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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **3272**

04/19/2023 Authored by Kresha, Demuth, Torkelson, Zeleznikar, Anderson, P. H., and others
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act

1.2 relating to education finance; providing funding for prekindergarten through grade

1.3 12 education; modifying provisions for general education, literacy and learning,

1.4 special education, education innovation, and education excellence; making forecast

1.5 adjustments; requiring reports; appropriating money; amending Minnesota Statutes

1.6 2022, sections 120B.024, subdivision 1; 120B.12; 121A.031, subdivision 1;

1.7 122A.092, subdivision 5; 122A.18, subdivision 7a, by adding a subdivision;

1.8 122A.185, subdivision 1; 122A.187, subdivision 5; 122A.31, subdivision 1;

1.9 123B.86, subdivision 3; 124D.085; 124D.09, subdivisions 5, 12; 124D.093,

1.10 subdivisions 3, 4; 124D.98, by adding a subdivision; 124E.11; 125A.76, subdivision

1.11 2e; 126C.10, subdivisions 2, 18a; 126C.44; 127A.05, by adding subdivisions;

1.12 127A.353, subdivisions 2, 4; 144.4165; Laws 2017, First Special Session chapter

1.13 5, article 2, section 52; Laws 2021, First Special Session chapter 13, article 1,

1.14 section 10, subdivisions 2, 3, 4, 5, 6, 7, 9; article 2, section 4, subdivisions 2, 3, 4,

1.15 12, 27; article 3, section 7, subdivision 7; article 5, section 3, subdivisions 2, 3, 4;

1.16 article 7, section 2, subdivisions 2, 3; article 8, section 3, subdivisions 2, 3, 4;

1.17 article 9, section 4, subdivisions 5, 6, 12; article 10, section 1, subdivisions 2, 8;

1.18 proposing coding for new law in Minnesota Statutes, chapters 120B; 122A; 124D;

1.19 125A; repealing Minnesota Statutes 2022, section 122A.06, subdivision 4; Laws

1.20 2017, First Special Session chapter 5, article 2, section 52, subdivision 3.

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

1.22 **ARTICLE 1**

1.23 **GENERAL EDUCATION**

1.24 Section 1. Minnesota Statutes 2022, section 126C.10, subdivision 2, is amended to read:

1.25 Subd. 2. **Basic revenue.** (a) The basic revenue for each district equals the formula

1.26 allowance times the adjusted pupil units for the school year. ~~The formula allowance for~~

1.27 ~~fiscal year 2021 is \$6,567. The formula allowance for fiscal year 2022 is \$6,728.~~

1.28 (b) The formula allowance for fiscal year 2023 ~~and later~~ is \$6,863. The formula allowance

1.29 for fiscal year 2024 is \$7,206. The formula allowance for fiscal year 2025 and later is \$7,566.

2.1 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2024 and later.

2.2 Sec. 2. Minnesota Statutes 2022, section 126C.10, subdivision 18a, is amended to read:

2.3 Subd. 18a. **Pupil transportation adjustment.** (a) An independent, common, or special
2.4 school district's transportation sparsity revenue under subdivision 18 is increased by the
2.5 greater of zero or ~~18.2~~ 40 percent of the difference between:

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

2.9 (2) the sum of:

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

2.11 (ii) transportation sparsity revenue under subdivision 18 for the previous fiscal year;

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

2.13 and

2.14 (iv) the district's reimbursement for transportation provided under section 123B.92,
2.15 subdivision 1, paragraph (b), clause (1), item (vi).

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

2.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2024 and later.

2.19 Sec. 3. Minnesota Statutes 2022, section 126C.44, is amended to read:

2.20 **126C.44 SAFE SCHOOLS LEVY REVENUE.**

2.21 Subdivision 1. Safe schools revenue for school districts. ~~(a) Each district may make~~
2.22 ~~a levy on all taxable property located within the district for the purposes specified in this~~
2.23 ~~section. The maximum amount which may be levied for all costs under this section shall~~
2.24 ~~be equal to \$36 multiplied by the district's adjusted pupil units for the school year. A school~~
2.25 ~~district's safe schools revenue equals the sum of its safe schools aid.~~

2.26 Subd. 2. Safe schools aid. Safe schools aid for a school district and a charter school
2.27 equals \$72 times the district's adjusted pupil units for the school year.

2.28 Subd. 3. Safe schools revenue for intermediate school districts. (a) Safe schools aid
2.29 for a cooperative unit serving students under section 123A.24, subdivision 2, equals \$30
2.30 times the adjusted pupil units of the member districts.

3.1 (b) Revenue raised under this subdivision must be transferred to the intermediate school
 3.2 district.

3.3 Subd. 4. Fiscal year 2024 only. A school district and charter school's safe schools aid
 3.4 for fiscal year 2024 only equals \$36 times its adjusted pupil units for that year.

3.5 Subd. 5. Use of safe schools revenue. ~~The proceeds of the levy~~ (a) Safe schools revenue
 3.6 must be reserved and used for directly funding the following purposes or for reimbursing
 3.7 the cities and counties who contract with the district for the following purposes:

3.8 (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace
 3.9 officers and sheriffs for liaison in services in the district's schools;

3.10 (2) to pay the costs for a drug abuse prevention program as defined in section 609.101,
 3.11 subdivision 3, paragraph (e), in the elementary schools;

3.12 (3) to pay the costs for a gang resistance education training curriculum in the district's
 3.13 schools;

3.14 (4) to pay the costs for security in the district's schools and on school property;

3.15 (5) to pay the costs for other crime prevention, drug abuse, student and staff safety,
 3.16 voluntary opt-in suicide prevention tools, and violence prevention measures taken by the
 3.17 school district;

3.18 (6) to pay costs for licensed school counselors, licensed school nurses, licensed school
 3.19 social workers, licensed school psychologists, and licensed alcohol and substance use
 3.20 disorder counselors to help provide early responses to problems;

3.21 (7) to pay for facility security enhancements including laminated glass, public
 3.22 announcement systems, emergency communications devices, and equipment and facility
 3.23 modifications related to violence prevention and facility security;

3.24 (8) to pay for costs associated with improving the school climate; or

3.25 (9) to pay costs for collocating and collaborating with mental health professionals who
 3.26 are not district employees or contractors.

3.27 (b) For expenditures under paragraph (a), clause (1), the district must initially attempt
 3.28 to contract for services to be provided by peace officers or sheriffs with the police department
 3.29 of each city or the sheriff's department of the county within the district containing the school
 3.30 receiving the services. If a local police department or a county sheriff's department does
 3.31 not wish to provide the necessary services, the district may contract for these services with

4.1 any other police or sheriff's department located entirely or partially within the school district's
4.2 boundaries.

4.3 ~~(c) A school district that is a member of an intermediate school district may include in~~
4.4 ~~its authority under this section the costs associated with safe schools activities authorized~~
4.5 ~~under paragraph (a) for intermediate school district programs. This authority must not exceed~~
4.6 ~~\$15 times the adjusted pupil units of the member districts. This authority is in addition to~~
4.7 ~~any other authority authorized under this section. Revenue raised under this paragraph must~~
4.8 ~~be transferred to the intermediate school district.~~

4.9 **EFFECTIVE DATE.** Subdivisions 1, 2, 3, and 5 are effective for fiscal year 2025 and
4.10 later. Subdivision 4 is effective for fiscal year 2024.

4.11 Sec. 4. **BASE BUDGET APPROPRIATIONS.**

4.12 Subdivision 1. **Base budget authorized.** Notwithstanding any law to the contrary, for
4.13 any early education or K12 education program without an appropriation specified in this
4.14 act, the base budget amounts are approved for fiscal years 2024 and 2025.

4.15 Subd. 2. **Appropriations.** For fiscal years 2024 and 2025 only, there is annually
4.16 appropriated from the general fund to the commissioner of education the amounts necessary
4.17 to fund the base budget for all K12 and early education programs identified in Laws 2021
4.18 First special session chapter 13, as documented in the February 2023 Forecast General Fund
4.19 Balance Analysis for fiscal years 2024 and 2025.

4.20 Subd. 3. **Allocations among recipients.** The commissioner of education must distribute
4.21 the state aid appropriated in subdivision 2 to school districts, charter schools, cooperative
4.22 units, state agencies and boards, and all other recipients of base budget amounts according
4.23 to each statutorily specified formula. For any amount where the aid or grant recipient is not
4.24 identified in law, the commissioner may allocate the funds to the recipients in the same
4.25 manner as for the 2022-2023 biennium.

4.26 Sec. 5. **APPROPRIATION; GENERAL EDUCATION AID.**

4.27 Subdivision 1. **Department of Education.** The sum indicated in this section is
4.28 appropriated from the general fund to the Department of Education in the fiscal year
4.29 designated.

4.30 Subd. 2. **Additional general education revenue.** For additional general education aid
4.31 required under this act:

4.32 \$ 2025

ARTICLE 2

LITERACY AND LEARNING

Section 1. [120B.116] SCIENCE OF READING.

Subdivision 1. Policy. It is the intent of the legislature that public schools promote foundational literacy and grade-level reading proficiency through the use of curriculum, textbooks, instructional materials, instructional practices, interventions, and teacher development and training based solely on the science of reading.

Subd. 2. Science of reading defined. (a) "Science of reading" means explicit, systematic evidence-based reading instruction using reliable, trustworthy, and valid evidence consistent with science-based reading research. This includes developing foundational reading skills relying on phonemic/phonological awareness, phonics and decoding, fluency, vocabulary, and comprehension that can be differentiated to meet the needs of individual students.

(b) The science of reading does not include using visual memory as the primary basis for teaching word recognition and does not include the use of the three-cueing system model, based on meaning, structure/syntax, and visual, also known as MSV, as a method to teach students to read.

Subd. 3. Other definitions. (a) The terms defined in this section have the meanings given them.

(b) "Comprehension" is the purpose of reading: the ability to understand, remember, and make meaning of what has been read.

(c) "Fluency" is the ability to read text with speed, accuracy, and proper expression, either to oneself or aloud.

(d) "Phonemic/phonological awareness" is the ability of students to hear, identify, manipulate, and substitute individual sounds, word parts, and syllables in spoken words.

(e) "Phonics" is the understanding that there are systematic and predictable relationships between phonemes (sounds) and graphemes (the letters that represent those sounds in written language) and to apply that knowledge to decode unfamiliar printed words. This process is commonly known as sounding out words.

(f) "Science-based reading research" means research that:

(1) applies rigorous, systematic, and objective observational or experimental procedures to obtain knowledge relevant to reading development, reading instruction, and reading and writing difficulties; and

6.1 (2) explains how proficient reading and writing develop, why some children have
 6.2 difficulties developing key literacy skills, and how schools can best assess and instruct early
 6.3 literacy, including the use of evidence-based literacy instruction practices to promote reading
 6.4 and writing achievement.

6.5 (g) "Vocabulary" is the process of acquiring new words that students understand and
 6.6 use in their conversation (oral vocabulary) and recognize in print (reading vocabulary)
 6.7 through direct and indirect instruction.

6.8 Sec. 2. Minnesota Statutes 2022, section 120B.12, is amended to read:

6.9 **120B.12 READING PROFICIENTLY NO LATER THAN THE END OF GRADE**
 6.10 **3.**

6.11 Subdivision 1. **Literacy goal.** The legislature seeks to have every child reading at or
 6.12 above grade level no later than the end of grade 3, including English learners, and that
 6.13 teachers provide ~~comprehensive, scientifically based~~ reading instruction based on the science
 6.14 of reading consistent with section ~~122A.06, subdivision 4~~ 120B.116.

6.15 Subd. 2. **Identification; report.** (a) Each school district must identify before the end of
 6.16 kindergarten, grade 1, and grade 2 all students who are not reading at grade level. Students
 6.17 identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2 must
 6.18 be screened, in a locally determined manner, for characteristics of dyslexia.

6.19 (b) Students in grade 3 or higher who demonstrate a reading difficulty to a classroom
 6.20 teacher must be screened, in a locally determined manner, for characteristics of dyslexia,
 6.21 unless a different reason for the reading difficulty has been identified.

6.22 (c) Reading assessments in English, and in the predominant languages of district students
 6.23 where practicable, must identify and evaluate students' areas of academic need related to
 6.24 literacy. The district also must monitor the progress and provide reading instruction
 6.25 appropriate to the specific needs of English learners. The district must use a locally adopted,
 6.26 developmentally appropriate, and culturally responsive assessment and annually report
 6.27 summary assessment results to the commissioner by July 1.

6.28 (d) The district also must annually report to the commissioner by July 1 a summary of
 6.29 the district's efforts to screen and identify students who demonstrate characteristics of
 6.30 dyslexia using screening tools such as those recommended by the department's dyslexia
 6.31 specialist. With respect to students screened or identified under paragraph (a), the report
 6.32 must include:

6.33 (1) a summary of the district's efforts to screen for dyslexia;

7.1 (2) the number of students screened for that reporting year; and

7.2 (3) the number of students demonstrating characteristics of dyslexia for that year.

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

7.5 Subd. 2a. **Parent notification and involvement.** Schools, at least annually, must give
7.6 clear notice to the parent of each student who is not reading at or above grade level that the
7.7 student is not reading at or above grade level, and provide the parent timely information
7.8 about:

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

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

7.12 (3) strategies for parents to use at home in helping their student succeed in becoming
7.13 grade-level proficient in reading in English and in their native language; the strategies must
7.14 align with the interventions identified in the improvement plan under subdivision 3.

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

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

7.28 (b) A school district or charter school is strongly encouraged to provide a personal
7.29 learning plan for a student who is unable to demonstrate grade-level proficiency, as measured
7.30 by the statewide reading assessment in grade grades 3 and 4. The district or charter school
7.31 must determine the format of the personal learning plan in collaboration with the student's
7.32 educators and other appropriate professionals. The school must develop the learning plan
7.33 in consultation with the student's parent or guardian. The personal learning plan must address

8.1 knowledge gaps and skill deficiencies through strategies such as specific exercises and
 8.2 practices during and outside of the regular school day, periodic assessments, and reasonable
 8.3 timelines. The personal learning plan may include grade retention, if it is in the student's
 8.4 best interest. A school must maintain and regularly update and modify the personal learning
 8.5 plan until the student reads at grade level. This paragraph does not apply to a student under
 8.6 an individualized education program.

8.7 Subd. 4. **Staff development.** Each district shall use the data under subdivision 2 to
 8.8 identify the staff development needs so that:

8.9 (1) elementary teachers are able to implement ~~comprehensive, scientifically based reading~~
 8.10 ~~and oral language instruction in the five reading areas of phonemic awareness, phonics,~~
 8.11 ~~fluency, vocabulary, and comprehension as defined in section 122A.06, subdivision 4, and~~
 8.12 ~~other literacy-related areas including writing~~ instructional practices consistent with the
 8.13 science of reading as defined in section 120B.116 until the student achieves and maintains
 8.14 grade-level reading proficiency;

8.15 (2) elementary teachers have sufficient training and professional development to provide
 8.16 comprehensive, scientifically based reading and oral language instruction aligned to the
 8.17 science of reading as defined in section 120B.116 that meets students' developmental,
 8.18 linguistic, and literacy needs using the intervention methods or programs selected by the
 8.19 district for the identified students;

8.20 (3) licensed teachers employed by the district have regular opportunities to improve
 8.21 reading and writing instruction aligned to the science of reading as defined in section
 8.22 120B.116;

8.23 (4) licensed teachers recognize students' diverse needs in cross-cultural settings and are
 8.24 able to serve the oral language and linguistic needs of students who are English learners by
 8.25 maximizing strengths in their native languages in order to cultivate students' English language
 8.26 development, including oral academic language development, and build academic literacy;
 8.27 and

8.28 (5) licensed teachers are well trained in culturally responsive pedagogy that enables
 8.29 students to master content, develop skills to access content, and build relationships.

8.30 Subd. 4a. **Local literacy plan.** (a) Consistent with this section, a school district must
 8.31 adopt a local literacy plan to have every child reading at or above grade level no later than
 8.32 the end of grade 3, including English learners. The plan must be consistent with section
 8.33 ~~122A.06, subdivision 4~~ 120B.116, and include the following:

9.1 (1) a process to assess students' level of reading proficiency and data to support the
 9.2 effectiveness of an assessment used to screen and identify a student's level of reading
 9.3 proficiency;

9.4 (2) a process to notify and involve parents;

9.5 (3) a description of how schools in the district will determine the proper reading
 9.6 intervention strategy for a student and the process for intensifying or modifying the reading
 9.7 strategy in order to obtain measurable reading progress;

9.8 (4) evidence-based intervention methods aligned to the science of reading as defined in
 9.9 section 120B.116 for students who are not reading at or above grade level and progress
 9.10 monitoring to provide information on the effectiveness of the intervention; and

9.11 (5) identification of staff development needs, including a program to meet those needs.

9.12 (b) The district must post its literacy plan on the official school district website.

9.13 **Subd. 5. Commissioner.** The commissioner shall recommend to districts multiple
 9.14 assessment tools to assist districts and teachers with identifying students under subdivision
 9.15 2. The commissioner shall also make available examples of nationally recognized and
 9.16 research-based instructional methods or programs to districts to provide comprehensive,
 9.17 scientifically based reading instruction and intervention under this section. The instructional
 9.18 methods or programs must not include the use of whole language, balanced-literacy, or a
 9.19 three-cueing system model based on meaning, structure/syntax, and visual, also known as
 9.20 MSV.

9.21 Sec. 3. Minnesota Statutes 2022, section 122A.092, subdivision 5, is amended to read:

9.22 **Subd. 5. Reading strategies.** (a) A teacher preparation provider approved by the
 9.23 Professional Educator Licensing and Standards Board to prepare persons for classroom
 9.24 teacher licensure must include in its teacher preparation programs research-based best
 9.25 practices in reading, consistent with section ~~122A.06, subdivision 4~~ 120B.116, that enable
 9.26 the licensure candidate to teach reading in the candidate's content areas. Teacher candidates
 9.27 must be instructed in using students' native languages as a resource in creating effective
 9.28 differentiated instructional strategies for English learners developing literacy skills. A teacher
 9.29 preparation provider also must prepare early childhood and elementary teacher candidates
 9.30 for Tier 3 and Tier 4 teaching licenses under sections 122A.183 and 122A.184, respectively,
 9.31 for the portion of the examination under section 122A.185, subdivision 1, paragraph (c),
 9.32 covering assessment of reading instruction.

10.1 (b) Board-approved teacher preparation programs for teachers of elementary education
 10.2 must require instruction in applying comprehensive, scientifically based or evidence-based,
 10.3 and structured reading instruction programs that:

10.4 (1) teach students to read using foundational knowledge, practices, and strategies
 10.5 consistent with section ~~122A.06, subdivision 4~~ 120B.116, so that all students achieve
 10.6 continuous progress in reading; ~~and~~

10.7 (2) teach specialized instruction in reading strategies, interventions, and remediations
 10.8 that enable students of all ages and proficiency levels to become proficient readers; and

10.9 (3) exclude or prohibit the use of whole language, balanced-literacy, or a three-cueing
 10.10 system model based on meaning, structure/syntax, and visual, also known as MSV.

10.11 (c) Board-approved teacher preparation programs for teachers of elementary education,
 10.12 early childhood education, special education, and reading intervention must include
 10.13 instruction on dyslexia, as defined in section 125A.01, subdivision 2. Teacher preparation
 10.14 programs may consult with the Department of Education, including the dyslexia specialist
 10.15 under section 120B.122, to develop instruction under this paragraph. Instruction on dyslexia
 10.16 must be modeled on practice standards of the International Dyslexia Association, and must
 10.17 address:

10.18 (1) the nature and symptoms of dyslexia;

10.19 (2) resources available for students who show characteristics of dyslexia;

10.20 (3) evidence-based instructional strategies for students who show characteristics of
 10.21 dyslexia, including the structured literacy approach; and

10.22 (4) outcomes of intervention and lack of intervention for students who show
 10.23 characteristics of dyslexia.

10.24 (d) Nothing in this section limits the authority of a school district to select a school's
 10.25 reading program or curriculum.

10.26 Sec. 4. Minnesota Statutes 2022, section 122A.185, subdivision 1, is amended to read:

10.27 Subdivision 1. **Tests.** (a) The Professional Educator Licensing and Standards Board
 10.28 must adopt rules requiring a candidate to demonstrate a passing score on a board-adopted
 10.29 examination of skills in reading, writing, and mathematics before being granted a Tier 4
 10.30 teaching license under section 122A.184 to provide direct instruction to pupils in elementary,
 10.31 secondary, or special education programs. Candidates may obtain a Tier 1, Tier 2, or Tier
 10.32 3 license to provide direct instruction to pupils in elementary, secondary, or special education

11.1 programs if candidates meet the other requirements in section 122A.181, 122A.182, or
 11.2 122A.183, respectively.

11.3 (b) The board must adopt rules requiring candidates for Tier 3 and Tier 4 licenses to
 11.4 pass an examination of general pedagogical knowledge and examinations of licensure field
 11.5 specific content. The content examination requirement does not apply if no relevant content
 11.6 exam exists.

11.7 (c) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must
 11.8 ~~pass test items assessing the candidates' knowledge, skill, and ability in comprehensive,~~
 11.9 ~~scientifically based reading instruction under section 122A.06, subdivision 4, knowledge~~
 11.10 ~~and understanding of the foundations of reading development, development of reading~~
 11.11 ~~comprehension and reading assessment and instruction, and the ability to integrate that~~
 11.12 ~~knowledge and understanding into instruction strategies under section 122A.06, subdivision~~
 11.13 4 demonstrate their knowledge and understanding of the science of reading as defined in
 11.14 section 120B.116, and ability to provide instruction and assess student proficiency in reading,
 11.15 on an examination approved or adopted by the board.

11.16 (d) The requirement to pass a board-adopted reading, writing, and mathematics skills
 11.17 examination does not apply to nonnative English speakers, as verified by qualified Minnesota
 11.18 school district personnel or Minnesota higher education faculty, who, after meeting the
 11.19 content and pedagogy requirements under this subdivision, apply for a teaching license to
 11.20 provide direct instruction in their native language or world language instruction under section
 11.21 120B.022, subdivision 1.

11.22 Sec. 5. Minnesota Statutes 2022, section 122A.187, subdivision 5, is amended to read:

11.23 Subd. 5. **Science of reading preparation and professional development.** The
 11.24 Professional Educator Licensing and Standards Board must adopt rules that require all
 11.25 licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections
 11.26 122A.183 and 122A.184, respectively, to include in the renewal requirements further reading
 11.27 preparation and professional development, consistent with section ~~122A.06, subdivision 4~~
 11.28 120B.116. The rules do not take effect until they are approved by law. Teachers who do
 11.29 not provide direct instruction including, at least, counselors, school psychologists, school
 11.30 nurses, school social workers, audiovisual directors and coordinators, and recreation
 11.31 personnel are exempt from this section.

12.1 Sec. 6. Minnesota Statutes 2022, section 124D.98, is amended by adding a subdivision to
12.2 read:

12.3 Subd. 5. **Recommended uses.** (a) A school district or charter school is encouraged to
12.4 use aid received under this section on:

12.5 (1) meeting the requirements and recommendations to achieve grade-level reading
12.6 proficiency under section 120B.12;

12.7 (2) professional development for teachers and education support personnel in the science
12.8 of reading as defined in section 120B.116;

12.9 (3) provide bonuses or stipends to teachers demonstrating success in helping students
12.10 attain grade-level proficiency or exceptional growth toward grade level proficiency;

12.11 (4) provide bonuses or stipends to teachers identified under clause (3), who seek training
12.12 to work as a literacy specialist or mentor; and

12.13 (5) provide bonuses or stipends to teachers and education support personnel using the
12.14 science of reading as defined in section 120B.116 to tutor struggling readers.

12.15 (b) A school board is not required to meet and negotiate with an exclusive representative
12.16 of employees on the uses of aid received under this section, but must confer with the
12.17 exclusive representative of teachers in the district or school on the use of aid under this
12.18 section.

12.19 Sec. 7. **READING RESET FUNDING.**

12.20 Subdivision 1. **Reading reset account.** An account is established in the special revenue
12.21 fund known as the reading reset account. Funds appropriated under this section must be
12.22 transferred to the reset account in the special revenue fund.

12.23 Subd. 2. **Curriculum and materials.** A school district, charter school, or cooperative
12.24 may request reimbursement from the commissioner of education for curriculum, instructional
12.25 materials, and books aligned with the science of reading, as defined in section 120B.116,
12.26 that were purchased on or after July 1, 2020. The application for reimbursement must require
12.27 an applicant to agree that it will stop using instructional practices, curriculum, or materials
12.28 that are based on or otherwise use whole-language, balanced literacy, or the three-cueing
12.29 system model, including discontinuing use or agreeing not to use in the future any literacy
12.30 curriculum or other materials published by Heinemann Publishing, or written in whole or
12.31 in part by Irene Fountas and Gay Su Pinnell.

13.1 Subd. 3. **Teacher training.** The commissioner of education must provide funding to
 13.2 school districts, charter schools, and cooperatives to provide teachers with training in the
 13.3 science of reading through intensive workshops, academies, and other professional
 13.4 development opportunities. In addition, the commissioner must provide school districts,
 13.5 charter schools, and cooperatives funding to provide teachers paid time to attend training
 13.6 on the science of reading.

13.7 Subd. 4. **Tutoring.** The commissioner must establish a process for parents to receive
 13.8 reimbursement for literacy tutoring for students enrolled in school districts, charter schools,
 13.9 or cooperatives who are not reading at grade level.

13.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

13.11 **Sec. 8. TEACHER PREPARATION IN READING INSTRUCTION.**

13.12 A teacher preparation program approved by the Professional Educator Licensing and
 13.13 Standards Board for teachers of elementary education must require instruction in
 13.14 understanding and applying the science of reading. The board must complete audits of all
 13.15 approved teacher preparation programs by September 1, 2023, and must place a program
 13.16 not in compliance on immediate probation. A program placed on probation must develop
 13.17 and implement an action plan to comply with this section.

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

13.19 **Sec. 9. APPROPRIATION; READING RESET.**

13.20 Subdivision 1. **Department of Education.** The sums indicated in this section are
 13.21 appropriated from the general fund to the Department of Education in the fiscal year
 13.22 designated.

13.23 Subd. 2. **Reading reset.** (a) For the reading reset account under section 2:

13.24 \$ 250,000,000 2024

13.25 (b) Of these amounts, \$125,000,000 is for curriculum and materials in accordance with
 13.26 section 7, subdivision 2; \$100,000,000 is for teacher training in accordance with section 7,
 13.27 subdivision 3; and \$25,000 is to reimburse parents for tutoring in accordance with section
 13.28 7, subdivision 4.

13.29 (c) The commissioner may retain up to \$250,000 of the appropriation to administer the
 13.30 funds under this subdivision.

14.1 Sec. 10. **REPEALER.**14.2 Minnesota Statutes 2022, section 122A.06, subdivision 4, is repealed.14.3 **ARTICLE 3**14.4 **SPECIAL EDUCATION**

14.5 Section 1. Minnesota Statutes 2022, section 122A.31, subdivision 1, is amended to read:

14.6 Subdivision 1. **Requirements for American sign language/English interpreters.** (a)14.7 In addition to any other requirements that a school district establishes, any person employed
14.8 to provide American sign language/English interpreting or sign transliterating services on
14.9 a full-time or part-time basis for a school district after July 1, 2000, must:14.10 (1) hold current interpreter ~~and~~ or transliterator certificates awarded by the Registry of
14.11 Interpreters for the Deaf (RID), or the general level interpreter proficiency certificate awarded
14.12 by the National Association of the Deaf (NAD), or a comparable state certification from
14.13 the commissioner of education; ~~2~~ and14.14 ~~(2)~~ satisfactorily complete an interpreter/transliterator training program affiliated with
14.15 an accredited educational institution; or14.16 (2) hold a certified deaf interpreter certification issued by RID.14.17 (b) New graduates of an interpreter/transliterator program affiliated with an accredited
14.18 education institution or certified deaf interpreters who hold a certification issued by RID
14.19 shall be granted a two-year provisional certificate by the commissioner. During the two-year
14.20 provisional period, the interpreter/transliterator must develop and implement an education
14.21 plan in collaboration with a mentor under paragraph (c).14.22 (c) A mentor of a provisionally certified interpreter/transliterator must be an
14.23 interpreter/transliterator who has either NAD level IV or V certification or RID certified
14.24 interpreter and certified transliterator certification and have at least three years of
14.25 interpreting/transliterating experience in any educational setting. The mentor, in collaboration
14.26 with the provisionally certified interpreter/transliterator, shall develop and implement an
14.27 education plan designed to meet the requirements of paragraph (a), clause (1), and include
14.28 a weekly on-site mentoring process.14.29 (d) Consistent with the requirements of this paragraph, a person holding a provisional
14.30 certificate may apply to the commissioner for one time-limited extension. The commissioner,
14.31 in consultation with the Commission of the Deaf, DeafBlind and Hard of Hearing, must

15.1 grant the person a time-limited extension of the provisional certificate based on the following
15.2 documentation:

15.3 (1) letters of support from the person's mentor, a parent of a pupil the person serves, the
15.4 special education director of the district in which the person is employed, and a representative
15.5 from the regional service center of the deaf and hard-of-hearing;

15.6 (2) records of the person's formal education, training, experience, and progress on the
15.7 person's education plan; and

15.8 (3) an explanation of why the extension is needed.

15.9 As a condition of receiving the extension, the person must comply with a plan and the
15.10 accompanying ~~time line~~ timeline for meeting the requirements of this subdivision. A
15.11 committee composed of the deaf and hard-of-hearing state specialist, a representative of
15.12 the Minnesota Association of Deaf Citizens, a representative of the Minnesota Registry of
15.13 Interpreters ~~of~~ for the Deaf, and other appropriate ~~persons~~ committee members selected by
15.14 the commissioner must develop the plan and ~~time line~~ timeline for the person receiving the
15.15 extension.

15.16 (e) A school district may employ only an interpreter/transliterators who has been certified
15.17 under paragraph (a) or (b), or for whom a time-limited extension has been granted under
15.18 paragraph (d).

15.19 (f) An interpreter who meets the requirements of paragraph (a) is "essential personnel"
15.20 as defined in section 125A.76, subdivision 1.

15.21 **Sec. 2. [122A.731] SPECIAL EDUCATION TEACHER PIPELINE PROGRAM.**

15.22 Subdivision 1. **Grant program established.** (a) The commissioner of education must
15.23 administer a grant program to develop a pipeline of trained, licensed special education
15.24 teachers. A school district, charter school, or cooperative unit under section 123A.24,
15.25 subdivision 2, may apply for a grant under this section. An applicant must partner with a
15.26 board-approved teacher preparation program.

15.27 (b) The commissioner must award half of the grant funding available to school districts
15.28 in the seven-county metropolitan area, and half to applicants outside the seven-county
15.29 metropolitan area. In awarding grants, the commissioner must consider the distribution of
15.30 Tier 1 and Tier 2 special education licensed teachers, and the existing supply of Tier 3 and
15.31 Tier 4 special education teachers in the district, charter school, or cooperative unit relative
15.32 to the number of students receiving special education instruction and services.

16.1 Subd. 2. **Grant uses.** (a) A grant recipient must use grant funds to support participants
16.2 who are employed by the grant recipient as either a paraprofessional or other unlicensed
16.3 staff, or a teacher with a Tier 1 or Tier 2 license, and demonstrate a willingness to be a
16.4 special education teacher after completing the program. Tier 1 and Tier 2 special education
16.5 licensed teachers seeking credentials necessary to become a Tier 3 or Tier 4 must be
16.6 prioritized.

16.7 (b) A grant recipient may use grant funds for:

16.8 (1) tuition assistance or stipends for participants;

16.9 (2) supports for participants, including mentoring, licensure test preparation, and
16.10 technology support; or

16.11 (3) participant recruitment.

16.12 Subd. 3. **Report.** Within one year of receiving grant funds, and for each year that a
16.13 recipient receives grant funds, a grant recipient must report to the commissioner in the form
16.14 and manner determined by the commissioner, the number of participants in the program,
16.15 and how grant funds were used. The commissioner must publish an annual report that
16.16 identifies the grant recipients and summarizes how grant funds are used.

16.17 Subd. 4. **Special education teacher pipeline program account.** (a) An account is
16.18 established in the special revenue fund known as the special education teacher pipeline
16.19 program account.

16.20 (b) Funds appropriated for the special education teacher pipeline program under this
16.21 section must be transferred to the special educator teacher pipeline program account in the
16.22 special revenue fund.

16.23 (c) Money in the account is annually appropriated to the commissioner for the special
16.24 education teacher pipeline program under this section. Any returned funds are available to
16.25 be regranted. Grant recipients may apply to use grant money over a period of up to 60
16.26 months.

16.27 (d) Up to \$175,000 annually is appropriated to the commissioner for costs associated
16.28 with administering and monitoring the program under this section.

16.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

17.1 Sec. 3. Minnesota Statutes 2022, section 125A.76, subdivision 2e, is amended to read:

17.2 Subd. 2e. **Cross subsidy reduction aid.** (a) A school district's annual cross subsidy
17.3 reduction aid equals the school district's initial special education cross subsidy for the
17.4 previous fiscal year times the cross subsidy aid factor for that fiscal year.

17.5 (b) The cross subsidy aid factor equals ~~2.6 percent for fiscal year 2020 and~~ 6.43 percent
17.6 for fiscal year years 2021 to 2023 and for fiscal year 2024 and later, the percentage necessary
17.7 to reach full funding of the state share of the special education cross subsidy.

17.8 (c) For purposes of this subdivision, the state share of the special education cross subsidy
17.9 means the total cross subsidy for the previous school year less the amount of federal funds
17.10 that would have been provided in the previous year if the federal government had provided
17.11 its 40 percent share. The 40 percent share equals the national average per pupil expenditure,
17.12 as calculated by the Department of Education, for the second previous year times 0.4.

17.13 (d) Notwithstanding paragraph (b), in any year where the federal share is less than amount
17.14 specified in paragraph (c), the cross subsidy aid factor equals 50 percent for that fiscal year.

17.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2024 and later.

17.16 Sec. 4. **[125A.795] SPECIAL EDUCATION AID APPROPRIATION.**

17.17 There is annually appropriated from the general fund to the Department of Education
17.18 the amounts necessary for special education aid under sections 125A.76 and 125A.79. This
17.19 amount must be reduced by the amount of any money specifically appropriated for the same
17.20 purpose in any year from any state fund.

17.21 Sec. 5. **APPROPRIATIONS; SPECIAL EDUCATION TEACHER PIPELINE.**

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

17.25 Subd. 2. **Special education teacher pipeline.** For grants to develop special education
17.26 teacher pipelines across Minnesota under Minnesota Statutes, section 122A.731:

17.27 \$ 10,000,000 2024

17.28 \$ 10,000,000 2025

18.1

ARTICLE 4

18.2

EDUCATION INNOVATION

18.3 Section 1. Minnesota Statutes 2022, section 124D.085, is amended to read:

18.4 **124D.085 EXPERIENTIAL AND APPLIED LEARNING OPPORTUNITIES FOR**
 18.5 **STUDENTS.**

18.6 (a) To strengthen the alignment between career and college ready curriculum and state
 18.7 and local academic standards and increase students' opportunities for participating in applied
 18.8 and experiential learning in a nontraditional setting, school districts are encouraged to
 18.9 provide programs such as:

18.10 (1) magnet schools;

18.11 (2) language immersion programs;

18.12 (3) project-based learning;

18.13 (4) accelerated learning;

18.14 (5) college prep schools;

18.15 (6) career and technical education;

18.16 (7) Montessori schools;

18.17 (8) military schools;

18.18 (9) work-based schools; and

18.19 (10) place-based learning.

18.20 (b) Districts may provide such programs independently or in cooperation with other
 18.21 districts, at a school single site, for particular grades, or throughout the district. In addition
 18.22 to meeting the other accountability measures under chapter 120B, districts may declare that
 18.23 a student meets or exceeds specific academic standards required for graduation under the
 18.24 rigorous course of study waiver in section 120B.021, subdivision 1a, where appropriate.

18.25 ~~(b)~~ (c) The board of a district that chooses to participate must publicly adopt and review
 18.26 a plan for providing a program under this section. The plan must: define the program and
 18.27 its structure; describe the enrollment process; identify measures and processes for regularly
 18.28 assessing, evaluating, and publicly reporting on program efficacy and use summary data to
 18.29 show student progress and outcomes; and establish a data-informed public process for
 18.30 modifying and revising the plan as needed. A district must publish its plan contents and
 18.31 evaluation outcomes on the district website.

19.1 ~~(e)~~ (d) For purposes of further integrating experiential and applied learning into career
 19.2 and college ready curricula, the commissioner may request program information from
 19.3 providing districts under this section, but is not authorized to approve or deny any school
 19.4 board-adopted program provided under this section.

19.5 Sec. 2. Minnesota Statutes 2022, section 124D.093, subdivision 3, is amended to read:

19.6 Subd. 3. ~~Application~~ **Board approval process.** ~~The commissioner must determine the~~
 19.7 ~~form and manner of application for a school to be designated a P-TECH school.~~ The
 19.8 ~~application~~ school board plan for adopting a P-TECH program must contain at least the
 19.9 following information:

19.10 (1) the written agreement between a public school, a higher education institution under
 19.11 section 124D.09, subdivision 3, paragraph (a), and a business partner to jointly develop and
 19.12 support a P-TECH school;

19.13 (2) a proposed school design consistent with subdivisions 1 and 2;

19.14 (3) a description of how the P-TECH school supports the needs of the economic
 19.15 development region in which the P-TECH school is to be located;

19.16 (4) a description of the facilities to be used by the P-TECH school;

19.17 (5) a description of proposed budgets, curriculum, transportation plans, and other
 19.18 operating procedures for the P-TECH school;

19.19 (6) the process by which students will be enrolled in the P-TECH school;

19.20 (7) the qualifications required for individuals employed in the P-TECH school; and

19.21 (8) any additional information that the ~~commissioner requires~~ board determines is
 19.22 appropriate.

19.23 Sec. 3. Minnesota Statutes 2022, section 124D.093, subdivision 4, is amended to read:

19.24 Subd. 4. **Grant approval process.** (a) When an appropriation is available, the
 19.25 commissioner of education must appoint an advisory committee to review the applications
 19.26 and to recommend approval for those applications that meet the requirements of this section.
 19.27 The commissioner of education has final authority over application approvals.

19.28 (b) To the extent practicable, the commissioner must ensure an equitable geographic
 19.29 distribution of approved P-TECH schools.

20.1 (c) The commissioner must first begin approving applications for a P-TECH school
 20.2 enrolling students in the 2020-2021 school year or later.

20.3 (d) Nothing in this subdivision should be construed to give the commissioner the authority
 20.4 to approve or deny a locally adopted P-TECH plan.

20.5 Sec. 4. Laws 2017, First Special Session chapter 5, article 2, section 52, is amended to
 20.6 read:

20.7 Sec. 52. EDUCATION INNOVATION RESEARCH ZONES PILOT PROGRAM.

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

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

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

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

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

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

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

- 21.1 (5) new partnerships between secondary schools and postsecondary institutions,
 21.2 employers, or career training institutions enabling students to complete industry certifications,
 21.3 postsecondary education credits, and other credentials;
- 21.4 (6) new methods of collaborative leadership including the expansion of schools where
 21.5 teachers have larger professional roles;
- 21.6 (7) new ways to enhance parental and community involvement in learning;
- 21.7 (8) new models of professional development for educators, including embedded
 21.8 professional development; ~~or~~
- 21.9 (9) new models in other areas such as whole child instruction, social-emotional skill
 21.10 development, technology-based or blended learning, parent and community involvement,
 21.11 professional development and mentoring, and models that increase the return on investment;
- 21.12 (10) new models of evaluation, assessment, and accountability using multiple indicators,
 21.13 including models that demonstrate alternative ways to validate a student's academic
 21.14 attainment that have predictive validity to the state tests, and also include other variables
 21.15 such as problem solving, creativity, analytical thinking, collaboration, respecting others,
 21.16 global understanding, postgraduation student performance, and other information;
- 21.17 (11) improving teacher and principal mentoring and evaluation;
- 21.18 (12) granting a high school diploma to a student who meets the graduation requirements
 21.19 under Minnesota Statutes, section 120B.02, subdivision 2, while providing the student
 21.20 opportunities to:
- 21.21 (i) attain postsecondary credits or degrees through advanced placement, international
 21.22 baccalaureate, or concurrent enrollment or courses; or
- 21.23 (ii) participate in career and industrial certification programs, including apprenticeship
 21.24 programs;
- 21.25 (13) the use of the provisions in Minnesota Statutes, sections 124D.085, governing
 21.26 experiential and applied learning opportunities; 124D.52, subdivision 9, governing standard
 21.27 adult high school diploma requirements; and 126C.05, subdivision 15, paragraph (b), item
 21.28 (i), governing the use of independent study;
- 21.29 (14) the use of the provisions of a learning year in Minnesota Statutes, section 124D.128,
 21.30 for a student in grade 10, 11, or 12 to participate in career and technical programs after
 21.31 school, on weekends, and during school breaks, including summers, and be included in the
 21.32 general education revenue computation. The classes must generate both high school and

22.1 postsecondary credit and lead to either a career certification, technical college degree, or
 22.2 apprenticeship program. A student participating in a learning year may attend school year
 22.3 round, and the student's continual learning plan must provide for the student to meet the
 22.4 high school graduation standards no later than the end of the fall semester of grade 12;

22.5 (15) methods to initiate prevention models to reduce student needs for special education
 22.6 and to reduce teacher time devoted to the required special education documentation; or

22.7 (16) other innovations as determined by the local boards.

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

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

22.11 (2) the role of each partner in the zone;

22.12 ~~(3) the research methodology used for each proposed action in the plan;~~

22.13 ~~(4)~~ (3) the exemptions from statutes and rules in subdivision 2 that the ~~research~~ innovation
 22.14 zone partnership will use;

22.15 ~~(5)~~ (4) a description of how teachers and other educational staff from the affected school
 22.16 sites will be included in the planning and implementation process;

22.17 ~~(6)~~ (5) a detailed description of expected outcomes and graduation standards;

22.18 ~~(7)~~ (6) a timeline for implementing the plan and assessing the outcomes; and

22.19 ~~(8)~~ (7) how results of the plan will be disseminated.

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

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

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

23.1 employment agreements under Minnesota Statutes, chapters 122A and 179A. School district
 23.2 and charter school employees participating in an innovation zone partnership remain
 23.3 employees of their respective school district or charter school.

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

23.10 (h) An innovation zone plan must not cause an increase in state aid or levies for partners.

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

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

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

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

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

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

23.29 (b) The exemptions under this subdivision must not be construed as exempting an
 23.30 innovation zone partner from the Minnesota Comprehensive Assessments or as increasing
 23.31 any state aid or levy.

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

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

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

24.19 (b) The commissioner must publish a list of the exemptions the commissioner has granted
 24.20 to a district or charter school on the Department of Education's ~~Web site~~ website by July 1,
 24.21 2017. The list must be updated annually.

24.22 Subd. 5. **Project evaluation, dissemination, and report to legislature.** Each ~~research~~
 24.23 innovation zone partnership must submit project data to the commissioner in the form and
 24.24 manner ~~provided for in the approved application~~ specified by the commissioner. At least
 24.25 once every two years, the commissioner ~~must~~ may analyze each innovation zone's progress
 24.26 in realizing the objectives of the innovation zone partnership's plan. To the extent practicable,
 24.27 and using existing resources, the commissioner ~~must~~ may summarize and categorize
 24.28 innovation zone plans and submit a report to the legislative committees having jurisdiction
 24.29 over education by February 1 of each odd-numbered year in accordance with Minnesota
 24.30 Statutes, section 3.195.

24.31 Sec. 5. **REVISOR INSTRUCTION.**

24.32 (a) The revisor of statutes shall renumber the provisions of Minnesota Statutes and laws
 24.33 listed in column A to the references listed in column B. The revisor shall also make necessary

25.1 cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the
 25.2 renumbering in this instruction.

25.3	<u>Column A</u>	<u>Column B</u>
25.4	<u>Laws 2017, First Special Session chapter 5,</u>	
25.5	<u>article 2, section 52</u>	<u>124F.01</u>
25.6	<u>124D.085</u>	<u>124F.02</u>
25.7	<u>124D.093</u>	<u>124F.03</u>
25.8	<u>124D.4535</u>	<u>124F.04</u>
25.9	<u>124D.46</u>	<u>124F.05</u>
25.10	<u>124D.47</u>	<u>124F.06</u>
25.11	<u>124D.48</u>	<u>124F.07</u>
25.12	<u>124D.49</u>	<u>124F.08</u>
25.13	<u>124D.50</u>	<u>124F.09</u>

25.14 (b) This act is intended to be a reorganization of statutes relating to Education Innovation
 25.15 in Minnesota Statutes, chapter 124F. The changes that have been made are not intended to
 25.16 change the meaning or prior interpretation of those laws.

25.17 Sec. 6. **REPEALER.**

25.18 Laws 2017, First Special Session chapter 5, article 2, section 52, subdivision 3, is
 25.19 repealed.

ARTICLE 5

EDUCATION EXCELLENCE

25.22 Section 1. Minnesota Statutes 2022, section 120B.024, subdivision 1, is amended to read:

25.23 Subdivision 1. **Graduation requirements.** (a) Students beginning ~~9th~~ grade 9 in the
 25.24 2011-2012 school year and later must successfully complete the following high school level
 25.25 credits for graduation:

25.26 (1) four credits of language arts sufficient to satisfy all of the academic standards in
 25.27 English language arts;

25.28 (2) three credits of mathematics, including an algebra II credit or its equivalent, sufficient
 25.29 to satisfy all of the academic standards in mathematics;

25.30 (3) an algebra I credit by the end of ~~8th~~ grade 8 sufficient to satisfy all of the 8th grade
 25.31 standards in mathematics;

26.1 (4) three credits of science, including at least one credit of biology, one credit of chemistry
 26.2 or physics, and one elective credit of science. The combination of credits under this clause
 26.3 must be sufficient to satisfy (i) all of the academic standards in either chemistry or physics
 26.4 and (ii) all other academic standards in science;

26.5 (5) three and one-half credits of social studies, including credit for a course in government
 26.6 and citizenship in either grade 11 or 12 for students beginning grade 9 in the 2024-2025
 26.7 school year and later or an advanced placement, international baccalaureate, or other rigorous
 26.8 course on government and citizenship under section 120B.021, subdivision 1a, and a
 26.9 combination of other credits encompassing at least United States history, geography,
 26.10 government and citizenship, world history, and economics sufficient to satisfy all of the
 26.11 academic standards in social studies;

26.12 (6) one credit of the arts sufficient to satisfy all of the state or local academic standards
 26.13 in the arts; and

26.14 (7) a minimum of seven elective credits.

26.15 (b) A school district is encouraged to offer a course for credit in government and
 26.16 citizenship to ~~11th or 12th~~ grade 11 or 12 students who begin ~~9th~~ grade 9 in the 2020-2021
 26.17 school year and later, that satisfies the government and citizenship requirement in paragraph
 26.18 (a), clause (5). A school district must offer the course starting in the 2024-2025 school year.

26.19 **EFFECTIVE DATE.** This section is effective July 1, 2023.

26.20 Sec. 2. Minnesota Statutes 2022, section 121A.031, subdivision 1, is amended to read:

26.21 Subdivision 1. **Student bullying policy; scope and application.** (a) This section applies
 26.22 to bullying by a student against another student enrolled in a public school and which occurs:

26.23 (1) on the school premises, at the school functions or activities, or on the school
 26.24 transportation;

26.25 (2) by use of electronic technology and communications on the school premises, during
 26.26 the school functions or activities, on the school transportation, or on the school computers,
 26.27 networks, forums, and mailing lists; or

26.28 (3) by use of electronic technology and communications on a school-issued device, as
 26.29 defined in section 13.32, subdivision 1, off the school premises to the extent such use
 26.30 substantially and materially disrupts student learning or the school environment.

27.1 (b) A nonpublic school under section 123B.41, subdivision 9, consistent with its school
 27.2 accreditation cycle, is encouraged to electronically transmit to the commissioner its
 27.3 antibullying policy, if any, and any summary data on its bullying incidents.

27.4 (c) This section does not apply to a home school under sections 120A.22, subdivision
 27.5 4, and 120A.24, or a nonpublic school under section 123B.41, subdivision 9.

27.6 (d) A school-aged child who voluntarily participates in a public school activity, such as
 27.7 a cocurricular or extracurricular activity, is subject to the same student bullying policy
 27.8 provisions applicable to the public school students participating in the activity.

27.9 Sec. 3. Minnesota Statutes 2022, section 122A.18, subdivision 7a, is amended to read:

27.10 Subd. 7a. ~~Permission to Lifetime substitute teach teaching license.~~ (a) The Professional
 27.11 Educator Licensing and Standards Board may allow a person who otherwise qualifies for
 27.12 a Tier 1 license in accordance with section 122A.181, subdivision 2, or is enrolled in and
 27.13 making satisfactory progress in a board-approved teacher program and who has successfully
 27.14 completed student teaching to be employed as a short-call substitute teacher.

27.15 ~~(b)~~ The Professional Educator Licensing and Standards Board may issue a lifetime
 27.16 qualified short-call or long-call substitute teaching license to a person who:

27.17 (1) was a qualified teacher under section 122A.16 while holding a Tier 3 or Tier 4
 27.18 teaching license issued by the board, under sections 122A.183 and 122A.184, respectively,
 27.19 and receives a retirement annuity from the Teachers Retirement Association or the St. Paul
 27.20 Teachers Retirement Fund Association;

27.21 (2) holds an out-of-state teaching license and receives a retirement annuity as a result
 27.22 of the person's teaching experience; or

27.23 (3) held a Tier 3 or Tier 4 teaching license issued by the board, under sections 122A.183
 27.24 and 122A.184, respectively, taught at least three school years in an accredited nonpublic
 27.25 school in Minnesota, and receives a retirement annuity as a result of the person's teaching
 27.26 experience.

27.27 A person holding a lifetime qualified short-call or long-call substitute teaching license is
 27.28 not required to complete continuing education clock hours. A person holding this license
 27.29 may reapply to the board for either:

27.30 (i) a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184,
 27.31 respectively, and must again complete continuing education clock hours one school year
 27.32 after receiving the Tier 3 or Tier 4 teaching license; or

28.1 (ii) a Tier 1 license under section 122A.181, provided that the candidate has a bachelor's
 28.2 degree, an associate's degree, or an appropriate professional credential in the content area
 28.3 the candidate will teach, in accordance with section 122A.181, subdivision 2.

28.4 **EFFECTIVE DATE.** This section is effective July 1, 2023.

28.5 Sec. 4. Minnesota Statutes 2022, section 122A.18, is amended by adding a subdivision to
 28.6 read:

28.7 Subd. 7d. **Short-call substitute teaching license.** (a) Notwithstanding any law to the
 28.8 contrary, the Professional Educator Licensing and Standards Board must issue a short-call
 28.9 substitute teaching license to an applicant who submits a joint application with a school
 28.10 district or charter school affirming that the applicant has the necessary knowledge and skills
 28.11 to work as a substitute teacher and:

28.12 (1) holds at least an associate's degree or equivalent;

28.13 (2) is enrolled in a state-approved teacher preparatory program; or

28.14 (3) has been employed as an education support personnel or paraprofessional within the
 28.15 school district or charter school for at least one school year.

28.16 (b) A short-call substitute teaching license is valid for at least one school year and
 28.17 qualifies the teacher to work as a substitute teacher in any school district or charter school
 28.18 in the state, subject to the school district or charter school's terms and conditions of
 28.19 employment.

28.20 (c) The board may issue a license pending a background study under section 122A.18,
 28.21 subdivision 8, and may immediately suspend or revoke the license based on the results of
 28.22 the background study.

28.23 (d) The board may prioritize review of applications for short-call substitute teacher
 28.24 licenses over review of other applications. The board must issue an application denial in
 28.25 writing and must include a detailed explanation of the reason for the denial. The review and
 28.26 appeal provisions of section 122A.188 apply to an application for a license under this
 28.27 subdivision.

28.28 **EFFECTIVE DATE.** This section is effective July 1, 2023.

28.29 Sec. 5. Minnesota Statutes 2022, section 123B.86, subdivision 3, is amended to read:

28.30 Subd. 3. **Board control.** (a) When transportation is provided, the scheduling of routes,
 28.31 manner and method of transportation, control and discipline of school children and any

29.1 other matter relating thereto shall be within the sole discretion, control and management of
 29.2 the board.

29.3 (b) A school board and a nonpublic school may mutually agree to a written plan for the
 29.4 board to provide nonpublic pupil transportation to nonpublic school students.

29.5 (c) A school board that provides pupil transportation through the school's employees
 29.6 may transport nonpublic school students according to the plan and retain the nonpublic
 29.7 pupil transportation aid attributable to that plan. A nonpublic school may make a payment
 29.8 to the school district to cover additional transportation services agreed to in the written plan
 29.9 for nonpublic pupil transportation services not required under sections 123B.84 to 123B.87.

29.10 (d) A school board that contracts for pupil transportation services may enter into a
 29.11 contractual arrangement with a school bus contractor according to the written plan adopted
 29.12 by the school board and the nonpublic school to transport nonpublic school students and
 29.13 retain the nonpublic pupil transportation aid attributable to that plan for the purposes of
 29.14 paying the school bus contractor. A nonpublic school may make a payment to the school
 29.15 district to cover additional transportation services agreed to in the written plan for nonpublic
 29.16 pupil transportation services included in the contract that are not required under sections
 29.17 123B.84 to 123B.87.

29.18 (e) The school district must report the number of nonpublic school students transported
 29.19 and the nonpublic pupil transportation expenditures incurred under paragraph (b) in the
 29.20 form and manner specified by the commissioner.

29.21 **EFFECTIVE DATE.** This section is effective for fiscal year 2024 and later.

29.22 Sec. 6. Minnesota Statutes 2022, section 124D.09, subdivision 5, is amended to read:

29.23 Subd. 5. **Authorization; notification.** Notwithstanding any other law to the contrary,
 29.24 an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled tribal
 29.25 contract or grant school eligible for aid under section 124D.83, except a foreign exchange
 29.26 pupil enrolled in a district under a cultural exchange program, may apply to an eligible
 29.27 institution, as defined in subdivision 3, to enroll in nonsectarian courses offered by that
 29.28 postsecondary institution. If an institution accepts a secondary pupil for enrollment under
 29.29 this section, the institution shall send written notice to the pupil, the pupil's school or school
 29.30 district, and the commissioner. The notice must indicate the course and hours of enrollment
 29.31 of that pupil. If the pupil enrolls in a course for postsecondary credit, the institution must
 29.32 notify:

29.33 (1) the pupil about payment in the customary manner used by the institution-; and

30.1 (2) the pupil's school as soon as practicable if the pupil withdraws from the course or
 30.2 stops attending the course.

30.3 **EFFECTIVE DATE.** This section is effective July 1, 2023.

30.4 Sec. 7. Minnesota Statutes 2022, section 124D.09, subdivision 12, is amended to read:

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

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

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

30.23 (d) The secondary credits granted to a pupil must be counted toward the graduation
 30.24 requirements and subject area requirements of the district. Evidence of successful completion
 30.25 of each course and secondary credits granted must be included in the pupil's secondary
 30.26 school record. A pupil ~~shall~~ must provide the school with a copy of the pupil's grade grades
 30.27 in each course taken for secondary credit under this section, including interim or nonfinal
 30.28 grades earned during the academic term. Upon the request of a pupil, the pupil's secondary
 30.29 school record must also include evidence of successful completion and credits granted for
 30.30 a course taken for postsecondary credit. In either case, the record must indicate that the
 30.31 credits were earned at a postsecondary institution.

30.32 (e) If a pupil enrolls in a postsecondary institution after leaving secondary school, the
 30.33 postsecondary institution must award postsecondary credit for any course successfully

31.1 completed for secondary credit at that institution. Other postsecondary institutions may
 31.2 award, after a pupil leaves secondary school, postsecondary credit for any courses
 31.3 successfully completed under this section. An institution may not charge a pupil for the
 31.4 award of credit.

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

31.17 **EFFECTIVE DATE.** This section is effective July 1, 2023.

31.18 Sec. 8. **[124D.792] GRADUATION CEREMONIES; TRIBAL REGALIA AND**
 31.19 **OBJECTS OF CULTURAL SIGNIFICANCE.**

31.20 A school district or charter school must not prohibit an American Indian student from
 31.21 wearing American Indian regalia, Tribal regalia, or objects of cultural significance at a
 31.22 graduation ceremony.

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

31.24 Sec. 9. Minnesota Statutes 2022, section 124E.11, is amended to read:

31.25 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

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

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

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

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

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

32.9 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
32.10 and to a foster child of that pupil's parents and may give preference for enrolling children
32.11 of the school's staff before accepting other pupils by lot. A charter school that is located in
32.12 Duluth township in St. Louis County and admits students in kindergarten through grade 6
32.13 must give enrollment preference to students residing within a five-mile radius of the school
32.14 and to the siblings of enrolled children. A charter school may give enrollment preference
32.15 to children currently enrolled in the school's free preschool or prekindergarten program
32.16 under section 124E.06, subdivision 3, paragraph (b), who are eligible to enroll in kindergarten
32.17 in the next school year.

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

32.26 (e) Except as permitted in ~~paragraph (d)~~ paragraphs (d) and (i), a charter school, including
32.27 its preschool or prekindergarten program established under section 124E.06, subdivision
32.28 3, paragraph (b), may not limit admission to pupils on the basis of intellectual ability,
32.29 measures of achievement or aptitude, or athletic ability and may not establish any criteria
32.30 or requirements for admission that are inconsistent with this section.

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

33.1 (g) Once a student is enrolled in the school, the student is considered enrolled in the
 33.2 school until the student formally withdraws or is expelled under the Pupil Fair Dismissal
 33.3 Act in sections 121A.40 to 121A.56.

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

33.10 (i) A charter school serving at least 90 percent of enrolled students who are eligible for
 33.11 special education services and have a primary disability of deaf, hard-of-hearing, or deafblind
 33.12 may give enrollment preference to students who are eligible for special education services
 33.13 and have a primary disability of deaf, hard-of-hearing, or deafblind. The charter school may
 33.14 not limit admission based on the student's eligibility for additional special education services.

33.15 Sec. 10. Minnesota Statutes 2022, section 127A.05, is amended by adding a subdivision
 33.16 to read:

33.17 Subd. 7. **Staffing review.** The commissioner must conduct an annual review of all
 33.18 department positions and report to the chairs and ranking minority members of the legislative
 33.19 committees with jurisdiction over kindergarten through grade 12 education whether each
 33.20 position fulfills state or federal requirements. The commissioner must not use state funds
 33.21 to pay staffing costs for positions required to satisfy federal requirements. The report must
 33.22 be submitted to the legislature by January 15 of each year.

33.23 Sec. 11. Minnesota Statutes 2022, section 127A.05, is amended by adding a subdivision
 33.24 to read:

33.25 Subd. 8. **Department directives.** The commissioner must require all guidance or
 33.26 directives issued to school districts, charter schools, administrators, or teachers to include
 33.27 the name and contact information of the department employee responsible for issuing the
 33.28 guidance or directive.

33.29 Sec. 12. Minnesota Statutes 2022, section 127A.353, subdivision 2, is amended to read:

33.30 Subd. 2. **Qualifications.** The governor shall select the school trust lands director on the
 33.31 basis of outstanding professional qualifications and knowledge of finance, business practices,
 33.32 minerals, forest and real estate management, and the fiduciary responsibilities of a trustee

34.1 to the beneficiaries of a trust. The school trust lands director serves in the unclassified service
 34.2 for a term of four years. ~~The first term shall end on December 31, 2020.~~ The governor may
 34.3 remove the school trust lands director for cause. If a director resigns or is removed for cause,
 34.4 the governor shall appoint a director for the remainder of the term.

34.5 Sec. 13. Minnesota Statutes 2022, section 127A.353, subdivision 4, is amended to read:

34.6 Subd. 4. **Duties; powers.** (a) The school trust lands director shall:

34.7 (1) ~~take an oath of office before assuming any duties as the director~~ act in a fiduciary
 34.8 capacity for trust beneficiaries in accordance with the principles under section 127A.351;

34.9 (2) evaluate the school trust land asset position;

34.10 (3) determine the estimated current and potential market value of school trust lands;

34.11 (4) advise and provide recommendations to the governor, ~~Executive Council,~~
 34.12 ~~commissioner of natural resources, and the Legislative Permanent School Fund Commission~~
 34.13 ~~on the management of school trust lands, including:~~ on school trust land management policies
 34.14 and other policies that may affect the goal of the permanent school fund under section
 34.15 127A.31;

34.16 (5) advise and provide recommendations to the Executive Council and Land Exchange
 34.17 Board on all matters regarding school trust lands presented to either body;

34.18 (6) advise and provide recommendations to the commissioner of natural resources on
 34.19 managing school trust lands, including but not limited to advice and recommendations on:

34.20 (i) Department of Natural Resources school trust land management plans;

34.21 (ii) leases of school trust lands;

34.22 (iii) royalty agreements on school trust lands;

34.23 (iv) land sales and exchanges;

34.24 (v) cost certification; and

34.25 (vi) revenue generating options;

34.26 (7) serve as temporary trustee of school trust lands for school trust lands subject to
 34.27 proposed or active eminent domain proceedings;

34.28 (8) serve as temporary trustee of school trust lands pursuant to section 94.342, subdivision
 34.29 5;

35.1 ~~(5) propose~~ (9) submit to the Legislative Permanent School Fund Commission for review
 35.2 an annual budget and management plan for the director that includes proposed legislative
 35.3 changes that will improve the asset allocation of the school trust lands;

35.4 ~~(6) (10) develop~~ and implement a ten-year strategic plan and a 25-year framework for
 35.5 management of school trust lands, in conjunction with the commissioner of natural resources,
 35.6 that is updated every five years ~~and implemented by the commissioner~~, with goals to:

35.7 (i) retain core real estate assets;

35.8 (ii) increase the value of the real estate assets and the cash flow from those assets;

35.9 (iii) rebalance the portfolio in assets with high performance potential and the strategic
 35.10 disposal of selected assets;

35.11 (iv) establish priorities for management actions;

35.12 (v) balance revenue enhancement and resource stewardship; and

35.13 (vi) advance strategies on school trust lands to capitalize on ecosystem services markets;

35.14 and

35.15 ~~(7) submit to the Legislative Permanent School Fund Commission for review an annual~~
 35.16 ~~budget and management plan for the director; and~~

35.17 ~~(8) (11) keep~~ the beneficiaries, governor, legislature, and the public informed about the
 35.18 work of the director by reporting to the Legislative Permanent School Fund Commission
 35.19 in a public meeting at least once during each calendar quarter.

35.20 (b) In carrying out the duties under paragraph (a), the school trust lands director ~~shall~~
 35.21 ~~have the authority to~~ may:

35.22 (1) direct and control money appropriated to the director;

35.23 (2) establish job descriptions and employ ~~up to five employees in the unclassified service,~~
 35.24 staff within the limitations of money appropriated to the director;

35.25 (3) enter into interdepartmental agreements with any other state agency;

35.26 (4) enter into joint powers agreements under chapter 471;

35.27 (5) evaluate and initiate real estate development projects on school trust lands in
 35.28 conjunction with the commissioner of natural resources and with the advice of the Legislative
 35.29 Permanent School Fund Commission ~~in order~~ to generate long-term economic return to the
 35.30 permanent school fund; and

36.1 ~~(6) serve as temporary trustee of school trust land for school trust lands subject to~~
 36.2 ~~proposed or active eminent domain proceedings; and~~

36.3 ~~(7)~~ (6) submit recommendations on strategies for school trust land leases, sales, or
 36.4 exchanges to the commissioner of natural resources and the Legislative Permanent School
 36.5 Fund Commission.

36.6 Sec. 14. Minnesota Statutes 2022, section 144.4165, is amended to read:

36.7 **144.4165 TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.**

36.8 (a) No person shall at any time smoke, chew, or otherwise ingest tobacco, or carry or
 36.9 use an activated electronic delivery device as defined in section 609.685, subdivision 1, in
 36.10 a public school, as defined in section 120A.05, subdivisions 9, 11, and 13, or in a charter
 36.11 school governed by chapter 124E. This prohibition extends to all facilities, whether owned,
 36.12 rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or
 36.13 controls.

36.14 (b) Nothing in this section shall prohibit the lighting of tobacco by an adult as a part of
 36.15 a traditional Indian spiritual or cultural ceremony. An American Indian student may carry
 36.16 a medicine pouch containing loose tobacco intended as observance of traditional spiritual
 36.17 or cultural practices. For purposes of this section, an Indian is a person who is a member
 36.18 of an Indian tribe as defined in section 260.755, subdivision 12.

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

36.20 Sec. 15. **SHORT-CALL SUBSTITUTE TEACHER PERMISSION.**

36.21 (a) Notwithstanding any other teacher licensing requirement, a school district or charter
 36.22 school may employ a person as a short-call substitute teacher if the person:

36.23 (1) meets the professional requirements under Minnesota Statutes, section 122A.181,
 36.24 subdivision 2; or

36.25 (2) has been employed as an education support person or paraprofessional with the
 36.26 school district or charter school for at least one school year.

36.27 (b) A school district or charter school employing a substitute teacher under this section
 36.28 must report to the Professional Educator Licensing and Standards Board all persons it
 36.29 employs under this section and, for each person, must affirm that:

36.30 (1) a criminal background study was completed consistent with Minnesota Statutes,
 36.31 section 122A.18, subdivision 8;

- 37.1 (2) the person meets the professional requirements in paragraph (a); and
- 37.2 (3) the person has the knowledge and skills to provide instruction in the content area the
- 37.3 person is teaching.
- 37.4 (c) A school district or charter school must report any complaints against a substitute
- 37.5 teacher hired under this section to the board, which may consider the substance of the
- 37.6 complaint when reviewing the person's application for a license under Minnesota Statutes,
- 37.7 chapter 122A.
- 37.8 (d) This section is effective for the 2022-2023, 2023-2024, and 2024-2025 school years
- 37.9 only. This section expires June 30, 2025.

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

ARTICLE 6

FORECAST

A. GENERAL EDUCATION

37.14 Section 1. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision

37.15 2, is amended to read:

37.16 Subd. 2. **General education aid.** For general education aid under Minnesota Statutes,

37.17 section 126C.13, subdivision 4:

37.18 \$ 7,569,266,000 2022

37.19 ~~7,804,527,000~~

37.20 \$ 7,538,983,000 2023

37.21 The 2022 appropriation includes \$717,326,000 for 2021 and \$6,851,940,000 for 2022.

37.22 The 2023 appropriation includes \$734,520,000 for 2022 and ~~\$7,070,007,000~~

37.23 \$6,804,463,000 for 2023.

37.24 Sec. 2. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 3,

37.25 is amended to read:

37.26 Subd. 3. **Enrollment options transportation.** For transportation of pupils attending

37.27 postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation

37.28 of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

37.29 \$ 12,000 2022

37.30 ~~13,000~~

37.31 \$ 16,000 2023

38.1 Sec. 3. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 4,
38.2 is amended to read:

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

38.4 \$ 2,897,000 2022

38.5 ~~3,558,000~~

38.6 \$ 1,434,000 2023

38.7 The 2022 appropriation includes \$269,000 for 2021 and \$2,628,000 for 2022.

38.8 The 2023 appropriation includes \$291,000 for 2022 and ~~\$3,267,000~~ \$1,143,000 for
38.9 2023.

38.10 Sec. 4. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 5,
38.11 is amended to read:

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

38.14 \$ 309,000 2022

38.15 ~~373,000~~

38.16 \$ 95,000 2023

38.17 The 2022 appropriation includes \$30,000 for 2021 and \$279,000 for 2022.

38.18 The 2023 appropriation includes \$31,000 for 2022 and ~~\$342,000~~ \$64,000 for 2023.

38.19 Sec. 5. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 6,
38.20 is amended to read:

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

38.23 \$ 16,991,000 2022

38.24 ~~17,450,000~~

38.25 \$ 19,003,000 2023

38.26 The 2022 appropriation includes \$1,903,000 for 2021 and \$15,088,000 for 2022.

38.27 The 2023 appropriation includes \$1,676,000 for 2022 and ~~\$15,774,000~~ \$17,327,000 for
38.28 2023.

39.1 Sec. 6. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 7,
39.2 is amended to read:

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

39.5 \$ 19,770,000 2022

39.6 ~~19,906,000~~

39.7 \$ 21,027,000 2023

39.8 The 2022 appropriation includes \$1,910,000 for 2021 and \$17,860,000 for 2022.

39.9 The 2023 appropriation includes \$1,984,000 for 2022 and ~~\$17,922,000~~ \$19,043,000 for
39.10 2023.

39.11 Sec. 7. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 9,
39.12 is amended to read:

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

39.15 \$ 2,668,000 2022

39.16 ~~2,279,000~~

39.17 \$ 1,914,000 2023

39.18 The 2022 appropriation includes \$323,000 for 2021 and \$2,345,000 for 2022.

39.19 The 2023 appropriation includes \$260,000 for 2022 and ~~\$2,019,000~~ \$1,654,000 for
39.20 2023.

39.21 B. EDUCATION EXCELLENCE

39.22 Sec. 8. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 2, is
39.23 amended to read:

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

39.26 \$ 84,057,000 2022

39.27 ~~83,431,000~~

39.28 \$ 81,579,000 2023

39.29 The 2022 appropriation includes \$8,868,000 for 2021 and \$75,189,000 for 2022.

39.30 The 2023 appropriation includes \$8,353,000 for 2022 and ~~\$75,078,000~~ \$73,226,000 for
39.31 2023.

40.1 Sec. 9. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 3, is
40.2 amended to read:

40.3 Subd. 3. **American Indian education aid.** For American Indian education aid under
40.4 Minnesota Statutes, section 124D.81, subdivision 2a:

40.5 \$ 11,351,000 2022

40.6 ~~11,775,000~~

40.7 \$ 11,575,000 2023

40.8 The 2022 appropriation includes \$1,102,000 for 2021 and \$10,249,000 for 2022.

40.9 The 2023 appropriation includes \$1,138,000 for 2022 and ~~\$10,637,000~~ \$10,437,000 for
40.10 2023.

40.11 Sec. 10. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 4,
40.12 is amended to read:

40.13 Subd. 4. **Charter school building lease aid.** For building lease aid under Minnesota
40.14 Statutes, section 124E.22:

40.15 \$ 93,547,000 2022

40.16 ~~99,819,000~~

40.17 \$ 90,864,000 2023

40.18 The 2022 appropriation includes \$8,617,000 for 2021 and \$84,930,000 for 2022.

40.19 The 2023 appropriation includes \$9,436,000 for 2022 and ~~\$90,383,000~~ \$81,428,000 for
40.20 2023.

40.21 Sec. 11. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 12,
40.22 is amended to read:

40.23 Subd. 12. **Interdistrict desegregation or integration transportation grants.** For
40.24 interdistrict desegregation or integration transportation grants under Minnesota Statutes,
40.25 section 124D.87:

40.26 \$ 12,310,000 2022

40.27 ~~14,823,000~~

40.28 \$ 13,785,000 2023

41.1 Sec. 12. Laws 2021, First Special Session chapter 13, article 2, section 4, subdivision 27,
41.2 is amended to read:

41.3 Subd. 27. **Tribal contract school aid.** For Tribal contract school aid under Minnesota
41.4 Statutes, section 124D.83:

41.5 \$ 2,743,000 2022

41.6 ~~3,160,000~~

41.7 \$ 2,581,000 2023

41.8 The 2022 appropriation includes \$240,000 for 2021 and \$2,503,000 for 2022.

41.9 The 2023 appropriation includes \$278,000 for 2022 and ~~\$2,882,000~~ \$2,303,000 for
41.10 2023.

41.11 C. TEACHERS

41.12 Sec. 13. Laws 2021, First Special Session chapter 13, article 3, section 7, subdivision 7,
41.13 is amended to read:

41.14 Subd. 7. **Alternative teacher compensation aid.** (a) For alternative teacher compensation
41.15 aid under Minnesota Statutes, section 122A.415, subdivision 4:

41.16 \$ 88,896,000 2022

41.17 ~~88,898,000~~

41.18 \$ 88,308,000 2023

41.19 (b) The 2022 appropriation includes \$8,877,000 for 2021 and \$80,019,000 for 2022.

41.20 (c) The 2023 appropriation includes \$8,891,000 for 2022 and ~~\$80,007,000~~ \$79,417,000
41.21 for 2023.

41.22 D. SPECIAL EDUCATION

41.23 Sec. 14. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 2,
41.24 is amended to read:

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

41.27 \$ 1,822,998,000 2022

41.28 ~~1,945,533,000~~

41.29 \$ 1,859,205,000 2023

41.30 The 2022 appropriation includes \$215,125,000 for 2021 and \$1,607,873,000 for 2022.

42.1 The 2023 appropriation includes \$226,342,000 for 2022 and ~~\$1,719,191,000~~
 42.2 \$1,632,863,000 for 2023.

42.3 Sec. 15. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 3,
 42.4 is amended to read:

42.5 Subd. 3. **Aid for children with disabilities.** For aid under Minnesota Statutes, section
 42.6 125A.75, subdivision 3, for children with disabilities placed in residential facilities within
 42.7 the district boundaries for whom no district of residence can be determined:

42.8 \$ 1,818,000 2022

42.9 ~~2,010,000~~

42.10 \$ 1,484,000 2023

42.11 If the appropriation for either year is insufficient, the appropriation for the other year is
 42.12 available.

42.13 Sec. 16. Laws 2021, First Special Session chapter 13, article 5, section 3, subdivision 4,
 42.14 is amended to read:

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

42.17 \$ 465,000 2022

42.18 ~~512,000~~

42.19 \$ 337,000 2023

42.20 The 2022 appropriation includes \$23,000 for 2021 and \$442,000 for 2022.

42.21 The 2023 appropriation includes \$49,000 for 2022 and ~~\$463,000~~ \$288,000 for 2023.

42.22 E. FACILITIES

42.23 Sec. 17. Laws 2021, First Special Session chapter 13, article 7, section 2, subdivision 2,
 42.24 is amended to read:

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

42.27 \$ 25,001,000 2022

42.28 ~~24,286,000~~

42.29 \$ 24,315,000 2023

42.30 The 2022 appropriation includes \$2,588,000 for 2021 and \$22,413,000 for 2022.

43.1 The 2023 appropriation includes \$2,490,000 for 2022 and ~~\$21,796,000~~ \$21,825,000 for
43.2 2023.

43.3 Sec. 18. Laws 2021, First Special Session chapter 13, article 7, section 2, subdivision 3,
43.4 is amended to read:

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

43.7 \$ 108,582,000 2022

43.8 ~~111,077,000~~

43.9 \$ 108,269,000 2023

43.10 The 2022 appropriation includes \$10,660,000 for 2021 and \$97,922,000 for 2022.

43.11 The 2023 appropriation includes \$10,880,000 for 2022 and ~~\$100,197,000~~ \$97,389,000
43.12 for 2023.

43.13 **F. NUTRITION**

43.14 Sec. 19. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 2,
43.15 is amended to read:

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

43.18 \$ 16,661,000 2022

43.19 ~~16,954,000~~

43.20 \$ 15,984,000 2023

43.21 Sec. 20. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 3,
43.22 is amended to read:

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

43.25 \$ 11,848,000 2022

43.26 ~~12,200,000~~

43.27 \$ 10,802,000 2023

43.28 Sec. 21. Laws 2021, First Special Session chapter 13, article 8, section 3, subdivision 4,
43.29 is amended to read:

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

45.1 (c) The 2023 appropriation includes \$46,000 for 2022 and ~~\$398,000~~ \$369,000 for 2023.

45.2 **H. COMMUNITY EDUCATION AND LIFELONG LEARNING**

45.3 Sec. 25. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 2,
45.4 is amended to read:

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

45.7 \$ 180,000 2022

45.8 ~~155,000~~

45.9 \$ 150,000 2023

45.10 The 2022 appropriation includes \$22,000 for 2021 and \$158,000 for 2022.

45.11 The 2023 appropriation includes \$17,000 for 2022 and ~~\$138,000~~ \$133,000 for 2023.

45.12 Sec. 26. Laws 2021, First Special Session chapter 13, article 10, section 1, subdivision 8,
45.13 is amended to read:

45.14 Subd. 8. **Adult basic education aid.** For adult basic education aid under Minnesota
45.15 Statutes, section 124D.531:

45.16 \$ 53,191,000 2022

45.17 ~~54,768,000~~

45.18 \$ 51,948,000 2023

45.19 The 2022 appropriation includes \$5,177,000 for 2021 and \$48,014,000 for 2022.

45.20 The 2023 appropriation includes \$5,334,000 for 2022 and ~~\$49,434,000~~ \$46,614,000 for
45.21 2023.

122A.06 DEFINITIONS.

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.

Laws 2017, First Special Session chapter 5, article 2, section 52, subdivision 3

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

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.