

Senate Counsel, Research, and Fiscal Analysis

Thomas S. Bottern, Director

Minnesota Senate Building  
95 University Ave. W. Suite 3300  
ST. PAUL, MN 55155-1800  
(651) 296-4791  
www.senate.mn/scrfa

# Senate

State of Minnesota

## H.F. No. 2400 – Education Omnibus

**Author:** Senator Carla J. Nelson

**Prepared by:** Senate Counsel, Research, and Fiscal Analysis Staff  
Bjorn Arneson, Legislative Analyst (651/296-3812) *BA*  
Ann Marie Butler, Senate Counsel (651/296-5301) *AMB*  
Jenna Hofer, Fiscal Analyst (651/296-5259) *JH*  
House Research Staff  
Tim Strom, Legislative Analyst (651/296-1886)  
Christina Parra, Legislative Analyst (651/296-8036)

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### Article 1: General Education

Increases the general education basic formula allowance by two percent in the first year and by another two percent in the second year of the biennium. Maintains the funding for voluntary prekindergarten and school readiness funding authorized in 2017 for the biennium.

Section Description – Article 1: General Education

- 1 **Education, residence, and transportation of homeless students.**  
Requires the initial serving school district to continue to provide transportation services to and from a cooperative program for a homeless student with an individualized education program who changes serving school districts during the school year. Allows the initial and current serving school district to mutually agree to an alternative transportation arrangement.
- 2 **Textbook.**  
Expands the definition of “textbooks” to include a teacher’s edition, teacher’s guide, or other materials that a pupil uses when the teacher’s edition, teacher’s guide, or other teacher materials are packaged with textbooks for student use.

Section	Description – Article 1: General Education
3	<p><b>Individualized instructional or cooperative learning materials.</b> Expands the definition of “individualized instructional or cooperative learning materials” to include teacher materials that accompany materials that a pupil uses.</p>
4	<p><b>Cost; limitation.</b> Makes technical changes and eliminates obsolete language.</p>
5	<p><b>Board control of extracurricular activities.</b> Requires a school board to take charge of and control all extracurricular activities. Requires a school district to reserve revenue raised for extracurricular activities and spend the revenue only for extracurricular activities.</p>
6	<p><b>Definitions; pupil transportation.</b> Expands the definition of regular transportation aid to include the transportation of pregnant teens and teen moms to and from a school program that provides academic instruction, at least four hours of parenting training a week, and high-quality child care on site with the capacity to serve all children of enrolled pupils. Requires the program to have been established prior to January 1, 2018, or to be in operation on or after July 1, 2021.</p>
7	<p><b>PSEO Alternative pupil.</b> Authorizes nonpublic students in 10<sup>th</sup> grade to participate in PSEO career and technical education courses.</p>
8	<p><b>Revenue calculation; charter school general education.</b> Modifies the charter school definition of general education aid to conform to the proposed calculation for local optional revenue.</p>
9	<p><b>General education basic formula allowance.</b> Increases the general education basic formula allowance from \$6,312 per pupil in fiscal year 2019 to \$6,438 per pupil in fiscal year 2020 (2 percent increase) and to \$6,567 per pupil for fiscal years 2021 and later (2 percent increase).</p>
10	<p><b>Local optional revenue.</b> Modifies Local optional revenue so that the revenue no longer needs to be factored into a district’s referendum revenue question asked of the voters. Keeps the revenue and equalization levels the same as under current law.</p>
11	<p><b>Operating capital levy.</b> Increases the operating capital equalizing factor to keep statewide property tax levies unchanged from the baseline estimate, due to the two-year continuation of the voluntary prekindergarten/school readiness plus program.</p>

Section	Description – Article 1: General Education
12	<p><b>Pupil transportation adjustment.</b></p> <p>Adds a second cost component to the pupil transportation adjustment aid to account for a school district’s categorical revenue for transporting a pregnant or parenting pupil to and from a qualifying school site.</p>
13	<p><b>Equity revenue.</b></p> <p>Conforms equity revenue to the proposed realignment of local optional revenue and eliminates obsolete language.</p>
14	<p><b>Referendum allowance.</b></p> <p>Adjusts a district’s referendum allowance to reflect the proposed treatment of local optional revenue.</p>
15	<p><b>Referendum allowance limit.</b></p> <p>Adjusts a district’s referendum allowance limit to reflect the proposed treatment of local optional revenue.</p>
16	<p><b>Referendum equalization revenue.</b></p> <p>Adjusts a district’s referendum equalization revenue to reflect the proposed treatment of local optional revenue.</p>
17	<p><b>Referendum equalization levy.</b></p> <p>Modifies the referendum equalization factors to reflect the proposed treatment of local optional revenue.</p>
18	<p><b>Referendum equalization aid.</b></p> <p>Modifies and simplifies the calculation of referendum equalization aid.</p>
19	<p><b>Referendum tax base replacement aid.</b></p> <p>Adjusts a district’s referendum tax base replacement aid to reflect the proposed treatment of local optional revenue.</p>
20	<p><b>Payment percentage for reimbursement aids.</b></p> <p>Eliminates an obsolete cross reference.</p>
21	<p><b>Abatements.</b></p> <p>Clarifies the equalized levies that are used to calculate abatement aid.</p>
22	<p><b>Karlstad Elementary School; sparsity aid.</b></p> <p>Authorizes elementary sparsity aid for the Karlstad Elementary School in the Tri-County School District for fiscal year 2020 and 2021 only.</p>

Section Description – Article 1: General Education

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23 **Appropriations.**  
Appropriates money for general education aid and other programs. See fiscal tracking sheet for details.

24 **Repealer.**  
Repeals sections:

- 123A.26, subdivision 3: unused authority for a school district to request that aid be paid to a third party
- 125A.75, subdivision 9: duplicative annual school district reporting requirement for district special education litigation costs
- 126C.16, subdivisions 1 and 3: obsolete provisions related to a prior conversion of referendum allowances
- 126C.17, subdivision 9a: board-approved referendum authority; this authority is transferred to the local optional revenue program earlier in this article
- 127A.14: authority for the commissioner of education to purchase individual annuity contracts for employee retirement plans

**Article 2: Education Excellence**

Makes permanent the higher level of funding for American Indian tribal contract schools. Requires dyslexia screening. Establishes P-TECH schools. Modifies definitions and requirements related to statewide testing.

Section Description – Article 2: Education Excellence

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1 **Graduation requirements.**  
Encourages a school district to offer a civics course for credit to 11<sup>th</sup> and 12<sup>th</sup> grade students.

2 **Identification; report.**  
Requires a school district to screen for characteristics of dyslexia all students identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2. Requires a district to screen for characteristics of dyslexia students in grade 3 or higher who demonstrate a reading difficulty, unless a different reason for the reading difficulty has been identified.

3 **Statewide testing.**  
Requires the commissioner to establish a testing period as late as possible each school year for schools to administer the Minnesota Comprehensive Assessments to students. Strikes obsolete language. Removes the requirement that the

Section	Description – Article 2: Education Excellence
	commissioner establish empirically derived benchmarks on adaptive assessments in grades 3 through 8.
4	<p><b>State growth target; other state measures.</b> States that Minnesota’s growth measure compares a student’s achievement scores over time, and removes references to value-added growth measures.</p>
5	<p><b>School performance reports and public reporting.</b> Strikes the references to low, medium, and high growth.</p>
6	<p><b>PSEO Definitions.</b> Allows an opportunities industrialization center accredited by an accreditor recognized by the United States Department of Education to be an eligible institution for the Postsecondary Enrollment Options Program.</p>
7	<p><b>PSEO Dissemination of information; notification of intent to enroll.</b> Requires a school district to notify a student of PSEO opportunities by the earlier of at least three weeks before the student must register for district courses or March 1 of each year.</p>
8	<p><b>Enrollment priority.</b> Requires a postsecondary institution to allow high school students to enroll in online courses consistent with the institution’s policy.</p>
9	<p><b>Grants and financial aid prohibited.</b> Clarifies that a student may not receive state student financial aid for a postsecondary course if they receive secondary credit for that course.</p>
10	<p><b>P-TECH Aid.</b> Allows an eligible district to receive concurrent enrollment aid for a student enrolled in a P-TECH school.</p>
11	<p><b>P-TECH Schools.</b> Establishes P-TECH schools as a public-private partnership to prepare students for high-skill jobs of the future in growth industries. Establishes P-TECH objectives, application and approval process, and grant awards.</p>
12	<p><b>Minnesota Foundation for Student Organizations; creation of foundation.</b> Changes “vocational” to “career and technical” in description of student organizations.</p>

Section	Description – Article 2: Education Excellence
13	<b>Minnesota Foundation for Student Organizations; board of directors.</b> Changes “vocational” and “school-to-work” to “career and technical” in description of student organizations.
14	<b>Minnesota Foundation for Student Organizations; foundation programs.</b> Changes “vocational” and “school-to-work” to “career and technical” in description of student organizations.
15	<b>Minnesota Foundation for Student Organizations; powers and duties.</b> Changes “school-to-work” to “career and technical” in description of student organizations.
16	<b>Minnesota Foundation for Student Organizations; public funding.</b> Changes “school-to-work” to “career and technical” in description of student organizations.
17	<b>Minnesota Foundation for Student Organizations; student organizations.</b> Changes “vocational” to “career and technical” in description of student organizations.
18	<b>English learner; interrupted formal education.</b> Defines an English learner with an interrupted formal education as a student who meets at least three of the five statutory requirements (current law requires all five conditions to be met).
19	<b>Eligible pupils; graduation incentives program.</b> Allows an early middle college program to serve an English learner with an interrupted formal education who is not yet 22 years old, for fiscal years 2020 and 2021.
20	<b>American Indian education; resolution of concurrence.</b> Requires that American Indian education parent advisory committee submit reasons for nonconcurrence with educational programs for American Indian students offered by the school board directly to the board.
21	<b>Revenue amount; tribal contract aid.</b> Increases the tribal contract aid amount for fiscal years 2020 and later to the 2019 amount, adjusted for growth in the general education basic formula allowance. Under current law the allowance was set at \$3,230 per pupil for fiscal years 2015 to 2019, and is set to fall back to \$1,500 per pupil for fiscal year 2020 and later. Converts \$3,230 per pupil to 51.17 percent of the basic formula allowance (this links future amounts to increases in the basic formula allowance).

Section	Description – Article 2: Education Excellence
22	<p><b>Initial achievement and integration revenue.</b> Clarifies the manner in which the administrative expenses are removed from the achievement and integration program’s funding (the program sets aside 0.3 percent of total funding for MDE administrative costs).</p>
23	<p><b>Medium and high growth.</b> Defines medium growth and high growth for purposes of the literacy incentive aid program.</p>
24	<p><b>Payments to third parties.</b> Strikes a reference to payment authority repealed in article 1.</p>
25	<p><b>Certification incentive revenue.</b> Clarifies that MDE may continue to award reimbursements to school districts where students have completed qualifying certificate programs. Extends the program’s existing funding through the end of fiscal year 2021.</p>
26	<p><b>Certificate incentive funding.</b> Cancels a portion of the 2017 appropriation to the general fund.</p>
27	<p><b>Definition.</b> Clarifies that at least one service cooperative must collaborate to provide career and technical education opportunities for the rural CTE grants established in 2017.</p>
28	<p><b>Grant recipients.</b> Authorizes rural CTE grants for consortia consisting of one or more service cooperatives.</p>
29	<p><b>Singing-based pilot program to improve student reading.</b> Cancels a portion of the fiscal year 2018 appropriation to the general fund.</p>
30	<p><b>Starbase MN.</b> Cancels the unspent fiscal year 2018 appropriation to the general fund.</p>
31	<p><b>Recovery program grants.</b> Cancels a portion of the fiscal year 2018 appropriation to the general fund.</p>
32	<p><b>Breckenridge School District; postsecondary enrollment options.</b> Allows the Breckenridge School District to enter into an agreement with an out-of-state higher education institution for the purposes of the postsecondary enrollment options program.</p>

Section	Description – Article 2: Education Excellence
33	<p><b>Report on the safety of youth in skilled trades.</b></p> <p>Directs the Commissioner of Labor and Industry to study ways to allow for the safety of middle and high school aged students who receive hands-on training in skilled trades. Directs the commissioner to report to the jobs committees and the education committees of the legislature.</p>
34	<p><b>Appropriations.</b></p> <p>See fiscal tracking sheets.</p>
35	<p><b>Repealer.</b></p> <p>(a) Repeals Minnesota Statutes, section 120B.299 (Definitions for growth model).</p> <p>(b) Repeals Laws 2016, chapter 189, article 25, section 62, subdivision 16 (vision therapy grants).</p>

### Article 3: Teachers

Codifies the collaborative urban educator program and modifies teacher mentoring grant program. Modifies American Indian teacher grant requirements. Requires teacher candidate training on dyslexia.

Section	Description – Article 3: Teachers
1	<p><b>Public employer compensation reduction prohibited.</b></p> <p>Prohibits the public employer of a Professional Educator Licensing and Standards Board member from reducing the member’s compensation or benefits because of the member’s absence from employment when engaging in board business.</p>
2	<p><b>Reading strategies.</b></p> <p>Requires a teacher preparation program for elementary education teachers to include scientifically based or evidence based and structured reading instruction. Requires programs preparing elementary education, early childhood education, special education, and reading intervention teachers to include instruction on dyslexia. The instruction on dyslexia must address:</p> <ol style="list-style-type: none"> <li>1. The nature and symptoms of dyslexia;</li> <li>2. Resources available for students who show characteristics of dyslexia;</li> <li>3. Evidence-based instructional strategies for students who show characteristics of dyslexia; and</li> <li>4. Outcomes of intervention and lack of intervention for students who show characteristics of dyslexia.</li> </ol>



Section	Description – Article 3: Teachers
3	<p><b>Technology strategies.</b> Makes reading strategies requirement applicable to all program providers.</p>
4	<p><b>Validity of certificates or licenses.</b> Strikes language regarding the extension of licenses in effect on January 1, 2018.</p>
5	<p><b>Background check account.</b> Eliminates obsolete reference to Department of Education. Eliminates requirement that background check be performed by Bureau of Criminal Apprehension (BCA).</p>
6	<p><b>Temporary military license.</b> Modifies license fee.</p>
7	<p><b>Background checks.</b> Requires background check fees to be deposited in an account in the special revenue fund.</p>
8	<p><b>Licensure via portfolio.</b> Clarifies the fee paid by a teacher candidate seeking licensure via portfolio.</p>
9	<p><b>Mandatory reporting.</b> Adds a superintendent, charter school board, charter school executive director, and charter school authorizer to mandatory reporting statute.</p>
10	<p><b>Teachers and administrators; licenses; fees.</b> Requires a teacher candidate seeking a license via portfolio to pay an application fee to be deposited in the special revenue fund.</p>
11	<p><b>Grants to prepare Indian teachers; establishment.</b> Requires grantees to enter into contracts with tribal, technical, and community colleges and four-year postsecondary institutions to identify and provide grants to students interested in the field of education. Allows a grantee to contract with partner institutions to provide professional development and supplemental services to a tribal, technical, or community college or four-year postsecondary institution.</p>
12	<p><b>Grants to prepare Indian teachers; grant amount.</b> Removes student loans from list of allowable uses for grants.</p>

- 13 **Grants to prepare Indian teachers; information to student applicants.**  
Makes technical change corresponding to removal of student loans from list of allowable uses for grants. Requires that information provided to student applicants be acquired and updated by contract partner institutions of recipients.
- 14 **Grants to prepare Indian teachers; eligibility for scholarships.**  
Amends eligibility for scholarships. Requires an applicant to have origins in any of the original peoples of North America and maintain cultural identification through tribal affiliation or community recognition. Expands eligibility to include students or employees of contracted partner institutions. Eliminates language related to student loans. Establishes priority for a student who is tribally enrolled and then to first- and second-generation descendants.
- 15 **Grants to prepare Indian teachers; eligible programming.**  
Requires grantee institutions and contracted partner institutions to provide scholarships to students progressing toward educational goals in any area of licensure, including a degree in listed areas. Requires grantees or their contracted partner institutions to hire an American Indian work-study student or other American Indian staff to work on recruitment. Requires at least 80 percent of grants to be used for student scholarships, and no more than 20 percent to be used for recruitment or administration.
- 16 **Collaborative urban and greater Minnesota educators of color grant program.**  
**Subd. 1. Establishment.** Requires PELSB to award competitive grants to increase the number of teacher candidates who are of color or American Indian and meet the requirements for a Tier 3 license.  
**Subd. 2. Competitive grants.** Sets criteria for grants. Requires board to give priority to past recipients that have been successful.  
**Subd. 3. Grant program administration.** Allows PELSB to enter into an agreement with the OHE to establish and administer the grant process. Allows grant money to be used over a two- to four-year period.  
**Subd. 4. Report.** Requires a recipient to report to the legislature and the board on the use of funds and outcomes. Requires board to report to the public a summary of activities, outcomes, and sharing of effective practices.
- 17 **Teacher mentorship and retention of effective teachers.**  
**Subd. 1. Teacher mentoring, induction, and retention programs.**  
Encourages school districts to develop mentoring programs for teachers who are American Indian or in license shortage areas. Requires teacher mentoring programs to be aligned with existing teacher evaluation and peer review processes. Allows a district to use staff development revenue to pay

Section Description – Article 3: Teachers

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a stipend to a mentor, and for certain other activities. Allows achievement and integration funding for mentoring activities. Requires schools or districts to negotiate additional retention strategies or protection from layoffs for teachers of color or teachers who are American Indian.

**Subd. 2. Applications.** Allows a coalition of schools, teachers, or nonlicensed educators to apply for grant funds. Requires approved applications to reflect professional development and retention components, to the extent practicable.

**Subd. 3. Criteria for selection.** Adds a commitment to retain teachers who are American Indian as grant criteria.

**Subd. 6. Report.** Requires recipients to report to PELSB on program efforts and impacts.

18 **PSEO Courses according to agreements.**

Clarifies the definition of eligible institution. Requires districts and postsecondary institutions offering “introduction to teaching” dual-credit courses to report on certain enrollment demographics.

19 **Maltreatment of minors; duties of local welfare agency and local law enforcement agency upon receipt of report; mandatory notification between police or sheriff and agency.**

Requires law enforcement to inform PELSB or BOSA after determining a board’s licensee has physically abused, sexually abused, or neglected a child.

20 **Maltreatment of minors; records.**

Requires the commissioner of education to provide the investigative file in a determination of maltreatment involving a board licensee to the licensing entity with student identifying information removed.

21 **Northwest regional partnership concurrent enrollment program.**

Cancels a portion of the fiscal year 2017 appropriation to the general fund.

22 **Statewide concurrent enrollment teacher training program.**

Cancels a portion of the 2018/2019 appropriation to the general fund.

23 **Appropriations; PELSB.**

See fiscal tracking sheets.

24 **Appropriations; MDE.**

See fiscal tracking sheets.

Section Description – Article 3: Teachers

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- 25 **Revisor instruction.**  
Directs the revisor to codify the statewide concurrent enrollment teacher training program.
- 26 **Repealer.**  
Repeals sections:
- 122A.63, subdivisions 7 and 8 – American Indian teacher preparation loan provisions;
  - Laws 2017, First Special Session chapter 5, article 11, section 6 – special revenue account for license via portfolio fees

**Article 4: Special Education**

Modifies the special education formula and prior written notice requirements.

Section Description – Article 4: Special Education

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- 1 **Special education aid.**  
Adjusts the general education revenue for a charter school student equal to 5 percent in fiscal year 2020 and 10 percent in fiscal year 2021 and later, of the unreimbursed cost of providing special education services to the student.
- 2 **Alternative dispute resolution; additional requirements for prior written notice.**  
Requires the prior written notice to state that a parent who objects to a proposal or refusal in the notice may identify the specific part of the proposal or refusal the parent objects to and request a meeting with appropriate members of the IEP team.
- 3 **Alternative dispute resolution; conciliation conference.**  
Requires a district to have a meeting of appropriate members of the IEP team when a parent who objects to a proposal requests the meeting. Requires a district to hold a conciliation conference within ten calendar days of when the district receives the parent's request for the conference, rather than from when the district receives the parent's objection to a proposal or refusal in the prior written notice.
- 4 **Nonresident tuition rate; other costs.**  
Excludes cross subsidy reduction aid from the calculation of special education aid adjustments to the resident school district.

Section Description – Article 4: Special Education

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- 5 **Definitions; special education aid.**  
Defines the initial special education cross subsidy in statute. Defines “minimum aid adjustment multiplier” as 1.046 for fiscal year 2020 and as the greater of 1.02 or the multiplier for the previous year less .002. Defines a metro region and a rural region for purposes of calculating special education regional equity aid.
- 6 **Special education aid.**  
Includes cross subsidy aid in the definition of special education aid. Limits a district’s special education aid to the greater of:
1. the sum of: (i) 90 percent for fiscal year 2020, 85 percent for fiscal year 2021, and 80 percent for fiscal year 2022, and 75 percent for fiscal year 2023 and later, of the districts nonfederal expenditures; (ii) 100 percent of the district’s cost of providing transportation services for children with disabilities; and (iii) the enrollment options adjustments; or
  2. the district’s fiscal year 2016 special education aid amount adjusted for changes in enrollment and by 4.6 percent per year.
- Creates a new minimum aid amount.
- 7 **Cross subsidy aid.**  
Creates a new category of special education aid called cross subsidy reduction aid. Sets the aid amount equal to 4.3 percent of the unreimbursed cross subsidy for fiscal year 2020 and 8.6 percent of the cross subsidy for fiscal year 2021 and later.
- 8 **Alternative attendance programs.**  
Reduces the portion of unreimbursed special education costs billed back to the district of residence from 90 percent to 80 percent in fiscal year 2020 and 70 percent for fiscal years 2021 and later.
- 9 **Individualized education program; rule amendment.**  
Requires the commissioner of education to amend rule to allow but not require an individualized education program to report a student’s performance on general state or districtwide assessments.
- 10 **Appropriations.**  
See fiscal tracking sheets.

**Article 5: Health and Safety**

Modifies maltreatment investigation requirements. Allows students to possess and use sunscreen. Provides safe schools supplemental aid contingent on general fund balance at the close of fiscal year 2019.

Section Description – Article 5: Health and Safety

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- 1 **Mental health education.**  
Requires the Commissioner of Education to provide districts with mental health resources, including resources on suicide and self-harm prevention, intended for students beginning in grade four.
- 2 **Possession and use of sunscreen.**  
Allows a student to have and use sunscreen at school or school events without a prescription or note from a health professional. A school employee is not required to provide sunscreen or help apply sunscreen to a student.
- 3 **Reporting of maltreatment of minors; definitions.**  
Modifies definition of “sexual abuse” to include solicitation of children to engage in sexual conduct and communication of sexually explicit materials to children.
- 4 **Agency responsible for assessing or investigating reports of maltreatment.**  
Requires the department to investigate allegations of maltreatment involving students ages 18 to 21 until graduation.
- 5 **Contingent transfer of funds; school safety.**  
Makes a one-time contingent appropriation of up to \$30 million from any closing balance at the end of fiscal year 2019 in excess of the end-of-session forecasted estimates. Distributes this money to school districts and charter schools on a per pupil basis for school safety purposes.
- 6 **Appropriations.**  
See fiscal tracking sheets.

**Article 6: Facilities, Fund Transfers, and Accounting**

Modifies testing requirements for lead in school drinking water. Authorizes fund transfers.

Section Description – Article 6: Facilities, Fund Transfers, and Accounting

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- 1 **Lead in school drinking water; frequency of testing.**  
Adds charter schools to testing requirements. Requires a school district or charter school that finds lead in cooking or drinking water to formulate, make publicly available, and implement a plan consistent with established guidelines and recommendations to ensure student exposure to lead is minimized.

Section Description – Article 6: Facilities, Fund Transfers, and Accounting

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- 2        **Reporting.**  
Adds charter schools to reporting requirement. Requires districts and charter schools to follow actions in guidance from the Commissioners of Health and Education. Requires districts and charter schools to remediate the presence of lead to below the level set in the guidance, verified by retest, or directly notify parents of the result. Requires a district or charter school to make the water source unavailable until the hazard has been minimized.
- 3        **Disposing of surplus school computers.**  
In addition to authority available under current law to transfer surplus school computers to another school district, the state Department of Corrections, the Minnesota State system, or a family in the school district whose income is at or below the federal poverty level, authorizes a school district to transfer a computer to a charitable nonprofit registered with the attorney general’s office, or to sell or give a surplus computer to currently-enrolled district students who intend to enroll the following year. Requires the district to give priority to those students eligible for free or reduced-price meals and distribute the remaining computers by lottery.
- 4        **Energy use reduction and reporting for public schools.**  
Requires a public school or school district to enter and maintain monthly consumption data into the Minnesota B3 benchmarking program for each school building. States that a school or district must not be penalized for failure to do so.
- 5        **Agreement; service cooperatives.**  
Adds Service Cooperatives to the definition of governmental unit for the purposes of joint powers. Service Cooperatives are made up of “governmental units” as defined in the joint powers act.
- 6        **Fund transfers.**  
      **Subd. 1. Truman.** Authorizes the Truman school district to transfer up to \$65,000 from its early childhood and family education reserve account and \$45,000 from its school readiness reserve account in the community service fund to its undesignated general fund.  
      **Subd. 2. Minnetonka.** Authorizes the Minnetonka school district to transfer up to \$3.3 million from its community education reserve account to its reserved for operating capital account for the construction costs associated with the district’s early childhood or community education spaces.  
      **Subd. 3. Hopkins.** Authorizes the Hopkins school district to transfer up to \$500,000 from its community education reserve account to the reserved operating capital account in its general fund for the costs of constructing and equipping an early childhood classroom addition.

Section Description – Article 6: Facilities, Fund Transfers, and Accounting

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- 7        **Appropriations.**  
See fiscal tracking sheets.

**Article 7: Nutrition and Libraries**

Appropriates funds for nutrition and library programs.

Section Description – Article 7: Nutrition and Libraries

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- 1        **Appropriations.**  
See fiscal tracking sheets.

**Article 8: Early Childhood**

Maintains the Laws 2017 increase in the number of participant seats for the voluntary prekindergarten program for fiscal years 2020 and 2021. Establishes an early learning scholarship account in the special revenue fund.

Section Description – Article 8: Early Childhood

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- 1        **Program requirements.**  
Clarifies that the cognitive and social skills formative measure administered to prekindergarten pupils under a voluntary prekindergarten program must be age-appropriate.
- 2        **Voluntary prekindergarten; eligibility.**  
Clarifies that an eligible four-year-old child served in a mixed-delivery system by a child care center, family child care program, or community-based organization may be charged a fee as long as the mixed delivery partner was not awarded a mixed-delivery funded seat for that child.
- 3        **Participation limits; VPK/school readiness plus.**  
Extends the increased participation limit for voluntary prekindergarten and school readiness plus for fiscal years 2020 and 2021 only.
- 4        **Financial accounting.**  
Requires a school district or charter school to record expenditures attributable to voluntary prekindergarten programs according to department guidelines.



Section	Description – Article 8: Early Childhood
5	<p><b>Early learning scholarship account.</b> Creates an early learning scholarship account in the special revenue fund. Transfers all appropriations for early learning scholarships into this account, and annually appropriates the money to the commissioner of education for early learning scholarships. Allows for carryforward of unspent dollars, so that appropriations do not cancel to the general fund. Makes \$950,000 annually available to the department for administrative costs of the early learning scholarships program.</p>
6	<p><b>Pupil units.</b> Continues the school readiness plus program for two more years.</p>
7	<p><b>Compensation revenue pupil units.</b> Modifies the calculation of a district’s FY 2022 compensatory revenue to account for the scheduled decrease in the prekindergarten programs participation limit.</p>
8	<p><b>Declining enrollment revenue.</b> Modifies the calculation of a district’s FY 2022 declining enrollment revenue to account for the scheduled decrease in the prekindergarten programs participation limit.</p>
9	<p><b>Background study; tribal organizations.</b> Authorizes tribal organizations to contract with the commissioner of human services to conduct background studies of individuals affiliated with a child care program sponsored, managed, or licensed by a tribal organization.</p>
10	<p><b>Background study; Head Start programs.</b> Authorizes Head Start programs to contract with the commissioner of human services for background studies. Exempts a Head Start program that does not contract with the commissioner, is not licensed, and is not registered for funding under chapter 119B from chapter 245C.</p>
11	<p><b>Effective date; school readiness plus.</b> Eliminates the effective date that sunsets the school readiness plus pupil unit calculations (other sections limit the program to fiscal years 2020 and 2021 only).</p>
12	<p><b>Early learning scholarships.</b> Cancels a portion of the 2019 appropriation for the early learning scholarship program (this amount is expected to go unused in 2019).</p>
13	<p><b>Appropriations.</b> See fiscal tracking sheets.</p>

## Article 9: Community Education and Lifelong Learning

Modifies the requirements that receive education partnership funding. Funds high school equivalency test fees at 100 percent for fiscal years 2020 and 2021.

Section	Description – Article 9: Community Education and Lifelong Learning
1	<b>Commissioner-selected high school equivalency test fees.</b> Requires the commissioner to pay the full fee for a high school equivalency test, rather than only 60 percent of the fee, for fiscal years 2020 and 2021.
2	<b>Administration; design.</b> Adds to the list of positive characteristics of qualifying partnerships to include: collecting and utilizing data to improve student outcomes, sharing disaggregated performance data, employing continuous improvement processes, and demonstrating an ability to leverage nonstate funds.
3	<b>Appropriations.</b> See fiscal tracking sheets.

## Article 10: State Agencies

Eliminates the PELSB and BOSA special revenue fund.

Section	Description – Article 10: State Agencies
1	<b>Fee.</b> Increases school administrator's fees from \$75 to \$100. Requires administrator license fees to be deposited in the general fund.
2	<b>Licensure applications.</b> Requires teacher licensure application fees to be deposited in the state general fund.
3	<b>Transfers.</b> <b>Subd. 1. Portfolio account.</b> Removes the commissioner of management and budget's authority to transfer any balances in the education licensure portfolio account in the general fund to the educator licensure account in the special revenue fund. <b>Subd. 2. Background check.</b> Transfers any unspent balances in any account for teacher licensure background check fees to the general fund.

Section	Description – Article 10: State Agencies
4	<p><b>Department.</b></p> <p>Strikes language for the Board of School Administrators directing future appropriations to be made from the special revenue fund. Cancels \$2.5 million from the fiscal years 2018-2019 to the Department of Education for legal fees.</p>
5	<p><b>2018-2019 appropriation; Perpich Center.</b></p> <p>Cancels \$800,000 of the Perpich Center appropriation for the 2018-2019 biennium.</p>
6	<p><b>Appropriations; Department of Education.</b></p> <p>Establishes the agency’s budget. See fiscal tracking sheets.</p>
7	<p><b>Appropriations; Minnesota State Academies.</b></p> <p>Establishes the agency’s budget. See fiscal tracking sheets.</p>
8	<p><b>Appropriations; Perpich Center for Arts Education.</b></p> <p>Establishes the agency’s budget. See fiscal tracking sheets.</p>
9	<p><b>Appropriations; Professional Educator Licensing and Standards Board.</b></p> <p>Establishes the board’s budget. See fiscal tracking sheets.</p>
10	<p><b>Repealer.</b></p> <p>(a) Repeals Laws 2017, First Special Session chapter 5, article 11, sections 1, 3, 4, 6, and 7 (this would eliminate the special revenue fund and keep PELSB and BOSA on state general fund appropriations) – a reference to the educator licensure background check account in the special revenue fund which would be effective on July 1, 2019.</p> <p>(b) Repeals Minnesota Statutes, section 122A.175, the special revenue fund accounts for educator licensure and background check fee revenue.</p>

**Article 11: Forecast adjustments**

Amends the forecasted appropriations for FY 2019 to conform with the February 2019 budget forecast.

