught. A school district or participating school may prescribe only those additional qualifications for teachers licensed under this section as are approved by the Professional Educator Licensing and Standards Board ~~of Teaching~~. Any school board or participating school upon request may be exempted from the licensure requirements of this section in the hiring of one or more American Indian language and culture education teachers for any school year in which compliance would, in the opinion of the ~~commissioner~~ Professional Educator Licensing and Standards Board, create a hardship in the securing of the teachers.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 29. Minnesota Statutes 2016, section 125A.67, subdivision 2, is amended to read:

Subd. 2. **Teacher standards.** A teacher ~~or administrator~~ at the academies is subject to the licensure standards of the Professional Educator Licensing and Standards Board ~~of Teaching or the commissioner of education~~. An administrator at the academies is subject to the licensure standards of the Board of School Administrators.

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

Sec. 30. Minnesota Statutes 2016, section 136A.1791, subdivision 1, is amended to read:

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

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

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

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

(e) "Teacher shortage area" means the licensure fields and economic development regions reported by the commissioner of education as experiencing a teacher shortage.

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

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

Sec. 31. **TEACHER OF SPECIAL EDUCATION LICENSE REVIEW.**

The Professional Educator Licensing and Standards Board must conduct a review of all the available teacher of special education licenses and determine the options for cross-categorical licenses for teachers of special education. The board must report its findings and draft legislation, if needed, to the legislative committees having jurisdiction over kindergarten through grade 12 education by December 14, 2018.

Sec. 32. **RULE CHANGE; ACADEMIC AND BEHAVIORAL STRATEGIST LICENSURE.**

No later than September 1, 2017, the Board of Teaching must amend Minnesota Rules, part 8710.5050, subpart 4, so that academic and behavioral strategist continuing licenses under that part may be issued and renewed according to rules of the Board of Teaching governing continuing licenses and without requiring the candidate to hold or be recommended for licensure in any other licensure field. The board shall use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

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

Sec. 33. **LICENSES UNDER JURISDICTION OF THE BOARD OF TEACHING.**

Subdivision 1. **One-year license.** A one-year license issued by the commissioner of education before the effective date of this section must be treated as a Tier 1 license established under Minnesota Statutes, sections 122A.18 and 122A.181.

Subd. 2. **Two-year license.** A two-year license issued by the commissioner of education before the effective date of this section must be treated as a Tier 2 license established under Minnesota Statutes, sections 122A.18 and 122A.182.

Subd. 3. **Five-year license.** A five-year license must be treated in accordance with Minnesota Statutes, section 122A.184, subdivision 4.

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

Sec. 34. **PERMISSIONS, WAIVERS, EXCEPTIONS, AND VARIANCES.**

The Professional Educator Licensing and Standards Board may grant an extension of up to one year for a permission, waiver, variance, or temporary limited license in effect on January 1, 2018.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 35. **TEACHERS OF ENGLISH AS A SECOND LANGUAGE.**

(a) Notwithstanding the teacher's field of licensure, a teacher may provide content instruction in a district or charter school until the end of the 2018-2019 school year if the teacher:

(1) held a kindergarten through grade 12 English as a second language (ESL) license during the 2016-2017 school year;

(2) provided content instruction as a highly qualified teacher under the No Child Left Behind Act to English language learners, as defined under Minnesota Statutes, section 124D.59; and

(3) taught in a classroom where both state content standards and English language development standards were satisfied.

(b) For the 2019-2020 school year and later, a teacher with an ESL license must meet all applicable licensing requirements in chapter 122A and rules adopted by the Professional Educator Licensing and Standards Board.

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

Sec. 36. **REPEALER.**

(a) Minnesota Statutes 2016, sections 122A.14, subdivision 5; and 122A.162, are repealed effective January 1, 2018.

(b) Minnesota Statutes 2016, sections 122A.163; 122A.18, subdivisions 2a, 3, 3a, 4, 4a, 6, 7, and 7b; 122A.21, subdivision 2; 122A.23, subdivisions 1 and 2; 122A.245; and 122A.25, are repealed effective July 1, 2018.

ARTICLE 4

SPECIAL EDUCATION

Section 1. Minnesota Statutes 2016, section 125A.083, is amended to read:

125A.083 STUDENT INFORMATION SYSTEMS; TRANSFERRING RECORDS.

~~(a)~~ To efficiently and effectively meet federal and state compliance and accountability requirements using an online case management reporting system, beginning July 1, 2018, a school district may contract only for a student information system that is Schools Interoperability Framework compliant.

~~(b) Beginning on July 1 of the fiscal year following the year that the commissioner of education certifies to the legislature under paragraph (c) that a compatible compliant system exists, a school district must use an online system for compliance reporting under section 125A.085. A district's information system under this section must facilitate the seamless transfer of student records for a student with disabilities who transfers between school districts, including records containing the student's evaluation report, service plan, and other due process forms and information, regardless of what information system any one district uses.~~

~~(e) As a part of the annual report required under section 125A.085, paragraph (f), the commissioner must specify whether a compatible compliant system exists and if so, list each vendor's systems that meet the criteria in paragraph (b).~~

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

125A.0941 DEFINITIONS.

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

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

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

- (1) helps a child respond or complete a task;
- (2) assists a child without restricting the child's movement;
- (3) is needed to administer an authorized health-related service or procedure; or
- (4) is needed to physically escort a child when the child does not resist or the child's resistance is minimal.

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

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

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

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

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

Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2015 and later, when a school district provides special instruction and services for a pupil with a disability as defined in section 125A.02 outside the district of residence, excluding a pupil for whom an adjustment to special education aid is calculated according to section 127A.47, subdivision 7, paragraphs (b) to (d), special education aid paid to the resident district must be reduced by an amount equal to (1) the actual cost of providing special instruction and services to the pupil, including a proportionate amount for special transportation, plus (2) the amount of general education revenue, excluding local optional revenue, plus local optional aid and referendum equalization aid attributable to that pupil, calculated using the resident district's average general education revenue and referendum equalization aid per adjusted pupil unit excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue, minus (3) the amount of special education aid for children

with a disability under section 125A.76 received on behalf of that child, minus (4) if the pupil receives special instruction and services outside the regular classroom for more than 60 percent of the school day, the amount of general education revenue and referendum equalization aid, excluding portions attributable to district and school administration, district support services, operations and maintenance, capital expenditures, and pupil transportation, attributable to that pupil for the portion of time the pupil receives special instruction and services outside of the regular classroom, calculated using the resident district's average general education revenue and referendum equalization aid per adjusted pupil unit excluding basic skills revenue, elementary sparsity revenue and secondary sparsity revenue and the serving district's basic skills revenue, elementary sparsity revenue and secondary sparsity revenue per adjusted pupil unit. Notwithstanding clauses (1) and (4), for pupils served by a cooperative unit without a fiscal agent school district, the general education revenue and referendum equalization aid attributable to a pupil must be calculated using the resident district's average general education revenue and referendum equalization aid excluding compensatory revenue, elementary sparsity revenue, and secondary sparsity revenue. Special education aid paid to the district or cooperative providing special instruction and services for the pupil must be increased by the amount of the reduction in the aid paid to the resident district. If the resident district's special education aid is insufficient to make the full adjustment, the remaining adjustment shall be made to other state aid due to the district.

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

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

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

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

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

(d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraph (b), "general education revenue and referendum equalization aid" means the sum of the general education revenue according to section 126C.10, subdivision 1, excluding the local optional levy according to section 126C.10, subdivision 2e, paragraph (c), plus the referendum equalization aid according to section 126C.17, subdivision 7.

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

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

Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts shall seek reimbursement from insurers and similar third parties for the cost of services provided by the district whenever the services

provided by the district are otherwise covered by the child's health coverage. Districts shall request, but may not require, the child's family to provide information about the child's health coverage when a child with a disability begins to receive services from the district of a type that may be reimbursable, and shall request, but may not require, updated information after that as needed.

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) In the event that Congress or any federal agency or the Minnesota legislature or any state agency establishes lifetime limits, limits for any health care services, cost-sharing provisions, or otherwise provides

that individualized education program or individualized family service plan health-related services impact benefits for persons enrolled in medical assistance or MinnesotaCare, the amendments to this subdivision adopted in 2002 are repealed on the effective date of any federal or state law or regulation that imposes the limits. In that event, districts must obtain informed consent consistent with this subdivision as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement for children enrolled in medical assistance under chapter 256B or MinnesotaCare under chapter 256L who have no other health care coverage.

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

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

125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION PROGRAM.

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

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

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

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

(1) is not a resident of Minnesota;

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

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

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

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

Subd. 5. **Education programs for students placed in children's residential facilities.** (a) When a student is placed in a children's residential facility ~~approved~~ under this section that has an on-site education program, the providing district, upon notice from the ~~care and treatment~~ children's residential facility, must contact the resident district within one business day to determine if a student has been identified as having a disability, and to request at least the student's transcript, and for students with disabilities, the most recent individualized education program (IEP) and evaluation report, ~~and to determine if the student has been identified as a student with a disability.~~ The resident district must send a facsimile copy to the providing district within two business days of receiving the request.

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

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

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

- (i) the person or agency placing the student;
- (ii) the resident district;
- (iii) the appropriate teachers and related services staff from the providing district;
- (iv) appropriate staff from the children's residential facility;
- (v) the parents or legal guardians of the student; and
- (vi) when appropriate, the student.

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

Subd. 6. Exit report summarizing educational progress. If a student has been placed in a facility under this section for 15 or more business days, the providing district must prepare an exit report summarizing the regular education, special education, evaluation, educational progress, and service information and must send the report to the resident district and the next providing district if different, the parent or legal guardian, and any appropriate social service agency. For students with disabilities, this report must include the student's IEP.

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

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

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

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

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

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

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

Subd. 10. **Students unable to attend school but not covered under this section.** Students who are absent from, or predicted to be absent from, school for 15 consecutive or intermittent days, and placed at home or in facilities not licensed by the Departments of Corrections or Human Services are entitled to regular and special education services consistent with this section or Minnesota Rules, part 3525.2325. These students include students with and without disabilities who are home due to accident or illness, in a hospital or other medical facility, or in a day treatment center.

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

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

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

Sec. 7. Minnesota Statutes 2016, section 125A.76, subdivision 2c, is amended to read:

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

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

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

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

(e) Notwithstanding subdivision 2a and section 125A.79, a charter school in its first year of operation shall generate special education aid based on current year data. A newly formed cooperative unit as defined in section 123A.24 may apply to the commissioner for approval to generate special education aid for its first year of operation based on current year data, with an offsetting adjustment to the prior year data used to calculate aid for programs at participating school districts or previous cooperatives that were replaced by the new cooperative. The department shall establish procedures to adjust the prior year data and fiscal year 2016 old formula aid used in calculating special education aid to exclude costs that have been eliminated for districts where programs have closed or where a substantial portion of the program has been transferred to a cooperative unit.

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

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

Sec. 8. Minnesota Statutes 2016, section 256B.0625, subdivision 26, is amended to read:

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

The services may be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity, physician's orders, documentation, personnel qualifications, and prior authorization requirements. The nonfederal share of costs for services provided under this subdivision is the responsibility of the local school district as provided in section 125A.74. Services listed in a child's individualized education program are eligible for medical assistance reimbursement only if those services meet criteria for federal financial participation under the Medicaid program.

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

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

- (1) holds a masters degree in speech-language pathology;
- (2) is licensed by the Minnesota Board of Teaching as an educational speech-language pathologist; and

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

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

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

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

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

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

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

Sec. 9. Laws 2016, chapter 189, article 25, section 62, subdivision 17, is amended to read:

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

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

	385,000		
\$	<u>132,000</u>	.....	2017
\$	<u>253,000</u>	.....	<u>2018</u>

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

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

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

Sec. 10. **SPECIAL EDUCATION ASSISTIVE TECHNOLOGY STUDY.**

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

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

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

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

Sec. 11. **SPECIAL EDUCATION ADJUSTMENT; MONTICELLO SCHOOL DISTRICT.**

Notwithstanding Minnesota Statutes, sections 125A.76 and 127A.45, special education aid payments to Independent School District No. 882, Monticello, must be increased by \$800,000 in fiscal year 2018 to mitigate cash flow problems created by an unforeseeable reduction in the district's special education aid for fiscal year 2016 as a result of the combined effects of converting from a host district cooperative to a joint powers cooperative and implementation of a new special education aid formula in the same fiscal year. Special education aid payments to Independent School District No. 882, Monticello, must be reduced by the same amount in fiscal year 2019 to offset the fiscal year 2018 increase.

Sec. 12. **APPROPRIATIONS.**

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

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

\$	<u>1,341,161,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>1,426,827,000</u>	<u>.....</u>	<u>2019</u>

The 2018 appropriation includes \$156,403,000 for 2017 and \$1,184,758 for 2018.

The 2019 appropriation includes \$131,639,000 for 2018 and \$1,295,188 for 2019.

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

\$	<u>1,597,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>1,830,000</u>	<u>.....</u>	<u>2019</u>

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

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

\$	<u>508,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>532,000</u>	<u>.....</u>	<u>2019</u>

The 2018 appropriation includes \$48,000 for 2017 and \$460,000 for 2018.

The 2019 appropriation includes \$51,000 for 2018 and \$481,000 for 2019.

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

\$	<u>46,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>47,000</u>	<u>.....</u>	<u>2019</u>

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

\$	<u>250,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>250,000</u>	<u>.....</u>	<u>2019</u>

Sec. 13. **REPEALER.**

Minnesota Statutes 2016, sections 125A.085; 125A.75, subdivision 7; and 125A.76, subdivision 2b, are repealed effective for fiscal year 2018 and later.

ARTICLE 5

FACILITIES AND TECHNOLOGY

Section 1. **[121A.335] LEAD IN SCHOOL DRINKING WATER.**

Subdivision 1. **Model plan.** The commissioners of health and education shall jointly develop a model plan to require school districts to accurately and efficiently test for the presence of lead in water in public school buildings serving students in kindergarten through grade 12. To the extent possible, the commissioners shall base the plan on the standards established by the United States Environmental Protection Agency. The plan may be based on the technical guidance in the Department of Health's document, "Reducing Lead in Drinking Water: A Technical Guidance for Minnesota's School and Child Care Facilities."

Subd. 2. **School plans.** By July 1, 2018, the board of each school district or charter school must adopt the commissioners' model plan or develop and adopt an alternative plan to accurately and efficiently test for

the presence of lead in water in school buildings serving prekindergarten students and students in kindergarten through grade 12.

Subd. 3. **Frequency of testing.** The plan under subdivision 2 must include a testing schedule for every building serving prekindergarten through grade 12 students. The schedule must require that each building be tested at least once every five years. A school district must begin testing school buildings by July 1, 2018, and complete testing of all buildings that serve students within five years.

Subd. 4. **Ten-year facilities plan.** A school district may include lead testing and remediation as a part of its ten-year facilities plan under section 123B.595.

Subd. 5. **Reporting.** A school district that has tested its buildings for the presence of lead shall make the results of the testing available to the public for review and must notify parents of the availability of the information.

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

Sec. 2. Minnesota Statutes 2016, section 123A.73, subdivision 2, is amended to read:

Subd. 2. **Involuntary Dissolution; referendum revenue.** As of the effective date of the voluntary or involuntary dissolution of a district and its attachment to one or more existing districts pursuant to sections 123A.60 or 123A.64 to 123A.72, the authorization for any referendum revenue previously approved by the voters of the dissolved district in that district pursuant to section 126C.17, subdivision 9, or its predecessor or successor provision, is canceled. The authorization for any referendum revenue previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2017.

Sec. 3. Minnesota Statutes 2016, section 123B.595, subdivision 1, is amended to read:

Subdivision 1. **Long-term facilities maintenance revenue.** (a) For fiscal year 2017 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$193 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(b) For fiscal year 2018 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$292 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary

prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(c) For fiscal year 2019 and later, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) \$380 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of \$100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(d) Notwithstanding paragraphs (a), (b), and (c), a school district that qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2010 remains eligible for funding under this section as a district that would have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2017 and later.

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

Sec. 4. Minnesota Statutes 2016, section 123B.595, subdivision 4, is amended to read:

Subd. 4. **Facilities plans.** (a) To qualify for revenue under this section, a school district or intermediate district, not including a charter school, must have a ten-year facility plan adopted by the school board and approved by the commissioner. The plan must include provisions for implementing a health and safety program that complies with health, safety, and environmental regulations and best practices, including indoor air quality management and remediation of lead hazards.

(b) The district must annually update the plan, submit the plan to the commissioner for approval by July 31, and indicate whether the district will issue bonds to finance the plan or levy for the costs.

(c) For school districts issuing bonds to finance the plan, the plan must include a debt service schedule demonstrating that the debt service revenue required to pay the principal and interest on the bonds each year will not exceed the projected long-term facilities revenue for that year.

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

Sec. 5. Minnesota Statutes 2016, section 123B.71, subdivision 11, is amended to read:

Subd. 11. **Review of proposals.** In reviewing each proposal, the commissioner shall submit to the school board, within 60 days of receiving the proposal, the review and comment about the educational and economic advisability of the project. The commissioner must include comments from residents of the school district in the review and comment. The review and comment shall be based on information submitted with the proposal and other information the commissioner determines is necessary. If the commissioner submits a negative review and comment for a portion of a proposal, the review and comment shall clearly specify which portion of the proposal received a negative review and comment and which portion of the proposal received a positive review and comment.

Sec. 6. Minnesota Statutes 2016, section 123B.71, subdivision 12, is amended to read:

Subd. 12. **Publication.** (a) At least 20 days but not more than 60 days before a referendum for bonds or solicitation of bids for a project that has received a positive or unfavorable review and comment under

section 123B.70, the school board shall publish a summary of the commissioner's review and comment of that project in the legal newspaper of the district. The school board must hold a public meeting to discuss the commissioner's review and comment before the referendum for bonds. Supplementary information shall be available to the public.

(b) The publication requirement in paragraph (a) does not apply to alternative facilities projects approved under section ~~123B.59~~ 123B.595.

Sec. 7. Minnesota Statutes 2016, section 129C.10, subdivision 1, is amended to read:

Subdivision 1. **Governance.** (a) The board of the Perpich Center for Arts Education shall consist of ~~15~~ 16 persons, including the commissioner of education or a person designated by the commissioner of education who must serve as an ex officio member. The remaining 15 members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

(b) All board members must complete board training requirements consistent with section 127A.19.

Sec. 8. Minnesota Statutes 2016, section 129C.10, subdivision 4, is amended to read:

Subd. 4. **Employees.** (a)(1) The board must appoint a director of the Center for Arts Education who shall serve in the unclassified service. The director must hold a Minnesota superintendent license.

(2) The board must employ, upon recommendation of the director, a coordinator of resource programs who shall serve in the unclassified service.

(3) The board must employ, upon recommendation of the director, up to six department chairs who shall serve in the unclassified service. The chairs shall be licensed teachers unless no licensure exists for the subject area or discipline for which the chair is hired.

(4) The board may employ other necessary employees, upon recommendation of the director.

(5) The board must employ, upon recommendation of the director, an executive secretary for the director, who shall serve in the unclassified service.

(6) All persons employed as teachers must hold Minnesota teaching licenses in their respective fields or be approved by the Board of Teaching.

(b) The employees hired under this subdivision and other necessary employees hired by the board shall be state employees in the executive branch.

Sec. 9. Minnesota Statutes 2016, section 129C.105, is amended to read:

129C.105 BOARD MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS.

(a) Notwithstanding section 13D.01 and if complying with section 13D.02 is impractical, the Board of the Perpich Center for Arts Education may conduct a meeting of its members by telephone or other electronic means when:

(1) all members of the board participating in the meeting, wherever the members' physical locations, can hear one another and all discussion and testimony;

(2) members of the public present at the regular meeting location of the board can hear all discussion and testimony and all votes of members of the board;

(3) at least one member of the board is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

(b) Each member of the board participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, the board, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The board may require the person making such a connection to pay for documented marginal costs that the board incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the board shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

(e) The board must publish minutes of all meetings on the center's Web site.

Sec. 10. [129C.27] ANNUAL DIRECTOR REPORT.

The director must report the following to the education committees of the legislature by January 15 of each year in accordance with section 3.195:

(1) outreach activities, including the number of districts, teachers, and administrators that have participated in outreach programs;

(2) the impact of the center's outreach activities;

(3) enrollment trends, including the number of students from each congressional district admitted to the Perpich Arts High School and efforts to increase enrollment by 20 percent by 2019; and

(4) students' academic achievement, including performance on standard assessments, graduation rates, and the number of students enrolled in postsecondary education.

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

Sec. 11. Laws 2016, chapter 189, article 30, section 25, subdivision 5, is amended to read:

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

~~\$2,200,000~~ 2,350,000 2017

(b) Of this amount, \$150,000 is for a grant to Independent School District No. 36, Kelliher; \$180,000 is for a grant to Independent School District No. 95, Cromwell; \$495,000 is for a grant to Independent School District No. 299, Caledonia; \$220,000 is for a grant to Independent School District No. 306, Laporte; \$150,000 is for a grant to Independent School District No. 362, Littlefork; \$650,000 is for a grant to Independent School District No. 682, Roseau; and \$505,000 is for a grant to Independent School District No. 2580, East Central.

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

(d) The base appropriation for 2022 is zero.

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

Sec. 12. DISPOSITION OF CROSSWINDS SCHOOL; PROCEEDS OF SALE.

(a) Notwithstanding the appropriation of state general obligation bond proceeds in Laws 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3; Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5, subdivision 3, to acquire and better the Crosswinds school facilities by the Joint Powers District No. 6067, East Metro Integration District, in Woodbury, the Crosswinds school may be conveyed or sold by the commissioner of administration in accordance with Minnesota Statutes, sections 16B.281 to 16B.287.

(b) As soon as practicable following July 1, 2017, and consistent with Minnesota Statutes, sections 16A.695 and 16B.281 to 16B.287, and constraints on the disposition of bond-financed property, the commissioner of administration shall offer the Crosswinds school property for sale. Before offering the Crosswinds school property for sale, the commissioner of administration must determine that the property is no longer needed to carry out the governmental program for which it was acquired or constructed.

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

Sec. 13. TRANSITION REQUIREMENTS; CROSSWINDS SCHOOL.

For the 2017-2018 school year only, for a school district or charter school enrolling pupils at the Crosswinds school, the Department of Education must calculate compensatory revenue, literacy aid, and alternative compensation revenue for the Crosswinds school based on the October 1, 2016, enrollment counts at that site.

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

Sec. 14. APPROPRIATIONS.

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

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

\$	<u>24,908,000</u>	.....	<u>2018</u>
\$	<u>22,360,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$2,324,000 for 2017 and \$22,584,000 for 2018.

The 2019 appropriation includes \$2,509,000 for 2018 and \$19,851,000 for 2019.

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

\$	<u>80,179,000</u>	.....	<u>2018</u>
\$	<u>103,460,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$5,815,000 for 2017 and \$74,364,000 for 2018.

The 2019 appropriation includes \$8,262,000 for 2018 and \$95,198,000 for 2019.

Subd. 4. **Equity in telecommunications access.** For equity in telecommunications access:

\$	<u>3,750,000</u>	<u>2018</u>
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§ 3,750,000 2019

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

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

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

§ 2,350,000 2018

§ 2,350,000 2019

(b) Of this amount, \$150,000 is for a grant to Independent School District No. 36, Kelliher; \$180,000 is for a grant to Independent School District No. 95, Cromwell; \$495,000 is for a grant to Independent School District No. 299, Caledonia; \$220,000 is for a grant to Independent School District No. 306, Laporte; \$150,000 is for a grant to Independent School District No. 362, Littlefork; \$650,000 is for a grant to Independent School District No. 682, Roseau; and \$505,000 is for a grant to Independent School District No. 2580, East Central.

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

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

Sec. 15. **REPEALER.**

(a) Minnesota Statutes 2016, section 123A.73, subdivision 3, is repealed retroactively from January 1, 2017.

(b) Minnesota Statutes 2016, sections 129C.10, subdivision 5a; and 129C.30, are repealed effective July 1, 2017.

ARTICLE 6

NUTRITION

Section 1. Minnesota Statutes 2016, section 123B.52, subdivision 1, is amended to read:

Subdivision 1. **Contracts.** A contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws and information systems software, or for the construction or repair of school houses, the estimated cost or value of which shall exceed that specified in section 471.345, subdivision 3, must not be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. This notice must state the time and place of receiving bids and contain a brief description of the subject matter.

Additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract for which a call for bids has been issued must be awarded to the lowest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law. The person to whom the contract is awarded shall give a sufficient bond to the board for its faithful performance. Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to the

purchase of a finished tangible product, a board may require, at its discretion, a performance bond of a contractor in the amount the board considers necessary. A record must be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid must be rejected unless the alteration or erasure is corrected as provided in this section. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district must be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts must not exceed two years with an option on the part of the district to renew for an additional two years, except as provided in subdivision 7. Contracts for the purchase of perishable food items, except milk for school lunches and vocational training programs, in any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt.

Every contract made without compliance with the provisions of this section shall be void. Except in the case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

EFFECTIVE DATE. This section is effective for contracts entered into on or after July 1, 2017.

Sec. 2. Minnesota Statutes 2016, section 123B.52, is amended by adding a subdivision to read:

Subd. 7. **Food service contracts.** A contract between a school board and a food service management company that complies with Code of Federal Regulations, title 7, section 210.16, may be renewed annually after its initial term for not more than four additional years.

EFFECTIVE DATE. This section is effective for contracts entered into on or after July 1, 2017.

Sec. 3. **APPROPRIATIONS.**

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

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

\$	<u>16,721,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>17,223,000</u>	<u>.....</u>	<u>2019</u>

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

\$	<u>10,601,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>11,359,000</u>	<u>.....</u>	<u>2019</u>

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

\$	<u>758,000</u>	.....	<u>2018</u>
\$	<u>758,000</u>	.....	<u>2019</u>

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

\$	<u>150,000</u>	.....	<u>2018</u>
\$	<u>150,000</u>	.....	<u>2019</u>

ARTICLE 7**LIBRARIES**

Section 1. Minnesota Statutes 2016, section 134.31, subdivision 2, is amended to read:

Subd. 2. **Advice and instruction.** The Department of Education shall give advice and instruction to the managers of any public library or to any governing body maintaining a library or empowered to do so by law upon any matter pertaining to the organization, maintenance, or administration of libraries. The department may also give advice and instruction, as requested, to postsecondary educational institutions, school districts or charter schools, state agencies, governmental units, nonprofit organizations, or private entities. It shall assist, to the extent possible, in the establishment and organization of library service in those areas where adequate services do not exist, and may aid in improving previously established library services. The department shall also provide assistance to school districts, regional library systems, and member libraries interested in offering joint library services at a single location.

Sec. 2. **APPROPRIATIONS.**

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

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

\$	<u>13,570,000</u>	.....	<u>2018</u>
\$	<u>13,570,000</u>	.....	<u>2019</u>

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

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

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

\$	<u>1,300,000</u>	.....	<u>2018</u>
\$	<u>1,300,000</u>	.....	<u>2019</u>

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

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

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

\$ 900,000 2018

\$ 900,000 2019

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

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

\$ 2,300,000 2018

\$ 2,300,000 2019

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

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

ARTICLE 8

EARLY CHILDHOOD AND FAMILY SUPPORT

Section 1. Minnesota Statutes 2016, section 124D.151, subdivision 5, is amended to read:

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

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

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

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

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

(c) The commissioner must divide all applications for new or expanded voluntary prekindergarten programs under this section meeting the requirements of paragraph (a) and school readiness plus programs into four groups as follows: the Minneapolis and St. Paul school districts; other school districts located in the metropolitan equity region as defined in section 126C.10, subdivision 28; school districts located in the rural equity region as defined in section 126C.10, subdivision 28; and charter schools. Within each group, the applications must be ordered by rank using a sliding scale based on the following criteria:

(1) concentration of kindergarten students eligible for free or reduced-price lunches by school site on October 1 of the previous school year. A school site may contract to partner with a community based provider or Head Start under subdivision 3 or establish an early childhood center and use the concentration of

kindergarten students eligible for free or reduced-price meals from a specific school site as long as those eligible children are prioritized and guaranteed services at the mixed-delivery site or early education center. For school district programs to be operated at locations that do not have free and reduced-price lunch concentration data for kindergarten programs for October 1 of the previous school year, including mixed-delivery programs, the school district average concentration of kindergarten students eligible for free or reduced-price lunches must be used for the rank ordering;

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

(3) whether the district has implemented a mixed delivery system.

(d) The aid available limit on participation for the program programs as specified in subdivision 6, paragraph (b), must initially be allocated among the four groups based on each group's percentage share of the statewide kindergarten enrollment on October 1 of the previous school year. Within each group, the available aid participation limit for fiscal years 2018 and 2019 must first be allocated to school sites approved for aid in the previous year to ensure that those sites are funded for the same number of participants as approved for the previous year. The remainder of the participation limit for each group must be allocated among school sites in priority order until that region's share of the aid participation limit is reached. If the aid participation limit is not reached for all groups, the remaining amount must be allocated to the highest priority school sites, as designated under this section, not funded in the initial allocation on a statewide basis. For fiscal year 2020 and later, the participation limit must first be allocated to school sites approved for aid in fiscal year 2017, and then to school sites approved for aid in fiscal year 2018 based on the statewide rankings under paragraph(c).

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

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

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

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

Sec. 2. Minnesota Statutes 2016, section 124D.151, subdivision 6, is amended to read:

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

(b) In reviewing applications under subdivision 5, the commissioner must limit the estimated state aid entitlement approved under this section to \$27,092,000 for fiscal year 2017; ~~\$27,239,000 for fiscal year~~

2018, and \$26,399,000 for fiscal year 2019 and later. If the actual state aid entitlement based on final data exceeds the limit in any year, the aid of the participating districts must be prorated so as not to exceed the limit.

(c) The commissioner must limit the total number of funded participants in the voluntary prekindergarten program under this section to not more than 3,160.

(d) Notwithstanding paragraph (c), the commissioner must limit the total number of participants in the voluntary prekindergarten and school readiness plus programs to not more than 6,160 participants for fiscal year 2018 and 7,160 participants for fiscal year 2019.

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

Sec. 3. Minnesota Statutes 2016, section 124D.165, subdivision 1, is amended to read:

Subdivision 1. **Establishment; purpose.** There is established an early learning scholarships program in order to ~~increase~~ close the opportunity gap by increasing access to high-quality early childhood programs for children ages three to five.

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

Sec. 4. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

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

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

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

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

~~(c) Any siblings between the ages zero to~~ (b) An "eligible child" means a child who has not yet enrolled in kindergarten and is:

(1) at least three but not yet five years of age on September 1 of the current school year;

(2) a sibling from birth to age five years old of a child who has been awarded a scholarship under this section ~~must be awarded a scholarship upon request,~~ provided the sibling attends the same program as long as funds are available;

(3) the child of a parent under age 21 who is pursuing a high school degree or a course of study for a high school equivalency test; or

(4) homeless, in foster care, or in need of child protective services.

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

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

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

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

Sec. 5. Minnesota Statutes 2016, section 124D.165, subdivision 3, is amended to read:

Subd. 3. **Administration.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meets operational needs of eligible families and programs. The commissioner must give highest priority to applications from children who:

(1) have a parent under age 21 who is pursuing a high school diploma or a course of study for a high school equivalency test;

(2) are in foster care or otherwise in need of protection or services; or

(3) have experienced homelessness in the last 24 months, as defined under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

The commissioner may prioritize applications on additional factors including family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

~~(b) For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year for each eligible child. For fiscal year 2016 and later,~~ The commissioner shall establish a target for the average scholarship amount per child based on the results of the rate survey conducted under section 119B.02.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or on a waiting list for a program beginning in July, August, or September may notify the commissioner, in the form and manner prescribed by the commissioner, each year of the program's desire to enhance program services or to serve more children than current funding provides. The commissioner may designate a predetermined number of scholarship slots for that program and notify the program of that number. For fiscal year 2018 and later, the statewide amount of funding directly designated by the commissioner must not exceed the funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district or Head Start program qualifying under this paragraph may use its established registration process to enroll scholarship recipients and may verify a scholarship recipient's family income in the same manner as for other program participants.

(d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not been accepted and subsequently enrolled in a rated program within ten months of the awarding of the scholarship, the scholarship cancels and the recipient must reapply in order to be eligible for another scholarship. A child may not be awarded more than one scholarship in a 12-month period.

(e) A child who receives a scholarship who has not completed development screening under sections 121A.16 to 121A.19 must complete that screening within 90 days of first attending an eligible program.

(f) For fiscal year 2017 and later, a school district or Head Start program enrolling scholarship recipients under paragraph (c) may apply to the commissioner, in the form and manner prescribed by the commissioner,

for direct payment of state aid. Upon receipt of the application, the commissioner must pay each program directly for each approved scholarship recipient enrolled under paragraph (c) according to the metered payment system or another schedule established by the commissioner.

Sec. 6. Minnesota Statutes 2016, section 124D.165, subdivision 4, is amended to read:

Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept an early learning scholarship, a program must:

(1) participate in the quality rating and improvement system under section 124D.142; and

(2) beginning July 1, ~~2016~~ 2020, have a three- or four-star rating in the quality rating and improvement system.

(b) Any program accepting scholarships must use the revenue to supplement and not supplant federal funding.

(c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship program pilot sites are eligible to accept an early learning scholarship under this section.

Sec. 7. Minnesota Statutes 2016, section 124D.59, subdivision 2, is amended to read:

Subd. 2. **English learner.** (a) "English learner" means a pupil in kindergarten through grade 12 or a prekindergarten student enrolled in an approved voluntary prekindergarten program under section 124D.151 or a school readiness plus program who meets the requirements under subdivision 2a or the following requirements:

(1) the pupil, as declared by a parent or guardian first learned a language other than English, comes from a home where the language usually spoken is other than English, or usually speaks a language other than English; and

(2) the pupil is determined by a valid assessment measuring the pupil's English language proficiency and by developmentally appropriate measures, which might include observations, teacher judgment, parent recommendations, or developmentally appropriate assessment instruments, to lack the necessary English skills to participate fully in academic classes taught in English.

(b) A pupil enrolled in a Minnesota public school in any grade 4 through 12 who in the previous school year took a commissioner-provided assessment measuring the pupil's emerging academic English, shall be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall generate state English learner aid under section 124D.65, subdivision 5, if the pupil scored below the state cutoff score or is otherwise counted as a nonproficient participant on the assessment measuring the pupil's emerging academic English, or, in the judgment of the pupil's classroom teachers, consistent with section 124D.61, clause (1), the pupil is unable to demonstrate academic language proficiency in English, including oral academic language, sufficient to successfully and fully participate in the general core curriculum in the regular classroom.

(c) Notwithstanding paragraphs (a) and (b), a pupil in prekindergarten under section 124D.151, through grade 12 shall not be counted as an English learner in calculating English learner pupil units under section 126C.05, subdivision 17, and shall not generate state English learner aid under section 124D.65, subdivision 5, if:

(1) the pupil is not enrolled during the current fiscal year in an educational program for English learners under sections 124D.58 to 124D.64; or

(2) the pupil has generated seven or more years of average daily membership in Minnesota public schools since July 1, 1996.

Sec. 8. Minnesota Statutes 2016, section 126C.05, subdivision 1, is amended to read:

Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), in average daily membership enrolled in the district of residence, in another district under sections 123A.05 to 123A.08, 124D.03, 124D.08, or 124D.68; in a charter school under chapter 124E; or for whom the resident district pays tuition under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88, subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be counted according to this subdivision.

(a) A prekindergarten pupil with a disability who is enrolled in a program approved by the commissioner and has an individualized education program is counted as the ratio of the number of hours of assessment and education service to 825 times 1.0 with a minimum average daily membership of 0.28, but not more than 1.0 pupil unit.

(b) A prekindergarten pupil who is assessed but determined not to be disabled is counted as the ratio of the number of hours of assessment service to 825 times 1.0.

(c) A kindergarten pupil with a disability who is enrolled in a program approved by the commissioner is counted as the ratio of the number of hours of assessment and education services required in the fiscal year by the pupil's individualized education program to 875, but not more than one.

(d) A prekindergarten pupil who is not included in paragraph (a) or (b) and is enrolled in an approved voluntary prekindergarten program under section 124D.151 is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units.

(e) A kindergarten pupil who is not included in paragraph (c) is counted as 1.0 pupil unit if the pupil is enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school that meets the minimum hours requirement in section 120A.41, or is counted as .55 pupil unit, if the pupil is not enrolled in a free all-day, every day kindergarten program available to all kindergarten pupils at the pupil's school.

(f) A pupil who is in any of grades 1 to 6 is counted as 1.0 pupil unit.

(g) A pupil who is in any of grades 7 to 12 is counted as 1.2 pupil units.

(h) A pupil who is in the postsecondary enrollment options program is counted as 1.2 pupil units.

(i) For fiscal years 2018 and 2019 only, a prekindergarten pupil who;

(1) is not included in paragraphs (a), (b), or (d);

(2) is enrolled in a school readiness plus program; and

(3) has one or more of the risk factors specified by the eligibility requirements for a school readiness plus program;

is counted as the ratio of the number of hours of instruction to 850 times 1.0, but not more than 0.6 pupil units. A pupil qualifying under this paragraph must be counted in the same manner as a voluntary prekindergarten student for all general education and other school funding formulas.

EFFECTIVE DATE. Paragraph (i) of this section expires at the end of fiscal year 2019.

Sec. 9. **SCHOOL READINESS PLUS PROGRAM.**

Subdivision 1. **Establishment; purpose.** A district, a charter school, or a group of districts and charter schools may establish a school readiness plus program for children age four to kindergarten entrance. The purpose of a school readiness plus program is to prepare children for success as they enter kindergarten in the following year.

Subd. 2. Program requirements. A school readiness plus program provider must:

(1) assess each child's cognitive and language skills with a comprehensive child assessment instrument when the child enters and again before the child leaves the program to improve program planning and implementation, communicate with parents, and promote kindergarten readiness;

(2) provide comprehensive program content and intentional instructional practice aligned with the state early childhood learning guidelines and kindergarten standards and based on early childhood research and professional practice that is focused on children's cognitive, social, emotional, and physical skills and development and prepares children for the transition to kindergarten, including early literacy and language skills;

(3) coordinate appropriate kindergarten transition with parents and kindergarten teachers;

(4) involve parents in program planning and decision making;

(5) coordinate with relevant community-based services;

(6) cooperate with adult basic education programs and other adult literacy programs;

(7) ensure staff-to-child ratios of one-to-ten and a maximum group size of 20 children with at least one licensed teacher;

(8) have teachers knowledgeable in early childhood curriculum content, assessment, native and English language development programs, and instruction; and

(9) provide instructional content and activities that are of sufficient length and intensity to address learning needs including offering a program with at least 350 hours of instruction per school year.

Subd. 3. Mixed delivery of services. A district or charter school may contract with a charter school, Head Start or child care center, family child care program licensed under Minnesota Statutes, section 245A.03, or a community-based organization to provide eligible children with developmentally appropriate services that meet the program requirements in subdivision 2.

Subd. 4. Eligibility. (a) A child who is four years of age as of September 1 in the calendar year in which the school year commences and has one or more of the risk factors under paragraph (b) is eligible to participate in a school readiness plus program free of charge. A child who is four years of age as of September 1 in the calendar year in which the school year commences and does not have one or more of the risk factors under paragraph (b) may participate on a fee-for-service basis. A district must adopt a sliding fee schedule based on a family's income but must waive a fee for a participant unable to pay. School districts and charter schools must use school readiness plus aid for eligible children. Each eligible child must complete a health and developmental screening within 90 days of program enrollment under Minnesota Statutes, sections 121A.16 to 121A.19, and provide documentation of required immunizations under section 121A.15.

(b) An at-risk four-year-old child may participate in the school readiness plus program free of charge if the child:

(1) qualifies for free or reduced-price lunch;

(2) is an English language learner;

(3) is homeless;

(4) has an individualized education program, or individual interagency intervention plan;

(5) is identified through health and developmental screening under Minnesota Statutes, sections 121A.16 to 121.19, with a potential risk factor that may influence learning; or

(6) is in foster care.

Subd. 5. Application process; priority for high poverty schools. (a) For 2017-2018 school year, a school district or charter school that did not apply to participate in a voluntary prekindergarten program under Minnesota Statutes, section 124D.151, may apply to the commissioner by July 1, 2017, to participate in a school readiness plus program in the form and manner specified by the commissioner. By June 15, 2017, the commissioner must notify districts and charter schools of the availability of additional money for voluntary prekindergarten and school readiness plus programs. A school district or charter school that previously applied to participate in a voluntary prekindergarten program may amend its application by July 1, 2017, to apply instead for school readiness plus. The commissioner must review all applications for school readiness plus and notify applicant districts and charter schools by August 1, 2017, whether they have been selected for participation.

(b) For the 2018-2019 school year, a school district or charter school may apply to the commissioner by January 30, 2018, to participate in school readiness plus in the form and manner specified by the commissioner.

(c) A district or charter school submitting an application under this section must include: (1) a description of the proposed program, including the number of hours per week the program will be offered at each school site or mixed-delivery location; (2) an estimate of the number of eligible children to be served in the program at each school site or mixed-delivery location; (3) the number of children being served that will be new to the program; and (4) a statement of assurances signed by the superintendent or charter school director that the proposed program meets the requirements of subdivision 2.

(d) The commissioner must award funding for school readiness plus programs across school districts and charter schools in the same manner as for the voluntary prekindergarten program.

(e) A school site or mixed-delivery site approved for aid under this subdivision remains eligible for aid if the site continues to meet program requirements, regardless of changes in the concentration of students eligible for free or reduced-price lunches.

Subd. 6. No supplanting. For a site first qualifying in fiscal year 2018 or 2019, mixed delivery revenue, including voluntary prekindergarten and school readiness plus program revenue, must be used to supplement not supplant existing state, federal, and local revenue for prekindergarten activities.

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

Sec. 10. **APPROPRIATIONS.**

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

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

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

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

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

Subd. 3. Mixed delivery prekindergarten programs. (a) For mixed delivery prekindergarten programs and school readiness plus programs:

\$	<u>21,429,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>28,571,000</u>	<u>.....</u>	<u>2019</u>

(b) The fiscal year 2018 appropriation includes \$0 for 2017 and \$21,429,000 for 2018.

(c) The fiscal year 2019 appropriation includes \$2,381,000 for 2018 and \$26,190,000 for 2019.

(d) The commissioner must proportionately allocate the amounts appropriated in this subdivision among each education funding program affected by the enrollment of mixed delivery system prekindergarten pupils.

(e) The appropriation under this subdivision is reduced by any other amounts specifically appropriated for those purposes.

Subd. 4. **Early learning scholarships.** (a) For the early learning scholarship program under Minnesota Statutes, section 124D.165:

\$ 70,209,000 2018

\$ 70,209,000 2019

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

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

(d) The base for fiscal year 2020 is \$70,709,000.

Subd. 5. **Head Start program.** For Head Start programs under Minnesota Statutes, section 119A.52:

\$ 25,100,000 2018

\$ 25,100,000 2019

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

\$ 30,405,000 2018

\$ 31,977,000 2019

The 2018 appropriation includes \$2,904,000 for 2017 and \$27,501,000 for 2018.

The 2019 appropriation includes \$3,055,000 for 2018 and \$28,922,000 for 2019.

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

\$ 3,606,000 2018

\$ 3,629,000 2019

The 2018 appropriation includes \$358,000 for 2017 and \$3,248,000 for 2018.

The 2019 appropriation includes \$360,000 for 2018 and \$3,269,000 for 2019.

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

\$ 900,000 2018

\$ 900,000 2019

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

The base for this program for fiscal year 2020 and later is \$900,000.

Subd. 8. **Kindergarten entrance assessment initiative and intervention program.** For the kindergarten entrance assessment initiative and intervention program under Minnesota Statutes, section 124D.162:

\$	<u>281,000</u>	.....	<u>2018</u>
\$	<u>281,000</u>	.....	<u>2019</u>

Subd. 9. **Quality rating and improvement system.** (a) For transfer to the commissioner of human services for the purposes of expanding the quality rating and improvement system under Minnesota Statutes, section 124D.142, in greater Minnesota and increasing supports for providers participating in the quality rating and improvement system:

\$	<u>1,750,000</u>	.....	<u>2018</u>
\$	<u>1,750,000</u>	.....	<u>2019</u>

(b) The amounts in paragraph (a) must be in addition to any federal funding under the child care and development block grant authorized under Public Law 101-508 in that year for the system under Minnesota Statutes, section 124D.142.

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

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

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

\$	<u>68,000</u>	.....	<u>2018</u>
\$	<u>68,000</u>	.....	<u>2019</u>

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

\$	<u>49,000</u>	.....	<u>2018</u>
\$	<u>49,000</u>	.....	<u>2019</u>

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

\$	<u>527,000</u>	.....	<u>2018</u>
\$	<u>571,000</u>	.....	<u>2019</u>

The 2018 appropriation includes \$0 for 2017 and \$527,000 for 2018.

The 2019 appropriation includes \$58,000 for 2018 and \$513,000 for 2019.

ARTICLE 9

COMMUNITY EDUCATION AND PREVENTION

Section 1. [124D.99] EDUCATION PARTNERSHIPS COALITION FUND.

Subdivision 1. **Program establishment.** The commissioner of education shall establish a program supporting a coalition of coordinated, aligned education partnerships as specified in this section, for a comprehensive network of evidence-based support services designed to close opportunity gaps by improving

educational and developmental outcomes of children and their families within communities experiencing poverty and impediments to economic viability.

Subd. 2. **Definitions.** (a) For purposes of this section the terms defined in this subdivision have the meanings given them.

(b) "Tier 1 grant" means a sustaining grant for the ongoing operation, stability, and expansion of existing education partnership program locations.

(c) "Tier 2 grant" means an implementation grant for expanding activity in education partnership program locations.

Subd. 3. **Administration; design.** (a) The commissioner shall establish program requirements, an application process and timeline for each tier of grants specified in subdivision 4, criteria for evaluation of applications, and a grant awards process. The commissioner's process must minimize administrative costs, minimize burdens for applicants and grant recipients, and provide a framework that permits flexibility in program design and implementation among grant recipients.

(b) To the extent practicable, the commissioner shall design the program to align with programs implemented or proposed by organizations in Minnesota that:

(1) identify and increase the capacity of organizations that are focused on achieving data-driven, locally controlled positive outcomes for children and youth throughout an entire neighborhood or geographic area through programs such as Strive Together, Promise Neighborhood, and the Education Partnerships Coalition members;

(2) build a continuum of educational family and community supports with academically rigorous schools at the center;

(3) maximize program efficiencies by integrating programmatic activities and eliminating administrative barriers;

(4) develop local infrastructure needed to sustain and scale up proven and effective solutions beyond the initial neighborhood or geographic area; and

(5) utilize appropriate outcome measures based on unique community needs and interests and apply rigorous evaluation on a periodic basis to be used to both monitor outcomes and allow for continuous improvements to systems.

(c) A grant recipient's supportive services programming must address:

(1) kindergarten readiness and youth development;

(2) grade 3 reading proficiency;

(3) high school graduation;

(4) postsecondary educational attainment;

(5) physical and mental health;

(6) development of career skills and readiness;

(7) parental engagement and development;

(8) community engagement and programmatic alignment; and

(9) reduction of remedial education.

(d) The commissioner, in consultation with grant recipients, must:

(1) develop and revise core indicators of progress toward outcomes specifying impacts for each tier identified under subdivision 4;

(2) establish a reporting system for grant recipients to measure program outcomes using data sources and program goals; and

(3) evaluate effectiveness based on the core indicators established by each partnership for each tier.

Subd. 4. **Requirements.** A grant recipient's program in the planning, development, or implementation phase must include:

(1) integrated supportive services programming, as specified in paragraph (b), within a specific community or geographic area for all ages of children and youth and their families within that area, provided that services may be phased in to all ages over time; and

(2) a system for evaluating goals and outcomes as provided under subdivision 3, paragraph (c).

Subd. 5. **Grants.** The commissioner shall award Tier 1 and Tier 2 grants to qualifying recipients that can demonstrate a nonstate source of funds, including in-kind contributions.

Subd. 6. **Legislative report.** By December 15 of each odd-numbered year, the commissioner shall submit a report on the education partnership program to the chairs and ranking minority members of the legislative committees having jurisdiction over kindergarten through grade 12 education, early childhood education, economic development, and human services. At a minimum, the report must summarize grantee activities, identify grant recipients and awards, analyze program performance measures and outcomes, and make any recommendations for legislative changes.

EFFECTIVE DATE. This section is effective July 1, 2017, and subdivision 6 applies to reports due starting in calendar year 2019.

Sec. 2. **APPROPRIATIONS.**

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

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

\$ 483,000 2018

\$ 393,000 2019

The 2018 appropriation includes \$53,000 for 2017 and \$430,000 for 2018.

The 2019 appropriation includes \$47,000 for 2018 and \$346,000 for 2019.

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

\$ 710,000 2018

\$ 710,000 2019

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

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

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

\$	<u>70,000</u>	.....	<u>2018</u>
\$	<u>70,000</u>	.....	<u>2019</u>

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

\$	<u>1,000</u>	.....	<u>2018</u>
\$	<u>1,000</u>	.....	<u>2019</u>

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

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

Subd. 6. **Tier 1 grants.** (a) For education partnership program Tier 1 sustaining grants under Minnesota Statutes, section 124D.99:

\$	<u>2,600,000</u>	.....	<u>2018</u>
\$	<u>2,600,000</u>	.....	<u>2019</u>

(b) Of the amounts in paragraph (a), \$1,300,000 each year is for the Northside Achievement Zone and \$1,300,000 each year is for the St. Paul Promise Neighborhood.

(c) The base funding for Tier 1 sustaining grants is \$2,600,000.

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

Subd. 7. **Tier 2 implementing grants.** (a) For Tier 2 implementing grants under Minnesota Statutes, section 124D.99:

\$	<u>480,000</u>	.....	<u>2018</u>
\$	<u>480,000</u>	.....	<u>2019</u>

(b) For fiscal years 2018 and 2019 only, \$160,000 each year is for the Northfield Healthy Community Initiative in Northfield; \$160,000 is for the Jones Family Foundation for the Every Hand Joined program in Red Wing; and \$160,000 is for the United Way of Central Minnesota for the Partners for Student Success program.

(c) The base funding for Tier 2 implementing grants is \$480,000. The commissioner must competitively award all grants under this subdivision for fiscal year 2020 and later.

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

ARTICLE 10

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2016, section 124D.52, subdivision 7, is amended to read:

Subd. 7. **Performance tracking system.** (a) By July 1, 2000, each approved adult basic education program must develop and implement a performance tracking system to provide information necessary to comply with federal law and serve as one means of assessing the effectiveness of adult basic education programs. For required reporting, longitudinal studies, and program improvement, the tracking system must be designed to collect data on the following core outcomes for learners, including English learners, who have completed participating in the adult basic education program:

(1) demonstrated improvements in literacy skill levels in reading, writing, speaking the English language, numeracy, problem solving, English language acquisition, and other literacy skills;

(2) placement in, retention in, or completion of postsecondary education, training, unsubsidized employment, or career advancement;

(3) receipt of a secondary school diploma or its recognized equivalent; and

(4) reduction in participation in the diversionary work program, Minnesota family investment program, and food support education and training program.

(b) A district, group of districts, state agency, or private nonprofit organization providing an adult basic education program may meet this requirement by developing a tracking system based on either or both of the following methodologies:

(1) conducting a reliable follow-up survey; or

(2) submitting student information, including collected Social Security numbers for data matching.

~~Data related to obtaining employment must be collected in the first quarter following program completion or can be collected while the student is enrolled, if known. Data related to employment retention must be collected in the third quarter following program exit.~~ Data related to any other of the specified outcome outcomes may be collected at any time during a program year.

(c) When a student in a program is requested to provide the student's Social Security number, the student must be notified in a written form easily understandable to the student that:

(1) providing the Social Security number is optional and no adverse action may be taken against the student if the student chooses not to provide the Social Security number;

(2) the request is made under section 124D.52, subdivision 7;

(3) if the student provides the Social Security number, it will be used to assess the effectiveness of the program by tracking the student's subsequent career; and

(4) the Social Security number will be shared with the Department of Education; Minnesota State Colleges and Universities; Office of Higher Education; Department of Human Services; and Department of Employment and Economic Development in order to accomplish the purposes described in paragraph (a) and will not be used for any other purpose or reported to any other governmental entities.

(d) Annually a district, group of districts, state agency, or private nonprofit organization providing programs under this section must forward the tracking data collected to the Department of Education. For the purposes of longitudinal studies on the employment status of former students under this section, the Department of Education must forward the Social Security numbers to the Department of Employment and Economic Development to electronically match the Social Security numbers of former students with wage detail reports filed under section 268.044. The results of data matches must, for purposes of this section and consistent with the requirements of the ~~United States Code, title 29, section 2871, of the Workforce Investment Act of 1998~~ Workforce Innovation and Opportunity Act, be compiled in a longitudinal form by the Department of Employment and Economic Development and released to the Department of Education in the form of summary data that does not identify the individual students. The Department of Education may release this summary data. State funding for adult basic education programs must not be based on the number or percentage of students who decline to provide their Social Security numbers or on whether the program is evaluated by means of a follow-up survey instead of data matching.

Sec. 2. Minnesota Statutes 2016, section 124D.549, is amended to read:

124D.549 GENERAL EDUCATION DEVELOPMENT (GED) TESTS RULES; COMMISSIONER COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST.

The commissioner may amend rules to reflect changes in the national minimum standard score for passing the general education development (GED) tests, in consultation with adult basic education stakeholders, must select a high school equivalency test. The commissioner may issue a high school equivalency diploma to a Minnesota resident 19 years of age or older who has not earned a high school diploma, who has not previously been issued a general education development (GED) certification, and who has exceeded or achieved a minimum passing score on the equivalency test established by the publisher. The commissioner of education may waive the minimum age requirement if supportive evidence is provided by an employer or a recognized education or rehabilitation provider.

Sec. 3. Minnesota Statutes 2016, section 124D.55, is amended to read:

124D.55 GENERAL EDUCATION DEVELOPMENT (GED) COMMISSIONER-SELECTED HIGH SCHOOL EQUIVALENCY TEST FEES.

The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of ~~general education development (GED)~~ the commissioner-selected high school equivalency tests, but not more than \$40 for an eligible individual.

For fiscal year 2017 only, the commissioner shall pay 100 percent of the fee charged to an eligible individual for the full battery of general education development (GED) tests, but not more than the cost of one full battery of tests per year for any individual.

Sec. 4. Minnesota Statutes 2016, section 256J.08, subdivision 38, is amended to read:

Subd. 38. **Full-time student.** "Full-time student" means a person who is enrolled in a graded or ungraded primary, intermediate, secondary, ~~GED~~ commissioner of education-selected high school equivalency preparatory, trade, technical, vocational, or postsecondary school, and who meets the school's standard for full-time attendance.

Sec. 5. Minnesota Statutes 2016, section 256J.08, subdivision 39, is amended to read:

Subd. 39. ~~General educational development or GED~~ **Commissioner of education-selected high school equivalency.** "General educational development" or "GED" "Commissioner of education-selected high school equivalency" means the general educational development high school equivalency certification issued by the commissioner of education as an equivalent to a secondary school diploma under Minnesota Rules, part 3500.3100, subpart 4 section 124D.549.

Sec. 6. **APPROPRIATIONS.**

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

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

\$	<u>50,010,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>51,497,000</u>	<u>.....</u>	<u>2019</u>

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

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

Subd. 3. **High school equivalency tests.** For payment of 60 percent of the costs of the commissioner-selected high school equivalency tests under Minnesota Statutes, section 124D.55:

<u>\$</u>	<u>125,000</u>	<u>.....</u>	<u>2018</u>
<u>\$</u>	<u>125,000</u>	<u>.....</u>	<u>2019</u>

Sec. 7. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the term "commissioner-selected high school equivalency" or similar term for "general education development," "GED," or similar terms for wherever the term refers to the tests or programs leading to a certification issued by the commissioner of education as an equivalency to a secondary diploma.

Sec. 8. **REPEALER.**

Minnesota Rules, part 3500.3100, subpart 4, is repealed.

ARTICLE 11
STATE AGENCIES

Section 1. Minnesota Statutes 2016, section 122A.14, subdivision 9, is amended to read:

Subd. 9. **Fee.** Each person licensed by the Board of School Administrators shall pay the board a fee of \$75, collected each fiscal year. When transmitting notice of the license fee, the board also must notify the licensee of the penalty for failing to pay the fee within the time specified by the board. The board may provide a lower fee for persons on retired or inactive status. After receiving notice from the board, any licensed school administrator who does not pay the fee in the given fiscal year shall have all administrative licenses held by the person automatically suspended, without the right to a hearing, until the fee has been paid to the board. If the board suspends a licensed school administrator for failing to pay the fee, it must immediately notify the district currently employing the school administrator of the school administrator's suspension. The executive secretary shall deposit the fees in the educator licensure account in the special revenue fund in the state treasury.

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

Sec. 2. **[122A.175] SPECIAL REVENUE FUND ACCOUNTS; EDUCATOR LICENSURE AND BACKGROUND CHECKS.**

Subdivision 1. **Educator licensure account.** An educator licensure account is created in the special revenue fund. Applicant licensure fees received by the Department of Education, the Board of Teaching, or the Board of School Administrators must be deposited in the educator licensure account. Any funds appropriated from this account that remain unexpended at the end of the biennium cancel to the educator licensure account in the special revenue fund.

Subd. 2. **Background check account.** An educator licensure background check account is created in the special revenue fund. The Department of Education, the Board of Teaching, and the Board of School Administrators must deposit all payments submitted by license applicants for criminal background checks conducted by the Bureau of Criminal Apprehension in the educator licensure background check account.

Amounts in the account are annually appropriated to the commissioner of education for payment to the superintendent of the Bureau of Criminal Apprehension for the costs of background checks on applicants for licensure.

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

Sec. 3. Minnesota Statutes 2016, section 122A.18, subdivision 7c, is amended to read:

Subd. 7c. **Temporary military license.** The Board of Teaching shall establish a temporary license in accordance with section 197.4552 for teaching. The fee for a temporary license under this subdivision shall be \$87.90 for an online application or \$86.40 for a paper application. The board must deposit the fees received from applicants in the educator licensure account in the special revenue fund.

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

Sec. 4. Minnesota Statutes 2016, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of education must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all first-time teaching applicants for licenses under their jurisdiction. Applicants must include with their licensure applications:

(1) an executed criminal history consent form, including fingerprints; and

(2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension for the fee for conducting~~ payment to conduct the criminal history background check. The Board of Teaching and the commissioner of education must deposit payments received under this subdivision in the educator licensure background check account in the special revenue fund.

(b) The superintendent of the Bureau of Criminal Apprehension shall perform the background check required under paragraph (a) by retrieving criminal history data as defined in section 13.87 and shall also conduct a search of the national criminal records repository. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

(c) The Board of Teaching or the commissioner of education may issue a license pending completion of a background check under this subdivision, but must notify the individual that the individual's license may be revoked based on the result of the background check.

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

Sec. 5. Minnesota Statutes 2016, section 122A.21, subdivision 1, is amended to read:

Subdivision 1. **Licensure applications.** ~~Each applicant submitting an application for the issuance, renewal, or extension of to the Board of Teaching to issue, renew, or extend a teaching license to teach, including applications for licensure via portfolio under subdivision 2, must be accompanied by include a processing fee of \$57. The processing fee for a teacher's license and for the licenses of supervisory personnel must be paid to the executive secretary of the appropriate board and deposited in the educator licensure account in the special revenue fund. The executive secretary of the board shall deposit the fees with the commissioner of management and budget. The fees as set by the board are nonrefundable for applicants not qualifying for a license. However, a fee must be refunded by the commissioner of management and budget must refund a fee in any case in which the applicant already holds a valid unexpired license. The board may waive or reduce fees for applicants who apply at the same time for more than one license.~~

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

Sec. 6. Minnesota Statutes 2016, section 122A.21, subdivision 2, is amended to read:

Subd. 2. **Licensure via portfolio.** (a) An eligible candidate may use licensure via portfolio to obtain a professional five-year teaching license or to add a licensure field, consistent with applicable Board of Teaching licensure rules.

(b) A candidate for a professional five-year teaching license must submit to the Educator Licensing Division at the department one portfolio demonstrating pedagogical competence and one portfolio demonstrating content competence.

(c) A candidate seeking to add a licensure field must submit to the Educator Licensing Division at the department one portfolio demonstrating content competence.

(d) The Board of Teaching must notify a candidate who submits a portfolio under paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not the portfolio was approved. If the portfolio was not approved, the board must immediately inform the candidate how to revise the portfolio to successfully demonstrate the requisite competence. The candidate may resubmit a revised portfolio at any time and the Educator Licensing Division at the department must approve or disapprove the portfolio within 60 calendar days of receiving it.

(e) A candidate must pay to the executive secretary of the Board of Teaching a \$300 fee for the first portfolio submitted for review and a \$200 fee for any portfolio submitted subsequently. ~~The revenue generated from Board of Teaching executive secretary must deposit the fee must be deposited in an education the educator licensure portfolio account in the special revenue fund.~~ The fees set by the Board of Teaching are nonrefundable for applicants not qualifying for a license. The Board of Teaching may waive or reduce fees for candidates based on financial need.

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

Sec. 7. Minnesota Statutes 2016, section 122A.21, is amended by adding a subdivision to read:

Subd. 3. **Annual appropriations.** (a) The amounts collected under subdivision 2 and deposited in the educator licensure account in the special revenue fund are annually appropriated to the Board of Teaching.

(b) The appropriations in paragraph (a) must be reduced by the amount of any money specifically appropriated for the same purposes in any year from any state fund.

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

Sec. 8. **TRANSFERS.**

Subdivision 1. **Portfolio account.** On July 1, 2019, the commissioner of management and budget shall transfer any balances in the educator licensure portfolio account in the special revenue fund to the educator licensure account in the special revenue fund.

Subd. 2. **Background check.** Any balance in an account that holds fees collected under Minnesota Statutes, section 122A.18, subdivision 8, is transferred to the educator licensure background check account in the special revenue fund under Minnesota Statutes, section 122A.175, subdivision 2. On July 2, 2019, \$80,000 is transferred from the educator licensure background check account in the special revenue fund to the educator licensure account in the special revenue fund.

Sec. 9. APPROPRIATIONS; DEPARTMENT OF EDUCATION.

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

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

\$	<u>27,158,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>24,874,000</u>	<u>.....</u>	<u>2019</u>

Of these amounts:

(1) \$231,000 each year is for the Board of School Administrators, and beginning in fiscal year 2020, the amount indicated is from the educator licensure account in the special revenue fund;

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

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

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

(5) \$720,000 each year is for implementing Minnesota's Learning for English Academic Proficiency and Success Act under Laws 2014, chapter 272, article 1, as amended;

(6) \$2,750,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are for the Department of Education's mainframe update;

(7) \$123,000 each year is for a dyslexia specialist; and

(8) \$2,000,000 each year is for legal fees and costs associated with litigation.

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

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

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

(e) This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Education under the rates and mechanism specified in that agreement.

(f) The agency's base is \$22,054,000 for fiscal year 2020 and \$21,965,000 for 2021.

Sec. 10. APPROPRIATIONS; BOARD OF TEACHING.

Subdivision 1. **Board of Teaching.** (a) The sums indicated in this section are appropriated from the general fund to the Board of Teaching or any successor organization for the fiscal years designated:

\$	<u>3,481,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>3,493,000</u>	<u>.....</u>	<u>2019</u>

(b) This appropriation includes funds for information technology project services and support subject to Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated

into an interagency agreement and will be paid to the Office of MN.IT Services by the Board of Teaching under the mechanism specified in that agreement.

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

(d) Beginning in fiscal year 2020, the amounts indicated are appropriated from the educator licensure account in the special revenue fund or, if the amount in the educator licensure account is insufficient, from the general fund to the Board of Teaching or any successor organization. If a successor organization is established, the Department of Administration must provide administrative support to the successor organization under Minnesota Statutes, section 16B.371. The commissioner of administration must assess the board for services provided under this section.

(e) The base for fiscal year 2020 is \$2,734,000 and \$2,709,000 for fiscal year 2021.

Subd. 2. **Licensure by portfolio.** For licensure by portfolio:

\$	<u>34,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>34,000</u>	<u>.....</u>	<u>2019</u>

This appropriation is from the educator licensure portfolio account in the special revenue fund.

Sec. 11. **APPROPRIATIONS; MINNESOTA STATE ACADEMIES.**

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

\$	<u>14,026,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>14,352,000</u>	<u>.....</u>	<u>2019</u>

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

(c) The base for fiscal year 2020 and later is \$13,186,000.

Sec. 12. **APPROPRIATIONS; PERPICH CENTER FOR ARTS EDUCATION.**

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

\$	<u>8,173,000</u>	<u>.....</u>	<u>2018</u>
\$	<u>6,973,000</u>	<u>.....</u>	<u>2019</u>

(b) Of the amounts appropriated in paragraph (a), \$370,000 is for fiscal years 2018 or 2019 only for arts integration and Turnaround Arts programs.

(c) \$1,200,000 in fiscal year 2018 is for severance payments related to the closure of Crosswinds school and is available until June 30, 2019.

Sec. 13. **CROSSWINDS DISPOSITION COSTS.**

\$162,000 in fiscal year 2018 only is appropriated from the general fund to the Perpich Center for Arts Education. The amount appropriated in this section is for transfer to the commissioner of administration for costs related to the sale of the Crosswinds school and is available until June 30, 2019.

ARTICLE 12**PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD**

Section 1. Minnesota Statutes 2016, section 122A.06, is amended to read:

122A.06 DEFINITIONS.

Subdivision 1. **Scope.** For the purpose of sections 122A.05 to ~~122A.09~~ 122A.093, the terms defined in this section have the meanings given them, unless another meaning is clearly indicated.

Subd. 2. **Teacher.** "Teacher" means a classroom teacher or other similar professional employee required to hold a license from the Professional Educator Licensing and Standards Board of Teaching.

Subd. 3. **Board.** "Board" means the Professional Educator Licensing and Standards Board of Teaching.

Subd. 4. **Comprehensive, scientifically based reading instruction.** (a) "Comprehensive, scientifically based reading instruction" includes a program or collection of instructional practices that is based on valid, replicable evidence showing that when these programs or practices are used, students can be expected to achieve, at a minimum, satisfactory reading progress. The program or collection of practices must include, at a minimum, effective, balanced instruction in all five areas of reading: phonemic awareness, phonics, fluency, vocabulary development, and reading comprehension.

Comprehensive, scientifically based reading instruction also includes and integrates instructional strategies for continuously assessing, evaluating, and communicating the student's reading progress and needs in order to design and implement ongoing interventions so that students of all ages and proficiency levels can read and comprehend text, write, and apply higher level thinking skills. For English learners developing literacy skills, districts are encouraged to use strategies that teach reading and writing in the students' native language and English at the same time.

(b) "Fluency" is the ability of students to read text with speed, accuracy, and proper expression.

(c) "Phonemic awareness" is the ability of students to notice, think about, and manipulate individual sounds in spoken syllables and words.

(d) "Phonics" is the understanding that there are systematic and predictable relationships between written letters and spoken words. Phonics instruction is a way of teaching reading that stresses learning how letters correspond to sounds and how to apply this knowledge in reading and spelling.

(e) "Reading comprehension" is an active process that requires intentional thinking during which meaning is constructed through interactions between text and reader. Comprehension skills are taught explicitly by demonstrating, explaining, modeling, and implementing specific cognitive strategies to help beginning readers derive meaning through intentional, problem-solving thinking processes.

(f) "Vocabulary development" is the process of teaching vocabulary both directly and indirectly, with repetition and multiple exposures to vocabulary items. Learning in rich contexts, incidental learning, and use of computer technology enhance the acquiring of vocabulary.

(g) Nothing in this subdivision limits the authority of a school district to select a school's reading program or curriculum.

Subd. 5. **Field.** A "field" or "subject area" means the content area in which a teacher may become licensed to teach.

Subd. 6. **Shortage area.** "Shortage area" means:

(1) licensure fields and economic development regions reported by the commissioner of education or the Professional Educator Licensing and Standards Board as experiencing a teacher shortage; and

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

Subd. 7. **Teacher preparation program.** "Teacher preparation program" means a program approved by the Professional Educator Licensing and Standards Board for the purpose of preparing individuals for a specific teacher licensure field in Minnesota. Teacher preparation programs include traditional programs delivered by postsecondary institutions, alternative teacher preparation programs, and nonconventional teacher preparation programs.

Subd. 8. **Teacher preparation program provider.** "Teacher preparation program provider" or "unit" means an entity that has primary responsibility for overseeing and delivering a teacher preparation program.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 2. Minnesota Statutes 2016, section 122A.07, is amended to read:

122A.07 BOARD OF TEACHING PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD MEMBERSHIP.

Subdivision 1. **Appointment of members.** The Professional Educator Licensing and Standards Board of Teaching consists of 11 members appointed by the governor, with the advice and consent of the senate. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements are as provided in sections 214.07 to 214.09. No member may be reappointed for more than one additional term.

Subd. 2. **Eligibility; board composition.** Except for the representatives of higher education and the public, to be eligible for appointment to the Board of Teaching a person must be a teacher currently teaching in a Minnesota school and fully licensed for the position held and have at least five years teaching experience in Minnesota, including the two years immediately preceding nomination and appointment. Each nominee, other than a public nominee, must be selected on the basis of professional experience and knowledge of teacher education, accreditation, and licensure. The board must be composed of:

(1) six teachers who are currently teaching in a Minnesota school or who were teaching at the time of the appointment and who do not qualify under clause (2) or (3), at least four of whom must be teaching in a public school, have at least five years of teaching experience, and were not serving in an administrative function at a school district or school when appointed. The six teachers must include the following:

- (i) one teacher in a charter school;
- (ii) one teacher from the seven-county metropolitan area, as defined in section 473.121, subdivision 2;
- (iii) one teacher from outside the seven-county metropolitan area;
- (iv) one teacher from a related service category licensed by the board;
- (v) one special education teacher; and
- (vi) one teacher from a teacher preparation program;

(2) one higher education representative, who must be a faculty member preparing teachers one superintendent that alternates each term between a superintendent from the seven-county metropolitan area, as defined in section 473.121, subdivision 2, and a superintendent from outside the metropolitan area;

(3) one school administrator district human resources director; and

(4) three members of the public, two of whom must be present or former members of school boards one administrator of a cooperative unit under section 123A.24, subdivision 2, who oversees a special education program;

(5) one principal that alternates each term between an elementary and a secondary school principal; and

(6) one member of the public that may be a current or former school board member.

Subd. 2a. **First appointments.** (a) The governor shall nominate all members to the Professional Educator Licensing and Standards Board. The terms of the initial board members must be as follows:

(1) two members must be appointed for terms that expire January 1, 2019;

(2) three members must be appointed for terms that expire January 1, 2020;

(3) three members must be appointed for terms that expire January 1, 2021; and

(4) three members must be appointed for terms that expire January 1, 2022.

(b) Members of the Board of Teaching as of January 1, 2017, are ineligible for first appointments to the Professional Educator Licensing and Standards Board for four years from the effective date of this section, except that two members of the Board of Teaching as of January 1, 2017, are eligible for appointment under paragraph (a), clause (1).

Subd. 3. **Vacant position.** With the exception of a teacher who retires from teaching during the course of completing a board term, the position of a member who leaves Minnesota or whose employment status changes to a category different from that from which appointed is deemed vacant.

Subd. 4. **Administration, Terms, compensation; removal; vacancies.** ~~The provision of staff, administrative services and office space; the review and processing of complaints; the setting of fees; the selection and duties of an executive secretary director~~ to serve the board; and other provisions relating to board operations not provided in this chapter are as provided in chapter 214. Membership terms, except as provided in subdivision 2a, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements are as provided in sections 214.07 to 214.09.

Subd. 4a. **Administration.** (a) The executive director of the board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director shall maintain the records of the board, account for all fees received by the board, supervise and direct employees servicing the board, and perform other services as directed by the board.

(b) The Department of Administration must provide administrative support in accordance with section 16B.371. The commissioner of administration must assess the board for services it provides under this section.

(c) The Department of Education must provide suitable offices and other space to the board at reasonable cost until January 1, 2020. Thereafter, the board may contract with either the Department of Education or the Department of Administration for the provision of suitable offices and other space, joint conference and hearing facilities, and examination rooms.

Subd. 5. **District reimbursement for costs of substitute teachers.** The Professional Educator Licensing and Standards Board may reimburse local school districts for the costs of substitute teachers employed when regular teachers are providing professional assistance to the state by serving on the board or on a committee or task force appointed by the board and charged to make recommendations concerning standards for teacher licensure in this state.

EFFECTIVE DATE. This section is effective September 1, 2017.

Sec. 3. Minnesota Statutes 2016, section 122A.08, is amended to read:

122A.08 MEETINGS.

Subdivision 1. **Meetings.** The Professional Educator Licensing and Standards Board of Teaching must meet regularly at the times and places as the board determines. Meetings must be called by the chair or at the written request of any eight members.

Subd. 2. **Executive secretary director.** The Professional Educator Licensing and Standards Board of Teaching must have an executive secretary director who is in the unclassified civil service and who is not a member of the board. The executive director must fulfill the duties provided in section 122A.09, subdivision 6. The board must review the performance of the executive director and set the salary of the executive director, not to exceed the limit for a position listed in section 15A.0815, subdivision 2.

EFFECTIVE DATE. This section is effective January 1, 2018.

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

Subdivision 1. **Code of ethics.** The Professional Educator Licensing and Standards Board of Teaching must develop by rule a code of ethics covering standards of professional teaching practices, including areas of ethical conduct and professional performance and methods of enforcement.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 5. Minnesota Statutes 2016, section 122A.09, subdivision 2, is amended to read:

Subd. 2. **Advise members of profession.** The Professional Educator Licensing and Standards Board must act in an advisory capacity to members of the profession in matters of interpretation of the code of ethics.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 6. Minnesota Statutes 2016, section 122A.09, subdivision 3, is amended to read:

Subd. 3. **Election of chair and officers.** The Professional Educator Licensing and Standards Board shall elect a chair and such other officers as it may deem necessary.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 7. Minnesota Statutes 2016, section 122A.09, subdivision 4, is amended to read:

Subd. 4. **License and rules Licensing.** (a) The Professional Educator Licensing and Standards Board must ~~adopt rules to license public school teachers and interns subject to chapter 14.~~ license teachers, as defined in section 122A.15, subdivision 1, except for supervisory personnel, as defined in section 122A.15, subdivision 2. The board must not delegate its authority to make all licensing decisions with respect to candidates for teacher licensure. The board must evaluate candidates for compliance with statutory or rule requirements for licensure and develop licensure verification requirements.

(b) ~~The board must require all candidates for teacher licensure to demonstrate a passing score on a board-adopted skills examination in reading, writing, and mathematics, as a requirement for an initial professional five-year teaching license, except that the board may issue up to four initial professional one-year teaching licenses to an otherwise qualified candidate who has not yet passed the board-adopted skills exam. The board must require colleges and universities offering a board-approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the board-adopted skills examination, including those for whom English is a second language. The requirement to pass a board-adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide~~

~~direct instruction in their native language or world language instruction under section 120B.022, subdivision 1. The Board of Teaching and the entity administering the content, pedagogy, and skills examinations must allow any individual who produces documentation of a disability in the form of an evaluation, 504 plan, or individual education program (IEP) to receive the same testing accommodations on the content, pedagogy, and skills examinations that the applicant received during their secondary or postsecondary education.~~

~~(e) The board must adopt rules to approve teacher preparation programs. The board, upon the request of a postsecondary student preparing for teacher licensure or a licensed graduate of a teacher preparation program, shall assist in resolving a dispute between the person and a postsecondary institution providing a teacher preparation program when the dispute involves an institution's recommendation for licensure affecting the person or the person's credentials. At the board's discretion, assistance may include the application of chapter 14.~~

~~(d) The board must provide the leadership and adopt rules for the redesign of teacher education programs to implement a research based, results oriented curriculum that focuses on the skills teachers need in order to be effective. Among other components, teacher preparation programs may use the Minnesota State Colleges and Universities program model to provide a school-year-long student teaching program that combines clinical opportunities with academic coursework and in-depth student teaching experiences to offer students ongoing mentorship, coaching, and assessment, help to prepare a professional development plan, and structured learning experiences. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. Teacher preparation programs including alternative teacher preparation programs under section 122A.245, among other programs, must include a content specific, board approved, performance-based assessment that measures teacher candidates in three areas: planning for instruction and assessment; engaging students and supporting learning; and assessing student learning. The board's redesign rules must include creating flexible, specialized teaching licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical programs, Montessori schools, and project and place-based learning, among other career and college ready learning offerings.~~

~~(e) The board must adopt rules requiring candidates for professional five year teaching licenses to pass an examination of general pedagogical knowledge and examinations of licensure specific teaching skills. The rules shall be effective by September 1, 2001. The rules under this paragraph also must require candidates for initial licenses to teach prekindergarten or elementary students to pass, as part of the examination of licensure specific teaching skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, and their knowledge and understanding of the foundations of reading development, the development of reading comprehension, and reading assessment and instruction, and their ability to integrate that knowledge and understanding.~~

~~(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.~~

~~(g) The board must grant licenses to interns and to candidates for professional five-year teaching licenses based on appropriate professional competencies that are aligned with the board's licensing system and students' diverse learning needs. All teacher candidates must have preparation in English language development and content instruction for English learners in order to be able to effectively instruct the English learners in their classrooms. The board must include these licenses in a statewide differentiated licensing system that creates new leadership roles for successful experienced teachers premised on a collaborative professional culture dedicated to meeting students' diverse learning needs in the 21st century, recognizes the importance of cultural and linguistic competencies, including the ability to teach and communicate in~~

~~culturally competent and aware ways, and formalizes mentoring and induction for newly licensed teachers provided through a teacher support framework.~~

~~(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.~~

~~(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board must require a licensed teacher who is renewing a professional five-year teaching license to include in the renewal requirements further preparation in English language development and specially designed content instruction in English for English learners.~~

~~(j) The board must grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and 214.10. The board must not establish any expiration date for application for life licenses.~~

~~(k) The board must adopt rules that require all licensed teachers who are renewing their professional five-year teaching licenses to include in their renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.~~

~~(l) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.~~

~~(m) The board must adopt rules that require all licensed teachers who are renewing their professional five-year teaching licenses to include in their renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.~~

~~(n) The board must adopt rules that require all licensed teachers who are renewing their professional five-year teaching licenses to include in their renewal requirements at least one hour of suicide prevention best practices in each licensure renewal period that are based on nationally recognized evidence-based programs and practices, among the continuing education credits required to renew a license under this paragraph, and further preparation, first, in understanding the key warning signs of early-onset mental illness in children and adolescents and then, during subsequent licensure renewal periods, preparation may include providing a more in-depth understanding of students' mental illness trauma, accommodations for students' mental illness, parents' role in addressing students' mental illness, Fetal Alcohol Spectrum Disorders, autism, the requirements of section 125A.0942 governing restrictive procedures, and de-escalation methods, among other similar topics.~~

~~(o) The board must adopt rules by January 1, 2016, to license applicants under sections 122A.23 and 122A.245. The rules must permit applicants to demonstrate their qualifications through the board's recognition of a teaching license from another state in a similar content field, completion of a state-approved teacher preparation program, teaching experience as the teacher of record in a similar licensure field, depth of content knowledge, depth of content methods or general pedagogy, subject-specific professional development and contribution to the field, or classroom performance as determined by documented student growth on normed assessments or documented effectiveness on evaluations. The rules must adopt criteria for determining a "similar content field" and "similar licensure area."~~

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

Sec. 8. Minnesota Statutes 2016, section 122A.09, subdivision 4a, is amended to read:

Subd. 4a. ~~Teacher and administrator preparation and performance data; report~~ **Reports.** (a) The Board of Teaching and the Board of School Administrators, in cooperation with the Minnesota Association of Colleges of Teacher Education and Minnesota colleges and universities offering board-adopted teacher or administrator preparation programs, annually must collect and report summary data on teacher and administrator preparation and performance outcomes, consistent with this subdivision. The Board of Teaching and the Board of School Administrators annually by June 1 must update and post the reported summary preparation and performance data on teachers and administrators from the preceding school years on a Web site hosted jointly by the boards. The Professional Educator Licensing and Standards Board must provide reports in accordance with section 122A.091.

(b) ~~Publicly reported summary data on teacher preparation programs must include: student entrance requirements for each Board of Teaching-approved program, including grade point average for enrolling students in the preceding year; the average board-adopted skills examination or ACT or SAT scores of students entering the program in the preceding year; summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and their years of experience either as kindergarten through grade 12 classroom teachers or school administrators; the average time resident and nonresident program graduates in the preceding year needed to complete the program; the current number and percent of students by program who graduated, received a standard Minnesota teaching license, and were hired to teach full time in their licensure field in a Minnesota district or school in the preceding year; the number of content area credits and other credits by undergraduate program that students in the preceding school year needed to complete to graduate; students' pass rates on skills and subject matter exams required for graduation in each program and licensure area in the preceding school year; survey results measuring student and graduate satisfaction with the program in the preceding school year; a standard measure of the satisfaction of school principals or supervising teachers with the student teachers assigned to a school or supervising teacher; and information under paragraphs (d) and (e). Program reporting must be consistent with subdivision 11.~~

(c) ~~Publicly reported summary data on administrator preparation programs approved by the Board of School Administrators must include: summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and their years of experience either as kindergarten through grade 12 classroom teachers or school administrators; the average time program graduates in the preceding year needed to complete the program; the current number and percent of students who graduated, received a standard Minnesota administrator license, and were employed as an administrator in a Minnesota school district or school in the preceding year; the number of credits by graduate program that students in the preceding school year needed to complete to graduate; survey results measuring student, graduate, and employer satisfaction with the program in the preceding school year; and information under paragraphs (f) and (g). Program reporting must be consistent with section 122A.14, subdivision 10.~~

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

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

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

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

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

Sec. 9. Minnesota Statutes 2016, section 122A.09, subdivision 6, is amended to read:

Subd. 6. **Register of persons licensed.** The executive ~~secretary~~ director of the Professional Educator Licensing and Standards Board of Teaching ~~shall~~ must keep a record of the proceedings of and a register of all persons licensed pursuant to the provisions of this chapter. The register must show the name, address, license number and the renewal of the license. The board must on July 1, of each year or as soon thereafter as is practicable, compile a list of such duly licensed teachers ~~and transmit a copy of the list to the board.~~ A copy of the register must be available during business hours at the office of the board to any interested person.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 10. Minnesota Statutes 2016, section 122A.09, subdivision 7, is amended to read:

Subd. 7. ~~**Commissioner's assistance; Professional Educator Licensing and Standards Board money.**~~ **Professional Educator Licensing and Standards Board money.** ~~The commissioner shall provide all necessary materials and assistance for the transaction of the business of the Board of Teaching and~~ All moneys received by the Professional Educator Licensing and Standards Board of Teaching shall be paid into the state treasury as provided by law. The expenses of administering sections 120B.363, 122A.01, 122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.181, 122A.182, 122A.183, 122A.184, 122A.185, 122A.186, 122A.187, 122A.188, 122A.20, 122A.21, 122A.22, 122A.23, 122A.2451, 122A.26, 122A.30, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49, 122A.54, 122A.55, 122A.56, 122A.57, and 122A.58 which are incurred by the Professional Educator Licensing and Standards Board of Teaching shall be paid for from appropriations made to the Professional Educator Licensing and Standards Board of Teaching.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 11. Minnesota Statutes 2016, section 122A.09, subdivision 9, is amended to read:

Subd. 9. ~~**Professional Educator Licensing and Standards Board may**~~ **must** ~~adopt rules.~~ (a) ~~The Professional Educator Licensing and Standards Board of Teaching may~~ must adopt rules subject to the provisions of chapter 14 to implement sections 120B.363, 122A.05 to 122A.09, 122A.092, 122A.16, 122A.17, 122A.18, 122A.181, 122A.182, 122A.183, 122A.184, 122A.185, 122A.186, 122A.187, 122A.188, 122A.20, 122A.21, and 122A.23, 122A.26, 122A.28, and 122A.29.

(b) The board must adopt rules relating to fields of licensure, including a process for granting permission to a licensed teacher to teach in a field that is different from the teacher's field of licensure without change to the teacher's license tier level.

(c) The board must adopt rules relating to the grade levels that a licensed teacher may teach.

(d) If a rule adopted by the board is in conflict with a session law or statute, the law or statute prevails. Terms adopted in rule must be clearly defined and must not be construed to conflict with terms adopted in statute or session law.

(e) The board must include a description of a proposed rule's probable effect on teacher supply and demand in the board's statement of need and reasonableness under section 14.131.

(f) The board must adopt rules only under the specific statutory authority.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 12. Minnesota Statutes 2016, section 122A.09, subdivision 10, is amended to read:

Subd. 10. **Permissions.** (a) Notwithstanding subdivision 9 and sections 14.055 and 14.056, the Professional Educator Licensing and Standards Board of Teaching may grant waivers to its rules upon application by a school district or a charter school for purposes of implementing experimental programs in learning or management.

(b) To enable a school district or a charter school to meet the needs of students enrolled in an alternative education program and to enable licensed teachers instructing those students to satisfy content area licensure requirements, the Professional Educator Licensing and Standards Board of Teaching annually may permit a licensed teacher teaching in an alternative education program to instruct students in a content area for which the teacher is not licensed, consistent with paragraph (a).

(c) A special education license permission issued by the Professional Educator Licensing and Standards Board of Teaching for a primary employer's low-incidence region is valid in all low-incidence regions.

~~(d) The Board of Teaching may issue a one-year professional license under paragraph (a), which the board may renew two times, to allow a person holding a full credential from the American Montessori Society, a diploma from Association Montessori Internationale, or a certificate of completion from a program accredited by the Montessori Accreditation Council for Teacher Education to teach in a Montessori program operated by a school district or charter school.~~

~~(e) The Board of Teaching may grant a one-year waiver, renewable two times, to allow individuals who hold a bachelor's degree from an accredited postsecondary institution, demonstrate occupational competency based on at least three years of full-time work experience in business or industry, and enroll and make satisfactory progress in an alternative preparation program leading to certification as a career and technical education instructor to teach career and technical education courses offered by a school district or charter school.~~

~~(d) A candidate that has obtained career and technical education certification may apply for a Tier 1 license under section 122A.181. Consistent with this paragraph and section 136F.361, the Professional Educator Licensing and Standards Board of Teaching must strongly encourage approved college or university-based teacher preparation programs and institutions throughout Minnesota to develop alternative pathways for certifying and licensing high school career and technical education instructors and teachers, allowing such candidates to meet certification and licensure standards that demonstrate their content knowledge, classroom experience, and pedagogical practices and their qualifications based on a combination of occupational testing, professional certification or licensure, and long-standing work experience.~~

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

Sec. 13. **[122A.091] REPORTS.**

Subdivision 1. **Teacher and administrator preparation and performance data; report.** (a) The Professional Educator Licensing and Standards Board and the Board of School Administrators, in cooperation with board-adopted teacher or administrator preparation programs, annually must collect and report summary data on teacher and administrator preparation and performance outcomes, consistent with this subdivision.

The Professional Educator Licensing and Standards Board and the Board of School Administrators annually by June 1 must update and post the reported summary preparation and performance data on teachers and administrators from the preceding school years on a Web site hosted jointly by the boards.

(b) Publicly reported summary data on teacher preparation programs must include:

(1) student entrance requirements for each Professional Educator Licensing and Standards Board-approved program, including grade point average for enrolling students in the preceding year;

(2) the average board-adopted skills examination or ACT or SAT scores of students entering the program in the preceding year;

(3) summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and their years of experience either as kindergarten through grade 12 classroom teachers or school administrators;

(4) the average time resident and nonresident program graduates in the preceding year needed to complete the program;

(5) the current number and percentage of students by program who graduated, received a standard Minnesota teaching license, and were hired to teach full time in their licensure field in a Minnesota district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(6) the number of content area credits and other credits by undergraduate program that students in the preceding school year needed to complete to graduate;

(7) students' pass rates on skills and subject matter exams required for graduation in each program and licensure area in the preceding school year;

(8) survey results measuring student and graduate satisfaction with the program in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(9) a standard measure of the satisfaction of school principals or supervising teachers with the student teachers assigned to a school or supervising teacher; and

(10) information under subdivision 3, paragraphs (a) and (b).

Program reporting must be consistent with subdivision 2.

(c) Publicly reported summary data on administrator preparation programs approved by the Board of School Administrators must include:

(1) summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and the years of experience either as kindergarten through grade 12 classroom teachers or school administrators;

(2) the average time program graduates in the preceding year needed to complete the program;

(3) the current number and percentage of students who graduated, received a standard Minnesota administrator license, and were employed as an administrator in a Minnesota school district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(4) the number of credits by graduate program that students in the preceding school year needed to complete to graduate;

(5) survey results measuring student, graduate, and employer satisfaction with the program in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual; and

(6) information under subdivision 3, paragraphs (c) and (d).

Program reporting must be consistent with section 122A.14, subdivision 10.

Subd. 2. **Teacher preparation program reporting.** (a) By December 31, 2018, and annually thereafter, the Professional Educator Licensing and Standards Board shall report and publish on its Web site the cumulative summary results of at least three consecutive years of data reported to the board under subdivision 1, paragraph (b). Where the data are sufficient to yield statistically reliable information and the results would not reveal personally identifiable information about an individual teacher, the board shall report the data by teacher preparation program.

(b) The Professional Educator Licensing and Standards Board must report annually to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education, the following information:

(1) the total number of teacher candidates during the most recent school year taking a board-adopted skills examination;

(2) the number who achieve a qualifying score on the examination;

(3) the number who do not achieve a qualifying score on the examination; and

(4) the candidates who have not passed a content or pedagogy exam.

The information reported under this paragraph must be disaggregated by categories of race, ethnicity, and eligibility for financial aid. The report must be submitted in accordance with section 3.195.

Subd. 3. **School district reports.** (a) School districts annually by October 1 must report to the Professional Educator Licensing and Standards Board the following information for all teachers who finished the probationary period and accepted a continuing contract position with the district from September 1 of the previous year through August 31 of the current year:

(1) the effectiveness category or rating of the teacher on the summative evaluation under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(2) the licensure area in which the teacher primarily taught during the three-year evaluation cycle; and

(3) the teacher preparation program preparing the teacher in the teacher's primary areas of instruction and licensure.

(b) School districts annually by October 1 must report to the Professional Educator Licensing and Standards Board the following information for all probationary teachers in the district who were released or whose contracts were not renewed from September 1 of the previous year through August 31 of the current year:

(1) the licensure areas in which the probationary teacher taught; and

(2) the teacher preparation program preparing the teacher in the teacher's primary areas of instruction and licensure.

(c) School districts annually by October 1 must report to the Board of School Administrators the following information for all school principals and assistant principals who finished the probationary period and accepted a continuing contract position with the district from September 1 of the previous year through August 31 of the current year:

(1) the effectiveness category or rating of the principal or assistant principal on the summative evaluation under section 123B.147, subdivision 3; and

(2) the principal preparation program providing instruction to the principal or assistant principal.

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

Subd. 4. **State reports.** The Professional Educator Licensing and Standards Board must prepare reports in accordance with section 214.07.

Subd. 5. **Survey of districts.** (a) The Professional Educator Licensing and Standards Board must survey the state's school districts and teacher preparation programs and report to the education committees of the legislature by February 1, 2019, and each odd-numbered year thereafter, on the status of teacher early retirement patterns, the access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school, the teacher shortage, and the substitute teacher shortage, including patterns and shortages in licensure field areas and the economic development regions of the state.

(b) The report must also include:

(1) aggregate data on teachers' self-reported race and ethnicity;

(2) data on how districts are making progress in hiring teachers and substitute teachers in the areas of shortage; and

(3) a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.

Subd. 6. **Implementation report.** By January 1, 2019, the Professional Educator Licensing and Standards Board must prepare a report to the legislature on the implementation of the teacher licensure system established under sections 122A.18 to 122A.184. The report must include the number of applicants for licensure in each tier, the number of applications granted and denied, summary data on the reasons applications were denied, and the status of the board's rulemaking process for all licensure related rules.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 14. **[122A.092] TEACHER PREPARATION PROGRAMS.**

Subdivision 1. **Rules.** The board must adopt rules to approve teacher preparation programs, including alternative teacher preparation programs under section 122A.2451, nonconventional programs, and Montessori teacher training programs.

Subd. 2. **Requirements for board approval.** Teacher preparation programs must demonstrate the following to obtain board approval:

(1) the program has implemented a research-based, results-oriented curriculum that focuses on the skills teachers need in order to be effective;

(2) the program provides a student teaching program;

(3) the program demonstrates effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes;

(4) the program includes a common core of teaching knowledge and skills. This common core shall meet the standards developed by the Interstate New Teacher Assessment and Support Consortium in its

1992 model standards for beginning teacher licensing and development. Amendments to standards adopted under this clause are subject to chapter 14. The Professional Educator Licensing and Standards Board shall report annually to the education committees of the legislature on the performance of teacher candidates on common core assessments of knowledge and skills under this clause during the most recent school year;

(5) the program includes instruction on the knowledge and skills needed to provide appropriate instruction to English learners to support and accelerate their academic literacy, including oral academic language and achievement in content areas in a regular classroom setting; and

(6) the program includes culturally competent training in instructional strategies consistent with section 120B.30, subdivision 1, paragraph (q).

Subd. 3. **Specialized credentials.** The board must adopt rules creating flexible, specialized teaching licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical programs, Montessori schools, and project- and place-based learning, among other career and college readiness learning offerings.

Subd. 4. **Teacher educators.** The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary and secondary teaching environments.

Subd. 5. **Reading strategies.** (a) All colleges and universities approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in their teacher preparation programs research-based best practices in reading, consistent with section 122A.06, subdivision 4, that enables the licensure candidate to teach reading in the candidate's content areas. Teacher candidates must be instructed in using students' native languages as a resource in creating effective differentiated instructional strategies for English learners developing literacy skills. These colleges and universities also must prepare early childhood and elementary teacher candidates for Tier 3 and Tier 4 teaching licenses under sections 122A.183 and 122A.184, respectively, for the portion of the examination under section 122A.185, subdivision 1, paragraph (c), covering assessment of reading instruction.

(b) Board-approved teacher preparation programs for teachers of elementary education must require instruction in applying comprehensive, scientifically based, and balanced reading instruction programs that:

(1) teach students to read using foundational knowledge, practices, and strategies consistent with section 122A.06, subdivision 4, so that all students achieve continuous progress in reading; and

(2) teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels to become proficient readers.

(c) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

Subd. 6. **Technology strategies.** All colleges and universities approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in their teacher preparation programs the knowledge and skills teacher candidates need to engage students with technology and deliver digital and blended learning and curriculum.

Subd. 7. **Student teaching program.** A teacher preparation program may provide a year-long student teaching program that combines clinical opportunities with academic coursework and in-depth student teaching experiences to offer students:

(1) ongoing mentorship;

(2) coaching;

(3) assessment;

(4) help to prepare a professional development plan; and

(5) structured learning experiences.

Subd. 8. **Existing programs.** The approval of teacher preparation programs approved by the Board of Teaching before the effective date of this section must remain in effect unless and until the Professional Educator Licensing and Standards Board denies approval or reapproves the program.

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

Sec. 15. **[122A.093] FRAUD; GROSS MISDEMEANOR.**

A person who claims to be a licensed teacher without a valid existing license issued by the board or any person who employs fraud or deception in applying for or securing a license is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 16. Minnesota Statutes 2016, section 122A.22, is amended to read:

122A.22 DISTRICT VERIFICATION OF TEACHER LICENSES.

No person shall be accounted a qualified teacher until the school district or charter school contracting with the person for teaching services verifies through the Minnesota education licensing system available on the ~~department~~ Professional Educator Licensing and Standards Board Web site that the person is a qualified teacher, consistent with sections 122A.16 and 122A.44, subdivision 1.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 17. Minnesota Statutes 2016, section 127A.05, subdivision 6, is amended to read:

Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's school districts and teacher preparation programs and report to the education committees of the legislature by February 1 of each odd-numbered year until 2018 on the status of teacher early retirement patterns, the access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school, the teacher shortage, and the substitute teacher shortage, including patterns and shortages in subject areas and the economic development regions of the state. The report must also include: aggregate data on teachers' self-reported race and ethnicity; data on how districts are making progress in hiring teachers and substitutes in the areas of shortage; and a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.

Sec. 18. Minnesota Statutes 2016, section 214.04, subdivision 1, is amended to read:

Subdivision 1. **Services provided.** ~~The commissioner of education with respect to the Board of Teaching; the commissioner of public safety with respect to the Board of Private Detective and Protective Agent Services; the Board of Peace Officer Standards and Training; and the commissioner of revenue with respect to the Board of Assessors, shall provide suitable offices and other space, joint conference and hearing facilities, examination rooms, and the following administrative support services: purchasing service, accounting service, advisory personnel services, consulting services relating to evaluation procedures and techniques, data processing, duplicating, mailing services, automated printing of license renewals, and such other similar services of a housekeeping nature as are generally available to other agencies of state government. Investigative services shall be provided the boards by employees of the Office of Attorney General. The commissioner of health with respect to the health-related licensing boards shall provide mailing and office supply services and may provide other facilities and services listed in this subdivision at a central location~~

upon request of the health-related licensing boards. The commissioner of commerce with respect to the remaining non-health-related licensing boards shall provide the above facilities and services at a central location for the remaining non-health-related licensing boards. The legal and investigative services for the boards shall be provided by employees of the attorney general assigned to the departments servicing the boards. Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation. Persons providing legal and investigative services shall to the extent practicable provide the services on a regular basis to the same board or boards.

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

Sec. 19. Minnesota Statutes 2016, section 214.045, is amended to read:

214.045 COORDINATION WITH PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD OF TEACHING.

The commissioner of health and the health-related licensing boards must coordinate with the Professional Educator Licensing and Standards Board of Teaching when modifying licensure requirements for regulated persons in order to have consistent regulatory requirements for personnel who perform services in schools.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 20. **TRANSFER OF POWERS.**

(a) The creation of the Professional Educator Licensing and Standards Board shall be considered a transfer by law of the responsibilities of the Board of Teaching and the Minnesota Department of Education with respect to licensure and credentialing of teachers and school personnel to the Professional Educator Licensing and Standards Board for purposes of Minnesota Statutes, section 15.039. All classified and unclassified positions associated with the responsibilities being transferred to the Professional Educator Licensing and Standards Board are transferred with their incumbents to the new agency pursuant to Minnesota Statutes, section 15.039, subdivision 7, except as otherwise provided in Minnesota Statutes, section 122A.07.

(b) The responsibilities of the Minnesota Department of Education with respect to licensure of school administrators are transferred by law to the Board of School Administrators for purposes of section 15.039.

(c) The responsibilities of the Minnesota Department of Education with respect to the survey of districts under section 127A.05, subdivision 6, and the staff automated reporting (STAR) system, are transferred by law to the Professional Educator Licensing and Standards Board for purposes of section 15.039.

(d) The Professional Educator Licensing and Standards Board must review all rules adopted by the Board of Teaching and amend or repeal rules not consistent with statute. The Professional Educator Licensing and Standards Board must review all teacher preparation programs approved by the Board of Teaching to determine whether the approved programs meet the needs of schools in Minnesota.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 21. **FIRST APPOINTMENTS TO THE PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.**

(a) The governor shall make appointments to the Professional Educator Licensing and Standards Board by September 1, 2017, for terms that begin January 1, 2018. The governor shall designate one member of the board to convene the first meeting by February 1, 2018, and to act as chair until the board elects a chair at its first meeting. The first superintendent appointed under Minnesota Statutes, section 122A.07, subdivision 2, clause (2), must be from outside the metropolitan area. The governor is encouraged to consider eligible

candidates that have previously served on the Board of Teaching for appointment to the Professional Educator Licensing and Standards Board.

(b) The terms of the first members appointed to the board do not count towards the term limit under Minnesota Statutes, section 122A.07, subdivision 1, if the term expires before 2022.

(c) Beginning October 2, 2017, the board members appointed by the governor under paragraph (a) may informally organize and prepare for their terms. The appointee representing the superintendent member must convene the first transition meeting. At the first meeting, the appointees must select a chairperson to lead the transition meetings. Between October 2, 2017, and January 1, 2018, the board members must begin the selection process for the executive director under Minnesota Statutes, section 122A.08, subdivision 2. The board members' transition meetings are subject to the Open Meeting Law under Minnesota Statutes, chapter 13D.

Sec. 22. **REVISOR INSTRUCTION.**

In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the term "Professional Educator Licensing and Standards Board" for "Board of Teaching" wherever the term refers to the powers, duties, and responsibilities of the Board of Teaching. The revisor shall also make grammatical changes related to the change in terms.

Sec. 23. **REPEALER.**

Minnesota Statutes 2016, section 122A.09, subdivisions 5, 8, and 11, are repealed.

EFFECTIVE DATE. This section is effective January 1, 2018.

ARTICLE 13

FORECAST ADJUSTMENTS

A. GENERAL EDUCATION

Section 1. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 2, as amended by Laws 2016, chapter 189, article 27, section 17, is amended to read:

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

\$	6,649,435,000	.....	2016
	6,815,372,000		
\$	<u>6,848,521,000</u>	.....	2017

The 2016 appropriation includes \$622,908,000 for 2015 and 6,026,524,000 for 2016.

The 2017 appropriation includes \$641,412,000 for 2016 and ~~\$6,173,962,000~~ \$6,207,109,000 for 2017.

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

Sec. 2. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 3, is amended to read:

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

\$	39,000	.....	2016
	42,000		
\$	<u>26,000</u>	.....	2017

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

Sec. 3. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 4, as amended by Laws 2016, chapter 189, article 34, section 1, is amended to read:

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

\$	3,051,000	.....	2016
	3,425,000		
\$	<u>2,666,000</u>	.....	2017

The 2016 appropriation includes \$278,000 for 2015 and \$2,773,000 for 2016.

The 2017 appropriation includes \$308,000 for 2016 and ~~\$3,117,000~~ \$2,358,000 for 2017.

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

Sec. 4. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 6, as amended by Laws 2016, chapter 189, article 34, section 3, is amended to read:

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

\$	16,759,000	.....	2016
	17,235,000		
\$	<u>16,879,000</u>	.....	2017

The 2016 appropriation includes \$1,575,000 for 2015 and \$15,184,000 for 2016.

The 2017 appropriation includes \$1,687,000 for 2016 and ~~\$15,548,000~~ \$15,192,000 for 2017.

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

Sec. 5. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 7, as amended by Laws 2016, chapter 189, article 34, section 4, is amended to read:

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

\$	17,673,000	.....	2016
	18,103,000		
\$	<u>18,278,000</u>	.....	2017

The 2016 appropriation includes \$1,816,000 for 2015 and \$15,857,000 for 2016.

The 2017 appropriation includes \$1,761,000 for 2016 and ~~\$16,342,000~~ \$16,517,000 for 2017.

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

Sec. 6. Laws 2015, First Special Session chapter 3, article 1, section 27, subdivision 9, as amended by Laws 2016, chapter 189, article 34, section 5, is amended to read:

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

\$	5,922,000	.....	2016
	4,262,000		
\$	<u>4,806,000</u>	.....	2017

The 2016 appropriation includes \$574,000 for 2015 and \$5,348,000 for 2016.

The 2017 appropriation includes \$517,000 for 2016 and ~~\$3,745,000~~ \$4,289,000 for 2017.

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

B. EDUCATION EXCELLENCE

Sec. 7. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 2, as amended by Laws 2016, chapter 189, article 25, section 44, is amended to read:

Subd. 2. **Alternative compensation.** For alternative teacher compensation aid under Minnesota Statutes, section 122A.415, subdivision 4:

\$	78,907,000	.....	2016
	89,049,000		
\$	<u>88,137,000</u>	.....	2017

The 2016 appropriation includes \$7,766,000 for 2015 and \$71,141,000 for 2016.

The 2017 appropriation includes \$7,876,000 for 2016 and ~~\$81,173,000~~ \$80,261,000 for 2017.

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

Sec. 8. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 3, as amended by Laws 2016, chapter 189, article 25, section 45, is amended to read:

Subd. 3. **Achievement and integration aid.** For achievement and integration aid under Minnesota Statutes, section 124D.862:

\$	65,439,000	.....	2016
	69,372,000		
\$	<u>67,091,000</u>	.....	2017

The 2016 appropriation includes \$6,382,000 for 2015 and \$59,057,000 for 2016.

The 2017 appropriation includes \$6,561,000 for 2016 and ~~\$62,811,000~~ \$60,530,000 for 2017.

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

Sec. 9. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 4, as amended by Laws 2016, chapter 189, article 34, section 6, is amended to read:

Subd. 4. **Literacy incentive aid.** For literacy incentive aid under Minnesota Statutes, section 124D.98:

\$	44,538,000	.....	2016
	45,855,000		
\$	<u>45,803,000</u>	.....	2017

The 2016 appropriation includes \$4,683,000 for 2015 and \$39,855,000 for 2016.

The 2017 appropriation includes \$4,428,000 for 2016 and ~~\$41,427,000~~ \$41,375,000 for 2017.

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

Sec. 10. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 5, as amended by Laws 2016, chapter 189, article 34, section 7, is amended to read:

Subd. 5. **Interdistrict desegregation or integration transportation grants.** For interdistrict desegregation or integration transportation grants under Minnesota Statutes, section 124D.87:

\$	14,423,000	.....	2016
	15,193,000		
\$	<u>13,496,000</u>	.....	2017

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

Sec. 11. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 7, as amended by Laws 2016, chapter 189, article 34, section 8, is amended to read:

Subd. 7. **Tribal contract schools.** For tribal contract school aid under Minnesota Statutes, section 124D.83:

\$	3,539,000	.....	2016
	3,715,000		
\$	<u>3,278,000</u>	.....	2017

The 2016 appropriation includes \$204,000 for 2015 and \$3,335,000 for 2016.

The 2017 appropriation includes \$370,000 for 2016 and ~~\$3,345,000~~ \$2,908,000 for 2017.

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

Sec. 12. Laws 2015, First Special Session chapter 3, article 2, section 70, subdivision 11, as amended by Laws 2016, chapter 189, article 34, section 9, is amended to read:

Subd. 11. **American Indian education aid.** For American Indian education aid under Minnesota Statutes, section 124D.81, subdivision 2a:

\$	7,740,000	.....	2016
	8,878,000		
\$	<u>8,838,000</u>	.....	2017

The 2016 appropriation includes \$0 for 2015 and \$7,740,000 for 2016.

The 2017 appropriation includes \$860,000 for 2016 and ~~\$8,018,000~~ \$7,978,000 for 2017.

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

Sec. 13. Laws 2015, First Special Session chapter 3, article 4, section 9, subdivision 2, as amended by Laws 2016, chapter 189, article 28, section 10, is amended to read:

Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota Statutes, section 124E.22:

\$	63,540,000	.....	2016
	70,132,000		
\$	<u>68,046,000</u>	.....	2017

The 2016 appropriation includes \$6,032,000 for 2015 and \$57,508,000 for 2016.

The 2017 appropriation includes \$6,389,000 for 2016 and ~~\$63,743,000~~ \$61,657,000 for 2017.

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

C. SPECIAL EDUCATION

Sec. 14. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 2, as amended by Laws 2016, chapter 189, article 29, section 15, is amended to read:

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

\$	1,183,619,000	.....	2016
	1,247,107,000		
\$	<u>1,258,250,000</u>	.....	2017

The 2016 appropriation includes \$137,932,000 for 2015 and \$1,045,687,000 for 2016.

The 2017 appropriation includes \$147,202,000 for 2016 and ~~\$1,099,905,000~~ \$1,111,048,000 for 2017.

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

Sec. 15. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 3, as amended by Laws 2016, chapter 189, article 34, section 10, is amended to read:

Subd. 3. **Travel for home-based services.** For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

\$	416,000	.....	2016
	435,000		
\$	<u>482,000</u>	.....	2017

The 2016 appropriation includes \$35,000 for 2015 and \$381,000 for 2016.

The 2017 appropriation includes \$42,000 for 2016 and ~~\$393,000~~ \$440,000 for 2017.

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

Sec. 16. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 5, as amended by Laws 2016, chapter 189, article 34, section 11, is amended to read:

Subd. 5. **Aid for children with disabilities.** For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

\$	1,307,000	.....	2016
	1,516,000		
\$	<u>1,390,000</u>	.....	2017

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

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

Sec. 17. Laws 2015, First Special Session chapter 3, article 5, section 30, subdivision 6, is amended to read:

Subd. 6. **Court-placed special education revenue.** For reimbursing serving school districts for unreimbursed eligible expenditures attributable to children placed in the serving school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

\$	56,000	.....	2016
	57,000		
\$	<u>45,000</u>	.....	2017

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

D. FACILITIES AND TECHNOLOGY

Sec. 18. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision 2, as amended by Laws 2016, chapter 189, article 30, section 23, is amended to read:

Subd. 2. **Long-term facilities maintenance ~~equalization~~ equalized aid.** For long-term facilities maintenance ~~equalization~~ equalized aid under Minnesota Statutes, section 123B.595:

\$	0	.....	2016
	52,844,000		
\$	<u>50,571,000</u>	.....	2017

The 2017 appropriation includes \$0 for 2016 and ~~\$52,844,000~~ \$50,571,000 for 2017.

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

Sec. 19. Laws 2015, First Special Session chapter 3, article 6, section 13, subdivision 3, as amended by Laws 2016, chapter 189, article 34, section 12, is amended to read:

Subd. 3. **Debt service equalization.** For debt service aid according to Minnesota Statutes, section 123B.53, subdivision 6:

\$	20,349,000	2016
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	22,926,000		
\$	<u>20,406,000</u>	2017

The 2016 appropriation includes \$2,295,000 for 2015 and \$18,054,000 for 2016.

The 2017 appropriation includes \$2,005,000 for 2016 and ~~\$20,921,000~~ \$18,401,000 for 2017.

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

E. NUTRITION

Sec. 20. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 2, as amended by Laws 2016, chapter 189, article 27, section 18, is amended to read:

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

\$	16,251,000	.....	2016
	16,775,000		
\$	<u>16,234,000</u>	.....	2017

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

Sec. 21. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 3, as amended by Laws 2016, chapter 189, article 27, section 19, is amended to read:

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

\$	9,457,000	.....	2016
	10,365,000		
\$	<u>9,869,000</u>	.....	2017

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

Sec. 22. Laws 2015, First Special Session chapter 3, article 7, section 7, subdivision 4, as amended by Laws 2016, chapter 189, article 34, section 15, is amended to read:

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

\$	788,000	.....	2016
	788,000		
\$	<u>758,000</u>	.....	2017

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

F. EARLY CHILDHOOD EDUCATION

Sec. 23. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 5, as amended by Laws 2016, chapter 189, article 34, section 16, is amended to read:

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

\$	27,948,000	.....	2016
	29,336,000		
\$	<u>28,944,000</u>	.....	2017

The 2016 appropriation includes \$2,713,000 for 2015 and \$25,235,000 for 2016.

The 2017 appropriation includes \$2,803,000 for 2016 and ~~\$26,533,000~~ \$26,141,000 for 2017.

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

Sec. 24. Laws 2015, First Special Session chapter 3, article 9, section 8, subdivision 6, as amended by Laws 2016, chapter 189, article 34, section 17, is amended to read:

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

\$	3,477,000	.....	2016
	3,488,000		
\$	<u>3,573,000</u>	.....	2017

The 2016 appropriation includes \$338,000 for 2015 and \$3,139,000 for 2016.

The 2017 appropriation includes \$348,000 for 2016 and ~~\$3,140,000~~ \$3,225,000 for 2017.

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

Sec. 25. Laws 2015, First Special Session chapter 3, article 10, section 3, subdivision 2, as amended by Laws 2016, chapter 189, article 34, section 18, is amended to read:

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

\$	790,000	.....	2016
	553,000		
\$	<u>555,000</u>	.....	2017

The 2016 appropriation includes \$107,000 for 2015 and \$683,000 for 2016.

The 2017 appropriation includes \$75,000 for 2016 and ~~\$478,000~~ \$480,000 for 2017.

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

G. SELF-SUFFICIENCY AND LIFELONG LEARNING

Sec. 26. Laws 2015, First Special Session chapter 3, article 11, section 3, subdivision 2, as amended by Laws 2016, chapter 189, article 34, section 19, is amended to read:

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

\$	48,231,000	.....	2016
	49,683,000		
\$	<u>48,762,000</u>	.....	2017

The 2016 appropriation includes \$4,782,000 for 2015 and \$43,449,000 for 2016.

The 2017 appropriation includes \$4,827,000 for 2016 and ~~\$44,856,000~~ \$43,935,000 for 2017.

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

Presented to the governor May 26, 2017

Signed by the governor May 30, 2017, 4:31 p.m.